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Jenscare Scientific Co., Ltd.
寧波健世科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9877)

**(1) PROPOSED ISSUE OF A SHARES AND LISTING ON
THE STAR MARKET AND OTHER ANCILLARY RESOLUTIONS;
(2) PROPOSED AMENDMENTS TO THE ARTICLES PURSUANT TO
THE TRIAL MEASURES
(3) PROPOSED AMENDMENTS TO THE ARTICLES ANCILLARY TO
THE PROPOSED ISSUE OF A SHARES;
AND
(4) NOTICE OF EGM AND CLASS MEETINGS**

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

A notice convening the EGM and notices of Class Meetings of the Company to be held at Meeting Room, 3/F, Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC on Monday, May 15, 2023 at 2:00 p.m. is set out on pages 430 to 454 of this circular.

A form of proxy for use at the EGM and Class Meetings is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.jenscare.com). If you are not able to attend the EGM and Class Meetings, please complete and return the form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the EGM and Class Meetings or any adjournment thereof, and deposit it together with the notarized power of attorney or other document of authorization to (i) the Company's headquarters in the PRC at Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC (for holders of Unlisted Shares); or (ii) the H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares).

Completion and return of the form of proxy will not preclude you from attending and voting at the EGM and Class Meetings should you so wish and in such event, the proxy shall be deemed to be revoked.

Reference to times and dates in this circular are to Hong Kong local times and dates.

April 14, 2023

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DEFINITIONS

In this circular, the following expression shall have the meanings set out below unless the context requires otherwise:

“A Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each in the share capital of the Company proposed to be allotted, issued and listed on the STAR Market
“Articles of Association” or “Articles”	the articles of association of the Company, as amended from time to time
“Board of Directors” or “Board”	the board of Directors of the Company
“China” or the “PRC”	the People’s Republic of China, for the purpose of this circular, excluding the regions of Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Class Meetings”	The 2023 first class meeting of holders of H Shares and the 2023 first class meeting of holders of Domestic Shares and Unlisted Foreign Shares to be held, the notices of which are set out in pages 439 to 454 of this circular
“Company”	Jenscare Scientific Co., Ltd. (寧波健世科技股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 9877)
“Core Products”	has the meaning ascribed to it in Chapter 18A of the Listing Rules; for the purposes of this circular, our Core Products refer to LuX-Valve and Ken-Valve
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded in any stock exchange
“Domestic Shareholder(s)”	holder of the Domestic Shares

DEFINITIONS

“EGM”	the 2023 first extraordinary general meeting of the Company to be held, the notice of which is set out in pages 430 to 438 of this circular
“Global Offering”	as defined in the Prospectus
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange
“H Shareholder(s)”	holders of the H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	April 13, 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Proposed Issue of A Shares”, “Issue of A Shares” or “Issue”	the proposed initial public issue of not more than 73,617,757 A Shares, which will be listed on the STAR Market
“Prospectus”	the prospectus of the Company dated September 23, 2022
“R&D”	research and development
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising Domestic Share(s), Unlisted Foreign Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Shares

DEFINITIONS

“STAR Market”	The Science and Technology Innovation Board of the Shanghai Stock Exchange
“State Council”	the State Council of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Track Record Period”	the three years ended December 31, 2020, 2021 and 2022
“Trial Measures”	the Trial Administrative Measures of Overseas Securities 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》) issued by the CSRC on February 17, 2023 and came into effect on March 31, 2023
“Unlisted Foreign Share(s)”	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid for in currency other than RMB by foreign investors and are not listed on any stock exchange
“Unlisted Share(s)”	Domestic Shares and Unlisted Foreign Shares

LETTER FROM THE BOARD



Jenscare Scientific Co., Ltd.

寧波健世科技股份有限公司

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

(Stock code: 9877)

Executive Directors:

Mr. LV Shiwen (*Chairman*)

Mr. PAN Fei

Non-executive Directors:

Mr. TAN Ching

Mr. ZHENG Jiaqi

Ms. XIE Youpei

Mr. CHEN Xinxing

Independent Non-executive Directors:

Dr. LIN Shoukang

Ms. DU Jiliu

Dr. MEI Lehe

Registered office, headquarters and

principal place of business in the PRC:

Block 5, B Area,

No. 777 Binhai 4th Road,

Hangzhou Bay New Area,

Ningbo, Zhejiang Province,

PRC

Principal place of business in

Hong Kong:

40/F, Dah Sing Financial Centre,

No. 248 Queen's Road East,

Wanchai,

Hong Kong

April 14, 2023

To the Shareholders:

Dear Sir/Madam,

- (1) PROPOSED ISSUE OF A SHARES AND LISTING ON
THE STAR MARKET AND OTHER ANCILLARY RESOLUTIONS;
(2) PROPOSED AMENDMENTS TO THE ARTICLES PURSUANT TO
THE TRIAL MEASURES
(3) PROPOSED AMENDMENTS TO THE ARTICLES ANCILLARY TO
THE PROPOSED ISSUE OF A SHARES;
AND
(4) NOTICE OF EGM AND CLASS MEETINGS**

I. INTRODUCTION

Reference is made to the Company's announcement dated April 14, 2023 in relation to, among others, the Proposed Issue of A Shares and proposed amendments to the Articles.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with the Notice of the EGM, the Notices of the Class Meetings and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM and the Class Meetings.

II. DETAILS OF THE RESOLUTIONS

1. Proposed Issue of A Shares

The Company proposed to apply to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 73,617,757 A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option) and proposed to apply to the Shanghai Stock Exchange for the listing of, and permission to deal in, the A Shares on the STAR Market.

The Issue of A Shares will be subject to, among other things, the approval by the Shareholders by way of special resolutions at the EGM and the Class Meetings, as well as the approvals by the CSRC and the Shanghai Stock Exchange.

If the Issue of A Shares as set out in resolutions 1 (i) to (xiii) of the Notice of the EGM and resolutions 1 (i) to (xiii) of the Notices of the Class Meetings is not approved by the Shareholders, the Issue of A Shares will not proceed, and the ancillary matters as set out in resolutions 2 to 8 and 10 to 12 of the Notice of the EGM and resolutions 2 to 8 and 10 to 12 of the Notices of the Class Meetings will also not proceed.

Details of the Issue of A Shares

(1) *Class of new Shares to be issued*

Ordinary Shares with a nominal value of RMB1.00 each (A Shares).

(2) *Place of listing*

All A Shares will be listed and traded on the STAR Market.

(3) *Nominal value of new Shares to be issued*

RMB1.00 each.

(4) *Issue size*

The Company proposes to issue not more than 73,617,757 new A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option), representing approximately 17.65% of the issued share capital of the Company as of the Latest Practicable Date, and approximately 15.00% of the enlarged issued share capital upon completion of the Issue of A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option). The Issue of A Shares only involves issue of new Shares, and will not

LETTER FROM THE BOARD

involve sale of Shares by existing Shareholders. The total number of A Shares to be issued under the over-allotment option shall not exceed 15% of the Shares initially available under the Issue of A Shares. The final issue size will be determined by the Board after consultation with the lead underwriter(s) according to the authorization (if granted at the EGM and the Class Meetings), and be subject to final number of A Shares registered by the CSRC.

Please refer to “III. OTHER INFORMATION IN RELATION TO THE PROPOSED ISSUE OF A SHARES — (2) Effects of the Issue of A Shares on the Shareholding Structure of the Company” below for effects on shareholding structure.

(5) *Target subscribers*

Investors who fulfill the relevant rules and requirements relating to the STAR Market published by the Shanghai Stock Exchange and the CSRC (excluding those in respect of which subscription has been prohibited by laws, regulations and regulatory documents of the PRC).

If any of the target subscribers is a connected person of the Company, and the Company decides to allot and issue the A Shares to such target subscribers, the Company will comply with the relevant requirements, including (if applicable) reporting, announcement and independent shareholders’ approval, under the Listing Rules.

As at the Latest Practicable Date, none of the connected person(s) of the Company has indicated to the Company that he/she/it intends to participate in the subscription of the A Shares.

(6) *Method of issuance*

The Issue of A Shares will be conducted through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors, or other methods of issuance approved by the securities regulatory authorities (including but not limited to offering to strategic investors).

To the best knowledge of the Directors, there is currently no other methods of issuance other than through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors.

(7) *Pricing methodology*

The issue price for the A Shares will be determined by the Company according to the authorization (if granted at the EGM and the Class Meetings) and the lead underwriter(s) in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange.

LETTER FROM THE BOARD

Pursuant to the Implementing Rules of the Shanghai Stock Exchange for the Issuance and Underwriting Business for Initial Public Offerings of Securities (上海證券交易所首次公開發行證券發行與承銷業務實施細則), where an initial public offering of securities adopts the price inquiry method, price inquiries shall be made to professional institutional investors (such as securities firms, fund management companies, futures companies, trust companies, insurance companies, finance companies, qualified foreign institutional investors and private fund managers).

Based on the Company Law of the PRC (《中華人民共和國公司法》), the issue price of the A Shares shall not be lower than the nominal value of the Shares of the Company, i.e. RMB1.00 per Share. There is no other legal or regulatory requirements stipulating the price floor in the Issue of A Shares. As at December 31, 2022, the net asset value per share of the Company was RMB 3.76. The Company does not intend to issue the A Shares at a price lower than the latest audited net asset value per share prior to the Proposed Issue of A Shares.

(8) *Strategic placing*

The A Shares may be placed to strategic investors as part of the Issue of A Shares. The specific strategic placing plan will be determined by the Board or persons authorized by the Board according to the authorization (if granted at the EGM and the Class Meetings), the approvals by the CSRC and Shanghai Stock Exchange and the then market conditions.

As of the Latest Practicable Date, there was no discussion with any connected person of the Company in relation to strategic placing, as no specific strategic placing plan has been formed. In the event that any of the strategic investors of the Issue of A Share are or will become connected persons of the Company, the Company will comply with the relevant provisions of the Listing Rules and the relevant PRC laws, regulations and regulatory documents.

(9) *Method of underwriting*

The Issue of A Shares will be underwritten by the lead underwriter(s) by way of standby commitment.

(10) *Schedule of issuance*

The Company will proceed with the Issue within 12 months after the Shanghai Stock Exchange issues the approval opinion and CSRC approves the Issue. The Board and the lead underwriter(s) will determine the listing date for the A Shares after the CSRC agrees to the registration of the A Shares and after completion of the offering.

LETTER FROM THE BOARD

(11) *Use of proceeds*

After deducting the listing expenses, the proceeds raised by the Company from the Proposed Issue of A Shares will be used for (i) the medical device industrialization and incubation base project*, (ii) the structural heart disease medical device research and development project*, (iii) the marketing network construction project* and (iv) as supplementary working capital. For further details, please see page 11 of this circular.

(12) *Expenses in relation to the Issue of A Shares*

The Company will bear all underwriting and sponsoring fees and other expenses in relation to the Issue of A Shares, such expenses include fees of legal counsels, fees of auditors, expenses in relation to capital verification, valuation expenses, expenses arising out of information disclosure in relation to the Issue of A Shares, share registration fees, handling fees and other expenses.

(13) *Validity period of the resolutions*

The resolutions in respect of the Proposed Issue of A Shares will be valid for a period of 12 months from the date they are considered and approved at the EGM and the Class Meetings.

2. Other Resolutions related to the Issue of A Shares

If the Issue of A Shares as set out in resolutions 1 (i) to (xiii) of the Notice of the EGM and resolutions 1 (i) to (xiii) of the Notices of the Class Meetings is not approved by the Shareholders, the Issue of A Shares will not proceed, and the ancillary matters as set out in this section (i.e., resolutions 2 to 8 and 10 to 12 of the Notice of the EGM and resolutions 2 to 8 and 10 to 12 of the Notices of the Class Meetings) will not proceed.

(1) *Authorization to the Board of Directors to fully handle matters in connection with the Issue of A Shares and listing on the STAR Market*

In order to ensure the smooth progress of the relevant matters relating to the Company's Issue of A Shares and listing on the STAR Market, a special resolution will be proposed at the EGM and the Class Meetings to authorize the Board of Directors to fully handle the relevant matters in connection with

*Note: Final names of the projects shall be based upon names approved by or filed with (if required) the government authorities.

LETTER FROM THE BOARD

the Issue of A Shares and listing on the STAR Market. The authorization proposed to be granted to the Board shall include without limitation:

- (a) The formulation and implementation of the specific proposals for this issuance, including but not limited to specific matters such as issue size, target subscribers, method of issuance, timing of issuance, pricing methodology, issue price and method of subscription in accordance with laws and regulations, the relevant requirements of securities regulatory authorities and the securities market conditions, and within the framework and in accordance with the principles adopted by the Shareholders at the EGM and the Class Meetings.
- (b) The performance of all procedures relating to the Proposed Issue of A Shares and listing on the STAR Market, including the procedures relating to registration, approval, review, filing with the relevant regulatory authorities, and to sign, execute, amend and complete all necessary documents to be submitted to the government, authority and organization.
- (c) The preparation, amendment, signing, submission, publication, disclosure, implementation, suspension and termination of all agreements, contracts, announcement or other documents relating to this issuance and listing (including but not limited to the prospectus for the Issue of A Shares and listing on the STAR Market, relevant agreements for related party transactions, sponsoring agreement, underwriting agreement, strategic placement agreements, listing agreement, engagement agreements of intermediaries), the engagement of sponsor(s), underwriter(s), legal adviser(s), auditing firm(s), asset valuer(s), receiving bank(s) and other in involved intermediaries this issuance and listing, and the determination and payment of all expenses relating to this issuance and listing.
- (d) The necessary supplement and amendment to the Articles ancillary to the Proposed Issue of A Shares (draft) and the internal management policies of the Company, the "Three-Year Plan for Stabilization of Price of Shares after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.", the "Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.", the "Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the

LETTER FROM THE BOARD

Immediate Return”, and other application documents and undertakings by the Company according to the applicable laws and regulations, requirements and suggestions of the relevant securities regulatory authorities or according to the actual conditions of this issuance.

- (e) The appropriate adjustments to be made to the relevant matters of the investment projects funded by the proceeds raised according to the implementation process of this issuance and listing, market conditions, policy adjustments and comments of the relevant securities regulatory authorities, including but not limited to the confirmation of the process of the investment projects, the allocation of funds when applying the proceeds raised, the confirmation of a special deposit account for the proceeds raised, etc., so long as such adjustments comply with applicable laws.
- (f) According to the implementation process of this issuance, handling the matters of registration and filing of change in registered capital with the Administration for Market Regulation (市場監督管理局) and relevant regulatory authorities, handling the matters of listing of the A Shares on the Shanghai Stock Exchange and settlement of shareholdings at the China Securities Depository and Clearing Co., Ltd. (including but not limited to the registration, circulation and lock-up of shares).
- (g) To the extent permitted by relevant laws, regulations and regulatory documents, the handling of other matters considered to be necessary, desirable or appropriate for this issuance and listing.

Upon approval of the above authorization, (i) the Board of Directors may authorize the Chairman of the Board of Directors and the chief financial officer of the Company to execute all legal documents related to this issuance and listing, including but not limited to the listing documents, prospectus, undertakings, agreements with sponsor(s), underwriting agreements and listing agreements, etc.; and (ii) the Board of Directors may authorize relevant staff for the execution of the matters within the scope of the above authorization.

The above authorization, if approved, shall be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.

(2) *The investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis*

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis.

LETTER FROM THE BOARD

The proceeds raised by the Company from the Proposed Issue of A Shares will be used for the following projects (the “**Projects**”) after deducting the issuance expenses:

No.	Project name ⁽¹⁾	Total investment amount (in millions) (RMB)	Proposed amount from proceeds raised (in millions) (RMB)
1.	Medical device industrialization and incubation base project ⁽²⁾	567.86	500.10
2.	Structural heart disease medical device research and development project ⁽³⁾	448.51	448.51
3.	Marketing network construction project ⁽⁴⁾	204.34	204.34
4.	Supplementary working capital	350.00	350.00
	Total	<u>1,570.71</u>	<u>1,502.95</u>

Notes:

- (1) Final names of the Projects shall be based upon names approved by or filed with (if required) the government authorities.
- (2) The proceeds will be used to fund the construction of a new production base for the industrialized and large-scale production of heart disease interventional therapy devices in Hangzhou Bay New District, Ningbo (the “**Project Facility**”). The Project Facility is designed to support the acceleration of the commercialization of the Company’s products, realize the Company’s profit as soon as possible and ensure the Company’s sustainable development.

So far, the Company has obtained the environmental impact assessment (環境評估) approval for the project issued by the Ecological Environment Bureau of Ningbo Qianwan New District (寧波前灣新區生態環境局), and the Project Facility has preliminarily begun construction using the Company’s own funds, which did not involve the proceeds received from the Global Offering. The project commenced in September 2022 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (3) The proceeds will be used to fund the research and development of products for the treatment of tricuspid valve disease, aortic valve disease, mitral valve disease and heart failure. The research and development will be conducted mainly by clinical trials and animal trials in the PRC and in the European Union, with the aim of completing the formal clinical trials and obtaining domestic registration certificates and CE certification and accelerating commercialization of the related products. The proceeds will also be used to fund the technical development of polymer valves and other structural heart diseases devices, to provide technical support for the research and development and upgrade of related products for the treatment of tricuspid valve disease and aortic valve disease. The results of the research will accelerate the process of product launch and commercialization and help the Company to build a full range of differentiated product pipelines. It will also improve the Company’s independent innovation capabilities, strengthen its technical capabilities and help the Company to achieve performance growth and sustainable development.

The project will commence in May 2023 and the duration is around four years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

LETTER FROM THE BOARD

- (4) The proceeds will be used to fund the construction of around 10 marketing outlets in various regions in the PRC by relying on domestic partnered hospitals, the construction of four marketing outlets in key overseas cities, conduct market education and establish a market image through academic conferences and other methods. The project is designed to expand the Company's market influence, promote the sales of the Company's products, and improve product accessibility.

The project will commence in January 2024 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

Before the proceeds raised from the Issue of A Shares are in place, the Company may make an initial investment with its own funds according to the needs of the Projects. The Company will use the proceeds from the Issue of A Shares for the Projects. The implementation of these Projects will be kept separate from the intended use of net proceeds from the H Shares offering as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. After the proceeds raised are in place, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

In terms of the deposit of proceeds, the Company has formulated the "Management Policies for Raised Proceeds", which stipulates the deposit, usage, management and relevant disclosure of information of raised proceeds, which will be effective immediately after the listing on the STAR Market. The Company will strictly follow the relevant rules under the "Management Policies for Raised Proceeds" and deposit the proceeds raised from the Global Offering and the Issue of A Shares into separate and specific accounts designated by the Board of Directors for centralized management so that the proceeds can be distinguished effectively. The Company will use the proceeds for its designated purposes, and accept the supervision of the securities regulatory authorities, stock exchange, sponsor, and escrow bank.

In terms of the use of proceeds, the proceeds raised from the Issue of A Shares are used differently from those raised from the Global Offering. The proceeds raised from the Global Offering are mainly invested in (i) the research and development, manufacturing and commercialization of the Core Products, (ii) the research and development, clinical trials and product registration of other product candidates in the pipeline, including LuX-Valve Plus, KenFlex and Jensclip, and (iii) working capital and general corporate purposes. The proceeds raised from the Issue of A Shares are invested in (i) medical device industrialization and incubation base project of the Company, (ii) the structural heart disease medical device research and development project, (iii) the marketing network construction projects and (iv) supplementary working capital.

In terms of marketing network construction, the marketing network funded by the proceeds raised from the Global Offering only covers (i) the compensation of employees related to the commercialization of Core Products from January 1, 2023 to December 31, 2024 and (ii) the investigator-initiated clinical trials of the Core Products with a five-year follow-up period. The marketing network construction project to be funded by the proceeds raised from the Issue of A Shares includes the following parts: (i) site fees and equipment purchases, including in relation to domestic and overseas offices,

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product display and teaching site rental expenses, renovation fees, office equipment and transportation tools; (ii) marketing and promotion, including expenses for marketing and promotion through academic or self-organized conferences, academic training, and live surgeries; (iii) sales and marketing related staff salaries from January 1, 2025, including the staff salaries of the medical department, marketing department, sales department, and overseas affairs department. There is no overlap between the marketing network funded by the proceeds raised from the Issue of A Shares and the marketing network funded by the proceeds raised from the Global Offering.

In terms of structural heart disease medical device research and development projects, the proceeds raised from the Issue of A Shares are used for the research and development of LuX-Valve Plus, KenFlex, JensTClip, JensClip, JensFlag, JensCloop, JensRelive, MicroFlux and AlginSys. For Projects which overlap with products addressed by the intended use of proceeds raised from the Global Offering, namely LuX-Valve Plus, KenFlex and JensClip (the “**Overlapping Products**”), the clinical-trial related expenses which will be funded by the proceeds raised from the Global Offering are contract research organization (CRO) expenses, electronic data capture system (EDC) expenses, statistical expenses, and Corelab expenses. As disclosed in the annual results announcement for the year ended December 31, 2022 dated March 31, 2023, it is expected that the proceeds raised from the Global Offering that are allocated for the research and development activities of the Overlapping Products will be used up by December 31, 2024. However, it is expected that the research and development activities for the Overlapping Products will continue until their expected commercialization in 2025. Therefore, in order to supplement the proceeds raised from the Global Offering, which are insufficient to cover all research and development expenses of the Overlapping Products, certain clinical-trial related expenses, including payment of clinical centers, site management organization (SMO) expenses, recruitment fees, inspection fees, insurance premiums, animal testing related expenses for clinical needs, surgical live streaming fees, clinical equipment material costs, and travel expenses for clinical trials are currently funded by the internal resources of the Company. After the proceeds raised from the Issue of A Shares are in place, the Company can replace such internal resources with the proceeds raised from the Issue of A Shares, thereby freeing up the internal resources for other uses.

After the proceeds raised from the Issue of A Shares are in place, if the proceeds raised from this issuance cannot meet the capital requirements of the above proposed Projects, the Company will adjust and finalize the priority of the Projects and the specific investment amount of each Project based on the actual net proceeds raised from the Issue of A Shares, and the shortfall shall be covered by the Company with its own raised funds, bank borrowings and secondary placings. If the proceeds raised from this issuance exceeds the capital requirements of the above Projects, the surplus amount will be mainly used to supplement working capital and other projects relating to the main business.

If the Proposed Issue of A Shares does not proceed, the Projects may be negatively impacted. For instance, without the proceeds from the Proposed Issue of A Shares, the Company may need to finance its investment with cash balance and cash from operating activities through future commercialization of the Group’s pipeline products and bank borrowings, and thereby reducing

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the cashflow available and/or increasing the gearing ratio of the Company. However, the failure to proceed with the Proposed Issue of A Shares is not expected to cause any material adverse impact to the operations and the financial positions of the Company as the Company has obtained sufficient funds to support its operations and working capital in the near term as a result of the proceeds obtained from the Global Offering, and the Company may seek further funding by way of other financing means. If the Proposed Issue of A Shares does not proceed, the Company will continue to proceed with the Projects and if further funding is required, the Company may raise funds by taking out bank loans, conducting placement of Shares or debt financing, etc..

The Company believes that there are good prospects for Projects which are complementary to the current businesses of the Company. The Projects are also in line with the relevant national policies, environmental policies and other relevant laws and regulations. The Projects and amounts of proceeds are appropriate for the current business size, financial status, technology standard and management capability of the Company. The proposed use of proceeds are in the interests of the Company and the Shareholders as a whole and are feasible.

(3) *Proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares and Listing on the STAR Market*

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares. Details are as follows:

As at the Latest Practicable Date, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit or uncovered losses before the Issue of A Shares and listing on the STAR Market, it is proposed that the new and existing Shareholders shall share such profit or bear such losses in proportion to their respective shareholdings after the Issue of A Shares and listing on the STAR Market.

(4) *The three-year share price stabilization plan after the Company's initial public offering of A Shares and the listing on the STAR Market*

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the "Three-Year Plan for Stabilization of Price of Shares after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.". Full text of the plan is set out in Appendix I to this circular.

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(5) *The three-year dividend return plan for Shareholders after the Company's initial public offering of A Shares and listing on the STAR Market*

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the "Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.". Full text of the plan is set out in Appendix II to this circular.

(6) *The analysis on the impact of dilution on immediate return by the Company's initial public offering of A Shares and adoption of remedial measures*

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve "Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the Immediate Return of Jenscare Scientific Co., Ltd.".

In order to protect the interests of minority shareholders, the Company has conducted sufficient analysis on the impact of dilution on immediate return by the Issue of A Shares and has formulated the "Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the Immediate Return of Jenscare Scientific Co., Ltd.". Full text of the analysis and proposed remedial measures are set out in Appendix III to this circular.

(7) *Undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the STAR Market*

A special resolution will be proposed at the EGM and the Class Meetings to consider and approve the undertakings and restraining measures relating to the Issue of A Shares and listing on the STAR Market, and to authorize the Board to make appropriate undertakings for the purpose of the Issue of A Shares in accordance with the laws, regulations and regulatory documents of the PRC, the relevant regulations and policies of the securities regulatory departments, and combining the review for listing on the STAR Market in practice and the actual situation of the Company.

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Details of the undertakings and restraining measures are as follows:

- (a) *Undertakings on the Truthfulness, Accuracy and Completeness of the Listing Application Documents Regarding the Initial Public Offering and Listing of A Shares on the STAR Market*

The Company to make the following undertakings in respect of the truthfulness, accuracy and completeness of the contents of the listing application documents (including the prospectus) for the Issue of A Shares and listing on the STAR Market to be submitted by the Company to the Shanghai Stock Exchange and the CSRC:

The listing application documents (including the prospectus) does not contain false statement, misleading representation or material omission. The Company will take corresponding legal responsibility as to the truthfulness, accuracy and completeness of the contents of the documents.

- (b) *Undertakings in relation to the Disclosure of Shareholders' Information Regarding the Initial Public Offering and Listing of A Shares on the STAR Market*

The Company undertakes that:

- (1) The Company has truthfully, accurately and completely disclosed Shareholders' information in the prospectus and other application documents. The shareholding is clear, and there is no nominee shareholding, ownership dispute or potential dispute on equity interests.
- (2) The Company is not involved in any circumstances in which the share price offered to the Shareholders is obviously abnormal.
- (3) The Company is not involved in any circumstances in which the Shares of the Company have been used to conduct improper transfer of benefits.
- (4) The Company is not involved in any circumstances in which an entity which is prohibited from holding Shares by laws and regulations directly or indirectly holds any Shares of the Company.
- (5) The professional parties and their respective responsible officers, senior management and the persons in charge of the Issue of A Shares do not directly or indirectly hold any Shares of the Company.

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- (6) The Company and its Shareholders have timely provided the professional parties of the Issue of A Shares with true, accurate and complete information, voluntarily and fully cooperated with the professional parties of the Issue of A Shares to carry out due diligence, and disclosed the Shareholders' information truthfully, accurately and completely in the application documents of the Issue of A Shares in accordance with the laws and fulfilled their obligations of information disclosure.

(c) *Undertakings on Share Repurchase in the event of Fraudulent Issuance*

There is no fraudulent issuance in the Company's initial public offering and listing of A Shares on the STAR Market.

In case of fraudulent issuance and registration due to non-fulfilment of listing conditions with relevant shares already issued and listed, the Company shall commence the relevant procedures for repurchase of all new shares of the Company under the public offering in accordance with the Implementing Measures for the Order to Repurchase Stocks Fraudulently Issued and Listed (Trial) (《欺詐發行上市股票責令回購實施辦法(試行)》) and other relevant rules and regulations once the relevant competent authority, such as the CSRC, determines conclusively that the aforementioned events occurred within the Company.

(d) *Undertakings on Restraining Measures for the failure to perform undertakings publicly made by the Company for the Purpose of the Initial Public Offering and Listing of A Shares on the STAR Market*

If the relevant undertakings publicly made by the Company in the prospectus already contain restraining measures, the restraining measures specified in such undertakings shall prevail; and if the Company violates such undertakings, the Company agrees to take the restraining measures specified therein.

If the Company fails to fully or effectively perform the undertakings due to the reasons other than force majeure events, the Company shall take the following measures:

- (1) The Company shall publicly explain the specific reasons for the failure to fulfill its undertakings at a general meeting and the press designated by the CSRC, and make an apology to Shareholders and public investors;
- (2) The Company shall make rectification or legitimate, reasonable and effective supplemental or alternative undertakings within the timeframe specified by the relevant regulatory authorities;

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- (3) The Company shall accept the consequential liability in accordance with the provisions of relevant laws and regulations and the requirements of regulatory authorities;
 - (4) If investors suffer losses in securities trading as a result of the Company's failure to fulfill the above undertakings, the Company shall compensate the investors for the losses in accordance with the provisions of relevant laws and regulations;
 - (5) If any of the Shareholders, Directors, supervisors and senior management of the Company fails to fulfill his/her undertakings or cause the Company to fail to fulfill its undertakings as a result of his/her personal issues, the Company may immediately suspend the payment of cash dividends, the remuneration and allowances payable to his/her until he/she fulfills the relevant undertakings; and
 - (6) Other measures that can be taken in accordance with relevant laws and regulations prevailing at that time.
- (e) *Undertakings on the Restraining Measures Proposed by the Company in relation to the Share Price Stabilization Plan*

During the three years from the date of listing of the Company, other than force majeure events, the Company and the relevant entities will actively implement relevant share price stabilization measures when the closing price of the Company's A shares is lower than the latest audited net asset value per share of the Company for 20 consecutive trading days (net asset value per share is equal to total shareholders' equity attributable to the ordinary shareholders of the parent company in the combined financial statements divided by total number of shares of the Company at the end of the reporting period; after the reference date of the latest audit, should there be any change in the net asset value per share of the Company due to profit distribution, capitalization from capital public reserve, and issuance of additional shares and placing, the net asset value per share should be adjusted accordingly) while the requirements of laws, regulations rules, regulatory documents and regulator's rules on changes regarding the repurchase and the increase being satisfied.

- (1) Specific measures for share repurchase by the Company

Where the Company decides to repurchase shares from public shareholders by means of call auction to stabilize the share price, the Board of Directors of the Company shall adopt a resolution on share repurchase within 15 trading days from the date of satisfaction of the triggering conditions of share price stabilization measures, and publish an announcement of the Board resolution, relevant motions and notice of convening a general meeting within two trading days after such resolution is

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approved by the Board of Directors. The share repurchase plan shall include, among others, the purpose, method, price or price range and pricing principles of share repurchase, the type and quantity of repurchased shares, the percentage of shares repurchased in total share capital, the source of funds for the share repurchase, the period for the repurchase of shares, the expected changes in the Company's shareholding structure after the share repurchase, and the management's analysis of the effect of the proposed share repurchase on the operation, finance and future development of the Company. The resolution on share repurchase by the general meeting of the Company must be approved by more than two thirds of the voting rights of the shareholders present at the meeting. The Company shall perform corresponding obligations such as announcement, filing and notice to creditors, if the general meeting decides to carry out a share repurchase. The Company shall start to initiate the share repurchase on the date immediately following, and complete the share repurchase within 90 trading days after, the General Meeting's adoption of the resolution to that effect and the completion of relevant statutory formalities. The Company shall publish an announcement of the Report on Change in Shareholding of the Company within two trading days after the completion of the implementation of the share repurchase plan, and the shares repurchased shall be dealt with in the manner decided by the general meeting.

The share repurchase made by the Company for stabilizing the share price shall be made in accordance with the requirements of the Company Law of the PRC (《中華人民共和國公司法》) (hereinafter referred to as the "**Company Law**"), the Securities Law of the PRC (《中華人民共和國證券法》) (hereinafter referred to as the "**Securities Law**") and the Rules for Share Repurchase by Listed Companies and other laws and regulations, and shall not cause the shareholding structure of the Company to fail to meet the conditions for listing. The price of repurchased Shares shall not exceed the latest audited net asset value per share, and the funds repurchase shall be the Company's own funds. In addition to the requirements above, the following conditions shall also be met:

1. The number of Shares bought in a single repurchase shall not exceed 1% of the total share capital of the Company;
2. The cumulative number of Shares repurchased in a single accounting year shall not exceed 2% of the total share capital of the Company;
3. The total amount of funds used by the Company to repurchase Shares shall not on a cumulative basis exceed the total proceeds raised from the Company's initial public offering of new shares.

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After exceeding such standards, no more share price stabilization measures shall be implemented in the year. However, in case of any circumstance triggering share price stabilization measures in the next year, the Company will continue to implement the Share Price Stabilization Plan.

If, by means of implementation of share repurchase, the closing price of the Company's A Shares is higher than the latest audited net asset value per share for three consecutive trading days, the Company may stop implementing the Share Price Stabilization Plan.

- (2) Specific measures for shareholding increase by the actual controllers of the Company

If the Company has implemented the share repurchase plan, and the closing price of the Company's A Shares is lower than the latest audited net asset value per share every day for 10 consecutive trading days from the date immediately following the completion of such implementation, or if the Company fails to implement the share repurchase or the proposed share repurchase is not approved by the general meeting of the Company, or if the triggering conditions of the Share Price Stabilization Plan are satisfied again within three months from the date immediately following the completion of implementation of the share repurchase plan by the Company, then the actual controllers of the Company shall notify the Company in writing of the specific plan of its proposed increase of shareholding (which shall include, among others, number of additional shares intended to increase, price range and completion deadline, etc.) within 10 trading days after the triggering conditions of share price stabilization measures are satisfied, and the Company shall give an announcement thereof three trading days prior to the commencement of such increase. Subject to the Company Law, the Securities Law and other applicable laws and regulations, the actual controllers of the Company shall increase its/his shareholding in the Company by means of call auction within 90 trading days, without causing the shareholding structure of the Company to fail to meet the conditions for listing. The share price in the said shareholding increase shall not exceed the Company's latest audited net asset value per share. The actual controllers shall not sell shares bought in the shareholding increase within six months upon completion of shareholding increase.

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In addition to the requirements above, the following conditions shall also be met:

1. The number of shares bought by the actual controllers in a single shareholding increase shall not exceed 1% of the total share capital of the Company, and the total amount of shares bought in a single shareholding increase shall be no less than 20% but no more than 30% of the amount of cash dividend after tax received by the actual controllers from the Company in the previous accounting year; and
2. The cumulative number of shares bought by the actual controllers in shareholding increase in a single accounting year shall not exceed 2% of the total share capital of the Company.

If, by implementation of shareholding increase, the closing price of the Company's A Shares is higher than the latest audited net asset value per share for three consecutive trading days, the Company may stop implementing the Share Price Stabilization Plan. However, in case of any circumstance triggering share price stabilization measures in the next year, the actual controllers will continue to implement the Share Price Stabilization Plan.

- (3) Specific measures for shareholding increase by the Directors and senior management of the Company

If the daily closing price of the Company's A Shares is still lower than the latest audited net asset value per share for 10 consecutive trading days from the date immediately following the completion of increase in shareholding in the Company by the actual controllers according to the share price stabilization measures, or if the triggering conditions of the Share Price Stabilization Plan are satisfied again within three months from the date immediately following the completion of the shareholding increase by the actual controllers, then the directors who receive remuneration from the Company (other than independent directors, same below) and senior management of the Company shall have the Company publish a shareholding increase announcement within five trading days upon satisfaction of the triggering conditions. Directors and senior management subject to the shareholding increase obligation shall start the shareholding increase on the date immediately following, and complete the shareholding increase within 90 trading days after, the publication of the shareholding increase announcement, including the completion of relevant statutory formalities. Subject to the requirements of the Company Law, the Securities Law, the Rules Governing Shareholding and Changes in Shareholding in a Listed Company by its Directors, Supervisors and senior

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management (《上市公司董事、監事和高級管理人員所持本公司股份及其變動管理規則》), and other applicable laws and regulations, Directors and senior management of the Company subject to the shareholding increase obligation shall increase their shareholding in the Company by means of call auction, without causing the shareholding structure of the Company to fail to meet the conditions for listing. The share price in the said shareholding increase shall not exceed the Company's latest audited net asset value per share. Directors and senior management shall not sell shares bought in the shareholding increase within six months upon completion of shareholding increase.

In addition to the requirements above, the following conditions shall also be met: the amount of funds used for purchase of shares shall not be less than 20% but no more than 30% of their respective total after-tax remuneration received from the Company in the previous year.

If, by implementation of shareholding increase by the Directors and senior management of the Company, the closing price of the Company's A Shares is higher than the latest audited net asset value per share for three consecutive trading days, the Company may stop implementing the Share Price Stabilization Plan. However, in case of any circumstance triggering share price stabilization measures in the next year, directors who receive remuneration from the Company (other than independent directors) and senior management of the Company will continue to implement the Share Price Stabilization Plan.

If, within three years from the listing of shares of the Company, the Company intends to elect or appoint any non-independent Director who will receive remuneration from the Company or senior management, the Company will require him to enter into an undertaking as guarantee for his performance of the corresponding commitments made by the directors and senior management at the initial public offering and listing of the Company.

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(4) Conditions for terminating or re-triggering the Share Price Stabilization Plan

The share price stabilization measures shall be deemed to have been fully taken and the relevant commitments have been fully performed, and the implementation of the announced Share Price Stabilization Plan has terminated, if, from the date of announcement of the Share Price Stabilization Plan of the Company:

1. the closing price of the Company's A Shares is higher than the latest audited net asset value per share for three consecutive trading days;
2. the shareholding structure of the Company will no longer meet the conditions for listing if the Company continues the repurchase of shares, or the actual controllers or directors and senior management increase their shareholding in the Company; or
3. the actual controllers and/or the directors and/or senior management will trigger the tender offer obligation if it/he/they continue the increase of shareholding, but it/he/they has/have no plan to carry out tender offer.

If, after the share price stabilization measures of the Company have been fully taken, the price of the Company's A Shares triggers the conditions of the Share Price Stabilization Plan again, the Company and its actual controllers, directors and senior management and other relevant responsible persons will continue to perform relevant obligations in accordance with the above measures. The obligation of the Company to take mandatory share price stabilization measures shall be limited to once in each calendar year.

(5) Restrictive measures

(I) The Company will remind and urge the actual controllers, Directors and senior management (including current and future newly elected or appointed Directors and senior management of the Company) to strictly fulfill the corresponding undertakings on share price stabilization measures made by the Company, the actual controllers, Directors and senior management at the time of the initial public offering and listing of the Company's Shares.

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(II) The Company is willing to accept supervision of the security regulatory authority, stock exchange and other relevant competent authorities over its development and implementation of the share price stabilization measures, and assume the corresponding legal liabilities. Upon satisfaction of the triggering conditions of share price stabilization measures and in the absence of force majeure events, if the Company and its actual controllers, directors and senior management fail to take the specific share price stabilization measures stated above, the Company and its actual controllers, directors and senior management undertake to accept the following restrictive measures:

1. Where the Company breaches its commitment in the Share Price Stabilization Plan within three years after listing, the Company shall explain publicly the specific reasons for its failure to fulfill the commitment at the general meeting of the Company and in the media designated by the CSRC, and apologize to shareholders and public investors.
2. Where an actual controller breaches its/his commitment in the Share Price Stabilization Plan within three years after listing, the actual controller shall: (A) explain to the public the specific reasons for its/his failure to fulfill the commitment at the general meeting of the Company and in the media designated by the CSRC, and apologize to other shareholders and public investors; and (B) be subject to a 6-month extension of the lock-up period of its/his restricted shares, and return the amount equivalent to 30% of the cash dividend after tax received by it/him from the Company for the most recent accounting year minus the amount it/he actually applies to increase shareholding, if any, to the Company. In case of failure of return on time, the Company may make deduction from subsequent cash dividend after tax until the cumulative deducted amount has amounted to 30% of the cash dividend after tax received from the Company for the most recent accounting year in which it/he should perform the share price stabilization obligation.
3. Where the directors and senior management of the Company breach their commitment in the Share Price Stabilization Plan within three years after listing, such directors and senior management shall: (A) explain publicly the specific reasons for their failure to fulfill the commitment at the general meeting of the

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Company and in the media designated by the CSRC, and apologize to shareholders and public investors; and (B) be deducted 30% of their monthly remuneration after tax by the Company from the month when they fail to perform the share price stabilization commitment, until the cumulative deducted amount has amounted to 30% of the remuneration after tax received by them from the Company in the most recent accounting year in which they should perform the share price stabilization obligation.

(f) *Undertakings in relation to the Dividend Return Plan*

In accordance with the provisions of Guideline No. 3 for the Supervision of Listed Companies — Cash Dividend Distribution by Listed Companies (《上市公司監管指引第3號—上市公司現金分紅》) (CSRC Announcement [2022] No. 3) and Notice Regarding Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》) (Zheng Jian Fa [2012] No. 37) and other laws, regulations and instruments, and as the Company values the importance to provide reasonable investment returns to investors, it has formulated the Articles of Association and the “Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.” which will be effective upon the Issue of A Shares so as to improve the profit distribution system of the Company and provide specific arrangements for the profit distribution policy, especially the cash dividend policy.

In order to safeguard the interests of small and medium investors, the Company undertakes that upon listing, it will strictly implement the decision-making procedure on profit distribution and carry out profit distribution based on the profit distribution policy set forth in the Articles of Association and the Three-year Dividend Return Plan for Shareholders of the Company after the Issue of A Shares, which will be applicable after the listing.

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(g) *Undertakings in relation to the impact of dilution on immediate return*

Upon the Issue of A Shares and listing on the STAR Market, the scale of share capital and net assets of the Company will increase. However, because the establishment of the Projects requires a certain period of time, and it takes time for the raised proceeds to generate benefits, the operating income and net profits of the Company during the period are mainly from the existing businesses. It is expected that indicators such as the Company's earnings per share and return on net assets may be diluted within a certain period after the issuance. In order to fully protect the minority interests, the Company will take various measures in preventing exposures to dilution on current returns and enhancing its profitability. Details are set out below:

- (1) Strengthen R&D and business development, and enhance the Company's core competitiveness and sustainable profitability

The Company will continue to (i) consolidate and exert its own advantages, (ii) expand its industrial chain, (iii) build a commercialization system, (iv) enrich and perfect its products and service capabilities, (v) improve the R&D and technological level, (vi) enhance its sustainable profitability, and (vii) achieve sustainable and stable development of the Company.

- (2) Strengthen internal control management and comprehensively improve the efficiency of operation and management

The Company has established and improved its management structure comprising the general meeting, the Board of Directors and its committees, the Supervisory Committee, independent Directors, the secretary of the Board of Directors, and the senior management, and consolidated the Company's operation management and internal control, in accordance with the provisions of laws, regulations and regulatory documents. In the future, the Company will further improve its operation and management level and enhance its overall profitability. In addition, the Company will endeavor to improve the efficiency of use of proceeds, improve and strengthen the investment decision-making process, design a more reasonable funds use plan, make a proper use of various financing tools and channels, control its capital costs, and save financial expenses. Besides, the Company will continue to strengthen the corporate internal controls, cost management, and supervision of budget execution, to comprehensively and effectively control the operation and control risks of the Company.

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- (3) Strengthen the management of proceeds, and strictly implement the management policies for proceeds

In order to standardize the use and management of proceeds, the Company has formulated the Measures for Management of Proceeds to expressly provide for the deposit, use, change, supervision and accountability in, of and over the special account for proceeds, in accordance with the Company Law, the Securities Law, the Administrative Measures for the Registration of the Issuance of Securities by Listed Companies, the Regulatory Guidelines for Listed Companies No. 2 — Regulatory Requirements in Respect of Management and Use of Proceeds Raised by Listed Companies, the Listing Rules and other applicable laws, regulations and regulatory documents.

After the proceeds raised from the listing on the STAR Market are available, the Board of Directors of the Company will continuously supervise the Company's special deposit of such proceeds, regularly conduct internal audit over the proceeds, and cooperate with the inspection and supervision over the use of proceeds by the escrow bank and the sponsor, so as to ensure the use of proceeds in a reasonable and compliant manner and prevent risks in the use of proceeds.

- (4) Accelerate the investment progress of investment projects, and strive to realize the expected benefits of projects as soon as possible

In order to realize the benefits of the investment projects as soon as possible, the Company intends to actively raise funds and allocate resources through various channels, and carry out the preliminary preparation and construction of the investment projects, before the proceeds are available. And after the proceeds raised from the listing on the STAR Market are available, the Company will accelerate the construction of investment projects, improve the efficiency of the use of proceeds, and endeavor to achieve and realize the expected benefits of investment projects as soon as possible, so as to improve its profit level, increase the return to shareholders in the next few years, and reduce the risk of dilution of immediate return caused by the listing on the STAR Market.

- (5) Attach importance to the return to shareholders and protect the legitimate rights and interests of shareholders

In order to improve its profit distribution policy, promote its establishment of a scientific, sustainable and stable

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shareholder return mechanism, and increase the transparency and operability of decision-making relating to profit distribution policy, the Company has specified its profit distribution policy in the Articles of Association and the “Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, both of which will be applicable after the listing on the STAR Market, to protect the interests of shareholders, especially minority shareholders of the Company, in accordance with the requirements of the Notice on the Further Implementation of Matters in Relation to Cash Dividend of Listed Companies and the Regulatory Guidelines for Listed Companies No. 3 — Cash Dividend of Listed Companies issued by the China Securities Regulatory Commission.

The Company will undertake or use its best efforts to facilitate the effective implementation of measures for the dilution of immediate return, in order to protect the legal interests of investors. If the Company cannot implement measures in relation to dilution of immediate return without proper or reasonable grounds, the Company and other related entities will publicly explain the specific reasons for the failure to fulfill the above undertaking at a general meeting and on the media designated by the CSRC, and apologize to the shareholders for the loss, and be liable for compensation according to the law for any relevant losses.

(h) Undertakings and measures in relation to share repurchase and buy-back

The Company to make the following undertakings in respect of share repurchase and buy-back involved in the Issue of A Shares as follows:

I. Conditions to trigger the share repurchase and buy-back

After the completion of the Issue of A Shares, if the CSRC, the stock exchange or judicial authorities determine the prospectus and other application documents contain false statement, misleading representation or material omission which constitute a material and substantial influence on determining whether the Company has complied with the offering requirements stipulated by laws and regulations, or if they determine that the Company obtains registration for the issuance by fraudulent means, the Company shall repurchase and buy-back the shares under this public offering as held by investors in accordance with the law.

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- II. Procedures to commence share repurchase and buy-back
1. If the aforementioned circumstances occur during the period in which the new shares under this public offering have been issued but are not yet listed for trading, the Company shall return to the investors who have made the payment for the subscription the funds raised from the Issue of A Shares at the offer price plus bank deposit interests for the same period within five working days from the date the aforementioned circumstances occur.
 2. If the aforementioned circumstances occur after the new shares under this public offering has been listed and traded, the Board of the Company shall draw up a share repurchase plan in accordance with the Implementing Measures for the Order to Repurchase Stocks Fraudulently Issued and Listed (Trial) 《欺詐發行上市股票責令回購實施辦法(試行)》 and other relevant rules and regulations and submit the same to the general meeting for consideration and approval for the repurchase of all of the new shares under this public offering, after the CSRC or other competent authorities have made a final decision or penalty decision on the existence of the above-mentioned facts in accordance with the law. The Company shall fulfill repurchase obligations in accordance with the law. At the same time, the Company shall also fulfill the reporting obligations in relation to disclosure of information and share repurchase plans in accordance with the law.
 3. In the event that the Company conducts a share repurchase in the future, it shall comply with relevant requirements from securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange simultaneously.
- III. Restraining measures
1. The Company shall strictly perform the corresponding undertakings on share repurchase and buy-back measures made for the Issue of A Shares.
 2. The Company shall voluntarily submit to the supervision from securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange

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regarding the drawing up and the implementation of the share repurchase and buy-back plan, and accept liability. If the Company fails to take the aforesaid specific action in respect of share repurchase and buy-back measures at the time the conditions to trigger such action is met, the Company undertakes to accept the following restraining measures:

- (1) The Company shall publicly explain the specific reasons for its failure to perform, inability to perform the undertakings or inability to perform those undertakings as scheduled in the media as specified by the CSRC, and make supplemental or alternative undertakings in order to safeguard the interests of the investors to as much extent as possible.
- (2) The Company shall pay damages in such ways and at such amount as determined by the securities regulatory authorities or judicial authorities for the loss of the investors caused by its failure to perform the undertakings.

(8) *The appointment of professional parties in connection with the Issue of A Shares and listing on the STAR Market*

An ordinary resolution will be proposed at the EGM to consider and approve the appointment of the following professional parties in connection with the Issue of A Shares and listing on the STAR Market and to authorize the Board to do all such acts and things to give effect to such matters:

- (a) Huatai United Securities Co., Ltd as the sponsor (lead underwriter) of the Issue of A Shares and listing on the STAR Market;
 - (b) Commerce & Finance Law Offices as the legal advisers to the Company as to PRC law; and
 - (c) Ernst & Young as the auditors of the Company.
- (9) *The resolution on the Proposed Amendments to the Articles ancillary to the Proposed Issue of A Shares***

In order to prepare for the Proposed Issue of A Shares and listing on the STAR Market and comply with the relevant CSRC and Shanghai Stock Exchange rules, to further improve and regulate the Articles and to satisfy the relevant requirements of laws, regulations and regulatory documents, including the Company Law of the PRC (《中華人民共和國公司法》), the

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Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) and the Rules Governing the Listing of Securities on the Sci-Tech Innovation Board of the Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), to make other miscellaneous and housekeeping changes, and taking the practical circumstances of the Company into consideration, the Board resolved to further amend the Articles on top of the Proposed Amendments pursuant to the Trial Measures, which are set out in Appendix IV-A.

Following the Company having obtained approval from the Shanghai Stock Exchange and registered with the CSRC for the Issue of A Shares, the amended Articles in respect of the Issue of A Shares shall become effective on the date of listing of the Company's A Shares on the STAR Market and replace the Company's then effective Articles.

The details of the proposed amendments to the Articles of Association, which were prepared in the Chinese language, are set out in Appendix IV-B to this circular. In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the Articles of Association, the Chinese version shall prevail.

The legal advisers to the Company as to Hong Kong laws have confirmed that the amended Articles conform with the requirements of the Listing Rules, in particular Appendix 3 to the Listing Rules regarding the core shareholder protection standards, and the legal advisers to the Company as to the laws of the PRC have confirmed that the amended Articles conform with the relevant requirements under the laws of the PRC. The Company also confirms that there is nothing unusual about the amended Articles for a company listed in Hong Kong.

The proposed amendments have been approved by the Board, and are subject to (i) the approval by the Shareholders by way of special resolutions at the EGM and Class Meetings, and (ii) the draft amendments to the Listing Rules in Appendix II to the consultation paper "Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers" published on February 24, 2023 by the Stock Exchange being fully implemented and becoming effective..

(10) Amendment and/or adoption of the internal management policies of the Company

The Company intends to revise the following internal management policies:

- (a) the "Rules of Procedures for the Meeting of Shareholders";
- (b) the "Rules of Procedures for the Board of Directors";
- (c) the "Rules of Procedures for the Supervisory Committee";

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- (d) the “Management Policies for Related/Connected Transactions”;
- (e) the “Management Policies for External Guarantees”;
- (f) the “Management Policies for External Investment”;
- (g) the “Terms for Reference for the Independent Directors”;
- (h) the “Management Policies for Raised Proceeds”;
- (i) the “Management Policies for Financial Dealings with Related Parties”; and
- (j) the “Implementation Rules of Cumulative Voting System”.

The above internal management policies will come into effect on the date of completion of the Issue of A Shares and listing on the STAR Market. Until then, the current internal management policies will continue to apply.

The Board of Directors agreed to propose to the Shareholders at the EGM to authorize the Board of Directors and its authorized persons to adjust and amend the above internal management policies which will become effective from the date of completion of the Issue of A Shares and listing on the STAR Market in accordance with the provisions of the relevant laws, regulations and regulatory documents, and the requirements and suggestions from the relevant domestic and overseas government authorities and regulatory institutions, and taking into consideration the actual situation of this Issue of A Shares and listing on the STAR Market.

An ordinary resolution will be proposed at the EGM to consider and approve the amendments to and/or adoption of each of the “Rules of Procedures for the Meeting of Shareholders”, the “Rules of Procedures for the Board of Directors”, the “Rules of Procedures for the Supervisory Committee”, the “Management Policies for Related/Connected Transactions”, the “Management Policies for External Guarantees”, the “Management Policies for External Investment”, the “Terms of Reference for the Independent Directors”, “Management Policies for Raised Proceeds”, the “Management Policies for Financial Dealings with Related Parties”, and the “Implementation Rules of Cumulative Voting System”, full texts of which are set out in Appendices V to XIV to this circular respectively.

In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the internal management policies, the Chinese version shall prevail.

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(11) Confirmation of the Company's related party transactions during the Track Record Period

The Board has confirmed the respective status of the following transactions with related parties during the Track Record Period and considered that such related party transactions were conducted according to the relevant laws and regulations, in line with commercial principles, and the pricing of the transactions were not more favorable than similar transactions conducted with non-related parties. Further details of such related party transactions are set forth below:

(1) Related Party Transactions in Goods and Services

Purchase of Goods and Services from Related Parties

	2022 (RMB)	2021 (RMB)	2020 (RMB)
Ningbo Linstant Polymer Materials Co., Ltd. (寧波琳盛高分子材料有限公司)	2,326,738.06	1,247,926.71	102,380.52
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd. (寧波杭州灣新區沐禾物業有限公司)	691,113.70	345,175.74	86,741.64
Ningbo Trandomed 3D Medical Technology Co., Ltd. (寧波創導三維醫療科技有限公司)	229,221.23	335,530.96	61,451.34
Ningbo Chinese Herbal Pieces Co., Ltd.	209,060.87	138,308.07	–
Ningbo Shidi Medical Technology Co., Ltd. (寧波仕地醫療科技有限公司)	157,522.09	134,203.53	36,184.16
Ningbo Shouquanzhai Chinese Traditional Medicine Service Ltd.	109,033.10	52,757.72	32,624.00
Ningbo Muhe Catering Management Co., Ltd. (寧波沐禾餐飲管理有限公司)	67,000.00	–	–
Ningbo Belden Medical Technology Co., Ltd. (寧波百通醫療科技有限公司)	254.42	–	–
Ningbo Lide Medical Technology Co., Ltd. (寧波理得醫療科技有限公司)	–	17,600.00	–
	<u>3,789,943.47</u>	<u>2,271,502.73</u>	<u>319,381.66</u>

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(2) *Leases from and to Related Parties*

As a Lessee

	Type of leased assets	2022 Lease expense (RMB)	2021 Lease expense (RMB)	2020 Lease expense (RMB)
Ningbo Linfeng Biotechnology Co., Ltd. (寧波麟澧生物科技 有限公司) (“Ningbo Linfeng”)	Buildings	3,021,643.67	2,199,879.15	2,028,711.53
Cryofocus Medtech (Shanghai) Co., Ltd. (康澧生物科技(上海) 有限公司)	Buildings	-	-	12,735.85
		<u>3,021,643.67</u>	<u>2,199,879.15</u>	<u>2,041,447.38</u>

(3) *Fund borrowing with Related Parties*

Fund Borrowing

2020

	Loan amount (RMB)	Date of loan	Date of repayment of loan
Ningbo Linfeng	500,000.00	2019/2/22	2020/11/30
Ningbo Linfeng	500,000.00	2019/4/16	2020/11/30
Ningbo Linfeng	500,000.00	2019/7/2	2020/11/30
Ningbo Linfeng	500,000.00	2019/9/17	2020/11/30
Ningbo Linfeng	500,000.00	2019/12/6	2020/11/30
Ningbo Linfeng	1,000,000.00	2020/7/15	2020/9/11
Ningbo Linfeng	1,000,000.00	2020/7/17	2020/9/11
Ningbo Linfeng	1,000,000.00	2020/8/11	2020/9/11
Ningbo Linfeng	1,000,000.00	2020/8/19	2020/9/11
Ningbo Linfeng	1,000,000.00	2020/9/2	2020/9/11
Ningbo Linfeng	50,000,000.00	2020/9/4	2020/11/6
Ningbo Linfeng	200,000.00	2020/8/19	2020/11/30
Ningbo Linfeng	1,000,000.00	2020/9/2	2020/11/30

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(4) *Assets Transfers with Related Parties*

(a) Equity Transfers at Ningbo Diochange Medical Technology Co., Ltd. (寧波迪創醫療科技有限公司) (“**Ningbo Diochange**”)

Pursuant to the shareholders’ resolutions dated September 15, 2020, the registered capital of the Company was increased from RMB13,622,100 to RMB16,026,000. Among the increased registered capital of RMB2,403,900, (i) Mr. LV Shiwen (“**Mr. Lv**”) subscribed for RMB1,330,078 registered capital; (ii) Ningbo Linfeng subscribed for RMB833,432 registered capital; and (iii) Mr. WU Danke (“**Mr. Wu**”) subscribed for RMB240,390 registered capital, each in return for their transfer of equity interests in Ningbo Diochange to the Company as described below.

Pursuant to the equity transfer agreements dated September 16, 2020 entered into by the Company and each of Mr. Lv, Ningbo Linfeng and Mr. WU, (i) Mr. Lv transferred RMB8,300,000 registered capital in Ningbo Diochange to the Company; (ii) Ningbo Linfeng transferred RMB5,200,000 registered capital in Ningbo Diochange to the Company; and (iii) Mr. Wu transferred RMB1,500,000 registered capital in Ningbo Diochange to the Company, each representing their entire equity interests in Ningbo Diochange, in return for their subscription of equity interests in the Company as described above.

(b) Equity Transfer at Starway Medical Technology, Inc. (北京華醫聖傑科技有限公司) (“**Starway**”)

Pursuant to an equity transfer agreement dated May 10, 2021 entered into by and amongst Starway, AUT-VII HK Holdings Limited (“**AUT-VII**”) and the Company, the Company acquired from AUT-VII RMB24,975,868 of the registered capital of Starway, representing approximately 24.98% equity interests in Starway for a consideration of USD72,500,000.

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(5) *Other Related Party Transactions*

Remuneration of Key Management Personnel

	2022 (RMB)	2021 (RMB)	2020 (RMB)
Remuneration of Key Management Personnel	249,396,947.22	294,843,649.74	249,917,992.66
Of which: Equity Incentive Expense	242,506,884.73	288,035,613.78	247,728,146.55

The Group's Payments of Employee Salaries and Social Security On Behalf of Related Companies

	2022 (RMB)	2021 (RMB)	2020 (RMB)
Ningbo Shidi Medical Technology Co., Ltd. (寧波仕地醫療科技有限公司)	-	-	13,770.43

Related Companies' Payments of Employee Salaries and Social Security On Behalf of the Group

	2022 (RMB)	2021 (RMB)	2020 (RMB)
Shanghai Jianshi Bio-tech Co., Ltd. (上海建世生物科技有限公司)	-	272,248.75	779,498.64
Cryofocus Medtech (Shanghai) Co., Ltd. (康禮生物科技(上海)有限公司)	-	-	40,012.06
Ningbo Huakerun Biotechnology Co., Ltd. (寧波華科潤生物科技有限公司)	-	-	22,500.00

Recovery of the Group's Advance Payments

	2022 (RMB)	2021 (RMB)	2020 (RMB)
Ningbo Sangdi Investment Management L.P. (Limited Partnership) (寧波桑迪投資管理合夥企業(有限合夥))	-	-	754,820.00
LV Shiwen (呂世文)	-	-	846,900.00

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Advance Payments from Related Companies

	2022 (RMB)	2021 (RMB)	2020 (RMB)
Ningbo Sangdi Investment Management L.P. (Limited Partnership) (寧波桑迪投資管理合夥企業(有限合夥))	-	-	371,160.00
Ningbo Shengjiekang Biotechnology Co., Ltd. (寧波勝傑康生物科技有限公司)	-	-	17,422.70

(6) *Balance of Receivables from Related Parties*

Advance Payments

	December 31, 2022 (RMB)	December 31, 2021 (RMB)	December 31, 2020 (RMB)
Ningbo Linstant Polymer Materials Co., Ltd. (寧波琳盛高分子材料有限公司)	560,956.46	305,130.17	52,132.74
Ningbo Lide Medical Technology Co., Ltd. (寧波理得醫療科技有限公司)	114,400.00	114,400.00	-
Ningbo Shidi Medical Technology Co., Ltd. (寧波仕地醫療科技有限公司)	6,400.00	25,000.00	-
Ningbo Trandomed 3D Medical Technology Co., Ltd. (寧波創導三維醫療科技有限公司)	-	83,200.00	-
	681,756.46	527,730.17	52,132.74

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Other Receivables

	December 31, 2022	
	Book balance	Provision for
	(RMB)	bad debts
		(RMB)
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd. (寧波杭州灣新區沐禾物業有限公司)	240.00	24.00
	December 31, 2021	
	Book balance	Provision for
	(RMB)	bad debts
		(RMB)
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd. (寧波杭州灣新區沐禾物業有限公司)	240.00	12.00
	December 31, 2020	
	Book balance	Provision for
	(RMB)	bad debts
		(RMB)
Ningbo Shengjielong Medical Equipment Co., Ltd. (寧波勝傑隆醫療器材有限公司)	11,369.59	-
Cryofocus Medtech (Shanghai) Co., Ltd. (康豐生物科技(上海)有限公司)	1,690.30	-
Ningbo Shengjiakang Biotechnology Co., Ltd. (寧波勝傑康生物科技有限公司)	881.92	-
	13,941.81	-
	13,941.81	-

Accounts Payable

	December 31, 2022	December 31, 2021	December 31, 2020
	(RMB)	(RMB)	(RMB)
Ningbo Shidi Medical Technology Co., Ltd. (寧波仕地醫療科技有限公司)	45,309.70	-	-
Ningbo Trandomed 3D Medical Technology Co., Ltd. (寧波創導三維醫療科技有限公司)	6,681.42	-	-
	51,991.12	-	-
	51,991.12	-	-

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Other Payables

	December 31, 2022 (RMB)	December 31, 2021 (RMB)	December 31, 2020 (RMB)
Ningbo Linfeng	651,374.48	122,746.68	763,970.29
Ningbo Muhe Catering Management Co., Ltd. (寧波沐禾餐飲管理有限公司)	67,000.00	-	-
Ningbo Shouquanzhai Chinese Traditional Medicine Service Ltd.	40,243.10	-	-
Ningbo Chinese Herbal Pieces Co, Ltd.	24,055.05	25,493.39	-
Ningbo Hangzhou Bay New District Muhe Property Co., Ltd. (寧波杭州灣新區沐禾物業有限公司)	20,372.47	62,140.00	9,395.70
Cryofocus Medtech (Shanghai) Co., Ltd. (康禮生物科技(上海)有限公司)	-	-	88,908.35
Ningbo Baishirui Medical Technology Co., Ltd. (寧波佰士瑞醫療科技有限公司)	-	-	143.01
Shanghai Jianshi Bio-tech Co., Ltd. (上海建世生物科技股份有限公司)	-	-	25,976.00
	<u>803,045.10</u>	<u>210,380.07</u>	<u>888,393.35</u>

This proposal has been approved by the Board, and shall be submitted to the EGM for consideration and approval by way of an ordinary resolution.

To the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, the related Shareholders including Mr. Lv, Ningbo Sangdi Investment Management L.P. (Limited Partnership) (寧波桑迪投資管理合夥企業(有限合夥)), Ningbo Mukang Venture Capital Partnership (Limited Partnership) (寧波沐康創業投資合夥企業(有限合夥)), Ningbo Kefeng Investment Management L.P. (Limited Partnership) (寧波鈞豐投資管理合夥企業(有限合夥)), Hainan Maidi Enterprise Management L.P. (Limited Partnership) (海南脈迪企業管理合夥企業(有限合夥)), Ningbo Linfeng, Shanghai Shidi Industrial Development Co., Ltd. (上海仕地實業發展有限公司), Hainan Hualing Investment L.P. (Limited Partnership) (海南華翎投資合夥企業(有限合夥)) and AUT-VII, each of whom shall abstain from voting on the relevant ordinary resolution to be proposed at the EGM.

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(12) *Use of proceeds report of the Company for the year ended December 31, 2022*

In accordance with applicable laws, regulations and regulatory documents, including stipulations of securities regulatory authorities and other relevant organizations, the Company has prepared a report titled “Use of Proceeds Report of the Company for the Year Ended December 31, 2022”, full details of which are set out in Appendix XV to this circular.

An ordinary resolution will be proposed at the EGM to consider and approve the above report.

3. **Proposed Amendments to the Articles pursuant to the Trial Measures**

The State Council and the CSRC issued the Decision of the State Council to Repeal Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》) and the Trial Measures on February 17, 2023 respectively which came into effect on March 31, 2023 (the “**New PRC Regulations**”). On the same date as the above-mentioned New PRC Regulations took effect, the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) and the Mandatory Provisions for Companies Listing Overseas (《到境外上市公司章程必備條款》) (the “**Mandatory Provisions**”) were repealed and no longer applicable. Under the New PRC Regulations, (i) the Mandatory Provisions shall cease to apply and the Company as a PRC issuer shall formulate the Articles of Association in line with the New PRC Regulations and other guidelines on the articles of association issued by the CSRC in place of the Mandatory Provisions; and (ii) holders of domestic shares and H shares are no longer deemed to be different classes of shareholders, thus the class meeting requirement applicable to holders of domestic shares and H shares are no longer necessary and removed.

Given the commencement of the above-mentioned new regulations and taking into account the actual situation of the Company, the Company proposes to amend the Articles of Association accordingly. The details of the amendments which were prepared in the Chinese language, are set out in Appendix IV-A to this circular. In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the Articles of Association, the Chinese version shall prevail.

The Board is of the view that the proposed amendments (including the removal of the class meeting requirement from the Articles of Association following the repeal of the Mandatory Provisions) will not compromise protection of the H Shareholders and will not have material impact on measures relating to shareholder protection, as Domestic Shares and H Shares are regarded as one class of ordinary shares under PRC law, and the substantive rights attached to these two kinds of shares of Shares (including voting rights, dividends and asset distribution upon liquidation) are the same.

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After the proposed amendment to the Articles of Association takes effect, the Company will continue to comply with the Listing Rules to meet the core shareholder protection standards through compliance with PRC laws in combination with its constitutional documents pursuant to Appendix III of the Listing Rules and will further monitor its on-going compliance with these standards and notify the Stock Exchange if it becomes unable to comply with any of these standards. The legal advisers to the Company as to Hong Kong laws have confirmed that the amended Articles conform with the requirements of the Listing Rules, in particular Appendix 3 to the Listing Rules regarding the core shareholder protection standards, and the legal advisers to the Company as to the laws of the PRC have confirmed that the amended Articles conform with the relevant requirements under the laws of the PRC. The Company also confirms that there is nothing unusual about the amended Articles for a company listed in Hong Kong.

The proposed amendments have been approved by the Board, and are subject to (i) the approval by the Shareholders by way of special resolutions at the EGM and Class Meetings, and (ii) the draft amendments to the Listing Rules in Appendix II to the consultation paper “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” published on February 24, 2023 by the Stock Exchange being fully implemented and becoming effective.

4. Proposed Amendments to internal management policies of the Company pursuant to the Trial Measures

The Company intends to revise the following internal management policies:

- (a) the “Rules of Procedures for the Meeting of Shareholders”;
- (b) the “Rules of Procedures for the Board of Directors”;
- (c) the “Rules of Procedures for the Supervisory Committee”;
- (d) the “Management Policies for External Guarantees”; and
- (e) the “Management Policies for External Investment”.

The proposed amendments have been approved by the Board, and are subject to the approval by the Shareholders by way of ordinary resolutions at the EGM, full texts of which are set out in Appendices V to VII, IX and X to this circular respectively.

In the event of any discrepancy between the English translation and the Chinese version of the proposed amendments to the internal management policies, the Chinese version shall prevail.

III. OTHER INFORMATION IN RELATION TO THE PROPOSED ISSUE OF A SHARES

1. Reasons for the Issue of A Shares and listing on the STAR Market

The Company considers that the listing on the STAR Market would be beneficial to the Company and its Shareholders as a whole and is beneficial to strengthen the sustainable development of the Company.

Favorable policies in the PRC encourage listing on the STAR Market

In June 2022, the Shanghai Stock Exchange issued the Shanghai Stock Exchange STAR Market Issuance and Listing Review Guidelines No. 7 – 5th Set of Listing Standards Applicable to Medical Device Enterprises (《上海證券交易所科创板發行上市審核規則適用指引第7號—醫療器械企業適用第五套上市標準》), which introduced the listing conditions and requirements for pre-revenue companies in the PRC. In particular, it has provided a domestic financing platform for eligible medical device enterprises that are still in the early stage of research and development, to make use of the domestic capital markets to promote the innovation capabilities of Chinese medical device enterprises.

With the above-mentioned favorable policies and the Company working towards the commercialization of the Core Products, listing on the STAR Market will help the Company accelerate the research and development and the commercialization of products and enhance brand recognition. In addition, as the principal place of business of the Company is located in the PRC, listing on the STAR Market facilitates equity incentives for employees and is conducive to attracting core talents.

Branding and benefits as a dual listed company

Following the listing of the H Shares of the Company in October 2022, the Issue of A Shares would allow the Company to become a dual listed company and further enrich its capital base and develop both domestic and international financing platforms. Listing domestically in the PRC would also enable the Company to further enhance its brand image and influence in the domestic market.

As a dual listed company, the Company will be required to comply with the listing rules of both the Hong Kong Stock Exchange and the Shanghai Stock Exchange, which further optimizes the Company's corporate governance structure and provides a higher level of corporate transparency to Shareholders and potential investors, which is more conducive to protecting the interests of all shareholders as a whole.

LETTER FROM THE BOARD

Since the establishment of the STAR Market, it has attracted a lot of companies with strong technological capabilities. Listing on the STAR Market is beneficial to promoting the value and interests of the Company and Shareholders as a whole.

Further funding needs to be met by proceeds from Proposed Issue of A Shares

While the proceeds raised from the Global Offering provides strong support for the R&D and commercialization of the Company's Core Products and other key products in its product pipeline, the proceeds from the Proposed Issue of A Shares will enable the Company to meet the industrialization and commercialization needs of the Company's products, further develop the Company's range of product pipelines, and implement the Company's marketing infrastructure.

Amongst the net proceeds of approximately HK\$206.4 million raised from the Global Offering, approximately HK\$134.1 million is allocated to the research and development, manufacturing and commercialization of our Core Products and approximately HK\$51.6 million is allocated to the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products. As disclosed in the Prospectus, the Company has a portfolio of twelve product candidates in various stages of development, so the Company needs to raise further funds to support the development of its other product candidates and expand our product portfolio through R&D.

2. Effects of the Issue of A Shares on the Shareholding Structure of the Company

Upon completion of the Proposed Issue of A Shares and listing on the STAR Market, all of the existing Domestic Shares and Unlisted Foreign Shares will be converted into A Shares and be listed on the STAR Market. Such converted A Shares will be deposited in China Securities Depository and Clearing Co., Ltd and subject to lock-up periods as required under relevant PRC laws and regulations.

LETTER FROM THE BOARD

Assuming that a total of 73,617,757 new A Shares are to be issued, the shareholding structure of the Company as at the Latest Practicable Date and immediately after the completion of the Issue of A Shares is as follows (assuming there is no other change in the share capital of the Company from the Latest Practicable Date up to and including the date of completion of the Issue of A Shares):

	As of the Latest Practicable Date	Immediately after the completion of the Issue of A Shares	Immediately after the completion of the over-allotment option
Substantial shareholders, Directors, Supervisors, chief executive and their respective associates			
(1) Domestic Shares	202,792,986	–	–
(2) Unlisted Foreign Shares	21,750,000	–	–
(3) A Shares to be converted from Domestic Shares	–	202,792,986	202,792,986
(4) A Shares to be converted from Unlisted Foreign Shares	–	21,750,000	21,750,000
(5) H Shares	59,344,614	59,344,614	59,344,614
Sub-total	283,887,600 (68.05% of the total Issued Shares)	283,887,600 (57.84% of the total Issued Shares)	283,887,600 (56.67% of the total Issued Shares)
Other Shareholders			
(1) Domestic Shares	49,622,094	–	–
(2) Unlisted Foreign Shares	11,411,578	–	–
(3) A Shares to be converted from Domestic Shares	–	49,622,094	49,622,094
(4) A Shares to be converted from Unlisted Foreign Shares	–	11,411,578	11,411,578
(5) H Shares	72,246,018	72,246,018	72,246,018
New A Shares proposed to be issued	–	73,617,757	73,617,757
New A Share proposed to be issued pursuant to the over-allotment option	–	–	11,042,663
Total	417,167,290	490,785,047	501,827,710

LETTER FROM THE BOARD

Assuming a maximum of 73,617,757 A Shares are issued, it is expected that a total of 206,897,447 Shares of the Company, representing approximately 42.16% of the total issued Shares of the Company will be held by the public (including H Shares and A Shares held by the public but excluding any Shares held by the Company's substantial shareholders, Directors, Supervisors, chief executive and their respective close associates) following the completion of the Proposed Issue of A Shares. As such, the Company would still be able to meet the minimum requirement on public float percentage under the Listing Rules. The Company will closely monitor the shareholdings of the controlling Shareholders and other core connected persons to monitor its public float percentage (including H Shares and A Shares held by the public) to maintain the minimum percentage of listed securities as prescribed by Rule 8.08 of the Listing Rules at all times, including during the stabilization period for the newly issued A Shares, in public hands. The Company will also ensure its compliance with relevant requirements on public float as stipulated under the Listing Rules and will promptly notify the Stock Exchange of any changes in the Company's public float.

3. Fund raising activities in the past twelve months

On October 10, 2022, the Company issued 8,076,400 new H Shares at HK\$27.80 per H Share for total gross proceeds of approximately HK\$224.5 million (equivalent to RMB203.1 million) by way of initial public offering of the Company on the Stock Exchange.

After the deduction of listing expenses, the total net proceeds from the Global Offering was approximately HK\$206.4 million (equivalent to RMB186.6 million).

The intended use of net proceeds from the Global Offering as disclosed in the Prospectus is as below:

- approximately 65.0%, or approximately HK\$134.1 million, will be allocated to the research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve;
 - approximately 33.3%, or approximately HK\$68.7 million, will be used for the ongoing research and development activities, further clinical studies, preparation for registration filings, and planned commercial launch of LuX-Valve;
 - approximately 31.7%, or approximately HK\$65.4 million, will be used for the ongoing research and development activities, further clinical studies, preparation for registration filings, and planned commercial launch of Ken-Valve;
- approximately 25.0%, or approximately HK\$51.6 million, will be allocated to the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products; and
- approximately 10.0%, or approximately HK\$20.7 million, will be used for our working capital and general corporate purposes.

As at the Latest Practicable Date, the Company has used RMB8.9 million of the proceeds from the Global Offering mentioned above.

LETTER FROM THE BOARD

The table below sets forth a detailed breakdown and description of the use of the Company's proceeds from the Global Offering as at the Latest Practicable Date:

	Amount of utilized net proceeds as of the Latest Practicable Date <i>(RMB millions)</i>	% of net proceeds used <i>(Approximately)</i>
Research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve;	0.80	0.43%
Research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products		
<ul style="list-style-type: none"> • Research and development of LuX-Valve Plus, our second-generation transcatheter tricuspid valve replacement system 	3.00	1.61%
<ul style="list-style-type: none"> • Research and development of KenFlex, our new-generation transcatheter aortic valve replacement product candidate 	0.97	0.52%
<ul style="list-style-type: none"> • Research and development of JensClip, our proprietary transcatheter mitral valve repair system 	2.89	1.55%
Working capital and general corporate purposes	6.75	3.62%
Total	14.41	7.73%

The remaining proceeds are intended to be used in line with those disclosed in the Prospectus.

Apart from the fund raising activities listed above, the Company has not conducted any fund raising activities involving the issue of equity securities within the 12 months immediately prior to the Latest Practicable Date.

IV. THE EGM AND THE CLASS MEETINGS

Set out on pages 439 to 454 of this circular are the notice of the EGM and Notices of the Class Meetings which will be held at Meeting Room, 3/F, Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC on Monday, May 15, 2023.

LETTER FROM THE BOARD

V. CLOSURE OF REGISTER OF MEMBERS OF H SHARES AND ASCERTAINING OF ELIGIBILITY FOR ATTENDING THE EGM AND THE CLASS MEETING OF H SHAREHOLDERS

For the purpose of determining the H Shareholders who are entitled to attend and vote at the EGM and the Class Meeting of H Shareholders, the register of members of H shares of the Company will be closed from Friday, April 14, 2023 to Monday, May 15, 2023 (both days inclusive), during which time no transfer of H shares of the Company will be registered. In order to be qualified for attending and voting at the EGM, all transfer documents of the holders of H shares together with the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's H share registrar and transfer office in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, April 13, 2023. The record date for determining the eligibility to attend the EGM and the Class Meeting of H Shareholders will be on Friday, April 14, 2023.

VI. FORM OF PROXY

A form of proxy for use at the EGM and Class Meetings is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.jenscare.com). If you are not able to attend the EGM and Class Meetings, please complete and return the form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the EGM and Class Meetings or any adjournment thereof, and deposit it together with the notarized power of attorney or other document of authorization to (i) the Company's headquarters in the PRC at Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC (for holders of Unlisted Shares); or (ii) the H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares).

Completion and return of the form of proxy will not preclude you from attending and voting at the EGM and Class Meetings should you so wish and in such event, the proxy shall be deemed to be revoked.

VII. VOTING BY WAY OF POLL

Pursuant to Article 8.18 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided by shows of hands unless a poll is demanded by law, administrative regulations or the listing rules of the exchange where the Company's Shares are listed. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As the proposed resolutions do not relate purely to a procedural or administrative matter, accordingly, each of the resolutions set out in the notice of EGM and Class Meetings will be taken by way of poll.

LETTER FROM THE BOARD

On a poll, every shareholder present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register. A shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way.

The Company shall publish the poll results announcement in the manner prescribed under Rule 13.39(5) of the Listing Rules. Accordingly, the chairman of the EGM and the Class Meetings will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions at the EGM and the Class Meetings.

To the best of the Directors' knowledge, information and belief, none of the Shareholders are required to abstain from voting at the EGM and/or the Class Meetings.

VIII. 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.

IX. RECOMMENDATION

The Board considers that all the resolutions proposed at the EGM, the Class Meeting of H Shareholders and the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of these proposed resolutions.

X. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

There is no assurance that the Issue of A Shares will proceed. Shareholders and investors are advised to exercise caution in dealings in the H Shares. Further details about the Issue of A Shares will be disclosed by the Company in due course.

Yours faithfully
By order of the Board
Jenscare Scientific Co., Ltd.
Mr. LV Shiwen
Chairman and Executive Director

**Three-Year Plan for Stabilization of
Price of Shares after the Initial Public Offering of
RMB Denominated Ordinary Shares (A-shares) and Listing
on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.**

In order to protect the interests of the investors and further specify the measures aimed to stabilize the share price of Jenscare Scientific Co., Ltd. (the “**Company**”) when it is lower than the net asset value per share at any time within three years upon the initial public offering of RMB denominated ordinary shares (A-shares) and listing on the Science and Technology Innovation Board (hereinafter referred to as the “**Listing**”), the Company has formulated the Share Price Stabilization Plan of Jenscare Scientific Co., Ltd. within Three Years upon Initial Public Offering of RMB Denominated Ordinary Shares (A-shares) and Listing on the Science and Technology Innovation Board (the “**Share Price Stabilization Plan**”) in accordance with relevant requirements of the Opinions on Further Promoting the Reform of New Stock Issue System of China Securities Regulatory Commission (the “**CSRC**”), specifically as follows:

1. TRIGGERING CONDITIONS OF THE SHARE PRICE STABILIZATION PLAN

If the closing price net asset is lower than the latest audited net asset value per share (net asset value per share is equal to total shareholders’ equity attributable to the ordinary shareholders of parent in the consolidated financial statements divided by total number of shares of the Company at the end of the reporting period; which will be subject to adjustment, in case of any change in the net asset value per share of the Company due to profit distribution, capitalization from capital public reserve, additional issuance of shares, allotment or for other reasons, after the reference date of the latest audit, same below) of the Company for 20 consecutive trading days, other than force majeure events, within three years from the date of listing of the Company, and the Company meets the requirements of laws, regulations, rules, regulatory documents and regulator’s rules on changes in share capital such as repurchase and increase in shareholding, then the Company and its actual controller, and directors who receive remuneration from the Company (other than independent directors, same below) and senior management will take the following measures to stabilize the Company’s share price in accordance with the laws and regulations then in force and the Share Price Stabilization Plan:

- (1) Share repurchase by the Company;
- (2) Shareholding increase by the actual controllers of the Company;
- (3) Shareholding increase by the directors and senior management of the Company;
- (4) Other methods recognized by the securities regulatory authority and considered and approved by the Board of Directors and the general meeting of the issuer.

2. SPECIFIC MEASURES FOR SHARE PRICE STABILIZATION

(1) Share repurchase by the Company

Where the Company decides to repurchase shares from public shareholders by means of call auction to stabilize the share price, the Board of Directors of the Company shall adopt a resolution on share repurchase within 15 trading days from the date of satisfaction of the triggering conditions of share price stabilization measures, and publish an announcement of the Board resolution, relevant motions and notice of convening a general meeting within two trading days after such resolution is approved by the Board of Directors. The share repurchase plan shall include, among others, the purpose, method, price or price range and pricing principles of share repurchase, the type and quantity of repurchased shares, the percentage of shares repurchased in total share capital, the source of funds for the share repurchase, the period for the repurchase of shares, the expected changes in the Company's shareholding structure after the share repurchase, and the management's analysis of the effect of the proposed share repurchase on the operation, finance and future development of the Company. The resolution on share repurchase by the general meeting of the Company must be approved by more than two thirds of the voting rights of the shareholders present at the meeting. The Company shall perform corresponding obligations such announcement, filing and notice to creditors, if the general meeting decides to carry out a share repurchase. The Company shall start to initiate the share repurchase on the date immediately following, and complete the share repurchase within 90 trading days after, the General Meeting's adoption of the resolution to that effect and the completion of relevant statutory formalities. The Company shall publish an announcement of the Report on Change in Shareholding of the Company within two trading days after the completion of the implementation of the share repurchase plan, and the shares repurchased shall be dealt with in the manner decided by the general meeting.

The share repurchase made by the Company for stabilizing the share price shall be made in accordance with the requirements of the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China (the "**Securities Law**"), the Rules for Share Repurchase by Listed Companies and other laws and regulations, and shall not cause the shareholding structure of the Company to fail to meet the conditions for listing. The price of repurchased Shares shall not exceed the latest audited net asset value per share, and the funds for repurchase shall be the Company's owned funds. In addition to the requirements above, the following conditions shall also be met:

- (i) The number of shares bought in a single repurchase shall not exceed 1% of the total share capital of the Company;
- (ii) The cumulative number of shares repurchased in a single accounting year shall not exceed 2% of the total share capital of the Company; and

- (iii) The total amount of funds applied by the Company to repurchase shares shall not on a cumulative basis exceed the total proceeds raised from the Company's initial public offering of new shares.

After exceeding such standards, no more share price stabilization measures shall be implemented in the year. However, in case of any circumstance triggering share price stabilization measures in the next year, the Company will continue to implement the Share Price Stabilization Plan.

If, by means of implementation of share repurchase, the closing price of the Company's A shares is higher than the latest audited net asset value per share for three consecutive trading days, the Company may stop implementing the Share Price Stabilization Plan.

(2) Shareholding Increase by the Actual Controllers of the Company

If the Company has implemented the share repurchase plan, and the closing price of the Company's A Shares is lower than the latest audited net asset value per share every day for 10 consecutive trading days from the date immediately following the completion of such implementation, or if the Company fails to implement the share repurchase or the proposed share repurchase is not approved by the general meeting of the Company, or if the triggering conditions of the Share Price Stabilization Plan are satisfied again within three months from the date immediately following the completion of implementation of the share repurchase plan by the Company, then the actual controllers of the Company shall notify the Company in writing of the specific plan of its proposed increase of shareholding (which shall include, among others, number of additional shares intended to increase, price range and completion deadline, etc.) within 10 trading days after the triggering conditions of share price stabilization measures are satisfied, and the Company shall give an announcement thereof three trading days prior to the commencement of such increase. The actual controllers of the Company shall increase its/his shareholding in the Company by means of call auction, without causing the shareholding structure of the Company to fail the conditions for listing and subject to the Company Law, the Securities Law and other applicable laws and regulations, and complete the same within 90 trading days. The share price in the said shareholding increase shall not exceed the Company's latest audited net asset value per share. The actual controllers shall not sell shares bought in the shareholding increase within six months upon completion of shareholding increase.

In addition to the requirements above, the following conditions shall also be met:

- (i) The number of shares bought by the actual controllers in a single shareholding increase shall not exceed 1% of the total share capital of the Company, and the total amount of shares bought in a single shareholding increase shall be no less than 20% but no more than 30% of the amount of cash dividend after tax received by the actual controllers from the Company in the previous accounting year;

- (ii) The cumulative number of shares bought by the actual controllers in shareholding increase in a single accounting year shall not exceed 2% of the total share capital of the Company.

If, by implementation of shareholding increase, the closing price of the Company's A Shares is higher than the latest audited net asset value per share for three consecutive trading days, the Company may stop implementing the Share Price Stabilization Plan. However, in case of any circumstance triggering share price stabilization measures in the next year, the actual controllers will continue to implement the Share Price Stabilization Plan.

(3) Shareholding Increase by Directors and Senior Management of the Company

If the daily closing price of the Company's A Shares is still lower than the latest audited net asset value per share for 10 consecutive trading days from the date immediately following the completion of increase in shareholding in the Company by the actual controllers according to the share price stabilization measures, or if the triggering conditions of the Share Price Stabilization Plan are satisfied again within three months from the date immediately following the completion of the shareholding increase plan by the actual controllers, then the directors who receive remuneration from the Company (other than independent directors, same below) and senior management of the Company shall have the Company publish a shareholding increase announcement within five trading days upon satisfaction of the triggering conditions. Directors and senior management subject to the shareholding increase obligation shall start the shareholding increase on the date immediately following, and complete the shareholding increase within 90 trading days after, the publication of the shareholding increase announcement and the completion of relevant statutory formalities. Directors and senior management of the Company subject to the shareholding increase obligation shall increase their shareholding in the Company by means of call auction, without causing the shareholding structure of the Company to fail the conditions for listing and subject to the requirements of the Company Law, the Securities Law, the Rules Governing Shareholding and Changes in Shareholding in a Listed Company by its Directors, Supervisors and Senior Management, and other applicable laws and regulations. The share price in the said shareholding increase shall not exceed the Company's latest audited net asset value per share. Directors and senior management shall not sell shares bought in the shareholding increase within six months upon completion of shareholding increase.

In addition to the requirements above, the following conditions shall also be met: the amount of funds used for purchase of shares shall be no less than 20% but no more than 30% of their respective total after-tax remuneration received from the Company in the previous year.

If, by implementation of shareholding increase, the closing price of the Company's A Share is higher than the latest audited net asset value per share for three consecutive trading days, the Company may stop implementing the Share Price Stabilization Plan. However, in case of any circumstance triggering share price stabilization measures in the next year, directors who receive remuneration from the Company (other than independent directors, same below) and senior management of the Company will continue to implement the Share Price Stabilization Plan.

If, within three years from the listing of shares of the Company, the Company intends to elect or appoint any non-independent Director who will receive remuneration from the Company or senior management, the Company will require him to enter into an undertaking as guarantee for his performance of the corresponding commitments made by the directors and senior management at the initial public offering and listing of the Company.

3. CONDITIONS FOR TERMINATING OR RE-TRIGGERING THE SHARE PRICE STABILIZATION PLAN

These share price stabilization measures shall be deemed to have been fully taken and the relevant commitments have been fully performed, and the implementation of the announced Share Price Stabilization Plan has terminated, if, from the date of announcement of the Share Price Stabilization Plan of the Company:

- (1) the closing price of the Company's A Shares is higher than the Company's latest audited net asset value per of share for three consecutive trading days;
- (2) the shareholding structure of the Company will no longer meet the conditions for listing if the Company continues the repurchase of shares, or the actual controllers or directors and senior management increase their shareholding in the Company; or
- (3) the actual controllers and/or the directors and/or senior management will trigger the tender offer obligation if it/he/they continue the increase of shareholding, but it/he/they has/have no plan to carry out tender offer.

If, after the share price stabilization measures of the Company have been fully taken, the share price of the Company's A Shares re-satisfies the triggering conditions of the Share Price Stabilization Plan, then the Company and its actual controllers, directors and senior management and other relevant responsible persons will continue to perform relevant obligations in accordance with the above measures. The obligation of the Company to take mandatory share price stabilization measures shall be limited to once in each calendar year.

4. RESTRICTIVE MEASURES

- (1) The Company will remind and urge its actual controllers, directors and senior management (including current and future newly elected or appointed directors and senior management of the Company) to strictly fulfill the corresponding undertakings on share price stabilization measures made by the Company and its actual controllers, directors and senior management at the time of the initial public offering and listing of the Company's shares.

- (2) The Company is willing to accept supervision of the security regulatory authority, stock exchange and other relevant competent authorities over its development and implementation of the share price stabilization measures, and assume the corresponding legal liabilities. Upon satisfaction of the triggering conditions of share price stabilization measures and in the absence of force majeure events, if the Company and its actual controllers, directors and senior management fail to take the specific share price stabilization measures stated above, the Company and its actual controllers, directors and senior management undertake to accept the following restrictive measures:
- (i) Where the Company breaches its commitment in the Share Price Stabilization Plan within three years after listing, the Company shall explain publicly the specific reasons for its failure to fulfill the commitment at the general meeting of the Company and in the media designated by the CSRC, and apologize to shareholders and public investors.
 - (ii) Where an actual controller breaches its/his commitment in the Share Price Stabilization Plan within three years after listing, the actual controller shall: (A) explain publicly the specific reasons for its failure to fulfill the commitment at the general meeting of the Company and in the media designated by the CSRC, and apologize to other shareholders and public investors; and (B) be subject to a 6-month extension of the lock-up period of its/his restricted shares, and return the amount equivalent to 30% of the cash dividend after tax received by it/him from the Company for the most recent accounting year minus the amount it/he actually applies to increase shareholding, if any, to the Company. In case of failure of return on time, the Company may make deduction from subsequent cash dividend after tax until the cumulative deducted amount has amounted to 30% of the cash dividend after tax received from the Company for the most recent accounting year in which it/he should perform the share price stabilization obligation.
 - (iii) Where the directors and senior management of the Company breach their commitment in the Share Price Stabilization Plan within three years after listing, such directors and senior management shall: (A) explain publicly the specific reasons for their failure to fulfill the commitment at the general meeting of the Company and in the media designated by the CSRC, and apologize to shareholders and public investors; and (B) be deducted 30% of their monthly remuneration after tax by the Company from the month when they fail to perform the share price stabilization commitment, until the cumulative deducted amount has amounted to 30% of the remuneration after tax received by them from the Company in the most recent accounting year in which they should perform the share price stabilization obligation.

**Three-Year Dividend Return Plan for Shareholders
after the Initial Public Offering of
RMB Denominated Ordinary Shares (A-shares) and Listing on
the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.**

Considering its proposed initial public offering of RMB denominated ordinary shares (A-shares) and listing on the Science and Technology Innovation Board, Jenscare Scientific Co., Ltd. (the “**Company**”) has formulated the Plan for Dividend Return to Shareholders of Jenscare Scientific Co., Ltd. within Three Years upon Initial Public Offering of RMB Denominated Ordinary Shares (A-shares) and Listing on the Science and Technology Innovation Board (the “**Plan**”) in order to further promote its establishment of a scientific, sustainable and stable dividend mechanism, guide investors to form stable investment return expectations, and protect the legitimate rights and interests of investors, in accordance with the Company Law of the People’s Republic of China, the Notice on the Further Implementation of Matters in Relation to Cash Dividend of Listed Companies, the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividend of Listed Companies and other applicable laws, regulations and regulatory documents, as well as the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”), specifically as follows:

1. DEVELOPMENT PRINCIPLES OF THE PLAN

The Company’s profit distribution policy focuses on the overall long-term interests of the Company, and has taken full account of the characteristics of the industry, current development stage, business model, profit level and other aspects of the Company on the basis of comprehensive analysis of the actual situation of business development, profitability and other related elements of the Company. The Company intends to make a sustainable, stable and scientific dividend return plan and mechanism for investors, by establishment of a sustainable, stable and reasonable investment return mechanism for investors which provides for institutional arrangements for dividend distribution, so as to ensure the continuity and stability of the Company’s profit distribution policy, as well as the overall interests and sustainable development of all shareholders.

2. CONTENT OF THE PLAN

(1) Order of Profit Distribution

The Company shall appropriate 10% of the profit to the statutory reserves of the Company when distributing the after-tax profit of the year. Where the cumulative amount of the statutory reserves of the Company has reached more than 50% of the registered capital of the Company, such appropriation may stop.

Where the statutory reserves of the Company are insufficient to recover its losses in previous years, the profit of the year shall be first used to make up such losses before appropriation to statutory reserves.

The Company may, after appropriating after-tax profit to the statutory reserves and upon resolution of the general meeting, appropriate after-tax profit to discretionary reserve.

The remaining after-tax profit after recovery of losses and appropriation to reserves may be distributed according to the respective shareholding percentage of the shareholders.

(2) Form of Profit Distribution

The Company may distribute profit by means of cash dividend, bonus issue, or a combination thereof, or otherwise. The Company shall distribute profit by cash dividend on a priority basis if the conditions for cash dividend are met.

(3) Specific Conditions for and Ratio of Cash Dividend

A. Conditions for Cash Dividend

The Company may distribute profit by cash when the following conditions are all satisfied:

- (i) The Company has realized positive distributable profit (i.e. after-tax profit after recovery of losses and appropriation to reserves) and positive accumulated undistributed profit in the year, and its operating cash flow can meet the cash needs of the Company in the normal operation and sustainable development and is sufficient to pay out the current profit distribution, and the implementation of cash dividend will not affect the Company's subsequent operation on a going-concern basis;
- (ii) The auditor engaged by the Company has issued a standard unqualified auditor's report on the Company's financial report of the year;
- (iii) The Company has positive accumulated distributable profit; and
- (iv) The Company has no major investment plan or significant cash expenditure in the next twelve months (except for fund-raising projects).

The term "major investment plan or significant cash expenditure" refers to any accumulated expenditure of the Company exceeding 30% of latest audited net assets of the Company in the consolidated statements, due to its proposed external investment, acquisition of assets or purchase of equipment in the next twelve months.

B. Cash Dividend Ratio

Subject to satisfaction of conditions for cash dividend above, as a general rule, the cash dividend ratio shall be no less than 10% of the distributable profit realized in the year, and the specific dividend ratio shall be proposed by the Board of Directors according to the annual profits and the future fund use plan of the Company, and submitted to the general meeting for consideration and decision.

(4) Differentiated Cash Dividend Policy

The Board of Directors of the Company shall distinguish the following situations by comprehensively considering factors such as industry characteristics, development stage, business model, profit level of the Company, and whether there are significant capital expenditure arrangements, and formulate a differentiated cash dividend policy according to the procedures set forth in the Articles of Association:

- (i) If the development stage of the Company is mature stage and there are no significant capital expenditure arrangements, the cash dividend shall account for a minimum of 80% of the distributable profit in the profit distribution concerned;
- (ii) If the development stage of the Company is mature stage but there are significant capital expenditure arrangements, the cash dividend shall account for a minimum of 40% of the distributable profit in the profit distribution concerned;
- (iii) If the development stage of the Company is growth stage and there are significant capital expenditure arrangements, the cash dividend shall account for a minimum of 20% of the distributable profit in the profit distribution concerned.

If it is not easy to distinguish in which stage the Company is but there is significant capital expenditure arrangement, the preceding provision may be followed.

(5) Conditions for Bonus Issue

If the Company has a need to expand the size of its share capital, and the Board of Directors believes that the Company's share price does not match the size of the Company's share capital, or the bonus issue is beneficial to the overall interests of all shareholders of the Company, the Company may then, to the extent the above conditions for cash dividend are satisfied, make a bonus issue. In case of profit distribution by bonus issue, the Board of Directors of the Company shall make

its decision based on such real and reasonable factors as the Company's growth and the dilution of net asset value per share.

(6) Interval of Profit Distribution

In principle, the Company adopts an annual profit distribution policy. The Board of Directors of the Company may propose, and after consideration and approval by the general meeting, implement, an interim profit distribution plan according to the Company's development plan, profitability, cash flow and capital requirement plan.

(7) Others

If any shareholder has illegally appropriated funds of the Company, the Company shall make deduction from the cash dividend distributable to such shareholder, as compensation for the funds appropriated by such shareholder.

3. DEVELOPMENT PERIOD OF THE PLAN

The Company intends to formulate the Plan every three years, in accordance with the profit distribution policy set forth in the Articles of Association and the actual operation condition of the Company and in combination with the opinions of shareholders (especially minority shareholders) and independent directors, and then submit it to the general meeting for approval after consideration and approval by the Board of Directors of the Company.

4. DECISION-MAKING MECHANISM FOR PROFIT DISTRIBUTION

The profit distribution of the Company shall perform the following procedures:

- (1) In the process of deliberating the profit distribution plan, the Board of Directors of the Company shall fully discuss with the independent directors and supervisors, and propose and develop the Company's profit distribution plan after considering the provision of sustainable, stable and scientific return to all shareholders according to the Company's earnings, capital needs and plan for return to shareholders, in combination with the relevant provisions of the Articles of Association. The profit distribution item shall be submitted to the general meeting for consideration only after the profit distribution plan has been considered and approved by the Board of Directors. The Board of Directors shall, when deliberating the profit distribution plan, seriously study and substantiate the timing, conditions and minimum percentage, conditions for adjustment, requirements for the decision-making procedures, and other matters in connection with the cash dividend distribution by the Company. The profit distribution plan shall be approved by a majority of all directors and by more than one-half of the independent directors. Independent directors shall issue independent opinions on the specific profit distribution plan.

- (2) The Supervisory Committee shall deliberate on the specific profit distribution plan drafted by the Board of Directors, which shall be approved by a majority of all supervisors of the Supervisory Committee.
- (3) The general meeting shall consider and vote on the profit distribution plan proposed by the Board of Directors in accordance with laws, regulations and the Articles of Association. Before consideration and voting, the Company shall actively communicate and exchange with shareholders, especially minority shareholders through various channels, fully listen to the opinions and requirements of minority shareholders, and timely answer questions that concern minority shareholders.
- (4) If the Board of Directors does not propose a profit distribution plan in cash if the conditions for cash dividend are satisfied in the year, the reasons shall be disclosed in the periodic report, and the independent directors shall express an independent opinion in this respect.

5. ADJUSTMENT TO PROFIT DISTRIBUTION PLAN

Where the Company adjusts or changes the profit distribution policy according to external business environment and the Company's internal operating condition, investment planning, long-term development and other needs, the adjusted profit distribution policy shall comply with the provisions of applicable laws and regulations. Any motion on adjustment to profit distribution policy shall be prepared by the Board of Directors, opined by independent directors and the Supervisory Committee, and considered and approved by the Board of Directors of the Company, before being submitted to the general meeting for approval. The motion on adjustment to profit distribution policy shall be approved by more than two thirds of voting rights held by shareholders present at the general meeting, and when such motion is considered at the general meeting, opinions of shareholders, especially minority shares shall be fully listened to.

**APPENDIX III ANALYSIS ON THE IMPACT OF DILUTION ON IMMEDIATE RETURN
BY THE INITIAL PUBLIC OFFERING OF A SHARES
AND REMEDIAL MEASURES FOR THE IMMEDIATE RETURN**

**Analysis on the Impact of Dilution on Immediate Return by
the Initial Public Offering and
Listing of RMB Denominated Ordinary Shares (A Shares) and
Remedial Measures for the Immediate Return of
Jenscare Scientific Co., Ltd.**

Considering its proposed application for initial public offering of RMB denominated ordinary shares (A-shares) and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange, Jenscare Scientific Co., Ltd. (the “**Company**”) has carefully analyzed the impact of dilution of immediate return arising from the initial public offering of shares (the “**IPO**”), and proposed the corresponding remedial measures for dilution of immediate return arising from the IPO, in accordance with the requirements of the Opinions of the General Office of the State Council on Further Strengthening the Protection of the Legitimate Rights and Interests of Minority Investors in the Capital Markets, the Several Opinions of the State Council on Further Promotion of Healthy Development of Capital Markets, and the Guiding Opinions on Matters Concerning the Dilution of Immediate Return in Initiate Public Offering, Refinancing and Material Asset Restructuring, specifically as follows:

1. EFFECT ON EARNINGS PER SHARE OF THE COMPANY BY THE IPO

The share capital and net assets of the Company will increase significantly after the completion of its initial public offering of A-shares and listing on the Science and Technology Innovation Board, however, given the implementation period of the fund-raising investment project, the net profit may not increase significantly in the same pace, which is likely to render a decline in the Company’s earnings per share, net return on assets and other indicators, exposing investors to the risk that the immediate return will be diluted after the Company’s IPO and listing on the Science and Technology Innovation Board.

2. SPECIFIC REMEDIAL MEASURES TAKEN AND COMMITMENTS MADE BY THE COMPANY FOR DILUTION OF IMMEDIATE RETURN

In order to reduce the risk of dilution of the Company’s immediate return by the IPO and enhance the Company’s capacity in providing sustainable return on investment, the Company intends to take the following remedial measures for the dilution of immediate return:

(1) Strengthen R&D and business development, and enhance the Company’s core competitiveness and sustainable profitability

The Company will continue consolidating and exerting its own advantages, further expanding its industrial chain, keep building a commercialization system, continuously enrich and perfect its products and service capabilities, improve the R&D and technological level, enhance its sustainable profitability, and achieve sustainable and stable development of the Company.

**APPENDIX III ANALYSIS ON THE IMPACT OF DILUTION ON IMMEDIATE RETURN
BY THE INITIAL PUBLIC OFFERING OF A SHARES
AND REMEDIAL MEASURES FOR THE IMMEDIATE RETURN**

(2) Strengthen internal control management and comprehensively improve the efficiency of operation and management

The Company has established and improved a management structure consisting of the general meeting, the Board of Directors and its special committees, the Supervisory Committee, independent directors, the Secretary of the Board of Directors, and the senior management, and consolidated the basis of the Company's operation management and internal control, in accordance with the provisions of laws, regulations and regulatory documents. In the future, the Company will further improve its operation and management level and enhance its overall profitability. In addition, the Company will endeavor to improve the efficiency of use of proceeds, improve and strengthen the investment decision-making process, design a more reasonable funds use plan, make a proper use of various financing tools and channels, control its capital costs, and save financial expenses. Besides, the Company will continue strengthening the corporate internal controls, cost management, and supervision of budget execution, to comprehensively and effectively control the operation and control risks of the Company.

(3) Strengthen the management of proceeds, and strictly implement the management policies for proceeds

In order to standardize the use and management of proceeds, the Company has formulated the Measures for Management of Proceeds to expressly provide for the deposit, use, change, supervision and accountability in, of and over the special account for proceeds, in accordance with the Company Law, the Securities Law, the Administrative Measures for the Registration of the Issuance of Securities by Listed Companies, the Regulatory Guidelines for Listed Companies No.2 – Regulatory Requirements in Respect of Management and Use of Proceeds Raised by Listed Companies, the Listing Rules and other applicable laws, regulations and regulatory documents.

After the proceeds raised from the IPO are available, the Board of Directors of the Company will continuously supervise the Company's special deposit of such proceeds, regularly conduct internal audit over the proceeds, and cooperate with the inspection and supervision over the use of proceeds by the escrow bank and the sponsor, so as to ensure the use of proceeds in a reasonable and compliant manner and prevent risks in the use of proceeds.

(4) Accelerate the investment progress of investment projects, and strive to realize the expected benefits of projects as soon as possible

In order to realize the benefits of the investment projects as soon as possible, the Company intends to actively raise funds and allocate resources through various channels, and carry out the preliminary preparation and construction of the investment projects, before the proceeds are available. And after the proceeds raised

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from the IPO are available, the Company will accelerate the construction of investment projects, improve the efficiency of the use of proceeds, and endeavor to achieve and realize the expected benefits of investment projects as soon as possible, so as to improve its profit level, increase the return to shareholders in the next few years, and reduce the risk of dilution of immediate return caused by the IPO.

(5) Attach importance to the return to shareholders and protect the legitimate rights and interests of shareholders

In order to improve its profit distribution policy, promote its establishment of a scientific, sustainable and stable shareholder return mechanism, and increase the transparency and operability of decision-making relating to profit distribution policy, the Company has specified its profit distribution policy in the Articles of Association and the Three-Year Dividend Return Plan for Shareholders After the Initial Public Offering of A Shares and the Listing on the STAR Market, both of which will be applicable after the IPO, to protect the interests of shareholders, especially minority shareholders of the Company, in accordance with the requirements of the Notice on the Further Implementation of Matters in Relation to Cash Dividend of Listed Companies and the Regulatory Guidelines for Listed Companies No. 3 – Cash Dividend of Listed Companies issued by the China Securities Regulatory Commission.

3. COMMITMENT OF DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY ON TAKING REMEDIAL MEASURES FOR DILUTION OF IMMEDIATE RETURN

In order to reduce the impact of dilution of the Company's immediate return by the IPO, the directors and senior management of the Company hereby commit as follows with respect to taking remedial measures for the dilution of immediate return to shareholders:

- “(1) To faithfully and diligently perform duties and protect the legitimate rights and interests of the Company and all shareholders;
- (2) Not to tunnel interests to other entities or individuals for free or under unfair terms, or otherwise jeopardize interests of the Company;
- (3) To restrict their own position-related consumption activities;
- (4) Not to use the Company's assets to carry out investment or consumption activities irrelevant to their performance of duties;
- (5) To endeavor to procure the remuneration policy as formulated by the Board of Directors or the Remuneration and Appraisal Committee be linked with the implementation of the remedial measures for the dilution of immediate return of the Company, within the scope of their duties and powers;

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- (6) To endeavor to procure the exercise conditions of the equity incentive proposed to be published by the Company be linked with the implementation of the remedial measures for the dilution of immediate return of the Company, if the Company intends to implement any new equity incentive plan in the future, within the scope of their duties and powers;
- (7) I am willing to take corresponding legal responsibility in accordance with the relevant regulations and rules issued or promulgated by securities regulatory authorities such as the China Securities Regulatory Commission and the Shanghai Stock Exchange, if they breach or refuse to perform the commitment above; and
- (8) That, if the laws, regulations, regulatory documents, policies and requirements of securities regulatory authorities governing the above commitments change, I am willing to accept the automatic application of the changed laws, regulations, regulatory documents, policies and requirements of securities regulatory authorities."

**4. COMMITMENT OF ACTUAL CONTROLLERS OF THE COMPANY ON TAKING
REMEDIAL MEASURES FOR DILUTION OF IMMEDIATE RETURN**

In order to reduce the impact of of dilution of the Company's immediate return by the IPO, the actual controllers of the Company commits as follows with respect to taking the remedial measures for the dilution of immediate return to shareholders:

- "(1) Not to intervene the operation and management of the Company beyond its/his authority or misappropriate interests of the Company;
- (2) If I have failed to fulfill the above commitment, I will actively take measures to enable the fulfillment of the above commitment and the effective implementation of the Company's remedial measures for the dilution of immediate return, and publicly explain the specific reasons for the failure to fulfill the above commitment on the website designated by the CSRC, and apologize to the shareholders and public investors of the Company, and be liable for compensation according to the law for any losses to the Company or shareholders arising from my breach; and
- (3) That, if the laws, regulations, regulatory documents, policies and requirements of securities regulatory authorities governing the above commitments change, I am willing to accept the automatic application of the changed laws, regulations, regulatory documents, policies and requirements of securities regulatory authorities."

COMPARISON TABLE OF AMENDMENTS
TO THE ARTICLES OF ASSOCIATION

Before amendment	After amendment
New provisions	<p><u>Article 1 These Articles of Association (these “Articles”) have been formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKEX Listing Rules”), the Guidelines for the Articles of Association of Listed Companies and other applicable laws, regulations and regulatory documents to protect the legal rights and interests of Jenscare Scientific Co., Ltd. (the “Company”) and its shareholders and creditors and regulate the organization and acts of the Company.</u></p>
<p>Article 1.1 Jenscare Scientific Co., Ltd. (hereinafter the “Company”) is a joint stock limited company established pursuant to the Company Law of the People’s Republic of China (hereinafter the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter the “Securities Law”), the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (hereinafter the “Special Regulations”) and other relevant requirements under the laws and administrative rules of China.</p>	<p>Article 2 The Company is a joint stock company established pursuant to the Company Law, the Securities Law and other relevant <u>regulations.</u></p> <p>The Company is a joint stock company established <u>by means of sponsorship and by the overall structural reform of</u> Ningbo Jenscare Biotechnology Co., Ltd. It was registered with the Ningbo Administration for Market Regulation and obtained a business license. The unified social credit code of the Company is: 91330201583980804P.</p>

Before amendment	After amendment
<p>The Company is a joint stock limited company established through conversion of its predecessor Ningbo Jenscare Biotechnology Co., Ltd. as a whole. It was registered with the Ningbo Administration for Market Regulation and obtained a business license on March 23, 2021. The unified social credit code of the Company is: 91330201583980804P.</p> <p>The promoters of the Company include: Ningbo Sangdi Investment Management L.P. (Limited Partnership), Tianjin Fanshi Management Consulting L.P. (Limited Partnership), Shanghai Shidi Industrial Development Co., Ltd., Ningbo Linfeng Biotechnology Co., Ltd., WU Danke, LV Shiwen, Ningbo Mukang Venture Capital Partnership (Limited Partnership), Ningbo Kefeng Investment Management L.P. (Limited Partnership), Hangzhou Chende Investment L.P. (Limited Partnership), Suzhou Chenzhide Investment L.P. (Limited Partnership), Hangzhou Proxima Innovative Investment L.P. (Limited Partnership), MA Ji, Hainan Maidi Enterprise Management L.P. (Limited Partnership), Suzhou Proxima Venture Investment L.P. (Limited Partnership), GP Healthcare Equity Investment L.P. (Limited Partnership), Tianjin Fanchuan Management Consulting L.P. (Limited Partnership), Beijing PICC Healthcare Investment Fund, L.P., Zhuhai Yuheng Equity Investment L.P. (Limited Partnership), Shanghai Changxiang Medical Technology Center (Limited Partnership), Qiushixingde (Tianjin) Investment Center (Limited Partnership), China Life Chengda (Shanghai) Healthcare Equity Investment Center (Limited Partnership), CICC Pucheng Investment Co., Ltd. and Hainan Hualing Investment L.P. (Limited Partnership).</p>	

Before amendment	After amendment
<p>Article 1.3 The Company’s legal residence: Block 5, B Area, No. 777, Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province</p> <p>Postal code: 315336</p> <p>Telephone number: 0574-63935666 Fax: 0574-63935666</p>	<p>Article 4 The Company’s legal residence: Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Zone, Ningbo, Zhejiang Province</p> <p>Postal Code: 315336</p>
<p>New provisions</p>	<p>Article 5 <u>With approval of the China Securities Regulatory Commission (the “CSRC”) and The Stock Exchange of Hong Kong Limited (the “HKEX”), the Company issued 8,076,400 overseas-listed foreign invested shares (H-shares) in its initial public offering, 20 holders of domestic shares of the Company converted 107,584,920 domestic shares into overseas-listed foreign invested shares and 7 holders of foreign invested shares converted 15,929,312 non-listed foreign invested shares into overseas-listed foreign invested shares, all of which had been listed on the HKEX on October 10, 2022.</u></p>
<p><u>New provisions</u></p>	<p>Article 6 <u>The registered capital of the Company is RMB417,167,290.</u></p>
<p>New provisions</p>	<p>Article 9 <u>All assets of the Company shall be divided into equal shares, and the liability of shareholders to the Company shall be limited to the shares subscribed by them, and the Company shall be liable for the debts of the Company with all its assets.</u></p>

Before amendment	After amendment
<p>Article 1.6 The original Articles of Association has been effective since the date of registration of the Company. The Articles of Association shall take effect after being adopted by a special resolution passed at the Company's general meeting, upon approval of the relevant competent authorities of the State and the listing of overseas listed foreign Shares of the Company on the Stock Exchange of Hong Kong Limited (hereinafter the "Hong Kong Stock Exchange"). After the Articles of Association comes into effect, the original Articles of Association shall be superseded by these Articles of Association. All activities of the Company must comply with and conform to the provisions of the Company Law, the Special Regulations and the Articles of Association.</p> <p>The Articles of Association, from the date it becomes effective, shall be the document legally binding on standardizing the organization and behaviors of the Company, and the rights and obligations between the Company and the Shareholders and among the Shareholders.</p>	<p>Article 10 The Articles of Association, from the date it becomes effective, shall <u>become a legally binding document upon the Company and its shareholders, directors, supervisors and senior management which will regulate the organization and acts of the Company, the rights and obligations between the Company and shareholders and between different shareholders. According to these Articles, a shareholder may sue another shareholder, or any director, supervisor, manager or other senior management of the Company, or the Company, and the Company may sue any shareholder, director, supervisor, manager or other senior management.</u></p>
<p>Article 1.7 The Articles of Association shall be binding on the Company and its Shareholders, Directors, supervisors, general manager and other senior management members, who shall have the right to make any claims and propositions regarding the Company's affairs in accordance with the Articles of Association. In accordance with the Articles of Association, the Shareholders may take actions against the Company; the Company may take actions against the Shareholders; the Shareholders may lodge claims against other Shareholders; the Shareholders may take actions against Directors, supervisors, general manager and other senior management members of the Company. The actions aforementioned include the initiation of legal proceedings with a court proceedings or application to an arbitration institution for arbitration.</p>	<p>Delete</p>

Before amendment	After amendment
<p>Article 1.8 The Company may invest in other limited liability companies or joint stock companies and shall be liable to such invested companies to the extent of the amount of its investment. However, unless otherwise stipulated by laws, the Company shall not have any joint liability for any debts of the investee in its capacity as a capital contributor. The Company may, based on its business development requirements and subject to the approval of relevant government authorities, establish subsidiaries or such branches as sub-branches and representative offices, offices in overseas or the Hong Kong Special Administrative Region (hereinafter "Hong Kong"), the Macau Special Administrative Region and Taiwan.</p>	Delete
New provisions	<p>Article 11 <u>For the purposes of the Articles, senior management refer to the general manager, deputy general manager, chief financial officer (CFO) and secretary to the Board of Directors of the Company.</u></p>
New provisions	<p>Article 12 <u>The Company shall establish the CPC organization and carry out the CPC activities in accordance with the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities of the CPC organization.</u></p>

Before amendment	After amendment
<p>Article 2.2 The Company's scope of business includes: general items: engineering and technical research and experimental development; technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; medical research and experimental development; research and development of new materials and technologies; natural science research and experimental development; production of Class I medical devices; sales of Class I medical devices; sales of Class II medical devices (except for the business activities for the items subject to approval in accordance with the laws, business activities for any other items can be lawfully carried out independently as permitted under its business license). Permitted items: inspection and testing services; production of Class II medical devices; production of Class III medical devices; Class III medical devices operation; import and export of goods (for the items subject to approval in accordance with the laws, upon obtaining such approval from relevant authorities, the business activities for such items are allowed to commence for which the specific scope shall be subject to such approval).</p> <p>The business scope of the Company shall be that as approved by the company registration authorities.</p> <p>The Company may lawfully change its scope of business and go through the formalities for such change in response to the domestic and international market changes, its business development and capabilities upon the approval of the general meeting and relevant governmental authorities (if required).</p>	<p>Article 14 The Company's scope of business, as duly registered, includes: general items: engineering and technical research and experimental development; technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion; medical research and experimental development; research and development of new materials and technologies; natural science research and experimental development; production of Class I medical devices; sales of Class I medical devices; sales of Class II medical devices (except for the business activities for the items subject to approval in accordance with the laws, business activities for any other items can be lawfully carried out independently as permitted under its business license). Permitted items: inspection and testing services; production of Class II medical devices; production of Class III medical devices; Class III medical devices operation; import and export of goods (for the items subject to approval in accordance with the laws, upon obtaining such approval from relevant authorities, the business activities for such items are allowed to commence for which the specific scope shall be subject to such approval).</p>

Before amendment	After amendment
New provisions	Article 15 <u>The shares of the Company shall take the form of stock.</u>
Article 3.1 The Company must at all times have ordinary share capital. Subject to the approval of competent department authorized by the State Council, the Company may have different classes of shares for various purposes.	Delete
<p>Article 3.2 The shares of the Company shall take the form of share certificates.</p> <p>The share certificates issued by the Company shall each have a par value of RMB1.</p> <p>Shares of the Company shall be issued based on the principles of fairness and justice. Shares of the same class shall rank pari passu with each other. For the same class of shares issued in the same tranche, each share shall be issued under the same conditions and price. Each subscriber, whether an entity or an individual, shall pay the same price for each share for which he/she subscribes for. The domestic shares and overseas listed foreign shares issued by the Company shall have equal rights in the payment of dividend or distribution in any other form.</p>	<p>Article 16 <u>Stocks issued by the Company shall be denominated in RMB and</u> each have a par value of RMB1. Shares of the Company shall be issued based on the principles of <u>openness</u>, fairness and justice. Shares of the same class shall rank pari passu with each other.</p> <p>For the same class of shares issued in the same tranche, each share shall be issued under the same conditions and price. Each subscriber, whether an entity or an individual, shall pay the same price for each share for which he/she subscribes for.</p> <p>The domestic shares and overseas-listed foreign shares issued by the Company shall have equal rights in the payment of dividend or distribution in any other form.</p>
<p>Article 3.3 The Company may offer its shares to both domestic and foreign investors with the approval of the relevant securities regulatory authority under the State Council.</p> <p>Foreign investors referred to in the preceding paragraph mean those investors in foreign countries, Hong Kong, Macau and Taiwan who subscribe for the shares issued by the Company; domestic investors mean those investors in the People's Republic of China, excluding the aforementioned regions, who subscribe for the shares issued by the Company.</p>	<p>Article 17 The Company may offer its shares to both domestic and foreign investors <u>after registration/filing with the</u> securities regulatory authority under the State Council.</p> <p>Foreign investors referred to in the preceding paragraph mean those investors in foreign countries, Hong Kong, Macau and Taiwan who subscribe for the shares issued by the Company; domestic investors mean those investors in the People's Republic of China, excluding the aforementioned regions, who subscribe for the shares issued by the Company.</p>

Before amendment	After amendment
<p>Article 3.4 Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency are referred to as foreign shares. Foreign shares which are listed outside the People’s Republic of China are referred to as overseas listed foreign shares.</p> <p>Shares listed on an overseas stock exchange upon approval by the department authorized by the State Council and by the overseas securities regulatory authority are collectively known as overseas listed shares.</p> <p>Foreign shares issued by the Company and listed on the Hong Kong Stock Exchange are known as H shares. These shares are approved for listing on the Hong Kong Stock Exchange, have a par value denominated in Renminbi and are subscribed for and traded in foreign currencies.</p> <p>Foreign currencies referred to in the preceding paragraph mean the lawful currencies, other than Renminbi, of other countries or regions, which are recognized by the foreign exchange authority of the State and can be used to pay to the Company for the shares.</p> <p>To the extent as permitted by relevant law, administrative regulations and department rules, shareholders of the Company may apply for the listing of its unlisted shares they hold on an overseas stock exchange upon approval by the regulatory authorities such as securities regulatory authority under the State Council. Listing of the aforesaid shares on an overseas stock exchange shall also be in compliance with the regulatory procedures, regulations and requirements of the overseas securities market.</p>	<p>Article 18 Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency are referred to as foreign shares. Foreign shares which are listed outside the People’s Republic of China are referred to as overseas listed foreign shares.</p> <p>Shares listed on an overseas stock exchange upon approval by the department authorized by the State Council and by the overseas securities regulatory authority are collectively known as overseas listed shares.</p> <p>Foreign shares issued by the Company and listed on the Hong Kong Stock Exchange are known as H shares. These shares are approved for listing on the Hong Kong Stock Exchange, have a par value denominated in Renminbi and are subscribed for and traded in foreign currencies.</p> <p>Foreign currencies referred to in the preceding paragraph mean the lawful currencies, other than Renminbi, of other countries or regions, which are recognized by the foreign exchange authority of the State and can be used to pay to the Company for the shares.</p> <p>To the extent as permitted by relevant law, administrative regulations and department rules, shareholders of the Company may apply for the listing of its unlisted shares they hold on an overseas stock exchange upon <u>filing with</u> securities regulatory authority under the State Council. Listing of the aforesaid shares on an overseas stock exchange shall also be in compliance with the regulatory procedures, regulations and requirements of the overseas securities market.</p>

Before amendment	After amendment
<p>Holders of domestic shares of the Company may transfer the shares held by them to overseas investors and such transferred shares are listed or traded on an overseas stock exchange, upon the approval by the securities regulatory authority of the State Council and the Hong Kong Stock Exchange. All or part of the Company's domestic shares can be converted into foreign shares, and converted foreign shares can be listed and traded on the overseas stock exchanges. The listing and trading of the transferred or converted shares on an overseas stock exchange shall also be in compliance with the regulatory procedures, regulations and requirements of the overseas securities market.</p> <p>No shareholders' approval has to be sought in a general meeting or a class meeting before listing and trading of converted shares on overseas stock exchanges or conversion of domestic shares into foreign shares for listing and trading on overseas stock exchanges. Domestic shares, once converted into overseas listed foreign shares, become the same class of such overseas listed foreign shares listed on such overseas stock exchange.</p>	
New provisions	Article 19 <u>The H-shares issued by the Company are mainly deposited in the trusted companies subordinate to Hong Kong Securities Clearing Company Ltd.</u>
New provisions	Article 21 <u>The Company has 417,167,290 shares in total, all of which are ordinary shares.</u>
New provisions	Article 22 <u>None of the Company and its subsidiaries (including affiliated enterprises of the Company) shall provide any support to any person who purchases or proposes to purchase shares of the Company, be it gift, funding, guarantee, compensation or loan.</u>

Before amendment	After amendment
<p>Article 3.6 Upon the issuance of the overseas listed foreign shares and the completion of the conversion of Shares into overseas listed foreign shares, the capital structure of the Company is as follows: 417,167,290 ordinary shares, comprising 252,415,080 domestic shares, 33,161,578 unlisted foreign shares and 131,590,632 overseas listed foreign shares (including 107,584,920 and 15,929,312 overseas listed foreign shares converted from domestic shares and unlisted foreign shares, respectively).</p>	Delete
<p>Article 3.7 The board of the directors of the Company may make arrangement for the Company's separate issuance of overseas listed foreign shares and domestic shares according to the issue scheme approved by the securities regulatory authority under the State Council.</p> <p>According to the aforesaid scheme for separate issuance of overseas listed foreign shares and domestic shares, the Company may issue the shares separately within 15 months after approval of the securities regulatory authority under the State Council.</p>	Delete
<p>Article 3.8 If the Company separately issues overseas listed foreign shares and domestic shares within the total number specified in the issue scheme, the said shares shall be issued respectively at one time. If it is impossible for the shares to be issued at one time for special reasons, the shares may be issued in several tranches subject to the approval by the securities regulatory authorities of the State Council.</p>	Delete
<p>Article 3.9 Upon conversion to an incorporated company, the Company has a registered capital of RMB360,000,000. Prior to the issuance of H shares, the registered capital of the Company is RMB409,090,890 divided into 409,090,890 shares in total.</p> <p>Upon the completion of the issuance of H shares, the registered capital of the Company is RMB417,167,290, and the total investment amount is RMB1,251,501,870. Based on the actual issuance, the Company shall complete corresponding registration procedures for the change in registered capital with the original company registration authority, and submit the filing with securities regulatory authorities under the State Council.</p>	Delete

Before amendment	After amendment
<p>Article 3.10 The Company may, based on its business and development needs and in accordance with laws and regulations, increase its share capital in accordance with relevant provisions of the Articles of Association. The Company may increase its capital in the following manners:</p> <p>(I) public offering of Shares;</p> <p>(II) non-public offering of Shares;</p> <p>(III) placing or distributing new shares to existing Shareholders;</p> <p>(IV) conversion of provident funds into share capital;</p> <p>(V) other ways permitted by the laws and administrative regulations.</p> <p>The Company's increase of capital by issuing new shares shall, after obtaining the approval pursuant to the provisions of the Articles of Association, be conducted in accordance with the procedures as provided in relevant laws and administrative regulations of the State, and relevant regulatory rules of the place where the Company's shares are listed.</p>	<p>Article 23 The Company may, based on its business and development needs and in accordance with laws and regulations, increase its capital <u>after being approved by the resolution by the general meeting</u> in the following manners:</p> <p>(1) public offering of shares;</p> <p>(2) non-public offering of shares;</p> <p>(3) bonus issue to existing shareholders;</p> <p>(4) conversion of provident funds into share capital;</p> <p>(5) other ways permitted by the laws and administrative regulations <u>and approved by the CSRC.</u></p> <p>The Company's increase of capital by issuing new shares shall, after obtaining the approval pursuant to the provisions of the Articles of Association, be conducted in accordance with the procedures as provided in relevant laws and administrative regulations of the State, and relevant regulatory rules of the place where the Company's shares are listed.</p>
<p>Article 3.11 Unless otherwise provided by laws and administrative regulations, or with the consent of the stock exchange on which the Company's shares are listed, fully paid-up overseas listed foreign shares of the Company are freely transferable and are not subject to any lien. Shares of the Company could be granted, inherited and pledged in accordance with relevant laws, administrative regulations and the provisions of the Articles of Association. The transfer of the Shares of the Company shall be registered with local share registrar designated by the Company.</p>	Delete
<p>Article 4.1 The Company may reduce its registered capital according to the provisions of the Articles of Association. The Company may reduce its registered capital in accordance with the procedures as provided in the Company Law, other relevant regulations and the Articles of Association.</p>	<p>Article 24 The Company may reduce its registered capital. The Company may reduce its registered capital in accordance with the procedures as provided in the Company Law, other relevant regulations and the Articles of Association.</p>

Before amendment	After amendment
<p>Article 4.2 The Company must prepare a statement of assets and liabilities and an inventory of assets for the reduction of its registered capital.</p> <p>The Company shall notify its creditors within 10 days from the date of the Company's resolution to reduce its registered capital and shall publish an announcement in a newspaper within 30 days from the date of such resolution. The creditors may require the Company to repay its debts or provide corresponding guarantee within 30 days from the date they receive the above notice or within 45 days from the date of the first announcement if no such notice is received.</p>	Delete
<p>Article 4.3 The Company may, in accordance with the procedures set out in the Articles of Association and with the approval of relevant competent authorities of the State, repurchase its issued and outstanding shares under the following circumstances:</p> <p>(I) reduction of the registered capital of the Company;</p> <p>(II) merger with another company that holds the Shares in the Company;</p> <p>(III) using the Shares for the employee share ownership scheme or equity incentive scheme;</p> <p>(IV) repurchase of the Shares held by the Shareholders as requested by them since they object the resolution for the merger or spinning-off of the Company proposed at a general meeting;</p> <p>(V) using the Shares for conversion of convertible corporate bonds issued by the Company;</p> <p>(VI) being necessary for the Company to protect its value and its shareholders' interests;</p> <p>(VII) other circumstances as permitted by laws and administrative regulations.</p>	<p>Article 25 The Company shall not purchase its own shares, except under any of the following circumstances:</p> <p>(1) reduction of the registered capital of the Company;</p> <p>(2) merger with another company that holds the Shares in the Company;</p> <p>(3) using the Shares for the employee share ownership scheme or equity incentive scheme;</p> <p>(4) repurchase of the Shares held by the Shareholders as requested by them since they object the resolution for the merger or spinning-off of the Company proposed at a general meeting;</p> <p>(5) using the Shares for conversion of convertible corporate bonds issued by the Company;</p> <p>(6) being necessary for the Company to protect its value and its shareholders' interests;</p> <p>(7) other circumstances as permitted by laws and administrative regulations.</p>

Before amendment	After amendment
<p>Except under the circumstances as mentioned above, the Company shall not engage in the trading of its shares.</p> <p>In the event that the Company repurchases its own shares, it shall fulfill its obligation of information disclosure in accordance with the laws.</p>	<p>In the event that the Company repurchases its own shares, it shall fulfill its obligation of information disclosure in accordance with the laws.</p>
<p>Article 4.4 The Company may, upon the approval by relevant competent authorities of the State, repurchase its shares in any of the following ways:</p> <p>(I) making a pro rata general offer of repurchase to all of its shareholders;</p> <p>(II) repurchasing the shares through public trading on a stock exchange;</p> <p>(III) repurchasing the shares by an off-market agreement outside the stock exchange;</p> <p>(IV) other means approved by the laws, administrative regulations and relevant regulatory authorities.</p>	<p>Delete</p>
<p>New provisions</p>	<p><u>Article 26 The Company's purchase of its own shares may be made by public centralized trading or other methods provided by laws and administrative regulations and recognized by the CSRC. Such purchase by the Company under circumstances set forth in Items (1), (3), (5) and (6), Paragraph One, Article 24 hereof shall be made by public centralized trading.</u></p>
<p>Article 4.5 The Company must obtain prior approval of the shareholders at a general meeting in the manner stipulated in the Articles of Association before repurchasing its shares by means of an off-market agreement outside a stock exchange. The Company may, by obtaining the prior approval of the shareholders' general meeting in the same manner, rescind the off-market agreement it has entered into or vary the terms or waive any rights therein.</p>	<p>Delete</p>

Before amendment	After amendment
<p>An agreement for the repurchase of the shares referred to in the preceding paragraph includes but not limited to an agreement for assuming the obligation, or acquiring the right, to repurchase the shares.</p> <p>The Company shall not assign the agreement for the repurchase of its shares or any right provided therein.</p> <p>For the redeemable shares that the Company is entitled to repurchase:</p> <p>(I) the price shall be capped at a maximum price if the repurchase is not made on the market or by way of tender;</p> <p>(II) an invitation to tender shall be made available to all shareholders equally if the repurchase is made by way of tender.</p>	
<p>Article 4.6 The resolution for approval of the repurchase of the shares of the Company under the circumstances specified in sub-articles (I) and (II) of Article 4.3 shall be obtained at a Shareholders' general meeting. The resolution for the approval of the repurchase of the shares of the Company under the circumstances specified in sub-article (III) of Article 4.3 shall be obtained at a board meeting in which over two-thirds of the directors are present in accordance with the provisions of the Company's Articles of Association or the authorization of the shareholders' general meeting.</p> <p>Upon the completion of the repurchase of the shares of the Company in accordance with the provisions of Article 4.3, the shares so repurchased shall be cancelled within 10 days from the date of repurchase under the circumstances stipulated in sub-article (I) or such shares shall be assigned or cancelled within six months under the circumstances stipulated in sub-articles (II) and (IV).</p>	<p><u>Article 27 The Company's purchase of its own shares shall be approved by resolution of the general meeting if it arises from circumstances set forth in Items (1) and (2), Paragraph One, Articles 24 hereof, or may be approved by resolution of the meeting of Board of Directors approved by more than two thirds of attending directors in accordance with the provisions hereof or with the authorization of the general meeting, if it arises from circumstances set forth in Items (3), (5) and (6), Paragraph One, Articles 24 hereof.</u></p> <p><u>After the Company purchases its shares in accordance with Paragraph One, Article 24 hereof, such shares shall be canceled within ten (10) days from the date of purchase in case of circumstance set forth in Item (1), or transferred or canceled within six (6) months in case of circumstances set forth in Item (2) or (4), or transferred or canceled within three (3) years and the total number of shares of the Company held by itself shall not exceed 10% of the total number of issued shares of the Company, in case of circumstances set forth in Item (3), (5) or (6).</u></p>

Before amendment	After amendment
<p>In the event that the Company repurchases its shares in accordance with sub-articles (III), (V) and (VI) of Article 4.3, the aggregate number of shares held by the Company shall not exceed 10% of the Company's total number of shares in issue and such shares shall be assigned or cancelled within three years.</p> <p>After cancellation of the repurchased shares in accordance with laws, the Company shall apply to the original company registration authority for registration of changes in registered capital.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the registered capital of the Company.</p>	
<p>Article 4.7 Unless the Company is under liquidation, it shall observe the following regulations when repurchasing its outstanding shares:</p> <p>(I) where the Company repurchases its shares at par value, payment shall be made out of book balance of the distributable profits of the Company or out of proceeds from the issue of new shares made for that purpose;</p> <p>(II) where the Company repurchases its shares at a premium to the par value, payment representing the par value shall be made out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for that purpose. Payment for the portion in excess of the par value shall be made as follows:</p> <p>(1) out of the book balance of the distributable profits of the Company if the shares so repurchased were issued at par value;</p>	Delete

Before amendment	After amendment
<p>(2) out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for such purpose if the shares so repurchased were issued at a premium to the par value, provided that the amount paid out of the proceeds from the issue of new shares shall not exceed the aggregate of premiums received from the issue of the shares repurchased and shall not exceed the amount of the Company's share premium account (or capital reserve account) (including the premiums from the issue of new shares) at the time of such repurchase;</p> <p>(HH) payment by the Company in consideration of the followings shall be made out of the Company's distributable profits:</p> <p>(1) acquisition of rights to repurchase its shares;</p> <p>(2) variation of any contract for the repurchase of its shares;</p> <p>(3) discharge of any of its obligations under any contract for the repurchase of its shares.</p> <p>(IV) after the Company's registered share capital has been reduced by the total par value of the cancelled shares in accordance with relevant provisions, the amount deducted from the distributable profits for payment of the par value portion of the shares so repurchased shall be transferred to the Company's share premium account (or its capital reserve account).</p> <p>Where the laws, administrative regulations and relevant requirements of the regulatory authorities have any other provisions in respect of the financial arrangement related to the aforementioned share repurchase, such provisions shall prevail.</p>	

Before amendment	After amendment
<p>Article 5.1 The Company or its subsidiaries (including affiliates of the Company) shall not at any time provide any financial assistance to purchasers or potential purchasers of the Company's shares in any way. The aforesaid purchasers include persons directly or indirectly incurring any obligation by reason of his/her purchase of the Company's shares.</p> <p>The Company or its subsidiaries shall not, by any means at any time, provide financial assistance to the said obligor for the purpose of reducing or discharging the obligations assumed by such person.</p> <p>This provision does not apply to the circumstances as stated in Article 5.3 of the Articles of Association.</p>	Delete
<p>Article 5.2 Financial assistance referred to in this chapter includes (but not limited to) the following:</p> <p>(I) by way of gift;</p> <p>(II) by way of guarantee (including the provision of any undertaking or property to secure the performance of the obligations by the obligor), indemnity (other than indemnity arising out of the Company's own fault) or release or waiver of any right;</p> <p>(III) provision of a loan or entering into any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or entering into an agreement to change such loan or the parties of such agreement or the assignment of the rights under such loan or agreement;</p> <p>(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.</p>	Delete

Before amendment	After amendment
<p>The assumption of obligations referred to in this chapter includes the assumption of obligations by way of contract or other arrangement (irrespective of whether such contract or arrangement is enforceable or not and irrespective of whether such obligations are borne jointly with other persons) or by any other means which results in a change in his/her financial position.</p>	
<p>Article 5.3 The following acts shall not be deemed as the acts prohibited under Article 5.1 of the Articles of Association:</p> <ul style="list-style-type: none"> (I) provision of financial assistance by the Company where the financial assistance is given in good faith and for the interests of the Company, and the principal purpose of giving such financial assistance is not for the purchase of the shares in the Company, or is an incidental part of some larger purpose of the Company; (II) lawful distribution of the Company's assets as dividends; (III) distribution of dividends in the form of shares; (IV) reduction of registered capital, repurchase of the shares or adjustment of the share capital structure effected in accordance with the Articles of Association; (V) provision of loans by the Company for its normal business activities 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 the distributable profits of the Company); (VI) contributions made by the Company to the employee share ownership scheme (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 the distributable profits of the Company). 	Delete

Before amendment	After amendment
<p>Article 6.1 The Company's share certificates shall be in registered form.</p> <p>In addition to those items required under the Company Law, a share certificate of the Company shall also contain any other items required to be specified by the stock exchange on which the shares of the Company are listed.</p> <p>During the listing of the Company's overseas listed foreign shares on the Hong Kong Stock Exchange, the Company shall ensure that the following statements are included in all title documents (including certificates of overseas listed foreign shares) relating to the securities listed on the Hong Kong Stock Exchange and shall instruct and procure its share registrar to reject the registration of the subscription, purchase or transfer of the shares in the name of any individual holder unless and until such individual holder submits to the share registrar a completed and signed form in respect of such shares which shall contain the following statements:</p> <p>(1) the purchaser of the share agrees with the Company and each of the shareholders, and the Company agrees with each of the shareholders, to observe and comply with the requirements of the Company Law, Special Regulations and other relevant laws, administrative regulations and the Articles of Association.</p>	Delete

Before amendment	After amendment
<p>(2) the purchaser of the share agrees with the Company and each of its shareholders, directors, supervisors, managers and senior management, and the Company, acting on its own behalf and for each of directors, supervisors, managers and senior management of the Company, agrees with each of the shareholders that, they will refer to arbitration for settlement of all disputes and claims arising from the Articles of Association, or disputes and claims of rights in relation to the Company's affairs arising from any rights or obligations under the Company Law or other relevant laws and administrative regulations in accordance with the provisions of the Articles of Association, and that any referral to arbitration shall be deemed to authorize the arbitration tribunal to hold a public hearing and announce its arbitration award to the public. Such award shall be final and conclusive.</p> <p>(3) the purchaser of the share agrees with the Company and each of its shareholders that the shares of the Company can be freely transferred by their holders.</p> <p>(4) the purchaser of the share authorizes the Company to enter into a contract on his/her behalf with each of the directors, managers and senior management, pursuant to which the directors, managers and senior management undertake to observe and fulfil their duties under the Articles of Association to the shareholders.</p>	

Before amendment	After amendment
<p>New provisions</p>	<p><u>Article 28 Unless otherwise provided by the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed, shares of the Company may be transferred according to the law. Any transfer of the Company's shares must be registered with the local stock registration agency entrusted by the Company.</u></p> <p><u>Where the Company refuses to register a share transfer, the Company shall give a notice of refusal of registration of such share transfer to the transferor and the transferee, within two months after the date when the transfer application is filed in due form.</u></p> <p><u>All transfer documents are maintained at the Company's legal residence or such other place as the Board of Directors may designate from time to time.</u></p>
<p>Article 6.2 The Company shall not accept any shares of the Company as the subject of a pledge. Shares of the Company could be transferred, granted, inherited and pledged in accordance with the provisions of relevant laws, administrative regulations, rules of the stock exchange on which the Company's shares are listed and the Articles of Association.</p> <p>Assignment and transfer of shares shall be registered with the share registrar designated by the Company.</p>	<p>Article 29 The Company shall not accept any shares of the Company as the subject of a pledge.</p>

Before amendment	After amendment
<p>Article 6.3 The share certificates are signed by the chairman of the board.</p> <p>Where the stock exchange on which the shares of the Company are listed requires the share certificates to be signed by other senior management of the Company, they shall also be signed by such other senior management. The share certificates shall take effect after being affixed with the seal of the Company or machine-imprinted seal. The share certificates shall only be affixed with the Company's seal under the authorization of the board. The signatures of the chairman of the board or other related senior management on the share certificates may also be in printed form. Under the circumstance of paperless issuance and trading of the Company's shares, the regulations of the securities regulatory authorities and the stock exchanges of the places where the shares of the Company are listed shall prevail.</p>	Delete
<p>Article 6.4 For overseas listed foreign Shares, the Company shall maintain a register of members stating the following particulars:</p> <p>(I) the name, address (domicile), occupation or nature of each shareholder;</p> <p>(II) the class and number of shares held by each shareholder;</p> <p>(III) the amount paid or payable for the shares held by each shareholder;</p> <p>(IV) the serial number of the share certificate held by each shareholder;</p> <p>(V) the date on which each shareholder is registered as a shareholder;</p> <p>(VI) the date on which each shareholder ceases to be a shareholder.</p> <p>Unless there is evidence to the contrary, the register of members shall be sufficient evidence of the shareholders' shareholdings in the Company.</p>	Delete

Before amendment	After amendment
New provisions	<p><u>Article 30 No shares of the Company held by a promoter may be transferred within one year from the date of incorporation of the Company. No shares issued before the public offering of the Company may be transferred within one year from the date when the Company's stocks are listed and traded on the stock exchange.</u></p> <p><u>Directors, supervisors and senior management of the Company shall report the number of shares (including preferred shares) in the Company held by them and the changes thereto to the Company, and shall not transfer more than 25% of the total number of shares of the same class in the Company held by them every year during their tenure, and no shares in the Company held by them may be transferred within one (1) year from the date of listing and trading of stocks of the Company. The above persons shall not transfer their shares in the Company within six months after their departure.</u></p>
New provisions	<p><u>Article 31 If any of the shareholders, directors, supervisors and senior management of the Company holding more than 5% shares in the Company sells stocks or other equity securities in the Company held by him within six (6) months after purchase, or purchases such stocks or other equity securities within six (6) months after sale, the proceeds resulting therefrom shall belong to the Company, which will be recovered by the Board of Directors of the Company, except for any securities company which holds more than 5% shares [in the Company] due to purchase of the remaining stocks after the underwriting, and other circumstances provided by the CSRC.</u></p>

Before amendment	After amendment
	<p><u>For the purpose of the preceding paragraph, stocks or other equity securities held by directors, supervisors, senior management or individual shareholders include those held by their spouses, parents, children and held through others' accounts.</u></p> <p><u>Where the Board of Directors of the Company fails to comply with the provisions of Paragraph One of this Article, a shareholder may require the Board of Directors to do so within thirty (30) days. Should the Board of Directors of the Company fail again within such period, a shareholder may directly bring a lawsuit before the people's court in its/his own name for the account of the Company.</u></p> <p><u>Where the Board of Directors of the Company fails to comply with the provisions of Paragraph One of this Article, the responsible Director shall be jointly and severally liable in accordance with the laws.</u></p>
<p>New provisions</p>	<p><u>Article 32 The Company shall, based upon the certificates provided by the security depository, establish a register of shareholders which shall be conclusive evidence for the holding of shares in the Company by a shareholder.</u></p> <p><u>Shareholders shall have rights and assume obligations in accordance with the class and percentage of their shares. Shareholders holding shares of the same class shall have the same rights and assume the same obligations.</u></p>

Before amendment	After amendment
<p>Article 6.5 The Company may, in accordance with the understanding and agreements made between the securities regulatory authorities of the State Council and an overseas securities regulator, maintain the register of members of overseas listed foreign shares at an overseas location and appoint an overseas agent to manage the same. The original copy of the register of members of overseas listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.</p> <p>A duplicate copy of the register of members of overseas listed foreign shares shall be maintained at the domicile of the Company and shall be open for inspection by the shareholders. The appointed overseas agent(s) shall ensure the consistency between the original and the duplicate copies of the registers of members at all times. Where the original and the duplicate copies of the register of members of overseas listed foreign shares are inconsistent, the original copy shall prevail.</p>	<p>Article 33 The original copy of the register of members of overseas listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.</p> <p>A duplicate copy of the register of members of overseas listed foreign shares shall be maintained at the domicile of the Company and shall be open for inspection by the shareholders, <u>provided that the issuer may suspend the registration of shareholders under a clause equivalent to Section 632 of the Companies Ordinance.</u> The appointed overseas agent(s) shall ensure the consistency between the original and the duplicate copies of the registers of members at all times.</p> <p>Where the original and the duplicate copies of the register of members of overseas listed foreign shares are inconsistent, the original copy shall prevail.</p>
New provisions	<p>Article 34 <u>Whenever the Company convenes a general meeting, distributes dividends, liquidates or engages in other activities requiring the confirmation of the identity of shareholders, the Board of Directors or the convener for the general meeting shall confirm the date of record, and the shareholders in record after the share market closes on the date of record shall be the shareholders who may enjoy relevant rights and interests.</u></p>

Before amendment	After amendment
<p>Article 6.6 The Company shall keep a complete register of members.</p> <p>The register of members shall comprise the following:</p> <p>(I) the register of members kept at the domicile of the Company other than the registers of members referred to in sub-articles (II) and (III) of this Article;</p> <p>(II) the register of members of the Company's overseas listed foreign shares kept at the place(s) of the overseas stock exchange(s) on which such shares are listed;</p> <p>(III) the register of members kept in other location(s) as determined by the board of directors to fulfil the requirements for the listing of the shares of the Company.</p>	Delete
<p>Article 6.7 Different parts of the register of members shall not overlap. Any transfer of the shares registered in one part of the register of members shall not be registered in another part of the same so long as such registration of such shares subsists.</p> <p>Any alteration or rectification to different parts of the register of members shall be made in accordance with the laws in the place where such part of the register of members is maintained.</p>	Delete

Before amendment	After amendment
<p>Article 6.8 All fully-paid overseas listed foreign shares listed in Hong Kong may be transferred freely in accordance with the Articles of Association and shall not be subject to any lien. However, the board of directors may refuse to recognize any instrument of transfer without giving any reason, unless:</p> <p>(I) any instrument of transfer and other documents that are related to or may affect the ownership of the shares shall be registered; in case that any fees or charges shall be paid for the registration, such fees or charges shall not exceed the maximum fees or charges specified in the Listing Rules from time to time;</p> <p>(II) the instrument of transfer only relates to the overseas listed foreign shares listed in Hong Kong;</p> <p>(III) the stamp duty chargeable on the instrument of transfer has been paid;</p> <p>(IV) relevant share certificate(s) and any other evidence reasonably required by the board of directors certifying that the transferor has the right to transfer the shares shall be provided;</p> <p>(V) if the shares are to be transferred to joint holders, the maximum number of joint holders shall not be more than four;</p> <p>(VI) the relevant shares are free from any liens of the Company.</p> <p>If the Company refuses to register the share transfer, it shall send to the transferor and the transferee a notice of refuse in relation to the transfer of shares within two months from the date on which the application for transfer is duly made.</p>	Delete

Before amendment	After amendment
<p>The transfer of overseas listed foreign shares of the Company listed in Hong Kong shall be effected by instruments of transfer in writing in an ordinary or usual form or in any other form acceptable to the board of directors. The instruments of transfer may also be signed by hand, or where the transferor or transferee is a recognized clearing house (the "Recognized Clearing House") as defined in Hong Kong laws or its nominee, the instruments of transfer may be signed in a machine-imprinted format. All transfer documents shall be maintained at the legal address of the Company or such other places as the board of directors may specify from time to time.</p>	
<p>Article 6.9 The register of members will be closed for 30 days prior to the date of a shareholders' general meeting or for 5 days before the record date for the Company's determination of dividend payment, during which period no transfer of any shares will be registered.</p>	Delete
<p>Article 6.10 In the event that the Company convenes a shareholders' general meeting, distributes dividends, goes into liquidation or carries out other activities that require the determination of identity, the board of directors shall fix a record date for such purpose. Upon the close of the record date, the shareholders whose names appear on the register of members are registered Shareholders.</p>	Delete
<p>Article 6.11 Any person who objects to the register of members and requests to register his/her/its name in the register of members or to remove his/ her/its name from the register of members may apply to the court with jurisdiction to correct the register of members.</p>	Delete

Before amendment	After amendment
<p>Article 6.12 Any Shareholders who is registered in, or any person who requests to have his/her/its name entered in, the register of members may (if his/ her/its Share certificate (the "Original Share Certificate(s)") is lost) apply to the Company for a replacement of new share certificates in respect of such Shares ("Relevant Shares").</p> <p>In the event a holder of domestic shares loses his/her/its share certificates and applies for a replacement, it shall be dealt with pursuant to the provisions in Article 143 of the Company Law.</p> <p>In the event a shareholder of overseas listed foreign shares loses his/ her/its share certificates and applies for a replacement, it shall be dealt with pursuant to the laws and rules of the stock exchange or other related provisions where the original register of members of the overseas listed foreign shares is maintained.</p> <p>In the event a shareholder of overseas listed foreign shares of a Hong Kong listed company loses his/her/its share certificates and applies for a replacement, the issue of the replacement of share certificate shall comply with the following requirements:</p> <p>(I) An applicant shall submit the application in the form prescribed by the Company accompanied by a notarial certificate or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificate, and stating that no other person shall be entitled to request to be registered as a shareholder with respect to the Relevant Shares.</p> <p>(II) No statement has been received by the Company from any person other than the applicant requesting for having his/ her name to be registered as the shareholder with respect to such shares before the Company came to a decision to issue a replacement share certificate.</p>	Delete

Before amendment	After amendment
<p>(III) The Company shall, if it decides to issue a replacement share certificate to the applicant, publish an announcement of its intention to issue such replacement share certificate in such newspapers designated by the board. The announcement shall be made at least once every 30 days in a period of 90 days.</p> <p>(IV) The Company shall, prior to the publication of the announcement of intention to issue a replacement certificate, deliver a copy of the announcement to be published to the stock exchange on which the shares are listed. The Company may publish the announcement upon receiving a confirmation from the stock exchange that the copy of announcement has been exhibited at the stock exchange. The announcement shall be exhibited at the stock exchange for a period of 90 days.</p> <p>If an application to issue a replacement share certificate has been made without the consent of the registered shareholders of the Relevant Shares, the Company shall send a copy of the announcement to be published by post to such shareholders.</p> <p>(V) In the event that, upon expiration of the 90-day exhibition period of the announcement specified in sub-articles (III) and (IV) of this Article, the Company has not received from any person any objection to the issue of the replacement share certificate, the Company may issue the replacement share certificate to the applicant according to his/her/its application.</p>	

Before amendment	After amendment
<p>(VI) Where the Company issues a replacement share certificate under the Articles of Association, it shall forthwith cancel the Original Share Certificate(s) and enter the cancellation and issue in the register of members.</p> <p>(VII) All expenses incurred by the Company for the cancellation of an Original Share Certificate(s) and issue of the replacement share certificate shall be borne by the applicant. The Company has the right to refuse to take any action until a reasonable guarantee is provided by the applicant.</p>	
<p>Article 6.13 Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who is thereafter registered as the owner of such shares (if he/she is a bona fide purchaser) shall not be removed from the register of members.</p>	Delete
<p>Article 6.14 The Company shall not be liable for any loss suffered by any person arising from the cancellation of the Original Share Certificate(s) or the issuance of a replacement share certificate unless the claimant can prove that the Company has committed a fraudulent act.</p>	Delete
<p>Article 7.1 A shareholder of the Company is a person who lawfully holds the shares of the Company and whose name is registered in the register of members.</p> <p>Shareholders have rights and obligations according to the class and number of the shares they hold. Shareholders who hold the same class of shares have same rights and same obligations.</p>	Delete

Before amendment	After amendment
<p>Article 7.2 Where two or more persons are registered as joint holders of any share(s); they shall be deemed as joint holders of such share(s) but shall be subject to the following restrictions:</p> <p>(I) the Company may not register more than four persons as joint shareholders of any share(s);</p> <p>(II) all joint holders of any share(s) shall jointly and severally assume obligation for all amounts payable for Relevant Shares;</p> <p>(III) if one of the joint holders dies, only the surviving joint holders shall be deemed by the Company to be such persons as having the ownership of the Relevant Shares. The board of the directors of the Company has the right, for the purpose of making amendments to the register of members, to demand a death certificate of such shareholder where it deems appropriate to do so;</p> <p>(IV) with regard to joint shareholding, only the joint holder whose name appears first in the register of members is entitled to receive the share certificates of Relevant Shares and the Company's notices, and to attend and exercise voting rights at a shareholder's general meeting of the Company. Any notice delivered to that person shall be deemed as having been delivered to all joint holders of the Relevant Shares.</p> <p>Where one of the joint shareholders delivers a receipt to the Company as regards to any dividends, bonus or return on capital which shall be distributed to such joint shareholders, such receipt shall be deemed as a valid receipt from such joint shareholders to the Company.</p>	Delete

Before amendment	After amendment
<p>Article 7.3 The Shareholders of ordinary shares of the Company have the following rights:</p> <p>(I) to receive dividends and other forms of benefits in proportion to the number of the shares held by them;</p> <p>(II) to request, convene, preside over, attend or appoint a proxy to attend shareholders' general meetings, and to exercise the corresponding voting rights according to laws;</p> <p>(III) to supervise the Company's operations, put forward proposals or raise queries;</p> <p>(IV) to transfer the shares in accordance with the provisions of the laws, administrative regulations and the Articles of Association;</p> <p>(V) to obtain relevant information in accordance with the provisions of the Articles of Association, including:</p> <ol style="list-style-type: none"> 1. a copy of the Articles of Association upon payment of the costs thereof; 2. to inspect and make a photo copy of, subject to payment of reasonable charge: <ol style="list-style-type: none"> (1) all parts of the register of members; (2) personal particulars of directors, supervisors, general manager and other senior management of the Company, including: <ol style="list-style-type: none"> (A) current and previous names and aliases; (B) principal address (domicile); (C) nationality; 	<p>Article 35 Shareholders of the Company have the following rights:</p> <ol style="list-style-type: none"> (1) to receive dividends and other forms of benefits in proportion to the number of the shares held by them; (2) to request, convene, preside over, attend or appoint a proxy to attend shareholders' general meetings, and to exercise the corresponding voting rights according to laws; (3) to supervise the Company's operations, put forward proposals or raise queries; (4) to transfer, <u>gift or pledge their shares in accordance with the laws, administrative regulations and these Articles;</u> (5) to obtain relevant information in accordance with the provisions of the Articles of Association, including: <ol style="list-style-type: none"> A. a copy of the Articles of Association upon payment of the costs thereof; B. to inspect and make a photo copy of, subject to payment of reasonable charge: <ol style="list-style-type: none"> (i) all parts of the register of members; (ii) personal particulars of directors, supervisors, general manager and other senior management of the Company, including: <ol style="list-style-type: none"> (A) current and previous names and aliases; (B) principal address (domicile); (C) nationality;

Before amendment	After amendment
(D) full-time and all other part-time occupations and positions;	(D) full-time and all other part-time occupations and positions;
(E) identification documents and their numbers;	(E) identification documents and their numbers;
(3) the status of the Company's Share capital;	(iii) the status of the Company's Share capital;
(4) reports (breakdown by domestic shares and foreign shares (and, if applicable, H shares)) stating the aggregate par value, quantity, maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company therefor;	(iv) reports (breakdown by domestic shares and foreign shares (and, if applicable, H shares)) stating the aggregate par value, quantity, maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company therefor;
(5) minutes of shareholders' general meetings;	(v) minutes of shareholders' general meetings;
(6) special resolutions of the Company;	(vi) special resolutions of the Company;
(7) the latest audited financial statements of the Company, and the reports of board of directors, board of supervisors and the auditor;	(vii) the latest audited financial statements of the Company, and the reports of board of directors, board of supervisors and the auditor;
(8) a copy of the latest annual return filed with the industrial and commercial registration departments or other competent authorities.	(viii) a copy of the latest annual return filed with the industrial and commercial registration departments or other competent authorities.

Before amendment	After amendment
<p>The Company shall place the documents referred to above (except for those referred to in sub-article (2)) at the Company's address in Hong Kong for inspection by the public and the holders of H shares free of charge, of which documents referred to in sub-article (5) are available for inspection by shareholders only.</p> <p>3. to inspect the resolutions of the board meetings, the resolutions of meetings of the board of supervisors, financial and accounting reports, counterfoils of Company debentures.</p> <p>(VI) to participate in the distribution of the remaining assets of the Company according to the number of shares held in the event of the termination or liquidation of the Company;</p> <p>(VII) other rights conferred by laws, administrative regulations and the Articles of Association.</p>	<p>The Company shall place the documents referred to above (except for those referred to in sub-article (2)) at the Company's address in Hong Kong for inspection by the public and the holders of H shares free of charge, of which documents referred to in sub-article (5) are available for inspection by shareholders only.</p> <p><u>The shareholder who proposes to consult any of the foregoing information or obtain materials relating thereto shall provide the Company with a written document proving the class and number of shares held by it/him in the Company, and the Company shall provide such information and materials in accordance with the requirements of the shareholder after verification of its/his shareholder identity.</u></p> <p>C. to inspect the resolutions of the board meetings, the resolutions of meetings of the board of supervisors, financial and accounting reports, counterfoils of Company debentures to inspect the resolutions of the board meetings, the resolutions of meetings of the board of supervisors, financial and accounting reports, counterfoils of Company debentures;</p> <p>(6) to participate in the distribution of the remaining assets of the Company according to the number of shares held in the event of the termination or liquidation of the Company;</p> <p>(7) <u>require the Company to acquire their shares, if they object to any resolution of the general meeting on merger or split of the Company; and</u></p> <p>(8) other rights <u>as provided</u> by the laws, administrative regulations, <u>departmental rules or these Articles.</u></p>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1353 438"><u>Article 36 Shareholders may request a people’s court to invalidate any resolution of the general meeting or the Board of Directors of the Company containing content against the laws or administrative regulations.</u></p> <p data-bbox="815 470 1353 725"><u>Where the procedures for convening, or the voting method used at, a general meeting or a meeting of the Board of Directors, violates any law, administrative regulation or these Articles, or where any resolution contains any content violating these Articles, the shareholders may, within 60 days from the date on which the resolution is made, request a people’s court to revoke such resolution.</u></p>
New provisions	<p data-bbox="815 751 1353 1268"><u>Article 37 If any director or senior management violates the laws, administrative regulations or these Articles in the performance of his duties to the Company, giving rise to any loss of the Company, then the shareholder(s) who individually or jointly hold(s) more than 1% shares in the Company for more than 180 consecutive days shall have the right to request in writing the Board of Supervisors to bring a lawsuit before the people’s court. If the Board of Supervisors violates the laws, administrative regulations or these Articles in the performance of its duties to the Company, giving rise to any loss of the Company, then any shareholder may request in writing the Board of Directors to bring a lawsuit before the people’s court.</u></p> <p data-bbox="815 1300 1353 1672"><u>Where the Board of Supervisors or the Board of Directors refuses to bring a lawsuit upon receipt of a written request of shareholder described in the preceding paragraph, or fails to bring a lawsuit within thirty (30) days upon receipt of the request, or if, in urgent situation in which failing to bring a lawsuit forthwith will cause irreparable damage to the interests of the Company, the shareholder(s) described in the preceding paragraph may bring a lawsuit before the people’s court directly in his or their own name(s) for the account of the Company.</u></p> <p data-bbox="815 1704 1353 1902"><u>Where others infringe upon the lawful interest of the Company, giving rise to any loss of the Company, the shareholders described in Paragraph One of this Article may bring a lawsuit before the people’s court in accordance with the two preceding paragraphs.</u></p>

Before amendment	After amendment
New provisions	<u>Article 38 Where any Director or senior management violates the laws, administrative regulations or these Articles, prejudicing the interest of the shareholders, the shareholder may bring a lawsuit before the people's court.</u>
<p>Article 7.4 Shareholders of ordinary shares of the Company shall assume the following obligations:</p> <p>(I) to abide by laws, administrative regulations and the Articles of Association;</p> <p>(II) to pay the subscription monies according to the number of shares subscribed and the form of subscription;</p> <p>(III) not to abuse their shareholders' rights to damage the interests of the Company or other Shareholders; and not to abuse the independent legal person status of the Company and the limited liability of the Shareholders to damage the interests of any creditor(s) of the Company;</p> <p>(IV) other obligations imposed by laws, administrative regulations and the Articles of Association.</p> <p>Shareholders are not liable for making any further contribution to the share capital other than as agreed by the subscribers of the shares on subscription.</p> <p>Shareholders of the Company who abuse their Shareholders' rights and thereby cause loss to the Company or other Shareholders shall be liable for compensation according to laws. Where the Shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for debt evasion, and thereby causes material damage to the interests of the creditors of the Company, such Shareholders shall be jointly and severally liable for the debts owed by the Company.</p>	<p>Article 39 Shareholders of the Company shall assume the following obligations:</p> <p>(1) to abide by laws, administrative regulations and the Articles of Association;</p> <p>(2) to pay the subscription monies according to the number of shares subscribed and the form of subscription;</p> <p>(3) <u>not to withdraw shares, except for circumstances provided by laws and regulations;</u></p> <p>(4) not to abuse their shareholders' rights to damage the interests of the Company or other Shareholders; and not to abuse the independent legal person status of the Company and the limited liability of the Shareholders to damage the interests of any creditor(s) of the Company;</p> <p>(5) other obligations imposed by laws, administrative regulations and the Articles of Association.</p> <p>Shareholders of the Company who abuse their Shareholders' rights and thereby cause loss to the Company or other Shareholders shall be liable for compensation according to laws. Where the Shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for debt evasion, and thereby causes material damage to the interests of the creditors of the Company, such Shareholders shall be jointly and severally liable for the debts owed by the Company.</p>

Before amendment	After amendment
<p>Article 7.6 In addition to the obligations imposed by the laws, administrative regulations or required by the listing rules of the stock exchange on which the shares of the Company are listed, a controlling shareholder shall not exercise his/her voting rights in respect of the following matters in a manner prejudicial to the interests the Shareholders generally or partially:</p> <p>(I) to waive the duty of a Director or a Supervisor to act honestly in the best interests of the Company;</p> <p>(II) to approve the expropriation by a Director or a Supervisor (for his/her own benefit or for the benefit of another person), by any means, of the Company's property, including (but not limited to) the opportunities beneficial to the Company;</p> <p>(III) to approve the expropriation by a Director or a Supervisor (for his/her own benefit or for the benefit of another person) of the individual rights or interests of other Shareholders, including (but not limited to) rights to distributions and voting rights, but excluding any corporate restructuring proposal made at the Shareholders' general meeting in accordance with the Articles of Association.</p>	Delete

Before amendment	After amendment
<p>Article 7.7 A controlling shareholder referred to in the preceding Article means a person who satisfies any one of the following conditions:</p> <p>(I) a person who, acting alone or in concert with others, has the power to elect a majority of the Directors;</p> <p>(II) a person who, acting alone or in concert with others, has the power to exercise or to control the exercise of 30% or more of the voting rights in the Company;</p> <p>(III) a person who, acting alone or in concert with others, holds 30% or more of the outstanding shares of the Company;</p> <p>(IV) a person who, acting alone or in concert with others, has de facto control over the Company in any other way.</p> <p>“Acting in concert” referred to in this Article represents an act that any of two or more persons obtains the voting right in the Company by way of agreement thereon (whether in oral or in written), so as to realize or reinforce the purpose of controlling the Company.</p>	Delete
New provisions	<p>Article 41 <u>No controlling shareholder or actual controller of the Company may take advantage of its/his relation/connection with the Company to damage the interests of the Company. Otherwise, it/he shall be liable for compensation for any loss to the Company arising from its/his breach.</u></p> <p><u>The controlling shareholder and the actual controller of the Company shall have fiduciary duty towards the Company and the shareholders of public shares in the Company. The controlling shareholder shall exercise the rights of contributor in strict accordance with the laws, and shall not prejudice the legal interests and rights of the Company and shareholders of public shares in the form of profit distribution, assets restructuring, external investment, occupation of funds, loan guarantee or otherwise, nor prejudice the interests of the Company and shareholders of public shares by its controlling status.</u></p>

Before amendment	After amendment
Article 8.1 Shareholders' general meeting is the organ of authority of the Company, which exercise its functions and powers according to law.	Delete
<p>Article 8.2 Shareholders' general meeting shall exercise the following functions and powers:</p> <p>(I) to decide on the Company's operational policies and investment plans;</p> <p>(II) to elect and replace Directors, who are not employees' representatives, and to determine their remuneration;</p> <p>(III) to elect and replace Supervisors, who are not employees' representatives, and to determine their remuneration;</p> <p>(IV) to consider and approve the reports of the Board of Directors;</p> <p>(V) to consider and approve the reports of the Board of Supervisors;</p> <p>(VI) to consider and approve the annual financial budget and annual final accounts of the Company;</p> <p>(VII) to consider and approve the Company's profit distribution plan and loss recovery plans;</p> <p>(VIII) to resolve on any increase or reduction of the Company's registered capital;</p> <p>(IX) to resolve on matters such as the merger, division, dissolution, liquidation and change of corporate form of the Company;</p> <p>(X) to resolve on issuance of bonds or other securities by the Company and listing proposals;</p> <p>(XI) to resolve on Company's appointment, removal or cease of re- appointment of an accounting firm;</p>	<p>Article 42 Shareholders' general meeting is <u>the organ of authority of the Company, which exercises its functions and powers according to the law:</u></p> <p><u>(1)</u> to decide on the Company's operational policies and investment plans;</p> <p><u>(2)</u> to elect and replace Directors, who are not employees' representatives, and to determine their remuneration;</p> <p><u>(3)</u> to elect and replace Supervisors, who are not employees' representatives, and to determine their remuneration;</p> <p><u>(4)</u> to consider and approve the reports of the Board of Directors;</p> <p><u>(5)</u> to consider and approve the reports of the Board of Supervisors;</p> <p><u>(6)</u> to consider and approve the annual financial budget and annual final accounts of the Company;</p> <p><u>(7)</u> to consider and approve the Company's profit distribution plan and loss recovery plans;</p> <p><u>(8)</u> to resolve on any increase or reduction of the Company's registered capital;</p> <p><u>(9)</u> to resolve on matters such as the merger, division, dissolution, liquidation and change of corporate form of the Company;</p> <p><u>(10)</u> to resolve on issuance of bonds, corporate restructuring or other public offering of securities by the Company and listing proposals;</p> <p><u>(11)</u> to resolve on Company's appointment, removal or cease of re- appointment of an accounting firm;</p>

Before amendment	After amendment
<p>(XII) to amend the Articles of Association;</p> <p>(XIII) to consider the proposals from shareholders with at least 3% of voting shares;</p> <p>(XIV) to resolve on the Company's repurchase of the Shares of the Company;</p> <p>(XV) to consider and amend the Articles of Association and rules of procedure for Shareholders' general meetings, the Board of Directors and the Board of Supervisors;</p> <p>(XVI) to approve the Company's acquisition or disposal of substantial assets within one year and which exceed 30% of the latest audited total assets of the Company;</p> <p>(XVII) other matters required resolutions from Shareholders' general meeting provided by laws, administrative regulations, the listing rules of the stock exchange where Shares of the Company are listed and the Articles of Association.</p> <p>Shareholders' general meetings may authorize or entrust the Board of Directors to conduct matters authorized or entrusted by Shareholders' general meetings.</p>	<p><u>(12)</u> to amend the Articles of Association;</p> <p><u>(13)</u> to consider the proposals from shareholders with at least 3% of voting shares;</p> <p><u>(14)</u> to consider and approve matters concerning any change to the use of proceeds;</p> <p><u>(15)</u> to consider and approve any external guarantee which shall be approved at the general meeting under the Articles of Association;</p> <p><u>(16)</u> to approve the Company's acquisition or disposal of substantial assets within one year and which exceed 30% of the latest audited total assets of the Company;</p> <p><u>(17)</u> to consider and approve any significant transactions and related party/connected party transactions that shall be considered and approved at the general meeting under laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association;</p> <p><u>(18)</u> to consider and approve equity incentive plans and employee stock option plans; and</p> <p><u>(19)</u> other matters required resolutions from Sshareholders' general mmeeting provided by laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.</p> <p><u>Subject to the laws and regulations, and the mandatory laws and regulations of the place where the shares of the Company are listed, the general meeting</u> may authorize or entrust the Board of Directors to conduct matters authorized or entrusted <u>thereby</u>.</p>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1353 421">Article 43 <u>The following external guarantee to be provided by the Company must be considered and approved by the general meeting:</u></p> <ol style="list-style-type: none"> <li data-bbox="815 455 1353 549">(1) <u>any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;</u> <li data-bbox="815 583 1353 740">(2) <u>any guarantee provided after the total amount of external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company;</u> <li data-bbox="815 774 1353 868">(3) <u>any guarantee to be provided to a party which has an asset-liability ratio of over 70%;</u> <li data-bbox="815 902 1353 1059">(4) <u>any guarantee exceeding 30% of the Company's latest audited total assets in accordance with the principle of cumulative calculation of the guarantee amount for 12 consecutive months;</u> <li data-bbox="815 1093 1353 1221">(5) <u>any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the Company's latest audited total assets;</u> <li data-bbox="815 1255 1353 1378">(6) <u>any guarantee to be provided to shareholders, actual controllers and their related party/ connected parties; and</u> <li data-bbox="815 1412 1353 1570">(7) <u>other guarantees as prescribed by laws, regulations, regulatory documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.</u>

Before amendment	After amendment
	<p><u>External guarantees above that should be approved by the general meeting must be considered and approved by the Board of Directors before they are submitted to the general meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the board of directors. When the guarantee specified in Item (4) above is considered at the general meeting, it shall be approved by more than two-thirds of voting rights held by the shareholders attending the general meeting.</u></p> <p><u>Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in these Articles. The Company shall disclose the aforesaid guarantees pursuant to the regulatory rules of the place where the shares of the Company are listed.</u></p> <p><u>A guarantee provided by the Company for a related/connected party shall have reasonable business logic and be disclosed in a timely manner pursuant to the regulatory rules of the place where the shares of the Company are listed and submitted to the general meeting for consideration after consideration and approval by the Board of Directors. In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related/connected parties, the controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee.</u></p>

Before amendment	After amendment
	<p><u>When considering a proposal of providing guarantee to shareholders, actual controllers and their related/connected parties at the general meeting, such shareholders or shareholders controlled by such actual controller shall not vote thereon. Voting shall be approved by more than one half of the voting rights held by other shareholders present at the general meeting.</u></p> <p><u>If the Company provides a guarantee, then the Company shall make prompt disclosure if the guaranteed party fails to fulfill its or his debt repayment obligations within 15 trading days after the maturity of the debt, or the guaranteed party enters into bankruptcy or liquidation or is under other circumstances that seriously affect its or his ability to repay the debt.</u></p>
New provisions	<p><u>Article 44 Any transaction (other than external guarantee) of the Company shall be submitted to the general meeting of the Company for consideration and approval if:</u></p> <p><u>(1) the total assets involved in the transaction account for more than 50% of the Company's latest audited total assets, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;</u></p> <p><u>(2) the transaction amount accounts for more than 50% of the Company's market value;</u></p> <p><u>(3) the net assets of the object of transaction (such as equity) in the latest accounting year account for more than 50% of the Company's market value;</u></p> <p><u>(4) the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for more than 50% of the audited operating income of the Company in the latest accounting year, and absolute amount exceeds CNY50 million;</u></p>

Before amendment	After amendment
	<p>(5) <u>the profits from the transaction account for more than 50% of the audited net profits of the Company in the latest accounting year, and absolute amount exceed CNY5 million; or</u></p> <p>(6) <u>the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and absolute amount exceeds CNY5 million.</u></p> <p>(7) <u>transactions meeting the following criteria according to the definitions and relevant calculation methods under the HKEX Listing Rules;</u></p> <p>a) <u>major transactions;</u></p> <p>b) <u>very substantial disposals;</u></p> <p>c) <u>very substantial acquisitions;</u></p> <p>d) <u>reverse takeovers.</u></p> <p><u>The net profit indicator in the above standards can be exempted before the Company makes profits.</u></p> <p><u>The transaction amount stipulated above refers to the amount paid for the transaction and the liabilities and expenses assumed, etc. If the transaction arrangement involves possible future payment or receipt of consideration, without a specific amount or with an amount to be determined according to the set conditions, the expected maximum amount will be the transaction amount.</u></p> <p><u>The market value stipulated above refers to the arithmetic mean of the closing market value for the 10 trading days prior to the transaction.</u></p>

Before amendment	After amendment
	<p><u>If the Company implements a transaction by installments, the above provisions shall be applied on the basis of the total amount of the transaction. The Company shall disclose the actual occurrence of the installment transactions in a timely manner.</u></p> <p><u>As for the transaction in which the Company receives benefits unilaterally, including cash assets donated, debt relief granted, guarantees and subsidies, provided etc., the Company is exempt from the general meeting consideration procedure set forth in this Article. In order to ensure and improve the soundness and efficiency of the Company's daily operations, the general meeting may, to the extent permitted by law and these Articles, make necessary authorizations for the Company's investment, asset disposal, asset collateralization, external guarantee, entrusted wealth management, related party transactions and other material matters.</u></p>
<p>Article 8.3 The Company shall not enter into any contract with any person other than a Director, Supervisor, General Manager or other senior management member of the Company whereby the management and administration of the whole or any substantial part of any business of the Company is to be handed over to such a person without the prior approval of Shareholders' general meeting.</p>	<p>Delete</p>
<p>Article 8.4 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors.</p> <p>Annual general meetings shall be convened once every year and held within six months after the end of the previous fiscal year.</p>	<p>Article 45 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings.</p> <p>Annual general meetings shall be convened once every year and held within six months after the end of the previous fiscal year.</p>

Before amendment	After amendment
<p><u>An extraordinary general meeting shall be convened by the Board of Directors within two months upon the occurrence of any of the following circumstances:</u></p> <p>(I) <u>the number of Directors is less than the number specified in the Company Law or less than two-thirds of the number required in the Articles of Association;</u></p> <p>(II) <u>the uncovered losses of the Company reach one-third of its total share capital;</u></p> <p>(III) <u>the Shareholders individually or jointly holding at least 10% voting Shares in issue of the Company request in writing to convene an extraordinary general meeting;</u></p> <p>(IV) <u>where the Board of Directors considers it necessary or the Board of Supervisors proposes to call for such meeting;</u></p> <p>(V) <u>more than two independent non-executive Directors propose to convene such meeting;</u></p> <p>(VI) <u>other circumstances as required by laws, administrative regulations and the Articles of Association.</u></p>	<p><u>The Company shall convene an extraordinary general meeting within two (2) months if and after:</u></p> <p>(1) <u>the number of directors is less than number as provided in the Company Law or less than two thirds of the number as stipulated in these Articles;</u></p> <p>(2) <u>the uncovered losses of the Company reach one-third of its total share capital;</u></p> <p>(3) <u>the shareholder individually or shareholders jointly holding more than 10% shares in the Company requisition to convene;</u></p> <p>(4) <u>the Board of Directors considers it necessary;</u></p> <p>(5) <u>the Supervisory Committee proposes to convene; or</u></p> <p>(6) <u>such other circumstances stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed or these Articles occur.</u></p>
<p>New provisions</p>	<p>Article 46 <u>The venue of a general meeting of the Company shall be the Company's domicile or the place specified in the notice of the general meeting.</u></p> <p><u>The general meeting shall set up a venue and be convened by means of physical meeting. The Company could also provide online voting or other means permitted by the regulatory rules of the place where the shares of the Company are listed to facilitate shareholders' participation in the General Meetings. Shareholders attending the general meeting by the aforesaid means shall be deemed as present.</u></p>

Before amendment	After amendment
	<p><u>Once the notice of the general meeting is given, the venue of the general meeting may not be changed without justifiable reasons. If such change is indeed necessary, the convener shall make announcement at least two (2) working days prior to the scheduled date of the physical meeting and state the reasons.</u></p> <p><u>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</u></p>
New provisions	<p><u>Article 47 Where the Company holds a general meeting, it will engage a legal counsel to issue opinions as required by the regulatory rules of the place where the shares of the Company are listed.</u></p>
New provisions	<p><u>Article 48 The general meeting shall be convened by the Board of Directors and presided over by the Chairman. If the Board of Directors is unable or fails to perform the duty of convening the general meeting, the Board of Supervisors shall convene it in time. If the Board of Supervisors does not convene the meeting, any shareholder(s) individually or jointly holding more than 10% of the shares of the Company for more than 90 consecutive days may convene the meeting on their own.</u></p>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1355 932"><u>Article 49 Independent directors may requisition to the Board of Directors to convene an extraordinary general meeting. For the requisition made by independent director for convening an extraordinary general meeting, the Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for convening an extraordinary general meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and these Articles. In the event that the Board of Directors consents to convene an extraordinary general meeting, the notice thereof shall be issued within five days after the passing of a board resolution to that effect. In the event that the Board of Directors dissents to convene an extraordinary general meeting, an explanation shall be given.</u></p> <p data-bbox="815 966 1355 1093"><u>Any other requirements of the securities regulatory authority at the place where the shares of the Company are listed shall prevail.</u></p>
New provisions	<p data-bbox="815 1117 1355 1464"><u>Article 50 The Board of Supervisors shall have the right to requisition in writing to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall furnish a written reply stating its consent or dissent to the convention of the extraordinary general meeting within ten (10) days upon receipt of such proposal in accordance with the provisions of the laws, administrative regulations and these Articles.</u></p> <p data-bbox="815 1498 1355 1751"><u>In the event that the Board of Directors consents to convene an extraordinary general meeting, a notice of general meeting shall be issued within five days after passing of a board resolution to that effect; and any change to the original requisition in the said notice shall be subject to the consent of the Board of Supervisors.</u></p>

Before amendment	After amendment
	<p><u>In the event that the Board of Directors dissents to convene an extraordinary general meeting or furnishes no reply within 10 days upon receipt of such requisition, it shall be deemed that the Board of Directors is unable or unwilling to perform the duty to convene the general meeting and the Board of Supervisors may on its own convene and preside over the extraordinary General Meeting.</u></p>
New provisions	<p><u>Article 51 Any shareholder(s) individually or jointly holding more than 10% shares in the Company may submit a written requisition to the Board of Directors to convene an extraordinary general meeting. The Board of Directors shall furnish a written reply stating its consent or dissent to the convention of the extraordinary general meeting within ten (10) days upon receipt of such requisition in accordance with the provisions of the laws, administrative regulations and these Articles.</u></p> <p><u>In the event that the Board of Directors consents to convene an extraordinary general meeting, a notice of general meeting shall be issued within five days after passing of a board resolution to that effect; and any change to the original requisition in the said notice shall be subject to the consent of the requisitioning shareholder or shareholders.</u></p> <p><u>Where the Board of Directors dissents to the convention of an extraordinary general meeting, or furnishes no reply within ten (10) days upon receipt of such requisition, shareholder individually or shareholders jointly holding more than 10% shares in the Company shall be entitled to submit a written requisition to the Board of Supervisors to convene an extraordinary general meeting.</u></p> <p><u>Where the Board of Supervisors consents to convene an extraordinary general meeting, a notice of general meeting shall be issued within five (5) days upon receipt of such requisition; and any change to the original proposal in the said notice shall be subject to the consent of the requisitioning shareholder or shareholders.</u></p>

Before amendment	After amendment
	<p><u>Where the Board of Supervisors fails to issue the notice of general meeting within the prescribed time, it shall be deemed that the Board of Supervisors will not convene and preside over the general meeting, in which case, shareholder individually or shareholders jointly holding more than 10% shares in the Company for more than ninety (90) consecutive days may convene and preside over the general meeting on its/his/their own.</u></p>
New provisions	<p><u>Article 52 Where the Board of Supervisors or the shareholder or shareholders decide to convene an extraordinary general meeting on its/his/their own, the Board of Supervisors or such shareholder or shareholders shall notify the Board of Directors in writing.</u></p> <p><u>Before announcing any resolution of the general meeting, the shareholder(s) who convene(s) the meeting shall have a shareholding of no less than 10%.</u></p> <p><u>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</u></p>
New provisions	<p><u>Article 53 For general meetings convened by the Board of Supervisors or shareholder(s), the Board of Directors and the Secretary to the Board of Directors shall work in a cooperative manner. The Board of Directors shall provide the register of shareholders of the date of record.</u></p>
New provisions	<p><u>Article 54 Where the Board of Supervisors or shareholder(s) decide(s) to convene the general meeting on its/his/their own, the Company shall bear all necessary expenses in relation to the meeting.</u></p>

Before amendment	After amendment
<p>Article 8.5 In the event that the Company convene a general meeting, Shareholders shall be notified of the time and place of the meeting and the matters under consideration 21 days before the meeting is convened. For an extraordinary general meeting, Shareholders shall be notified 15 days before the meeting is convened. If otherwise prescribed in laws, regulations and requirements of the securities regulatory authorities where the Shares of the Company are listed, such provisions shall prevail.</p>	Delete
<p>Article 8.6 In the event that the Company convenes a general meeting, the Board of Directors, the Board of Supervisors or Shareholders individually or jointly holding an aggregate of more than 3% voting Shares of the Company are entitled to submit proposals to the Company.</p> <p>Shareholders individually or jointly holding an aggregate of more than 3% voting Shares of the Company may submit interim proposals to the convener in writing 10 days prior to the general meeting.</p> <p>In the event the Company convenes an annual general meeting, Shareholders holding an aggregate of 3% or more voting Shares of the Company shall have the right to submit new proposals in writing to the Company. If the matters of the proposal fall within the scope of authority of the general meeting, the same shall be included in the agenda of such meeting.</p> <p>The convener of the general meeting shall issue a supplemental notice of the general meeting to other Shareholders within 2 days after receipt of such proposal, and place the matters of the proposal falling within the scope of authority of the general meeting on the agenda for such meeting and submit for approval at the general meeting.</p>	<p><u>Article 55 The contents of a proposal shall be within the functions and powers of the general meeting, shall have definite issues for discussion and specific resolutions, and shall comply with the relevant provisions of the laws, administrative regulations and these Articles.</u></p> <p>In the event that the Company convenes a general meeting, the Board of Directors, the Board of Supervisors or Sshareholders individually or jointly holding an aggregate of more than 3% voting Shares of the Company are entitled to submit proposals to the Company.</p> <p>Shareholders individually or jointly holding an aggregate of more than 3% voting Shares of the Company may submit interim proposals to the convener in writing 10 days prior to the general meeting.</p> <p>The convener of the general meeting shall issue a supplemental notice of the general meeting to other Sshareholders within 2 days after receipt of such proposal of the proposal <u>to announce the content of such temporary proposal.</u></p>

Before amendment	After amendment
	<p><u>Except as provided in the preceding paragraph, the convener shall not change the proposals set out in the notice of the general meeting or add any new proposal after the said notice is served.</u></p> <p><u>Proposals not set out in the notice of the general meeting or not complying with these Articles shall not be voted on or resolved at the general meeting.</u></p>
<p>Article 8.7 An extraordinary general meeting shall not decide on the matters not stated in such notice.</p>	<p>Delete</p>
<p>New provisions</p>	<p><u>Article 56 The convener shall notify all shareholders by announcement at least 21 days prior to the convention of an annual general meeting, or at least 15 days prior to the convention of an extraordinary general meeting. The Company shall not include the date of convention of meeting into the calculation of starting and ending time.</u></p> <p><u>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</u></p>
<p>Article 8.8 Notice of general meetings shall comply with the following requirements:</p> <p>(I) in written form;</p> <p>(H) specifying the place, date and time of the meeting;</p> <p>(HH) describing the matters to be discussed at the meeting;</p>	<p><u>Article 57 Notice of general meetings shall contain:</u></p> <p><u>(1) the date, venue and duration of the meeting;</u></p> <p><u>(2) matters and proposals submitted for consideration at the meeting;</u></p> <p><u>(3) a clear statement that: each shareholder is entitled to attend the general meeting in person, or appoint one or more proxies who need not be shareholders of the Company, to attend and vote on his/its behalf, or if it is a corporate shareholder, a representative to attend and vote on its behalf at any general meeting; and such corporate shareholder shall be deemed to have attended any meeting in person if it has appointed a representative to do so. The corporate shareholder may have a duly authorized person to sign the proxy form;</u></p>

Before amendment	After amendment
<p>(IV) providing information and explanations necessary for the Shareholders to make informed decisions on the matters to be discussed. This principle includes (but is not limited to), when the Company proposes a merger, repurchase of Shares, reorganization of share capital or other restructuring, it shall provide the specific conditions and contracts (if any) of the transaction under discussion and earnestly explain the cause and result of the transaction;</p> <p>(V) where any Director, Supervisor, general manager and other senior management member has a material interest in respect of the matters to be discussed, the nature and extent of that interest shall be disclosed; where the impact of the matters to be discussed on such Director, Supervisor, general manager and other senior management member in their capacity as Shareholders is different from the impact on other Shareholders of the same class, the difference shall be described;</p> <p>(VI) containing the full text of any special resolution proposed to be passed at the meeting;</p> <p>(VII) providing a conspicuous statement that Shareholders entitled to attend and vote have the right to appoint one or more proxies to attend and vote on their behalf and such proxies are not required to be Shareholders; every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorized officer;</p> <p>(VIII) stating the deadline and place for the delivery of proxy forms of the meeting. If a general meeting is required to vote by other means, the time, procedure for voting and matters to be reviewed through other means shall also be stated in the notice of such meeting.</p>	<p><u>(4) the date of record for the determination of shareholders who are entitled to attend the general meeting;</u></p> <p><u>(5) name and telephone number of permanent contact person;</u></p> <p><u>(6) time and procedures for voting online or by other means;</u></p> <p><u>(7) such other requirements stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed and these Articles.</u></p> <p><u>The notice and supplementary notice of general meeting shall contain the contents required by the regulatory rules of the place where the shares of the Company are listed and these Articles, and shall fully, completely and accurately disclose and explain on all specific content of all proposals. For the matters proposed to discuss require opinions of the independent directors, such opinions and reasons thereof shall be disclosed together with the notice or supplementary notice of the general meeting.</u></p> <p><u>Where a general meeting will be held online or otherwise, the notice of general meeting shall specify the voting time and procedures online or otherwise.</u></p> <p><u>There shall be no more than 7 working days between the date of record and the date of the meeting. Once confirmed, the date of record shall not be changed.</u></p>

Before amendment	After amendment
New provisions	<p>Article 58 <u>If the election of directors or supervisors is proposed to be discussed at a general meeting, the notice of the meeting shall adequately specify the detailed information on the director or supervisor candidates, which shall at least include:</u></p> <ol style="list-style-type: none"> <li data-bbox="815 519 1355 612">(1) <u>personal particulars, including academic qualifications, working experience and concurrent positions;</u> <li data-bbox="815 646 1355 768">(2) <u>whether or not have any relation/connection with the Company, its controlling shareholders or actual controller;</u> <li data-bbox="815 802 1355 868">(3) <u>the number of shares of the Company held by such candidate;</u> <li data-bbox="815 902 1355 1023">(4) <u>whether such candidates have ever been punished by the CSRC and other relevant authorities or disciplined by a stock exchange.</u> <p><u>Except for electing directors and supervisors by cumulative voting, each candidate for director or supervisor shall be nominated in a separate proposal.</u></p>
<p>Article 8.9 Notice of a general meeting shall be served on the Shareholders (whether or not entitled to vote thereat) by personal delivery or pre-paid mail to the addresses registered in the register of Shareholders. Subject to compliance with laws, administrative regulations and the listing rules of the stock exchange where the Company's Shares are listed, a notice of the Company's general meeting may be given in the form of an announcement (including publication through the Company's website).</p>	Delete

Before amendment	After amendment
<p>Unless otherwise provided in the Articles of Association of the Company, all notices, information or written statements delivered to the Shareholders of overseas listed foreign Shares of the Company shall be sent to each Shareholder of overseas listed foreign Shares at the registered address of such Shareholder (including addresses outside Hong Kong) by personal delivery or by mail, and notices to each Shareholders of overseas listed foreign Shares shall be sent in Hong Kong as practicable as possible.</p> <p>The announcements referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authority of the State Council 20 days prior to the annual general meeting and 15 days prior to the extraordinary general meeting. Once it is published, all Shareholders of domestic shares shall be deemed to have received the notice of the relevant general meeting. The Chinese and English versions of these announcements shall be published on the websites of the Hong Kong Stock Exchange and the Company respectively on the same day or in such manner as the Hong Kong Stock Exchange may prescribe from time to time.</p>	
New provisions	<p><u>Article 59 Once the notice of general meeting is issued, the meeting shall not be postponed or canceled without proper reasons, and proposals contained in the notice shall not be withdrawn. Once delay or cancellation occurs, the convener shall notify shareholders with explanation at least two working days before the original convening date.</u></p>
<p>Article 8.10 The accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by, any person entitled to receive such notice, shall not invalidate the meeting or the resolutions adopted thereat.</p>	Delete

Before amendment	After amendment
New provisions	<p>Article 60 <u>The Board of Directors and other convener of the Company shall take necessary measures to safeguard the normal order of the general meeting. Behavior such as disruption of the meeting, provocation of trouble and infringement on the legitimate rights and interests of shareholders shall be prevented and promptly reported to relevant authorities for investigation.</u></p>
<p>Article 8.11 Any shareholder entitled to attend and vote at a shareholders' general meeting of the Company shall have the right to appoint one or more proxies to represent him/her and vote on his/her behalf. The proxy need not be a shareholder. Every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorized officer. A proxy so appointed may, pursuant to the instructions from that shareholder, exercise the following rights:</p> <p>(I) the shareholder' right to speak at the general meeting;</p> <p>(II) the right to demand, whether on his own or together with others, a poll;</p> <p>(III) the right to exercise voting rights on a show of hands or on a poll, provided however, that where more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.</p>	<p>Article 61 <u>All shareholders whose names appear on the register of members on the record date or their proxies are entitled to attend the general meeting and exercise their voting rights in accordance with the relevant laws, regulations and these Articles.</u> Any shareholder entitled to attend and vote at a shareholders' general meeting of the Company <u>may do so in person or</u> appoint one or more proxies to represent him/her and vote on his/her behalf. The proxy need not be a shareholder. Every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorized officer.</p> <p><u>The clearing house shall be entitled to appoint a proxy or company representative to attend any general meeting of the issuer, who shall have the same legal rights as other shareholders, including the right to speak and vote.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 62 Individual shareholders who attend the meeting in person shall show their own identification cards, or other valid documents or certificates to show their identity. The proxy appointed by a shareholder to attend the meeting shall present his own identification card and the form of proxy of the shareholder.</u></p> <p><u>Corporate shareholders shall attend the meeting by its legal representative or the proxy appointed by its legal representative. Where the legal representative attends the meeting, he shall present his identification card and valid proof that can prove his qualification as legal representative; and where he appoints a proxy to attend the meeting, the proxy shall present his own identification card, and the written power of attorney legally issued by the legal representative of the corporate shareholder.</u></p>
<p>Article 8.12 A Shareholder may appoint a proxy through a written power of attorney, which shall be signed by the appointer or the proxy he/she so appoints in writing. In the event that the appointer is a legal person, the power of attorney shall be affixed with the seal of the legal person or signed by its Director or a duly authorized officer or a duly appointed proxy.</p>	<p><u>Article 63 The form of proxy issued by the shareholder appointing his or her proxy to attend the general meeting shall state:</u></p> <ol style="list-style-type: none"> <u>(1) name of the proxy;</u> <u>(2) whether or not the proxy has any voting right;</u> <u>(3) instruction to vote for or against or abstain from voting on each and every issue included in the agenda of the general meeting;</u> <u>(4) the date of issue and validity period of the form of proxy;</u> <u>(5) the signature (or seal) of the appointer.</u> In the event that the appointer is a <u>corporate shareholder</u>, the power of attorney shall be affixed with the seal of the <u>corporate shareholder</u>, or signed by its director or a duly authorized officer or a duly appointed proxy.
New provisions	<p><u>Article 64 The form of proxy shall indicate whether the proxy can vote in his own discretion if the appointing shareholder makes no specific instructions.</u></p>

Before amendment	After amendment
<p>Article 8.13 The proxy form shall be lodged at the Company's premises or such other place designated in the notice convening the general meeting at least 24 hours prior to the relevant meeting for which the proxy is appointed to vote or 24 hours prior to the scheduled voting time. Where the proxy form is signed by a person authorized by the appointer, the power of attorney or other authorization documents shall be notarized.</p> <p>The notarized power of attorney and other authorization documents, together with the proxy form, shall be lodged at the Company's premises or such other place designated in the notice convening the meeting.</p> <p>If the proxy is an institutional shareholder, its legal representative (the person in charge) or any representative authorized by its board of directors or by other decision-making body may attend the Shareholders' general meeting of the Company on its behalf.</p> <p>Besides, where a Shareholder is a recognized clearing house or its nominee, the clearing house is entitled to appoint a proxy or company's representative to act on its behalf at any Shareholders' general meeting and meeting of creditors or any meeting of any class of Shareholders; provided that where more than one person is so authorized, the letter of authorization shall specify the number and class of Shares in respect of which each such person is so authorized. Such persons or company's representative so authorized shall have equal rights as other Shareholders', including the right to speak and to vote.</p>	<p><u>Article 65 Where such form of proxy is signed by a person under a power of attorney on behalf of the appointer, such power of attorney or other authorization document shall be notarized.</u> The notarized power of attorney and other authorization documents, together with the proxy form, shall be lodged at the Company's premises or such other place designated in the notice convening the meeting.</p> <p>If the proxy is a corporate shareholder, its legal representative or any representative authorized by its board of directors or by other decision-making body may attend the Sshareholders' general meeting of the Company on its behalf.</p> <p>Besides, where a Sshareholder is a recognized clearing house within the meaning defined in the laws of Hong Kong or its nominee, the clearing house is entitled to appoint a proxy or company's representative to act on its behalf at any Sshareholders' general meeting and meeting of creditors or any meeting of any class of Sshareholders; provided that where more than one person is so authorized, the letter of authorization shall specify the number and class of Shares in respect of which each such person is so authorized. Such persons or company's representative so authorized shall have equal rights as other Sshareholders', including the right to speak and to vote.</p>
<p>Article 8.14 Any proxy form issued to a Shareholder by the Board of Directors for use by such Shareholder for the purpose of appointing a proxy shall enable the Shareholder, according to his/her free will, to instruct the proxy to vote in favors of or against a resolution, and in respect of each individual matter to be voted on at the meeting. The proxy form shall contain a statement that in the absence of specific instructions from the Shareholder, the proxy may vote as he/she thinks fit.</p>	<p>Delete</p>

Before amendment	After amendment
<p>Article 8.15 A vote made in accordance with the proxy form shall be valid notwithstanding the death or loss of capacity of the appointer or revocation of the proxy form or the authorization for executing such proxy form, or the transfer of the Shares in respect of which the proxy form is given, provided that the Company does not receive any written notice in respect of such matters before the commencement of the relevant meeting.</p>	<p>Delete</p>
<p>New provisions</p>	<p><u>Article 66 The Company shall be responsible for preparing a register of attendees of the meeting. Such register shall record name (or company name), ID Card no., domicile, number of voting shares held or represented, name (or company name) of appointer and other matters of the attendees.</u></p>
<p>New provisions</p>	<p><u>Article 67 The convener and the counsel engaged by the Company shall jointly verify the legality of the shareholders' qualifications in accordance with the register of shareholders provided by the Securities Depository and Clearing Institution, and record and register the name of the shareholders and the number of voting shares held by such shareholders. The registration process shall end before the presider of the meeting announces on site the number of shareholders and proxies that attend the meeting, and the total number of their voting shares.</u></p>
<p>New provisions</p>	<p><u>Article 68 When a general meeting is held, all directors, supervisors and the Secretary to the Board of Directors of the Company shall attend the general meeting, and the General Manager and other senior management shall attend the meeting without voting powers.</u></p>
<p>New provisions</p>	<p><u>Article 69 A general meeting shall be convened by the Board of Directors and presided over by the Chairman of the Board of Directors. Where the Chairman is unable of fails to perform his duties, a director jointly elected by more than one half of directors shall preside over the meeting.</u></p>

Before amendment	After amendment
	<p><u>For a general meeting convened by the Board of Supervisors on its own, the chairman of the Board of Supervisors shall preside over the meeting. Where the chairman of the Board of Supervisors cannot perform his duties or fails to perform his duties, a supervisor jointly selected by more than one half of the supervisors shall preside over the meeting.</u></p> <p><u>For a general meeting convened by shareholder(s) on its/their own, the convener(s) shall select a representative to preside over the meeting.</u></p> <p><u>When a general meeting is held and the presider violates these Rules of Procedures to cause the general meeting impossible to continue, then upon consent of the shareholders with a majority of the voting rights present at the meeting, a person may be elected at the general meeting to act as the presider to continue the meeting.</u></p>
New provisions	<p><u>Article 70 The Company shall formulate the rules of procedures for general meeting specifying the convening and voting procedures of General Meetings, including notice, registration, deliberation of and voting on proposals, votes counting, announcement of voting results, drafting of meeting resolutions, meeting minutes and their signature, announcements and other content, as well as the principle of delegation of powers to the Board of Directors by the general meeting, and the content of delegation shall be clear and specific. The rules of procedures for general meeting shall be attached hereto as an appendix, and formulated by the Board of Directors and approved by the general meeting.</u></p>
New provisions	<p><u>Article 71 At the annual general meeting, the Board of Directors and the Board of Supervisors shall report to the general meeting on their work in last year. Each of the independent directors shall also report their work.</u></p>
New provisions	<p><u>Article 72 Directors, supervisors and senior management shall provide explanation and clarification to the inquiries raised by the shareholders at the general meeting.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 73 The presider of the meeting shall announce the number of attending shareholders and proxies and the total number of their voting shares before voting, each of which shall be subject to the registration of the meeting.</u></p>
New provisions	<p><u>Article 74 The General Meetings shall have meeting minutes, which shall be recorded by the Secretary to the Board of Directors, and shall contain:</u></p> <ol style="list-style-type: none"> <li data-bbox="815 668 1353 729"><u>(1) the date, venue and agenda of the meeting, and the name of the convener;</u> <li data-bbox="815 763 1353 921"><u>(2) the names of the presider and the directors, supervisors, general manager and other senior management attending or present at the meeting with or without voting rights;</u> <li data-bbox="815 955 1353 1112"><u>(3) the number of attending shareholders and proxies, and the total number of their voting shares and their percentage in the total number of shares of the Company;</u> <li data-bbox="815 1146 1353 1240"><u>(4) the consideration process of each proposal, summaries of the speeches and the voting result;</u> <li data-bbox="815 1274 1353 1402"><u>(5) details of the inquiries or recommendations of the shareholders, and the corresponding response or explanations;</u> <li data-bbox="815 1436 1353 1498"><u>(6) the name of the counsel(s), vote counter(s) and scrutineer(s); and</u> <li data-bbox="815 1532 1353 1625"><u>(7) such other content that shall be recorded in the minutes according to the Articles of Association.</u>

Before amendment	After amendment
New provisions	<p><u>Article 75 The convener shall guarantee the authenticity, accuracy and completeness of the content of the minutes of the meeting. The directors, supervisors, Secretary to the Board of Directors, the convener or their representative, and the presider of the meeting attending the meeting shall sign on the minutes. The minutes shall be maintained with the register of names of shareholders attending in person and the proxy form for proxy attending, and valid materials in case of voting online or otherwise, for a term of at least ten (10) years.</u></p>
New provisions	<p><u>Article 76 The convener shall ensure the successive holding of the General Meeting until the adoption of final resolution. Where the General Meeting is suspended or unable to adopt resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the General Meeting as soon as possible or directly terminate the General Meeting concerned, and make timely announcement to that effect.</u></p>

Before amendment	After amendment
<p>Article 8.17 Shareholders shall be entitled (1) to speak at Shareholders' general meetings and (2) to vote at Shareholders' general meetings unless individual Shareholders are required by the listing rules of the exchange where the Shares of the Company are listed to abstain from voting on particular matters. When voting at the Shareholders' general meeting, a Shareholder (including his/her proxies) shall exercise his/ her voting rights in accordance with the number of Shares represented by him/her. Each Share shall have one vote. However, the Company's Shares held by the Company shall not carry voting rights, and those Shares shall not be included in calculating the total number of Shares carrying voting rights at a Shareholders' general meeting.</p> <p>Where any Shareholder, under applicable laws and regulations and the listing rules of the stock exchange where the Shares of the Company are listed, is required to abstain from voting on any individual resolution or restricted to voting only for or only against, any votes cast by a Shareholder (or his/her proxies) in contravention of such requirement or restriction shall not be counted as part of the voting result.</p> <p>Shareholders holding a minority interest in the issuer must be allowed to call an extraordinary general meeting and to include a motion in the agenda of the meeting. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer.</p>	<p>Article 78 Shareholders shall be entitled (1) to speak at Shareholders' general meetings and (2) to vote at Shareholders' general meetings unless individual Shareholders are required by the listing rules of the exchange where the Shares of the Company are listed to abstain from voting on particular matters. When voting at the Shareholders' general meeting, a Shareholder (including his/her proxies) shall exercise his/ her voting rights in accordance with the number of Shares represented by him/her. Each Share shall have one vote. The Company's Shares held by the Company shall not carry voting rights, and those Shares shall not be included in calculating the total number of Shares carrying voting rights at a Shareholders' general meeting.</p> <p><u>When material issues affecting the interests of minority investors are considered at a General Meeting, the votes of minority investors shall be counted separately. The separate votes counting results shall be disclosed in a timely manner to the public.</u></p> <p><u>Where a shareholder purchases voting shares of the Company in violation of Paragraph 1 or 2 of Article 63 of the Securities Law, then within thirty-six (36) months after such purchase, the voting rights attached to such shares in excess of the prescribed percentage shall not be exercised, and such shares shall not be included in the total number of voting shares present at the General Meeting.</u></p> <p><u>The Board of Directors, the independent director, the shareholder(s) holding more than one hundredth of the voting shares of the Company, or any investor protection institution established in accordance with the laws, administrative regulations, or rules of the CSRC may solicit proxies from shareholders of the Company. In case of solicitation of proxies from shareholders, specific voting intention and other information shall be fully disclosed to the shareholders whose proxies are solicited. Solicitation of proxies from shareholders for compensation or disguised compensation is prohibited. The Company may not propose any minimum shareholding restriction on proxy solicitation, except the statutory conditions.</u></p>

Before amendment	After amendment
<p>New provisions</p>	<p><u>Article 79 Unless the resolutions on relevant procedures of a General Meeting or administrative matters which can be decided by the presider of the meeting in the spirit of honesty and credibility and shall be voted on by show of hands, voting at a General Meeting shall be made by disclosed ballot.</u></p> <p><u>Such procedures and administrative matters shall:</u></p> <p><u>(1) not be contained in the agenda of the General Meeting or in any supplementary circular to shareholders; and</u></p> <p><u>(2) involve the duty of the presider of the meeting to maintain the orderly conduct of the General Meeting and/or allow the business of the General Meeting to be transacted in a more proper and efficient manner, while giving all shareholders a reasonable opportunity to express their views.</u></p>
<p>Article 8.18 The Shareholders' general meeting shall vote by shows of hands unless a poll is demanded by law, administrative regulations or the listing rules of the exchange where the Company's Shares are listed or by the following persons before or after a vote by show of hands:</p> <p>(I) the chairman of the meeting;</p> <p>(II) at least two Shareholders with voting rights or proxies of Shareholders with voting rights;</p> <p>(III) one or more Shareholders (including proxies of Shareholders) holding, individually or in the aggregate, 10% or more of the Shares entitled to vote at such meeting.</p> <p>Unless a poll is requested, the chairman of the meeting announces the adoption of the proposal on the basis of shows of hands and records this in the minutes of the meeting as final, without having to certify the number of votes for or against the resolution adopted at such meeting or the percentage thereof. The demand for a vote by ballot may be withdrawn by the proposer.</p>	<p>Delete</p>

Before amendment	After amendment
<p>Article 8.19 A poll demanded on such matters as the election of chairman or the adjournment of the meeting, shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed as a resolution passed at that meeting.</p>	Delete
<p>Article 8.20 When voting, the Shareholders (including proxy) entitled to two or more votes are not required to vote against or in favor with their total number of votes.</p> <p>If any Shareholder may not exercise any voting rights or may vote only for or only against a particular resolution under the listing rules of the stock exchange where the Shares of the Company are listed, any vote cast by such Shareholder, in person or by proxy, in violation of the above limitation or restriction shall not be counted when determining the voting results.</p>	Delete
<p>Article 8.21 In the case of an equality of votes on registered poll or show of hands, the chairman of the meeting is entitled to one additional vote.</p>	Delete
<p>Article 8.22 The following matters shall be resolved at the Shareholders' general meeting through ordinary resolutions:</p> <p>(I) the work reports of the Board of Directors and the Board of Supervisors;</p> <p>(II) the plans of profits distribution and loss recovery schemes proposed by the Board of Directors;</p> <p>(III) removal of members of the Board of Directors and the Board of Supervisors and their remunerations and methods of payment;</p> <p>(IV) annual budget and final accounts report, balance sheet, income statement and other financial statements of the Company;</p>	<p>Article 80 The following matters shall be resolved at the Shareholders' general meeting through ordinary resolutions:</p> <p>(1) the work reports of the Board of Directors and the Board of Supervisors;</p> <p>(2) the plans of profits distribution and loss recovery schemes proposed by the Board of Directors;</p> <p>(3) removal of members of the Board of Directors and the Board of Supervisors and their remunerations and methods of payment;</p> <p>(4) annual budget and final <u>accounting plan</u> of the Company;</p>

Before amendment	After amendment
<p>(V) the appointment, removal of accounting firm, their remuneration and payment methods thereof;</p> <p>(VI) other matters other than those stipulated by laws, administrative regulations or the Articles of Association to be adopted by special resolutions.</p>	<p>(5) <u>annual report of the Company;</u></p> <p>(6) the appointment, removal of accounting firm, their remuneration and payment methods thereof</p> <p>(7) <u>any matters not otherwise required by the laws, administrative regulations, regulatory rules of the place where the shares of the Company are listed or these Articles to be approved</u> by special resolution.</p>
<p>Article 8.23 The following matter shall be passed through special resolutions:</p> <p>(I) the increase or decrease of the share capital, issuance of any class of shares, warrants and other quasi-securities by the Company;</p> <p>(H) the issuance of corporate bonds by the Company;</p> <p>(HH) the division, merger, dissolution, liquidation or change of corporate form of the Company;</p> <p>(IV) amendment to the Articles of Association;</p> <p>(V) matters on purchase or sale of material assets or provision of guarantee with an amount of more than 30% of the Company's audited total assets value for the most recent period within one year;</p> <p>(VI) other matters as required by the laws, administrative regulations or the Articles of Association, and as approved by ordinary resolutions at the general meeting which are believed could materially affect the Company and need to be approved by special resolutions;</p> <p>(VII) other matters as required by the listing rules of the stock exchange where the Company's Shares are listed that need to be approved by special resolutions.</p>	<p>Article 81 The following matter shall be passed through special resolutions:</p> <p>(1) the increase or decrease of the share capital, issuance of any class of shares, warrants and other quasi-securities by the Company;</p> <p><u>(2) spin-off, split, merger, dissolution or liquidation of the Company;</u></p> <p>(3) amendment to Articles of Association;</p> <p>(4) matters on purchase or sale of material assets or provision of guarantee with an amount of more than 30% of the Company's audited total assets value for the most recent period within one year;</p> <p><u>(5) formulation and amendment of equity incentive plans;</u></p> <p><u>(6) vary or abrogate the rights conferred on the shareholders; and</u></p> <p>(6)<u>(7) other matters as required by the laws, administrative regulations, regulatory rules of the place where the shares of the Company are listed or these Articles, and matters determined by the General Meeting by ordinary resolution to have material effect on the Company and necessary for approval</u> by special resolution.</p>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1355 644"><u>Article 82 When the General Meeting reviews matters relating to related party/connected transactions, the related/connected shareholders and their close associates shall not participate in voting by ballot and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes. The announcement of the General Meeting resolutions shall fully disclose the votes by non-related parties/non-connected persons.</u></p> <p data-bbox="815 676 1355 1059"><u>Before the General Meeting reviews matters relating to related party/connected transactions, the Company shall determine the scope of related/connected shareholders in accordance with relevant laws, regulations and regulatory documents. Related parties/connected persons or their authorized representatives may attend the General Meeting, and may clarify their views to the shareholders in accordance with the procedures of the meeting, but they shall abstain from voting by ballot.</u></p> <p data-bbox="815 1091 1355 1634"><u>Where the General Meeting reviews matters relating to related party/connected transactions, related/connected shareholders shall abstain from voting. If related/connected shareholders fail to abstain from voting, other shareholders attending the meeting shall have the right to request them to do so. After related/connected shareholders have abstained from voting, other shareholders shall vote according to their voting rights and pass the corresponding resolutions in accordance with the provisions of these Articles and rules herein. The presider of the meeting shall announce the number of shareholders and proxies present at the meeting except related/connected persons and the total number of their voting shares.</u></p>

Before amendment	After amendment
	<p><u>No resolution made at the General Meeting on matters relating to related party/connected transactions shall be passed unless approved by more than half of the votes cast by the non-related/non-connected shareholders attending the General Meeting. However, when the related party/connected transaction involves matters that need to be approved by special resolution as stipulated in these Articles and rules herein, the resolution of the General Meeting shall not be passed unless approved by more than 2/3 of the voting rights held by the non-related/connected shareholders attending the General Meeting.</u></p> <p><u>If a related party/connected party or its/his associate participates in voting by ballot in violation of the provisions of this Article, the voting on matters relating to related party/connected transaction shall be invalid.</u></p>
<p>Article 8.24 In the event that Shareholders require convening an extraordinary general meeting or class meeting, the following procedure shall be followed:</p> <p>(I) two or more Shareholders jointly holding at least 10% of voting Shares at the general meeting to be convened may sign one or several written requests with the same format and content to propose to the Board of Directors to convene an extraordinary general meeting or class meeting, and specify the topics of the meeting. The Board of Directors shall convene an extraordinary general meeting or class meeting in a timely manner after receipt of the aforesaid written request. The aforesaid amount of Shareholding is calculated as on the day when the Shareholders submit the written request.</p>	Delete

Before amendment	After amendment
<p>(H) If the Board of Directors fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the Shareholders tendering the said request may by themselves convene a meeting within 4 months after the Board of Directors receives the said request, and the convening procedure shall to the extent possible be the same as the procedure by which the Board of Directors convenes general meetings.</p> <p>Where the Shareholders convene a general meeting on their own initiative because the Board of Directors fails to convene the meeting pursuant to the aforesaid request, the reasonable expenses incurred shall be borne by the Company and shall be deducted from the monies payable by the Company to the defaulting Directors.</p>	
<p>Article 8.25 Shareholders' general meetings shall be convened and presided over by the chairman of the Board. Where the chairman of the Board cannot attend such a meeting for any reason, the Board of Directors may designate a Director of the Company to convene and preside over the meeting on his/her behalf. Where no chairman is designated, the Shareholders attending the meeting may elect one of them to preside over the meeting. If for any reason the Shareholders are unable to elect a chairman, the Shareholder holding the largest number of voting Shares and attending the meeting (including his/her proxies) shall preside over the meeting.</p>	Delete
<p>Article 8.26 The chairman of the meeting shall be responsible for deciding whether or not a resolution of the Shareholders' general meeting has been passed. His/her decision shall be final and conclusive and shall be announced at the meeting and recorded in the meeting minutes.</p>	Delete

Before amendment	After amendment
New provisions	<p>Article 83 <u>Except that the Company is in crisis or under other exceptional cases, without the approval by special resolution of the General Meeting, the Company shall not enter into contract with any person other than the directors, managers or other senior management to hand over the administration of all or material business of the Company to such person.</u></p>
New provisions	<p>Article 84 <u>The list of director or supervisor candidates shall be submitted as proposal to the General Meeting for voting.</u></p> <p><u>Cumulative voting system may be implemented when the General Meeting votes for the election of the directors and supervisors in accordance with the provisions of these Articles or the resolution of the General Meeting.</u></p> <p><u>The cumulative voting stated in the preceding paragraph refers to that when the General Meeting elects directors or supervisors, every share has votes as many as the number of the directors or supervisors to be elected, and a shareholder may cast all its/his votes for a single candidate. The Board of Directors shall announce the resumes and basic information of the director and supervisor candidates to the shareholders.</u></p>
New provisions	<p>Article 85 <u>Except for the cumulative voting system, the General Meeting shall vote for all the proposals one by one. In the event that there are different proposals on the same matter, they shall be voted in a chronological order of proposing such proposals. Unless the General Meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the General Meeting.</u></p>
New provisions	<p>Article 86 <u>When a proposal is submitted to the General Meeting for discussion, no revision to such proposal shall be made; otherwise, any relevant change will be deemed as a new proposal, which may not be voted at such General Meeting.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 87 A voting right shall be exercised by physical voting, online voting or otherwise. The first voting result shall prevail over repetitious votes for the same voting right.</u></p>
New provisions	<p><u>Article 88 Before voting on the proposal, the General Meeting shall elect two shareholders' representatives to participate in the counting and supervision of votes. For the related party/connected shareholders having interests in the item to be considered, such shareholders and their proxies shall not participate in vote counting and scrutiny.</u></p> <p><u>When proposals are voted on at the General Meeting, the shareholders' representative, the supervisors' representative and other relevant persons appointed according to the regulatory rules of the place where the shares of the Company are listed shall be jointly responsible for the counting and scrutinizing of the ballots according to the regulatory rules of the place where the shares of the Company are listed, and the voting results on resolution shall be announced on site, and recorded in the minutes.</u></p> <p><u>The shareholders of the Company or their proxies who vote online or otherwise shall be entitled to check and verify their own votes through relevant voting systems.</u></p>
New provisions	<p><u>Article 89 Onsite voting at the General Meeting shall not be closed earlier than voting online or otherwise. The presider of the meeting shall declare the voting information and result of each proposal and declare whether the proposal is passed or not according to the voting result.</u></p> <p><u>Prior to formal announcement of voting result, the Company, vote counter, scrutineer, substantial shareholders, online service provider and other parties involved in onsite voting, online voting or voting by other means at the General Meeting are obliged to keep confidential the voting information.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 90 Shareholders attending the General Meeting shall express one of the three opinions on the proposal tabled for voting: "For", "Against", and Abstain", except that the securities depository and clearing institution as the nominal holder of Stock Connect stocks makes declaration based on the declaration of intention of the actual controller.</u></p> <p><u>If the ballot paper is left blank, incorrectly filled in or illegible or not cast, the voter is deemed to have abstained from voting and the voting result of the corresponding voting shares shall be "abstention".</u></p> <p><u>If, under the listing rules of stock exchange on which the shares of the Company are listed, any shareholder is required to abstain from voting on or restricted to vote for or against any individual resolution, any vote cast by such shareholder (or its/his proxy) in violation of such requirement or restriction shall not be counted in the voting results.</u></p>
<p>Article 8.27 If the chairman of the meeting has any doubt about the result of a resolution put to the vote, he/she may count the number of votes. If the chairman of the meeting fails to count the votes, a Shareholder or proxy attending the meeting who challenges the result announced by the chairman of the meeting shall have the right to request counting of votes immediately after such announcement, the chairman of the meeting shall immediately count the votes.</p>	<p>Article 91 If the <u>presider</u> of the meeting has any doubt about the result of a resolution put to the vote, he/she may count the number of votes. If the <u>presider</u> of the meeting fails to count the votes, a Shareholder or proxy attending the meeting who challenges the result announced by the <u>presider</u> of the meeting shall have the right to request counting of votes immediately after such announcement, the <u>presider</u> of the meeting shall immediately count the votes.</p>
<p>Article 8.28 If votes are counted at a Shareholders' general meeting, the result of the counting shall be recorded in the meeting minutes. The meeting minutes and the attendance records signed by the attending Shareholders and proxies shall be kept at the Company's premises.</p> <p>Meeting minutes shall be made in respect of all resolutions passed at Shareholders' general meeting and signed by Directors attending the meeting.</p>	Delete

Before amendment	After amendment
<p>Article 8.29 Shareholders may examine photocopies of the meeting minutes during the Company's working hours without charge. If any Shareholder requests for a photocopy of relevant meeting minutes from the Company, the Company shall send such photocopy within seven days after receiving payment of reasonable charges.</p>	<p>Delete</p>
<p>New provisions</p>	<p><u>Article 92 Resolutions of the General Meeting shall be announced in due time according to the relevant laws, regulations, departmental rules, regulatory documents, regulatory rules of the place where the shares of the Company are listed or these Articles. The announcement of resolutions shall specify the number of attending shareholders and their proxies, the total number of voting shares they represent and the proportion of these shares to the total number of the voting shares of the Company, the total number of shares required to abstain from voting in the concurring votes and/or voting as requested by the regulatory rules of the place where the shares of the Company are listed (as specific to certain proposals, if any), whether the shareholder who is required to abstain from voting has given up the voting right, the voting method, the voting result of each resolution and the details of each of the resolutions passed.</u></p> <p><u>The Company as a company issuing foreign invested shares listed domestically shall make separate statistics and announcement on the attendance of and votes at the meeting by the holders of domestic shares and holders of foreign invested shares.</u></p>
<p>New provisions</p>	<p><u>Article 93 Proposals not adopted or resolutions of the former General Meeting changed in this General Meeting shall be specially pointed out in the announcement of resolutions of the General Meeting.</u></p>
<p>New provisions</p>	<p><u>Article 94 Where a proposal on election of directors or supervisors is passed at the General Meeting, the new directors and supervisors shall take office from the date on which the resolution of the General Meeting is passed.</u></p>

Before amendment	After amendment
New provisions	<u>Article 95 Where a proposal on distribution of cash dividend, bonus share or capital increase from conversion of capital reserves is passed at a General Meeting, the Company shall implement the specific proposal within two (2) months after the General Meeting ends.</u>
Article 9.1 Shareholders who hold different classes of Shares shall be class Shareholders. Class Shareholders shall enjoy rights and assume duties in accordance with laws, administrative regulations and the Articles of Association.	Delete
Article 9.2 If the Company intends to modify or abrogate the carrying rights of class Shareholders, such modification or abrogation can only be effected if they have been passed both by special resolution of Shareholders' general meeting and by Shareholders' general meeting convened respectively by Shareholders of the affected class in accordance with Articles 9.4 to 9.8.	Delete
Article 9.3 The rights of one class of Shareholders shall be deemed as changed or abolished under the following circumstances: (I) increase or decrease the number of Shares of the class, or increase or decrease the number of Shares of the class with equal or more voting rights, distribution rights, other privileges than Shares of the class; (II) convert all or part of Shares of the class into other classes, or convert another class of Shares, partly or wholly, into the Shares of such class or authorize such conversion rights; (III) remove or reduce the rights of Shares of the class to accrued dividends generated or rights to cumulative dividends; (IV) reduce or remove the preference rights to dividend or asset distribution during the liquidation of the Company attached to Shares of such class;	Delete

Before amendment	After amendment
<p>(V) add, remove or reduce the rights of Shares of the class which include Share conversion rights, options rights, voting rights, transfer rights, pre-emptive rights, and the rights to obtain the securities of the Company;</p> <p>(VI) remove or reduce the rights of Shares of the class to receive funds payable from the Company in specified currencies;</p> <p>(VII) create new classes of Shares entitled to equal or more voting rights, distribution rights, or other privileges than the Shares of the class;</p> <p>(VIII) restrict the transfer or ownership of the Shares of the class or increase such restrictions;</p> <p>(IX) issue subscription or conversion rights for Shares of this or any other class;</p> <p>(X) increase the rights and privileges of other classes of Shares;</p> <p>(XI) the restructuring plan of the Company may constitute different classes of Shareholders to assume responsibilities disproportionately in restructuring;</p> <p>(XII) amend or abolish clauses stipulated in the Articles of Association.</p>	
<p>Article 9.4 Whether or not the Shareholders of the affected class have voting rights at the Shareholders' general meeting, when concerning the matters referred to in items (II) to (VIII) or (XI) to (XII) of Article 9.3, they have voting rights at the class meeting, but the interested Shareholders shall have no voting rights at the class meeting.</p>	Delete

Before amendment	After amendment
<p>For the purposes of the preceding paragraph, the term “interested Shareholders” shall have the following meanings:</p> <p>(I) where the Company makes a repurchase offer to all the Shareholders at the same ratio according to Article 4.4 of the Articles of Association or repurchase their own Shares through public transaction in the stock exchange, “interested Shareholders” refer to Controlling Shareholders as defined in Article 7.6 of the Articles of Association;</p> <p>(II) where the Company repurchase its own Shares through reaching an agreement outside the stock exchange in accordance with the Article 4.4, “interested Shareholders” refer to the Shareholders who are relevant to such agreement;</p> <p>(III) in the Company’s reorganization plan, “interested Shareholders” refer to Shareholders who bear liabilities at a rate lower than other Shareholders in the same class or who hold different interests from other Shareholders in the same class.</p> <p>The quorum for a class meeting convened separately for considering a variation of the rights of any class of Shares shall be the holders of at least one-third of the issued Shares of the class.</p>	Delete
<p>Article 9.5 The resolution of a class meeting shall be passed by votes representing more than two-thirds of Shareholders with voting rights attending the class meeting in accordance with Article 9.4.</p>	Delete
<p>Article 9.6 To convene a class meeting of the Company, the requirements on notice period for the meeting shall follow the relevant provisions of Article 8.5. Where there are special rules in the listing rules of the stock exchange where the Shares of the Company are listed, the special rules shall prevail.</p>	Delete

Before amendment	After amendment
<p>Article 9.7 The notice of a class meeting shall only be served on Shareholders who have the right to vote at the meeting.</p> <p>A class meeting shall be held to the greatest extent possible in accordance with the same procedures as those for a Shareholders' general meeting, and any clause relating to the procedures for convening the Shareholders' general meeting in the Articles of Association shall apply to class meetings.</p>	Delete
<p>Article 9.8 Apart from the Shareholders of other classes of Shares, Shareholders of Domestic Shares and Shareholders of overseas listed foreign Shares are deemed as different class Shareholders. Shareholders of Domestic Shares and Shareholders of overseas listed foreign Shares shall enjoy equal rights in any distribution of dividends or otherwise.</p> <p>The special procedures for voting by the class Shareholders shall not apply under the following circumstances:</p> <p>(I) upon the approval by a special resolution at the Shareholders' general meeting, the Company either separately or concurrently issues Domestic Shares and overseas listed foreign Shares once every 12 months, and the number of Domestic Shares and overseas listed foreign Shares to be issued shall not exceed 20% of the outstanding Shares of their respective classes;</p> <p>(II) the plan to issue Domestic Shares and overseas listed foreign Shares upon the establishment of the Company is completed within 15 months from the date of approval by the securities regulatory authorities of the State Council;</p> <p>(III) upon the approval by the securities regulatory authorities of the State Council and other approving authorities (including but not limited to the Securities and Futures Commission of Hong Kong and the Hong Kong Stock Exchange, as applicable), the conversion of Domestic Shares of the Company into foreign Shares for listing and trading of such Shares on an overseas stock exchange.</p>	Delete

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1353 353"><u>Article 96 A director of the Company shall be a natural person, who will be ineligible if he:</u></p> <ol style="list-style-type: none"> <li data-bbox="815 389 1353 449"><u>(1) is incapable or only has restricted capacity of civil conduct;</u> <li data-bbox="815 485 1353 793"><u>(2) is imposed any criminal penalty due to corruption, bribery, embezzlement, appropriation of property or jeopardizing the socialist market economic order, and it is less than five years upon expiry of execution of such penalty, or if he is deprived off the political rights due to committing crime, and it is less than five years upon expiry of execution of such deprivation;</u> <li data-bbox="815 829 1353 1076"><u>(3) was the director or factory director or manager of any bankrupt and liquidated company or enterprise and he is responsible for the bankruptcy of such company or enterprise, and it is less than three years since the completion of bankruptcy liquidation of such company or enterprise;</u> <li data-bbox="815 1112 1353 1359"><u>(4) was the legal representative of a company or enterprise which is revoked off its business license or ordered to close down due to violation of laws and he is personally responsible for that, and it is less than three years since the date when such company or enterprise is revoked off its business license;</u> <li data-bbox="815 1395 1353 1455"><u>(5) has any due and unpaid debt with a relevant large amount;</u> <li data-bbox="815 1491 1353 1613"><u>(6) is prohibited from entering the securities market by the CSRC and the prohibition period has not yet expired; or</u> <li data-bbox="815 1649 1353 1917"><u>(7) is under other circumstances as provided by the laws, administrative regulations or departmental rules. Any election or appointment of director in violation of the provisions of this Article shall be invalid. Where any director has any circumstance described above during his tenure, the Company shall remove him from office.</u>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1355 597"><u>Article 97 Directors shall be elected or replaced by the General Meeting, and may be removed from office by ordinary resolution made at the General Meeting before expiry of their tenure (without prejudice to any claim for compensation available under any contract). The tenure of director shall be three years and a director may be re-elected upon expiry of tenure.</u></p> <p data-bbox="815 640 1355 981"><u>Subject to applicable laws and regulations and regulatory rules on listing of companies, the tenure of any new director appointed by the Board of Directors to fill a casual vacancy of the Board of Directors or increase of the number of members of the Board of Directors shall expire at the first annual General Meeting of the Company following his appointment, at which time he shall be eligible for re-election and re-appointment.</u></p> <p data-bbox="815 1023 1355 1364"><u>The tenure of director shall start from the date of taking office and end on the expiry of the tenure of the current Board of Directors. Where no new director is timely elected when the tenure of a director expires, then, before the new director takes office, the original director shall perform his director duties in accordance with the provisions of the laws, administrative regulations, departmental rules and these Articles.</u></p> <p data-bbox="815 1406 1355 1704"><u>A director may concurrently hold office as General Manager or other senior management, however, the number of directors concurrently holding office as General Manager or other senior management and directors who are employees' representatives shall not exceed one half of the total number of directors of the Company.</u></p>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1353 421"><u>Article 98 Directors shall comply with laws, administrative regulations and these Articles and assume the following loyalty duty to the Company:</u></p> <p data-bbox="815 455 1353 583"><u>(1) not to take any bribery or other illegal income or embezzle the assets of the Company by taking advantage of his position; or</u></p> <p data-bbox="815 614 1353 676"><u>(2) not to misappropriate any fund of the Company;</u></p> <p data-bbox="815 708 1353 804"><u>(3) not to deposit funds or assets of the Company in account under his name or the name of others;</u></p> <p data-bbox="815 836 1353 1027"><u>(4) not to provide guarantee for others by property of the Company or lend the funds of the Company to others without consent of the General Meeting or the Board of Directors, in violation of the provisions of these Articles;</u></p> <p data-bbox="815 1059 1353 1219"><u>(5) not to enter into any contract or transaction with the Company in violation of the provisions of these Articles or without consent of the General Meeting;</u></p> <p data-bbox="815 1251 1353 1474"><u>(6) not to take advantage of his position to seek business opportunity belonging to the Company for himself or others, or to self-operate or operate for others any business similar or identical to the Company, without consent of the General Meeting;</u></p> <p data-bbox="815 1506 1353 1602"><u>(7) not to accept and take possession of any commission from transactions between others and the Company;</u></p> <p data-bbox="815 1634 1353 1696"><u>(8) not to disclose any secret of the Company without permission;</u></p> <p data-bbox="815 1727 1353 1823"><u>(9) not take advantage of its relation/connection to harm the interests of the Company; and</u></p>

Before amendment	After amendment
	<p data-bbox="815 293 1353 385"><u>(10) other loyalty duty as provided in laws, administrative regulations, departmental rules and these Articles.</u></p> <p data-bbox="815 421 1353 608"><u>Any and all proceeds obtained by directors from violation of the provisions of this Article shall belong to the Company; and in case of any loss caused to the Company thereby, such directors shall be liable for compensation.</u></p>
New provisions	<p data-bbox="815 634 1353 761"><u>Article 99 Directors shall comply with laws, administrative regulations and these Articles and assume the following diligence duty to the Company:</u></p> <p data-bbox="815 798 1353 1112"><u>(1) diligently, seriously and prudently exercise the rights granted by the Company, so as to ensure the business activities of the Company are in compliance with the requirements of all national laws, administrative regulations and national economic policies, and will not be beyond the business scope as indicated in the business license;</u></p> <p data-bbox="815 1149 1209 1176"><u>(2) fairly treat all shareholders;</u></p> <p data-bbox="815 1212 1353 1304"><u>(3) keep abreast of the business operation and management situation of the Company;</u></p> <p data-bbox="815 1340 1353 1498"><u>(4) execute written confirmation opinions for the regular reports of the Company, and ensure the information disclosed by the Company is authentic, accurate and complete;</u></p> <p data-bbox="815 1534 1353 1721"><u>(5) truthfully provide relevant situation and materials to the Board of Supervisors and not to impede the exercise of powers and duties by the Board of Supervisors or supervisors; and</u></p> <p data-bbox="815 1757 1353 1849"><u>(6) other diligence duty as provided in laws, administrative regulations, departmental rules and these Articles.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 100 Where a director fails to attend the meeting in person or by director proxy for two consecutive times, he shall be deemed unable to fulfill his duties, in which case, the Board of Directors shall suggest the General Meeting to replace him.</u></p>
New provisions	<p><u>Article 101 Directors may resign before expiry of their tenure. The resigning director shall submit a written resignation report to the Board of Directors, and the Board of Directors shall disclose relevant situation within two (2) days.</u></p> <p><u>Where any director resigns during his tenure which leads to the number of members of the Board of Directors is below the quorum, then, before the new director takes office, the original director shall still perform his director duties in accordance with the provisions of the laws, administrative regulations, departmental rules and these Articles.</u></p> <p><u>Except for the circumstance stated in the preceding paragraph, the resignation of a director shall become effective when his resignation report is delivered to the Board of Directors.</u></p>
New provisions	<p><u>Article 102 Upon effectiveness of resignation or expiry of tenure of a director, he shall complete all hand-over procedures with the Board of Directors, and his loyalty duty to the Company and shareholders will not be terminated as soon as the end of his tenure, and his confidentiality obligations for trade secrets of the Company shall survive the end of his appointment until such secrets become publicly available. The duration of other loyalty duty shall be determined according to the equity principle, taking into account factors such as the nature of the matter, the importance to the Company, the time of impact on the Company and the relationship with such director.</u></p>

Before amendment	After amendment
New provisions	Article 103 <u>Without the due authorization by the Board of Directors or under these Articles, no director may act for the Company or the Board of Directors in his own name. Where any director acts in his own name but any third party reasonably believes that such director is acting for the Company or the board of director, such director shall first state his stance and status.</u>
New provisions	Article 104 <u>Directors who violate the laws, administrative regulations, departmental rules or these Articles when performing their duties for the Company, which causes losses to the Company, shall be liable for compensation.</u>
New provisions	Article 105 <u>The Company shall have independent directors, and the qualifications, nomination and election procedures, term of office, resignation, functions and powers of independent directors shall be implemented in accordance with laws, administrative regulations, and relevant rules of the stock exchange.</u>
Article 10.1 The Company shall have a Board of Directors, which shall be accountable to and report to the Shareholders' general meeting. The Board of Directors shall be composed of nine Directors and one chairman, among them at least one-third are independent non-executive Directors.	Article 106 The Company shall have a Board of Directors, which shall be accountable to and report to the Shareholders' general meeting.
New provisions	Article 107 <u>The Board of Directors shall consist of nine (9) directors, including one (1) Chairman. There shall be three independent directors in the Board of the Company, and at least one of them is an accounting professional (who shall be a person with senior job title or certified public accountant qualification).</u>

Before amendment	After amendment
<p>Article 10.2 Directors shall be elected or removed at the Shareholders' general meeting for a term of three years. Upon the expiry of the term, a Director shall be eligible for re-election.</p> <p>Subject to the relevant laws, regulations and regulatory rules governing the listing of the Company, if the Board of Directors appoints a new Director to fill a casual vacancy or as an addition to the Board of Directors, the term of office of the appointed Director shall expire at the first annual general meeting upon his appointment and such Director shall then be eligible for re-election and reappointment.</p> <p>Written notice of the intention to nominate a candidate for Director and of such candidate's indication of willingness to be nominated shall be given to the Company after the Company has given notice of the Shareholders' general meeting for the election of such Director and not less than 7 days before the Shareholders' general meeting, and the notice period for the foregoing written notice shall not be less than 7 days.</p> <p>The chairman shall be elected and removed by a majority of all Directors. The term of office of the chairman is three years, and renewable upon re-election.</p> <p>Subject to the relevant laws and administrative regulations, the Shareholders' general meeting may remove a Director before the expiration of his/her term of office by an ordinary resolution but without prejudice to any claim for damages under any contract.</p> <p>The term of the Directors shall be calculated from the date of their appointment (from the adoption of the proposal for the election of Directors at the Shareholders' general meeting) to the expiry of the term of the current Board of Directors. If a Director's term expires without timely re-election, the original Director shall still perform the duties as a Director in accordance with laws, administrative regulations, departmental rules and regulations and the Articles of Association until the re-elected Director assumes office.</p>	Delete

Before amendment	After amendment
<p>External Directors (hereinafter referred to as Directors who do not hold any office within the Company) shall have sufficient time and appropriate knowledge to perform their duties. The Company shall provide necessary information to the external Directors to perform their duties. Among them, the independent non-executive Directors may report on situation directly to the Shareholders' general meeting, the securities regulatory authorities of the State Council and other relevant departments.</p> <p>A Director shall not be required to hold any Shares of the Company.</p>	
<p>Article 10.3 The Board of Directors shall be accountable to the Shareholders' general meeting, and exercise the following functions and powers:</p> <p>(I) to convene Shareholders' general meetings and report on its work to such general meetings;</p> <p>(II) to implement resolutions passed at the Shareholders' general meetings;</p> <p>(III) to decide on the Company's business plans and investment plans;</p> <p>(IV) to formulate the Company's annual financial budgets and final accounting plans;</p> <p>(V) to formulate the Company's profit distribution proposals and loss recovery proposals;</p> <p>(VI) to formulate proposals for the increase or reduction of the Company's registered capital and the issuance of corporate bonds;</p> <p>(VII) to formulate proposals for the major acquisition or disposal, the repurchase of the Company's Shares;</p>	<p><u>Article 108 The Board of Directors shall exercise the following function and powers:</u></p> <p><u>(1) to convene the General Meeting and report on its work to such General Meeting;</u></p> <p><u>(2) to implement resolutions passed at the Shareholders' General Meeting;</u></p> <p><u>(3) to decide on the Company's business plans and investment plans;</u></p> <p><u>(4) to formulate the Company's annual financial budgets and final accounting plans;</u></p> <p><u>(5) to formulate the Company's profit distribution proposals and loss recovery proposals;</u></p> <p><u>(6) to prepare plans on increase or reduction of registered capital of the Company, issuance of bonds or other securities, and listing of the Company;</u></p> <p><u>(7) to formulate plans for material acquisitions, purchase of shares of the Company, merger, split, dissolution or change of organizational form of the Company;</u></p>

Before amendment	After amendment
(VIII) to formulate proposals for the merger, division, dissolution or change of corporate form of the Company;	<u>(8) to decide on external investment, asset acquisition or disposal, mortgage of assets, external guarantee, entrusted wealth management and related party/connected transactions, donations, etc. of the Company, within the scope of delegation by the General Meeting;</u>
(IX) to determine on the Company's internal management structure;	<u>(9) to approve matters in relation to investment, acquisition or disposal of assets, financing and related party/connected transactions as required to be decided by the Board of Directors under the listing rules of the stock exchange where the shares of the Company are listed;</u>
(X) to appoint or dismiss the general manager, and appoint or dismiss deputy general managers and financial controller of the Company pursuant to the general manager's nominations and decide on their remuneration;	<u>(10) to determine on the Company's internal management structure;</u>
(XI) to formulate the Company's basic management system;	<u>(11) to decide on the appointment or removal of the General Manager, the Secretary to the Board or other senior management of the Company, and their remuneration, rewards and punishments; to decide on the employment or dismissal of the deputy general manager, CFO, and other senior management of the Company according to the nomination of the General Manager, and their remuneration, rewards and punishments;</u>
(XII) to formulate proposals for amendments to the Articles of Association;	<u>(12) to formulate the Company's basic management system;</u>
(XIII) to propose to Shareholders' general meetings for the appointment or replacement of the auditors of the Company;	<u>(13) to formulate proposals for amendments to the Articles of Association;</u>
(XIV) to decide on other major and administrative affairs of the Company, and to sign other important agreements, save for the laws, administrative regulations, the rules and regulations of the place where the Shares of the Company are listed, and matters to be resolved at the Shareholders' general meetings as stipulated by the Articles of Association;	<u>(14) to manage information disclosures of the Company;</u>
(XV) to exercise other functions and powers as granted by the Shareholders' general meeting and the Articles of Association.	<u>(15) to propose to the General Meeting to engage or replace the accounting firm which provides audit services to the Company;</u>
Except for the matters specified in items (VI), (VIII) and (XII) which shall be passed by the affirmative vote of more than two-thirds of all Directors, the resolutions of the Board of Directors in respect of all other matters may be passed by the affirmative vote of more than half of all Directors.	<u>(16) to listen to work reports presented by the General Manager of the Company and inspect the work of the General Manager; and</u>

Before amendment	After amendment
	<p><u>(17) to exercise other functions and powers as stipulated by laws, administrative regulations, department rules, regulatory rules of the place where the shares of the Company are listed or the Articles of Association.</u></p> <p><u>For the previous resolutions made by the Board, except for Items (6), (7), (13) and other matters which shall be passed by the affirmative vote of more than two-thirds of all directors as provided by laws, administrative regulations, departmental rules, listing rules of the stock exchange in the place where the stocks of the Company are listed and the Articles of Association, the rest shall be approved by more than one half of the directors.</u></p> <p><u>Matters beyond the scope of authorization of the general meeting to the Board shall be submitted to the general meeting for consideration.</u></p> <p><u>The Board of Directors of the Company may establish four special committees, namely the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Strategy Committee. These special committees shall be accountable to the Board of Directors, and fulfill their duties according to these Articles and within the scope of delegation by the Board of Directors, submit proposals to the Board of Directors for consideration and decision. All members of the special committees shall be directors, among which, more than one half of the members of Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee shall be independent directors, who shall act as convener (and chairperson) of the meetings thereof, while the convener (and chairperson) of the Audit Committee shall be accounting professional. The Board of Directors shall be responsible for formulating the work rules for special committees, and regulating the operation of special committees.</u></p>

Before amendment	After amendment
<p>Article 10.4 When the Board of Directors intends to dispose a fixed asset, if the sum of the expected value of the fixed asset to be disposed and the value obtained from the fixed assets disposed within four months before this disposal proposal exceeds 33% of the value of fixed assets indicated in the latest balance sheet reviewed at the Shareholders' general meeting, then the Board of Directors shall not dispose or agree to dispose of such fixed asset without the approval of the Shareholders' general meeting.</p> <p>The disposal of fixed assets referred to in this Article includes the transfer of interests in certain assets, but does not include the provision of guarantees with fixed assets.</p> <p>The validity of the transactions with respect to the disposal of fixed assets of our Company shall not be affected by the violation of item (I) of this Article.</p> <p>Before the Board of Directors makes decisions on market development, mergers and acquisitions, and investments in new areas, for projects with investment amounts or mergers and acquisitions asset amounts of more than 10% of the Company's total assets, a public consultant institution shall be engaged to provide professional advice as the important basis for the Board of Directors' decision-making.</p>	Delete
New provisions	<p><u>Article 109 The Board of the Company shall make explanations to the General Meeting with respect to the modified audit opinions issued by the engaged certified public accountant(s) for the financial report of the Company.</u></p>
New provisions	<p><u>Article 110 The Board of Directors shall formulate the rules of procedures for the Board of Directors so as to ensure the Board of Directors will implement resolutions of the General Meeting, improve work efficiency and guarantee scientific decision-making.</u></p>

Before amendment	After amendment
New provisions	<p>Article 111 <u>The Board shall determine the authority relating to external investment, acquisition and disposal of assets, asset mortgage, external guarantee, entrusted wealth management, related party transactions and donations, and shall establish strict examination and decision making procedure; and in case of material investment projects, organize relevant experts and professionals to make assessments and report to the General Meeting for approval.</u></p>
New provisions	<p>Article 112 <u>Any transaction of the Company set forth in paragraph (3) of Article 198 hereof (except for guarantee) shall be submitted to the Board Meeting for consideration, if:</u></p> <ol style="list-style-type: none"> <li data-bbox="815 859 1359 1081">(1) <u>the total assets involved in the transaction account for more than 10% of the Company's latest audited total assets, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;</u> <li data-bbox="815 1115 1359 1208">(2) <u>the transaction amount accounts for more than 10% of the Company's market value;</u> <li data-bbox="815 1242 1359 1370">(3) <u>the net assets of the object of transaction (such as equity) in the latest accounting year account for more than 10% of the Company's market value;</u> <li data-bbox="815 1404 1359 1625">(4) <u>the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for more than 10% of the audited operating income of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY10 million;</u> <li data-bbox="815 1659 1359 1855">(5) <u>the profits from the transaction account for more than 10% of the audited net profits of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY1 million;</u> <u>or</u>

Before amendment	After amendment
	<p><u>(6) the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY1 million.</u></p> <p><u>If any data value as involved in the calculation of indicator set forth in the preceding paragraph is negative, the absolute value thereof shall apply.</u></p> <p><u>Any transaction of the Company set forth in this Article, after discussed and approved by the Board of Directors, shall be submitted to the General Meeting for consideration if it meets any standard provided in Article 44 hereof.</u></p> <p><u>The transaction amount stipulated in this Article refers to the amount paid for the transaction and the liabilities and expenses assumed, etc. If the transaction arrangement involves possible future payment or receipt of consideration, without a specific amount or with an amount to be determined according to the set conditions, the expected maximum amount will be the transaction amount.</u></p> <p><u>The market value stipulated in this Article refers to the arithmetic mean of the closing market value for the 10 trading days prior to the transaction.</u></p> <p><u>If the Company implements a transaction by installments, the provisions of this Article shall be applied on the basis of the total amount of the transaction. The Company shall disclose the actual occurrence of the installment transactions in a timely manner.</u></p> <p><u>If the Company and the same counterparty have transactions set forth in paragraph (3) of Article 198 hereof of the same type and in opposite directions at the same time, this Article shall be applied according to the unidirectional amount thereof.</u></p>

Before amendment	After amendment
	<p><u>Except for the provision of guarantees, entrusted wealth management, etc. which are otherwise provided herein, if the Company conducts the same type of transactions set forth in paragraph (3) of Article 198 hereof in connection with a target, this Article shall be applied based on the principle of accumulative calculation for 12 consecutive months. If the obligations have been performed in accordance with this Article and Article 44 hereof, they are no longer included in the relevant cumulative calculation.</u></p>
	<p><u>If the Company has an equity transaction that results in a change in the scope of the Company's consolidated financial statements, this Article shall apply, by taking the relevant financial indicators of the Company to which the equity interest relates as the basis for calculation, and. If the aforementioned equity transaction does not result in a change in the scope of the consolidated financial statements, this Article shall apply, by taking the relevant financial indicators calculated in proportion to the change in the Company's shareholding.</u></p> <p><u>If the Company provides the financial assistance, this Article shall apply, by taking the amount of the financial assistance as the transaction amount.</u></p> <p><u>If the Company has entrusted wealth management on a rolling basis for 12 consecutive months, this Article shall apply, by taking the highest balance for that period as the transaction amount.</u></p>
New provisions	<p><u>Article 113 Any transaction within the scope of daily operations of the Company shall be submitted to the Board of Directors for consideration if:</u></p> <p><u>(1) the total assets involved in the transaction account for more than 50% of the Company's total assets audited in the latest period, and the absolute amount exceeds CNY100 million;</u></p>

Before amendment	After amendment
	<p>(2) <u>the transaction account accounts for more than 50% of the audited operating income or the operating cost of the Company in the latest accounting year, and exceeds CNY100 million;</u></p> <p>(3) <u>the profits from the transaction account for more than 50% of the audited net profit of the Company in the latest accounting year, and exceed CNY5 million; or</u></p> <p>(4) <u>other transactions that may have a material impact on the Company's assets, liabilities, equities and operating results. Before the Company makes any profit, the net profit indicator stipulated in this Article and Article 112 hereof shall not be applied.</u></p>
New provisions	<p><u>Article 114 Any guarantee to be provided by the Company shall be submitted to the Board of Directors for consideration, and shall be submitted to the General Meeting for consideration after discussed and approved by the Board of Directors, if it meets any standard provided in Article 43 hereof.</u></p> <p><u>In addition to the approval of a majority of all directors, any guarantee submitted to the Board of Directors for consideration must also be approved by more than two thirds of the directors present at the meeting of the Board of Directors.</u></p>
New provisions	<p><u>Article 115 Any connection transaction between the Company and the connected party shall be submitted to the Board of Directors for consideration if it meets the standard set forth in the HKEX Listing Rules.</u></p>
New provisions	<p><u>Article 116 The Board of Directors shall have a Chairman. The Chairman of the Board of Directors shall be elected by a majority of all directors of the Board of Directors.</u></p>

Before amendment	After amendment
<p>Article 10.5 The chairman of the Board of Directors shall exercise the following functions and powers:</p> <p>(I) to preside over Shareholders' general meetings and convene and chair over the meetings of the Board of Directors;</p> <p>(II) to check on the implementation of resolutions passed by the Board of Directors;</p> <p>(III) to sign the securities issued by the Company;</p> <p>(IV) to exercise other powers conferred by the Board of Directors.</p> <p>In the event that the chairman is incapable of performing his/her duties, he/she may designate other Directors to perform his/her duties on his/her behalf.</p>	<p>Article 117 The Chairman of the Board of Directors shall exercise the following functions and powers:</p> <p>(1) to preside over Shareholders' general meetings and convene and chair over the meetings of the Board of Directors;</p> <p>(2) to <u>urge and inspect</u> the implementation of the resolutions <u>adopted</u> by the Board of Directors; and</p> <p>(3) <u>other duties and powers as delegated by the Board of Directors or conferred by the regulatory rules of the place where the shares of the Company are listed.</u></p> <p>In the event that the chairman is incapable of performing his/her duties, <u>a director jointly selected by more than one half of the directors shall perform such duties.</u></p>
<p>Article 10.6 Meetings of the Board of Directors shall be regularly convened by the chairman at least four times a year. All Directors and Supervisors shall be notified in writing 14 days before such meetings.</p> <p>Interim board meetings may be convened by Shareholders representing more than 10% of voting rights, at least one-third of the Directors, more than two independent non-executive Directors, the Board of Supervisors or, in case of emergency, may be proposed to be convened by the general manager of the Company, and shall not be subject to the restrictions of meeting notification in Article 10.7. The chairman shall convene and preside over such meetings of the Board of Directors within 10 days after receiving such proposal.</p>	<p>Article 118 <u>The meetings of the Board of Directors shall include regular meetings and extraordinary meetings.</u></p> <p>Meetings of the Board of Directors shall be regularly convened by the chairman at least four times a year. All Directors and Supervisors shall be notified in writing 14 days before such meetings.</p> <p><u>The shareholder(s) representing more than one tenth of the voting rights, more than one third of the directors, more than one half of the independent directors, the Board of Supervisors, the Chairman or the General Manager may requisition to convene an extraordinary meeting of the Board of Directors.</u> The chairman shall convene and preside over such meetings of the Board of Directors within 10 days after receiving such proposal.</p>

Before amendment	After amendment
	<p><u>The notice of an extraordinary meeting of the Board of Directors shall be given to all directors and supervisors three days before the meeting. The time limit restriction for meeting notice set forth in the preceding paragraph may not apply to any urgent situation which requires the convention of an extraordinary meeting of the Board of Directors as soon as possible.</u></p> <p><u>Notice of meetings of the Board of Directors shall be given in writing, by personal delivery, facsimile, electronic mail or in such other manner as may be provided for in these Articles.</u></p> <p><u>In case of urgent situation which requires the convention of an extraordinary meeting of the Board of Directors as soon as possible, the meeting notice may be given at any time by phone or other verbal means, provided that the convener shall make an explanation to that effect at the meeting.</u></p>
<p>Article 10.7 Meetings of the Board of Directors shall be notified in the following ways:</p> <p>(I) If the Board of Directors has prescribed the time and address of its regular meeting in advance, no notice of meeting shall be given.</p> <p>(II) If the Board of Directors has not decided the time and address of its meeting in advance, the chairman shall, at least 14 days earlier, inform Directors of the time and address of such meeting by telex, e-mail, telegraph, fax, express mail service or registered post or by hand, except as otherwise provided in Article 10.6.</p> <p>(III) Notice shall be written in Chinese, if necessary, the English version can be attached, including the agenda for the meeting. Any Director may waive the right of receiving the notice of board meeting.</p>	Delete

Before amendment	After amendment
<p>In case of emergency where an interim meeting of the Board of Directors shall be convened as soon as possible, a notice of such meeting may be given at any time by phone or other oral means, but the convener shall make an explanation at the meeting.</p>	
<p>New provisions</p>	<p><u>Article 119 The notice of meeting of the Board of Directors shall at least contain:</u></p> <p>(1) <u>date and place of the meeting;</u></p> <p>(2) <u>duration of the meeting;</u></p> <p>(3) <u>reasons and details of the matter(s) to be discussed; and</u></p> <p>(4) <u>date of issuance of notice.</u></p>
<p>Article 10.8 All the executive Directors and external Directors shall be notified the important matters that must be resolved by the Board of Directors within the period stipulated in this Article, and be provided sufficient information at the same time. Such important matters shall be implemented in strict compliance with the required procedures. The Directors may request for supplementary information. Upon more than one-fourth of the Directors or more than two external Directors consider that the information provided is not sufficient or the demonstration is not clear, they may jointly propose to postpone the meeting of the Board of Directors or postpone the consideration of certain matters of the agenda of the Board of Directors, and the Board of Directors shall accept such proposal.</p> <p>Notice of a meeting shall be deemed to be served to any Directors if he/she is present at the meeting and raises no objection to the notice before he/she attends the meeting or the meeting starts.</p>	<p>Delete</p>

Before amendment	After amendment
<p>Article 10.9 Meeting of the Board of Directors may be held only if more than half of the Directors (including Directors appointing other Directors in writing to attend the meeting on his/her behalf pursuant to Article 10.10 of the Articles of Association) are present.</p> <p>Each Director shall have one vote. Unless otherwise required by laws, administrative regulations and the Articles of Association, resolutions of the Board of Directors shall be passed by more than half of all Directors.</p> <p>Any Director of the Company who is related to an enterprise involved in matters to be resolved by the Board of Directors shall not exercise voting right on such resolution or on behalf of another Director. The meeting of the Board of Directors can be held when a majority of non-related Directors are present, and any resolution made thereon shall be passed by a majority of non-related Directors. Where the number of non-related Directors present at the meeting of the Board of Directors is less than three, the matter shall be submitted to the Shareholders' general meeting for consideration.</p> <p>Save for the exceptional circumstances specified in the Listing Rules or approved by the Hong Kong Stock Exchange, a Director shall not vote on the resolutions of the Board of Directors in regard to any contract or arrangement or any other proposals in which he/she or any of his/her close associates ("close associate", as defined in the Listing Rules) has a material interest, and in determining whether there is a quorum for a meeting, he/she shall not be taken into account.</p>	<p>Article 120 Meeting of the Board of Directors may be held only if more than half of the directors are present.</p> <p>Each director shall have one vote <u>during the voting on resolutions of the Board of Directors.</u> Unless otherwise required by laws, administrative regulations and the Articles of Association, resolutions of the Board of Directors shall be passed by more than half of all directors.</p> <p><u>Any resolution of the Board of Directors must be approved by a majority vote of all directors, unless otherwise provided in the laws, administrative regulations and these Articles.</u></p> <p><u>No director, who has relation/connection with the enterprise involved in a resolution submitted to the meeting of the Board of Directors for consideration and voting, may exercise voting rights over such resolution for his own account or on behalf of other director. Such a meeting of the Board of Directors may be held in the presence of a majority of the non-related/non-connected directors and a resolution passed at a meeting of the Board of Directors shall require the approval of a majority of the non-related/non-connected directors. If the number of non-related/non-connected directors attending the meeting of the Board of Directors is less than 3, the issue shall be submitted to the General Meeting for consideration.</u></p>

Before amendment	After amendment
<p>New provisions</p>	<p><u>Article 121 Voting at meetings of the Board of Directors shall be conducted by disclosed ballot or show of hands.</u></p> <p><u>Meetings of the Board of Directors may be held and voting thereat can be conducted by physical meeting, or means of communication, or a combination of both.</u></p> <p><u>Subject to full expression of opinions by the directors, an extraordinary meeting of the Board of Directors may be held and adopt resolution by circulation of a written resolution or otherwise, and the present directors shall sign on the resolution documents.</u></p>
<p>Article 10.10 The Directors shall attend in person the meetings of the Board of Directors. Where any Director is unable to attend the meeting for a certain reason, he/she may, by issuing a written power of attorney, entrust another Director to attend the meeting of the Board of Directors on his behalf, and the scope of authorization shall be stated therein.</p> <p>A Director appointed as a representative of another Director to attend the meeting shall exercise the rights of a Director within the scope of authority conferred by the appointing Director. Where a Director is unable to attend a meeting of the Board of Directors, and has not appointed a representative to attend such meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.</p>	<p>Article 122 The Directors shall attend in person the meetings of the Board of Directors. Where any Director is unable to attend the meeting for a certain reason, <u>he/she may appoint other directors in writing to attend on their behalf, by a form of proxy which shall state the name of proxy, agency matters, and scope and term of authority, and shall be signed or sealed by the appointing director.</u></p> <p>A Director appointed as a representative of another Director to attend the meeting shall exercise the rights of a Director within the scope of authority conferred by the appointing Director. Where a Director is unable to attend a meeting of the Board of Directors, and has not appointed a representative to attend such meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.</p>

Before amendment	After amendment
<p>Article 10.11 The Board of Directors shall prepare minutes regarding the resolutions on the matters discussed at the meeting. Minutes of each meeting of the Board of Directors shall be provided to all Directors for review as soon as possible. Directors planning to make supplementary revisions thereon shall submit their written comments to the chairman within one week upon receipt of the minutes. After the minutes are finalized, the attending Directors and the recorders shall sign on the minutes. Opinions from independent non-executive Directors shall be stated in resolutions of the Board of Directors. The minutes of each meeting of the Board of Directors shall be kept in the domicile of the Company in the PRC for record. The Directors shall be liable for the resolutions of the Board of Directors. If a resolution of the Board of Directors violates law, administrative regulations or the Articles of Association, and the Company suffers serious losses as a result thereof, the Directors who participated in the passing of such resolution shall compensate the Company therefor. However, if it can be proven that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director shall be released from such liability.</p>	<p>Article 123 The Board of Directors shall prepare minutes regarding the resolutions on the matters discussed at the meeting, <u>and all directors attending the meeting and the recorder shall sign on such minutes.</u></p> <p>If a resolution of the Board of Directors violates law, administrative regulations or the Articles of Association, and the Company suffers serious losses as a result thereof, the directors who participated in the passing of such resolution shall compensate the Company therefor. However, if it can be proven that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director shall be released from such liability.</p> <p><u>The minutes of the meeting of the Board of Directors shall be kept as archives of the Company for at least ten (10) years.</u></p>
<p>Article 10.12 The Board of Directors may accept resolutions in writing in lieu of convening a meeting of the Board of Directors. However, the draft of such resolutions must be delivered to all Director by hand, mail, facsimile or e-mail. If relevant resolutions in writing have been delivered to all Directors, the number of Directors giving consent and signature to one or more draft with the same format and content has reached the quorum and such draft has been delivered to the secretary to the Board of Directors by the means referred to above, such resolution shall become a resolution of the Board of Directors and no convening of a meeting thereof shall be required.</p>	<p>Delete</p>

Before amendment	After amendment
<p>Article 10.13 If a Directors or his/her associate (as defined in the Listing Rules) is connected to matters to be resolved at the meeting of the Board of Directors, such Director shall refrain from the voting and shall not exercise his/her voting rights on such resolution. Such Director shall not be counted in the quorum of such meeting.</p>	Delete
New provisions	<p><u>Article 124 The minutes of the meetings of the Board of Directors shall contain:</u></p> <ol style="list-style-type: none"> <u>(1) the date and place of the meeting and the name of the convener;</u> <u>(2) the names of the directors present and the names of those directors (proxies) who are appointed by others to attend the meeting of the Board of Directors;</u> <u>(3) the agenda of the meeting;</u> <u>(4) speech points of the directors;</u> <u>(5) voting method and results for each resolution (the voting result shall specify the number of votes for and against the proposal or abstention); and</u> <u>(6) other matters that the attending directors consider necessary.</u>
New provisions	<p><u>Article 125 The Company shall have one General Manager, who will be appointed or removed by the Board of Directors.</u></p> <p><u>The Company shall have several Deputy General Managers, who will be employed or dismissed by the Board of Directors.</u></p> <p><u>The General Manager, Deputy General Managers, Secretary to the Board of Directors, CFO and other managerial personnel employed by the Board of Directors other than the Representative of Securities Affairs, shall be senior management of the Company.</u></p>

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1353 412"><u>Article 126 The circumstances set forth in Article 96 hereof whereby a person is prohibited from acting as a director shall also apply to senior management.</u></p> <p data-bbox="815 449 1353 593"><u>The loyalty duty of directors as provided in Article 98 hereof and the diligence duty as provide in Paragraphs (4) to (6) of Article 99 hereof shall also apply to senior management.</u></p>
New provisions	<p data-bbox="815 623 1353 768"><u>Article 127 Persons who hold administrative positions other than director and supervisor in the controlling shareholder of the Company shall not serve as senior management of the Company.</u></p> <p data-bbox="815 804 1353 923"><u>The senior management of the Company shall only receive salaries from the Company, instead of being paid by the controlling shareholders on behalf of the Company.</u></p> <p data-bbox="815 959 1353 1078"><u>No financial personnel of the Company shall work part-time in the controlling shareholder, actual controllers and other enterprises controlled by them.</u></p>
New provisions	<p data-bbox="815 1108 1353 1227"><u>Article 128 The tenure of the General Manager shall be three years. Upon expiry of the tenure, the General Manager may be re-appointed.</u></p>
New provisions	<p data-bbox="815 1255 1353 1342"><u>Article 129 The General Manager shall be accountable to the Board of Directors and exercise the following duties and powers:</u></p> <p data-bbox="815 1378 1353 1561"><u>(1) to lead the production, operation and management work of the Company, organize the implementation of the resolutions of the Board of Directors, and report his work to the Board of Directors;</u></p> <p data-bbox="815 1598 1353 1685"><u>(2) to organize the implementation of the annual operation plans and investment plans of the Company;</u></p> <p data-bbox="815 1721 1353 1808"><u>(3) to draft the plan for the set-up of the internal management bodies of the Company;</u></p> <p data-bbox="815 1844 1353 1902"><u>(4) to draft the basic management policies of the Company;</u></p>

Before amendment	After amendment
	<p>(5) <u>to formulate the specific rules and regulations of the Company;</u></p> <p>(6) <u>to propose the hiring or dismissal of the Deputy General Manager, CFO or other senior management of the Company;</u></p> <p>(7) <u>to hire or dismiss responsible managerial personnel other than those who shall be hired or dismissed by the Board of Directors; and</u></p> <p>(8) <u>other powers granted herein or delegated by the Board of Directors.</u></p>
New provisions	Article 130 <u>The General Manager of the Company may attend the meetings of the Board of Directors without voting powers.</u>
New provisions	Article 131 <u>The General Manager shall formulate work rules of the General Manager, which shall be implemented after approval by the Board of Directors.</u>
New provisions	<p>Article 132 <u>The work rules of the General Manager shall contain:</u></p> <p>(1) <u>the conditions and procedures for convention of and participants of the meeting of General Manager;</u></p> <p>(2) <u>the respective specific duties and division of labor of the General Manager and other senior management;</u></p> <p>(3) <u>the application of funds and assets of the Company, the power to execute material contracts and the system of reporting to the Board of Directors and the Board of Supervisors; and</u></p> <p>(4) <u>other matters as may be deemed necessary by the Board of Directors.</u></p>
New provisions	Article 133 <u>The General Manager may resign before expiry of his tenure. The specific procedures and methods for resignation by the General Manager shall be subject to the labor contract between the General Manager and the Company.</u>

Before amendment	After amendment
New provisions	<u>Article 134 The vice manager of the Company shall be nominated by the manager and decided by the Board, and shall help the manager with corporate affairs.</u>
<p>Article 11.1 The Company shall have one secretary to the Board of Directors, who shall be a senior management member of the Company.</p> <p>The Board of Directors may establish its secretarial department if necessary.</p>	<p>Article 135 The Company shall have a Secretary to the Board of Directors who <u>will be responsible for the preparation of the General Meetings and the meetings of the Board of Directors, document retention and the management of information of shareholders of the Company, and the handling of information disclosure. The Secretary to the Board of Directors shall comply with the laws, administrative regulations, departmental rules and these Articles.</u></p> <p><u>The Secretary to the Board of Directors of the Company must be a natural person with required professional knowledge and experience, who will be nominated by the Chairman, and appointed or removed by decision of the Board of Directors after the review by the Nomination Committee of the Board of Directors.</u></p>
<p>Article 11.2 The Company's secretary to the Board of Directors shall be a natural person who has requisite professional knowledge and experience and is appointed by the Board of Directors. His/her primary responsibilities are:</p> <p>(I) to ensure that the Company has complete organizational documents and records;</p> <p>(II) to ensure that the Company prepares and delivers the reports and documents required by competent authorities in accordance with the laws;</p> <p>(III) to ensure that the Company's registers of Shareholders are properly maintained, and that persons entitled to access to relevant records and documents are furnished with such records and documents without delay;</p>	Delete

Before amendment	After amendment
<p>(IV) to organize and prepare the meetings of the Board of Directors and the Shareholders' general meeting; prepare the meeting materials; arrange relevant meeting affairs; undertake the meeting minutes; ensure the accuracy of the minutes; to duly keep and take care of the meeting documents and minutes; and to keep abreast of the implementation of the relevant resolutions. Important issues during the implementation shall be reported to the Board of Directors and put forward suggestions;</p> <p>(V) to perform other functions and powers conferred by the Board of Directors, as well as other functions and powers as required by laws, administrative regulations and the stock exchange in the place where the Company's Shares are listed.</p>	
<p>Article 12.1 Where necessary, the Board of Directors may establish special committees for audit, remuneration, nomination and strategy and shall seek advice from such special committees before making relevant resolutions.</p>	Delete
<p>Article 12.2 Members of each special committee under the Board of Directors shall only be Directors and be elected by the Board of Directors.</p>	Delete
<p>Article 12.3 Each special committee shall have a convener who shall be responsible for convening meetings of such special committee. Compositions, responsibilities and operational system of each special committee shall be determined by the Board of Directors and shall be in compliance with laws and regulations of the PRC and the place where the Shares of the Company are listed, as well as relevant requirements by Hong Kong Stock Exchange.</p>	Delete
<p>Article 13.1 The Company shall have a general manager, who shall be appointed or dismissed by the Board.</p>	Delete

Before amendment	After amendment
<p>Article 13.2 The Company shall have several deputy general managers and a financial controller who shall assist the general manager in his/her work. They are all senior management member of the Company.</p> <p>Deputy general managers and financial controller shall be nominated by the general manager, and shall be appointed or dismissed by the Board.</p>	Delete
<p>Article 13.3 The general manager of the Company shall be accountable to the Board of Directors and shall exercise the following functions and powers:</p> <p>(I) to be in charge of the production, operation and management of the Company and to organize the implementation of the Board's resolutions;</p> <p>(II) to organize the implementation of the Company's annual business plan and investment proposals;</p> <p>(III) to draft the plans for the establishment of internal management structure of the Company;</p> <p>(IV) to draft the basic management system of the Company;</p> <p>(V) to formulate the basic rules and regulations for the Company;</p> <p>(VI) to recommend the appointment or dismissal of the deputy general managers and the financial controller of the Company;</p> <p>(VII) to appoint or dismiss executive officers other than those who should be appointed or dismissed by the Board of Directors;</p> <p>(VIII) other powers conferred by the Articles of Association and the Board of Directors.</p>	Delete

Before amendment	After amendment
<p>Article 13.4 The general manager of the Company shall attend meetings of the Board of Directors and be entitled to receive notices of meetings and relevant documents; The general manager who is not a Director shall not have any voting rights at meetings of the Board of Directors.</p>	Delete
<p>Article 13.5 The general manager, in performing his/her functions and powers, shall act honestly and diligently in accordance with laws, administrative regulations and requirements of the Articles of Association.</p>	Delete
New provisions	<p><u>Article 136 Senior management who violate the laws, administrative regulations, departmental rules or these Articles when performing their duties for the Company, which causes losses to the Company, shall be liable for compensation.</u></p>
New provisions	<p><u>Article 137 Senior management of the Company shall dutifully perform their duties and safeguard the best interests of the Company and all shareholders. Any senior management of the Company who causes any damage to the interests of the Company and shareholders of public shares due to his failure to dutifully perform his duties or breach of fiduciary duty shall be liable for compensation according to laws.</u></p>
New provisions	<p><u>Article 138 The circumstances set forth in Article 96 hereof whereby a person is prohibited from acting as a director shall also apply to supervisors.</u></p> <p><u>No director, General Manager or other senior management may concurrently hold office as supervisor.</u></p>
New provisions	<p><u>Article 139 Supervisors shall comply with the laws, administrative regulations and these Articles, and assume the loyalty duty and the diligence duty to the Company, and shall not take advantage of their positions to take bribery or other illegal gains or embezzle the assets of the Company.</u></p>
New provisions	<p><u>Article 140 The tenure of supervisor shall be three (3) years. Upon expiry of the tenure, a supervisor may be re-elected.</u></p>

Before amendment	After amendment
New provisions	<u>Article 141 Where no new supervisor is timely elected when the tenure of a supervisor expires, or where any supervisor resigns during his tenure which leads to the number of members of the Board of Supervisors is below the quorum, then, before the new supervisor takes office, the original supervisor shall still perform his supervisor duties in accordance with the provisions of the laws, administrative regulations and these Articles.</u>
New provisions	<u>Article 142 Supervisors shall ensure the information disclosed by the Company is authentic, accurate and complete, and sign on written confirmation opinions of the regular reports.</u>
New provisions	<u>Article 143 Supervisors may attend the meeting of the Board of Directors without voting rights, and make inquiries or suggestions on matters to be resolved by the Board of Directors.</u>
New provisions	<u>Article 144 No supervisor may take advantage of his relation/connection to damage the interests of the Company. In case of any loss to the Company caused thereby, such supervisor shall be liable for compensation.</u>
New provisions	<u>Article 145 Supervisors who violate the laws, administrative regulations, departmental rules or these Articles when performing their duties for the Company, which causes losses to the Company, shall be liable for compensation.</u>

Before amendment	After amendment
<p>Article 14.1 The Company shall have a Board of Supervisors.</p>	<p>Article 146 The Company shall have a Board of Supervisors.</p> <p><u>The Board of Supervisors shall consist of three (3) supervisors, including two shareholder’s representatives and one employees’ representative. The Board of Supervisors have one chairman .</u></p> <p><u>Appointment or removal of the chairman of the Board of Supervisors shall be approved by affirmative votes of more than two members of Board of Supervisors. The chairman of the Board of Supervisors shall convene and preside over the meeting of the Board of Supervisors; where the chairman of the Board of Supervisors is unable or fails to perform his duties, a supervisor jointly selected by a majority vote of supervisors shall convene and preside over the meeting of the Board of Supervisors.</u></p> <p><u>The Board of Supervisors shall include shareholder’s representatives and employees’ representatives of the Company of an appropriate proportion, among which, the proportion of the employees’ representative supervisors shall not fall below one third of the total number of members of the Board of Supervisors. Supervisors in the Board of Supervisors who are not employees’ representatives shall be elected and removed at the General Meeting, while employees’ representative supervisors shall be elected and removed at the employee representative congress or the assembly of staff or otherwise democratically.</u></p>
<p>Article 14.2 The Board of Supervisors consists of three Supervisors, including one chairman. A Supervisor shall serve a term of three years, and can be re-elected.</p> <p>The appointment or dismissal of the chairman of the Board of Supervisors shall be passed by at least two-thirds of the members of the Board of Supervisors by way of vote.</p>	<p>Delete</p>

Before amendment	After amendment
<p>A Supervisor shall continue to perform his duties in accordance with the laws, administrative regulations and articles of association until a duly re-elected Supervisor takes office, if re-election is not conducted in a timely manner upon the expiry of his term of office, or if the resignation of Supervisors results in the number of Supervisors being less than the quorum.</p>	
<p>Article 14.3 The Board of Supervisors shall comprise an appropriate proportion of Supervisors who represent the employees and the proportion of Supervisors who represent the employees shall not be less than one-third of the total number of the members of Board of Supervisors. Supervisors other than those who represent the employees in the Board of Supervisors shall be elected and removed by the Shareholders' general meeting while the Supervisors who represent the employees shall be elected and removed through the employee representative meetings, employee meetings or through other forms of democratic election.</p> <p>More than half of the members of the Board of Supervisors shall be external Supervisors (hereinafter referred to Supervisors who do not hold any office within the Company, including Supervisors representing Shareholders, the same below). External Supervisors shall have the right to file an independent report to a Shareholders' general meeting about the performance of credibility and integrity of the senior management.</p>	Delete
<p>Article 14.4 The Directors, general manager, deputy managers, secretary to the Board of Directors and financial controller of the Company shall not act concurrently as Supervisors.</p>	Delete

Before amendment	After amendment
<p>Article 14.5 The Board of Supervisors shall hold at least one meeting every six months and the chairman of the Board of Supervisors is responsible for convening the meeting and notify all Supervisors 10 days before the meeting is convened. An extraordinary meeting of the Board of Supervisors may be convened upon proposal by Supervisors, which are not subject to the following notice for the meeting of the Board of Supervisors.</p> <p>In principle, the meeting of the Board of Supervisors shall be held at domicile of the Company, but may be held in other places of China as resolved by the Board of Supervisors.</p> <p>The notice for the meeting of the Board of Supervisors shall be as follows:</p> <p>(I) in the event that the Board of Supervisors has stipulated in advance the date and place of the regular meeting of the Board of Supervisors, no notice is required to convene the meeting;</p> <p>(II) in the event that the Board of Supervisors has not stipulated in advance the date and place of the meeting of the Board of Supervisors, the Chairman of the Board of Supervisors shall inform the Supervisors at least 10 days but at most 30 days in advance by sending the notice by means of telex, email, cable, facsimile, speed post or registered mail or courier, unless specified otherwise by the first clause of this Article;</p> <p>(III) the notice shall be in Chinese, and its English version may be attached if necessary, and shall include the agenda for the meeting. Any of the Supervisors may waive the right of obtaining the notice for the meeting of the Board of Supervisors. If the Supervisor has attended the meeting and has not raised objection for non-receipt of the notice in advance before or during the meeting, he shall be deemed to have been served the notice of the meeting.</p>	Delete

Before amendment	After amendment
<p>Article 14.6 The Board of Supervisors shall be accountable to the Shareholders' general meeting, and exercise the following functions and powers:</p> <p>(I) to inspect the financial affairs of the Company;</p> <p>(II) to supervise the Directors, general manager and other senior management who have violated the laws, administrative regulations, the Articles of Association when performing the Company's duties;</p> <p>(III) to require the Directors, general manager and other senior management of the Company to correct an act which is harmful to the interests of the Company;</p> <p>(VI) to verify financial information such as financial reports, business reports, profit distribution plans, etc that the Board of Directors intends to submit to the Shareholders' general meeting and, if in doubt, to appoint, in the name of the Company, a registered accountant or practicing auditor to assist in reviewing such information;</p> <p>(V) to propose the convening of extraordinary general meetings;</p> <p>(VI) to propose the convening of board meetings;</p> <p>(VII) to represent the Company in negotiation with or initiate legal proceedings against a Director;</p> <p>(VIII) to exercise other functions and powers as specified by the laws, administrative regulations and the Articles of Association.</p> <p>The Board of Supervisors may provide its opinions on the appointment of the accounting firm appointed by the Company, and where necessary, may otherwise appoint another accounting firm in the name of the Company to independently audit the accounts of the Company, and may directly report to the securities regulatory authority of the State Council and other relevant departments. Supervisors attend Board meetings.</p>	<p>Article 147 The Board of Supervisors shall be accountable to the Shareholders' general meeting, and exercise the following functions and powers:</p> <p>(1) to inspect the financial affairs of the Company;</p> <p><u>(2) to supervise fulfillment by the directors and senior management of their respective duties in the Company and propose the removal of any director or senior management who violates any laws, administrative regulations, these Articles or resolutions of the General Meeting;</u></p> <p>(3) to require the Directors, general manager and other senior management of the Company to correct an act which is harmful to the interests of the Company;</p> <p><u>(4) to propose the convening of an extraordinary General Meeting, and convene and preside over the General Meeting when the Board of Directors does not perform its duties to convene and preside over the General Meeting as provided in the Company Law;</u></p> <p><u>(5) to make proposals to the General Meetings;</u></p> <p><u>(6) to examine and put forward written examination opinions on the regular reports of the Company prepared by the Board of Directors;</u></p> <p><u>(7) to initiate any action against a director or senior management in accordance with Article 151 of the Company Law;</u></p> <p><u>(8) to conduct investigation against any unusual circumstances in the Company's operations; if necessary, to engage an accounting firm, law firm or other professional agency to assist in its work at the costs of the Company; and</u></p> <p>(9) to exercise other functions and powers as specified by the laws, administrative regulations and the Articles of Association.</p>

Before amendment	After amendment
<p>Article 14.7 The rules of procedure of the Board of Supervisors shall be that each Supervisor shall have one vote for the voting on a resolution of the meetings of the Board of Supervisors, which shall be conducted in the form of open ballot, in writing or otherwise.</p> <p>The procedure for voting shall be that voting intention of Supervisors consists of the affirmative vote, negative vote and abstention. The participating Supervisors shall choose one of the above-mentioned intentions. If any participating Supervisor fails to choose or chooses two or more options at the same time, the meeting president shall request the Supervisor to choose again. The Supervisors who refuse to choose or fail to return after leaving the meeting halfway without making a choice shall be deemed to have abstained from voting.</p> <p>A resolution of the Board of Supervisors shall be passed by the affirmative votes of at least two-thirds of the members of the Board of Supervisors.</p> <p>The Board of Supervisors shall record matters considered at the meeting into the meeting minutes. Participating Supervisors shall sign the meeting minutes. Supervisors are entitled to make certain written explanations for their speeches delivered at the meeting in the minutes.</p>	Delete
<p>Article 14.8 Reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors as are required by the Board of Supervisors in exercising its functions and powers shall be borne by the Company.</p>	Delete
<p>Article 14.9 A Supervisor shall perform his/her supervisory duties honestly and faithfully in accordance with laws, administrative regulations and the Articles of Association.</p>	Delete

Before amendment	After amendment
New provisions	<p data-bbox="815 293 1353 608"><u>Article 148 The meetings of the Board of Supervisors shall include regular meetings and extraordinary meetings. The Board of Supervisors shall hold one regular meeting every six months and at least two regular meetings every year. Regular meetings shall be convened by the chairman of the Board of Supervisors. A supervisor may propose to convene an extraordinary Board of Supervisors meeting.</u></p> <p data-bbox="815 646 1353 995"><u>For convening the regular meetings and extraordinary meetings of the Board of Supervisors, the meeting notice shall be given to all supervisors 10 days and 3 days in advance respectively. The time limit restriction set forth in the preceding paragraph shall not apply to the giving of meeting notice in case of urgent situation which requires the convention of an extraordinary meeting of the Board of Supervisors as soon as possible.</u></p> <p data-bbox="815 1034 1353 1187"><u>Meetings of the Board of Supervisors shall be held at the domicile of the Company as a general rule, and may be held in other places within the territory of China if approved by resolution of the Board of Supervisors.</u></p>
New provisions	<p data-bbox="815 1212 1353 1432"><u>Article 149 The Board of Supervisors shall formulate the rules of procedures for the Board of Supervisors, specifying the rules of procedures and voting procedures of the Board of Supervisors, so as to ensure the working efficiency and scientific decision-making of the Board of Supervisors.</u></p>
New provisions	<p data-bbox="815 1459 1353 1519"><u>Article 150 The notice of meeting of the Board of Supervisors shall contain:</u></p> <ol data-bbox="815 1557 1353 1776" style="list-style-type: none"> <li data-bbox="815 1557 1353 1617"><u>(1) the date, place and duration of the meeting;</u> <li data-bbox="815 1655 1353 1715"><u>(2) reasons and details of the matter(s) to be discussed;</u> <li data-bbox="815 1753 1353 1776"><u>(3) the issuance date of notice.</u>

Before amendment	After amendment
<p>New provisions</p>	<p><u>Article 151 Meetings of the Board of Supervisors may be held and voting can be conducted by physical meetings or means of communication or a combination of both.</u></p> <p><u>Each supervisor shall have one vote. Supervisors shall attend the Board of Supervisors meetings in person. Where any supervisor cannot attend the meeting of the Board of Supervisors for cause, he may appoint other supervisor in writing to attend on his behalf, by a form of proxy which shall state the name of proxy, agency matters, and scope and term of authority, and shall be signed or sealed by the appointing supervisor. The proxy supervisor present at the meeting shall exercise the rights of supervisor within the scope of authority.</u></p> <p><u>Resolution of the Board of Supervisors shall be adopted by affirmative votes of more than two-thirds (inclusive) of members of Board of Supervisors.</u></p> <p><u>The Board of Supervisors shall make minutes for all decisions of the deliberated matters, and all supervisors attending the meeting shall sign on such minutes.</u></p> <p><u>Supervisors may require to record some of their speech made on the meeting as some kind of illustration record. The minutes of the meeting of the Board of Supervisors shall be kept as archives of the Company for at least ten (10) years.</u></p>
<p>Article 15.1 No person shall serve as our Director, Supervisor, general manager or other senior management if he/she is:</p> <p>(I) a person with no or limited civil capacity;</p> <p>(II) a person who has been convicted of an offense of bribery, corruption, embezzlement or misappropriation of property, or the destruction of socialist market economy order, or who has been deprived of his/her political rights due to his/her crimes, in each case where less than five years have elapsed since the date of completion of the sentence;</p>	<p>Delete</p>

Before amendment	After amendment
<p>(III) a person who has been a Director, factory manager or manager of a company or an enterprise that has entered into insolvent liquidation due to poor operation and management whereby such person has been personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise;</p> <p>(IV) a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law and the person has been personally responsible, where less than three years have elapsed since the date of such revocation;</p> <p>(V) a person who is liable for a relatively large amount of debts that are overdue;</p> <p>(VI) a person who is investigated by the judicial authorities for violation of criminal law and such case is pending;</p> <p>(VII) any other person who is not permitted to be the leader of an enterprise under laws or administrative regulations;</p> <p>(VIII) a person who is not a natural person;</p> <p>(IX) a person judged by the relevant competent authorities to have violated the provisions of relevant securities laws, with involvement in deceptive or dishonest acts, where less than five years have elapsed since the date on which the judgment was made;</p> <p>(X) other persons stipulated in the relevant laws and administrative regulations of the place where the Shares of the Company are listed.</p>	

Before amendment	After amendment
<p>Article 15.2 The validity of the act of a Director, general manager or other senior management on behalf of the Company to bona fide third parties shall not be affected by any irregularities in his/her appointment, election or qualifications.</p>	Delete
<p>Article 15.3 Apart from the obligations set forth in laws, administrative regulations or the listing rules of the stock exchange where the Shares of the Company are listed, the Directors, Supervisors, the general manager or other senior management shall assume the following obligations for each of the Shareholders when exercising their rights granted to them by the Company:</p> <p>(I) they shall not cause the Company to operate beyond the scope of business indicated on its business license;</p> <p>(II) they shall act in good faith in the best interests of the Company;</p> <p>(III) they may not deprive the Company of its properties in any manner, including but not limited to, opportunities beneficial to the Company;</p> <p>(IV) they shall not deprive the Shareholders of their personal interests, including but not limited to distribution rights and voting rights, except for restructuring of the Company approved at the Shareholders' general meeting pursuant to the provisions of the Articles of Association.</p>	Delete
<p>Article 15.4 The Directors, Supervisors, the general manager and other senior management of the Company have the responsibilities when exercising their rights or carrying out their obligations to act with the care, diligence and skill due from a reasonably prudent person under similar circumstances.</p>	Delete

Before amendment	After amendment
<p>Article 15.5 When performing their duties, Directors, Supervisors, general manager and other senior management of the Company must comply with the principle of good faith and shall not put themselves in situations where their own interests may conflict with the obligations they have undertaken. This principle includes but is not limited to performing the following obligations:</p> <p>(I) to act honestly in the best interests of the Company;</p> <p>(II) to exercise his/her power within but not exceeding the scope of authority;</p> <p>(III) to exercise the discretion vested in him/her personally without being manipulated by others; not to transfer discretionary powers to other persons, unless and to the extent permitted by laws, administrative regulations or with the informed consent given at a Shareholders' general meeting;</p> <p>(IV) to treat Shareholders of the same class equally and Shareholders of different classes fairly;</p> <p>(V) not to enter into contracts, transactions or arrangements with the Company, unless in line with the Articles of Association or otherwise by the approval of the Shareholders' general meeting on an informed basis;</p> <p>(VI) not to seek private gain using the properties of the Company in any manner, unless agreed by the Shareholders' general meeting on an informed basis;</p> <p>(VII) not to exploit his/her position to accept bribes or other illegal income or expropriate properties of the Company by any means, including (but not limited to) opportunities beneficial to the Company;</p>	Delete

Before amendment	After amendment
<p>(VIII) not to accept commissions associated with transactions of the Company unless agreed by the Shareholders' general meeting on an informed basis;</p> <p>(IX) to comply with the Articles of Association, faithfully execute his/her duties, protect the Company's interests, and not to exploit his/her position and power in the Company to advance his/her own private interests; (X) not to compete with the Company in any kind unless agreed by the Shareholders' general meeting on an informed basis;</p> <p>(XI) not to misappropriate the Company's funds or lend such funds to others, or deposit the Company's capital into accounts under his/her own name or the name of other individuals, or provide guarantees in favor of others supported by the Company's assets for the debts of the Company's Shareholders or other individuals;</p> <p>(XII) not to disclose confidential information relating to the Company obtained during employment without the consent of the Shareholders at the general meeting on an informed basis; unless in the interest of the Company, not to use such information; however, under the following circumstances, the information may be disclosed to a court or other competent government authorities as required by:</p> <p>(i) the provisions of the law;</p> <p>(ii) for public interests;</p> <p>(iii) the interests of Directors, Supervisors, general managers or senior management.</p>	

Before amendment	After amendment
<p>Article 15.6 Directors, Supervisors, general manager and other senior management of the Company may not direct the following personnel or institutions (“Related Personnel”) to do what they are prohibited from doing:</p> <p>(I) spouses or minor children of the Directors, Supervisors, general manager and other senior management of the Company;</p> <p>(II) trustees of the Directors, Supervisors, general manager and other senior management of the Company or of the persons mentioned in sub-paragraph (I) of this Article;</p> <p>(III) partners of the Directors, Supervisors, general manager and other senior management of the Company or of the persons mentioned in sub-paragraph (I) and (II) of this Article;</p> <p>(IV) any company under the de facto control of the Directors, Supervisors, general manager and other senior management of the Company individually or jointly with the persons or other Directors, Supervisors and senior management of the Company mentioned in items sub-paragraph (I), (II) and (III) of this Article;</p> <p>(V) the Directors, Supervisors, general manager or other senior management of the controlled companies mentioned in sub-paragraph (IV) of this Article.</p>	Delete
<p>Article 15.7 The good faith obligation of the Directors, Supervisors, general manager and other senior management of the Company may not necessarily cease with the termination of their terms; their obligation to keep the trade secrets of the Company in confidence shall survive the termination of their terms. The duration of other obligations shall be determined in accordance with the principle of fairness, depending on the duration between the termination and the act concerned and any circumstance and condition under which the relationships between them and the Company are terminated.</p>	Delete

Before amendment	After amendment
<p>Article 15.8 The liabilities of the Directors, Supervisors, general manager and other senior management of the Company arising from the violation of specific duties may be dissolved by the Shareholders' general meeting on an informed basis, except in circumstances otherwise stipulated in the Article 7.6 of the Articles of Association.</p>	Delete
<p>Article 15.9 Where a Director, Supervisor, general manager and other senior management member of the Company, directly or indirectly, has material interests in the contracts, transactions or arrangements that the Company has entered into or plans to enter into (except for the employment contracts entered into by the Company with the Directors, Supervisor, general manager and other senior management member), the above personnel shall disclose the nature and degree of his/her interests to the Board of Directors as soon as possible regardless of whether such matters are subject to the approval of the Board of Directors.</p> <p>A Director shall not vote on the resolution matters of the Board in relation to any Contract, transaction, arrangement or proposal in which he/she or any of his/her associates is materially interested, and shall not be included in the quorum of the meeting, unless otherwise permitted by the Listing Rules or the Stock Exchange.</p> <p>Unless the interested Director, Supervisor, general manager and other senior management of the Company discloses his/her interest to the Board in accordance with the aforesaid provision of this Article and the contracts, transactions or arrangements are approved by the Board at a meeting where the interested Director, Supervisor, general manager and other senior management is not counted in the quorum and refrains from voting, the Company shall have the right to cancel such contracts, transactions or arrangements, except where the counterparty is a party in good faith without knowledge of the acts of such Directors, Supervisors and senior management violating their obligations.</p>	Delete

Before amendment	After amendment
<p>A Director, Supervisor, general manager and other senior management member of the Company shall be deemed to be interested in a contract, transaction or arrangement in which his/her related person or associate is interested.</p>	
<p>Article 15.10 Where a Director, Supervisor, general manager and other senior management of the Company gives the Board of Directors a notice in writing stating that, by virtue of the facts specified in the notice, he/she is interested in contracts, transactions or arrangements which may subsequently be entered into by our Company, so far as the content stated in such notice is concerned, such Directors, Supervisors, general manager and other senior management shall be deemed to have made the disclosures required by the preceding Article of this Chapter, provided that such notice have been given before the date on which the entering into of such contracts, transactions or arrangements is first taken into consideration by the Company.</p>	Delete
<p>Article 15.11 The Company shall not in any manner pay taxes for its Directors, Supervisors, general manager or other senior management.</p>	Delete
<p>Article 15.12 The Company shall not provide loans or guarantees for loans, either directly or indirectly, to the Directors, Supervisors, general manager and other senior management members of the Company and its parent Company, nor shall the Company provide the same to connected persons of the above-mentioned persons.</p> <p>The following transactions are exempted from the above provision:</p> <p>(f) The Company provides its subsidiaries with loans or guarantees for loans;</p>	Delete

Before amendment	After amendment
<p>(H) The Company provides its Directors, Supervisors, general manager and other senior management members with loans, guarantees for loans or any other funds pursuant to the employment contract(s) approved at the general meeting to pay all expenses incurred for the purpose of the Company or performing duties for the Company;</p> <p>(HH) Where the normal business scope of the Company covers the provision of loans and guarantees for loans, the Company may provide such Directors, Supervisors, general manager and other senior management members and other related personnel with loans and guarantees for loans, provided that the conditions of the above loans or guarantees for loans shall be normal commercial conditions.</p>	
<p>Article 15.13 If the Company provides a loan in breach of the preceding Article, regardless of the terms of the loan, the person who has received the loan shall repay it immediately.</p>	Delete
<p>Article 15.14 The Company shall not be forced to perform the loan guarantee it provided in breach of sub-paragraph (I) of Article 15.12, except in the following circumstances:</p> <p>(I) The lender unknowingly provides loans to the personnel related to the Directors, Supervisors, general manager and other senior management members of the Company or its parent company;</p> <p>(H) The collateral provided by the Company is sold lawfully by the lender to the buyer in good faith.</p>	Delete
<p>Article 15.15 For the purposes of the foregoing provisions of this Chapter, a guarantee includes an act of undertaking responsibility or property provided by the guarantor to secure the performance of obligations by the obligor.</p>	Delete

Before amendment	After amendment
<p>Article 15.16 In the event of violation of obligations to the Company by Directors, Supervisors, general manager and other senior management, the Company shall have the right to take the following measures in addition to various rights and remedial measures stipulated in laws and administrative regulations:</p> <p>(I) claim damages from the Director, Supervisor, general manager or other senior management in compensation for losses sustained by the Company as a result of such breach;</p> <p>(II) rescind any contract or transaction entered into by the Company with the Director, Supervisor, general manager or other senior management or by the Company with a third party (where such third party knows or should know that there is such a breach of duties by such Director, Supervisor, general manager or other senior management of the Company);</p> <p>(III) require the Director, Supervisor, general manager or other senior management concerned to disgorge any gain arising from the breach of obligation;</p> <p>(IV) recover any funds received by the Director, Supervisor, general manager or other senior management that should have been received by the Company, including (but not limited to) commissions;</p> <p>(V) demand refund of the interest earned or which may have been earned by the Director, Supervisor, general manager or other senior management on the funds that should have been paid to the Company.</p>	Delete

Before amendment	After amendment
<p>Article 15.17 The Company shall enter into written contracts with the Directors and Supervisors of the Company in respect of their remunerations. Such contracts are required to be approved at the general meeting in advance. The aforesaid emoluments include:</p> <p>(I) emoluments in respect of his/her service as a Director, Supervisor or member of senior management of the Company;</p> <p>(II) emoluments in respect of his/her service as a Director, Supervisor or member of senior management of any subsidiary of the Company;</p> <p>(III) emoluments in respect of other service in relation to the management of the Company and any subsidiary of the Company;</p> <p>(IV) payment of compensation for loss of office or retirement from office of a Director or Supervisor.</p> <p>Except pursuant to the aforementioned contract, a Director or Supervisor may not take legal actions against the Company for any benefits payable to him/her in respect of the aforesaid matters.</p> <p>The Company shall periodically disclose to the shareholders the emoluments received by the Directors, Supervisors and senior managements from the Company.</p>	Delete
<p>Article 15.18 The emolument contracts entered into between the Company and its Directors and Supervisors shall provide that where the Company is to be acquired, the Company's Directors and Supervisors should be entitled to compensation or other payment for loss of office or retirement from office subject to the prior approval of the general meeting.</p> <p>Acquisition of the Company mentioned above refers to any of the following:</p> <p>(I) an offer made to all Shareholders of the Company;</p>	Delete

Before amendment	After amendment
<p>(H) the offeror making the offer is to become the controlling shareholder of the Company. The definition of controlling shareholder is the same as defined in Article 7.6 of the Articles of Association.</p> <p>If the relevant Director or Supervisor fails to comply with the requirements of this Article, any payment received shall belong to the persons who sell the shares in acceptance of the aforesaid offer. The Director or Supervisor shall bear all expenses arising from the distribution of such payments to the persons on a pro-rata basis and all such expenses shall not be deducted from these payments distributed.</p>	
<p>Article 16.1 The Company shall establish financial and accounting systems of the Company according to laws, administrative regulations and the provisions of the PRC accounting standards by the competent finance department of the State Council.</p>	<p>Article 152 The Company shall <u>formulate its</u> financial and accounting systems <u>in accordance with the</u> laws, administrative regulations and <u>rules of relevant departments of the State.</u></p> <p><u>Any other requirements of the securities regulatory authority at the place where the shares of the Company are listed shall prevail.</u></p>
<p>Article 16.2 The Company shall prepare financial reports at the end of each fiscal year, and such reports shall be examined and verified as required by law.</p>	Delete
<p>Article 16.3 The fiscal year of the Company shall coincide with the calendar year of January 1 through December 31 on the Gregorian calendar. The Company uses Renminbi as the primary accounting currency and its accounts are written in Chinese.</p>	Delete
<p>Article 16.4 The Board of Directors shall make available before every general meeting such financial reports prepared by the Company in accordance with relevant laws, administrative regulations, normative documents issued by the local government and competent departments.</p>	Delete

Before amendment	After amendment
<p>Article 16.5 The Company shall make its financial reports available at the Company for Shareholders' inspection 20 days before the annual general meeting is convened. Each Shareholder of the Company shall be entitled to obtain a copy of the financial reports referred to in this Chapter.</p> <p>The Company shall send to each Shareholder of overseas listed foreign shares by prepaid mail a copy of the aforesaid reports at least 21 days before the annual general meeting is convened and the recipient's address shall be the address as registered in the register of Shareholders.</p>	Delete
<p>Article 16.8 The Company shall publish two financial reports in each accounting year, meaning that the interim financial reports shall be published within 60 days after the end of the first six months of the accounting year and the annual reports shall be published within 120 days after the end of the accounting year.</p>	<p>Article 155 The Company shall publish two financial reports in each accounting year, meaning that the interim financial report shall be published within <u>sixty</u> (60) days after the end of the first six (6) months of the accounting year and the annual financial report shall be published within one hundred and twenty (120) days after the end of each accounting year.</p> <p><u>Such annual, interim reports shall be prepared in accordance with relevant laws, administrative regulations, the securities regulatory authorities of the place where the shares of the Company are listed and rules of stock exchange.</u></p>
<p>Article 16.10 Upon completion of preparation of the Company's interim and annual accounting report, the Company shall follow such procedures and make such announcements as required by the securities-related laws and regulations of the PRC and provisions of the stock exchange on which Shares of the Company are listed.</p>	Delete

Before amendment	After amendment
<p>Article 16.11 The profit of the Company shall be distributed in the following order of priority after payment of relevant taxes:</p> <p>(I) making up for losses;</p> <p>(II) allocation to the statutory provident fund;</p> <p>(III) allocation to the arbitrary statutory provident fund;</p> <p>(IV) payment of dividends on ordinary shares. The particular proportion of distribution in the year in respect of items (III) and (IV) of this Article shall be determined by the Board in accordance with the operational condition and development of the Company and shall be subject to the consideration and approval by Shareholders' general meeting.</p>	Delete
<p>Article 16.12 No dividends shall be distributed before the Company has made up its losses and has made allocations to the statutory reserve fund.</p>	Delete
<p>Article 16.13 The Company shall allocate 10% of its profits after tax to the statutory provident fund. Allocation to the statutory provident fund of the Company may be waived once the cumulative amount of funds exceeds 50% of registered capital of the Company.</p>	<p>Article 157 The Company shall <u>appropriate</u> 10% of <u>the profit to the statutory reserves of the Company when distributing the after-tax profit of the year. Where the cumulative amount of the statutory reserves of the Company has reached more than 50%</u> of the registered capital of the Company, <u>such appropriation may stop.</u></p> <p><u>Where the statutory reserves of the Company are insufficient to cover its losses in previous years, the profits of the year shall be first used to make up such losses before appropriation to statutory reserves as aforesaid.</u></p>

Before amendment	After amendment
<p>Article 16.14 Allocation to the discretionary surplus reserve shall be made from the profits of the Company in accordance with a resolution of shareholders at the general meeting after allocation to the statutory surplus reserve.</p>	<p>Article 158 <u>The Company may, after appropriating after-tax profit to the statutory reserves and upon resolution of the General Meeting, appropriate after-tax profit to discretionary reserve.</u></p> <p><u>The remaining after-tax profits after making up losses and appropriation to reserves shall be distributed to shareholders in proportion to their shareholding percentage, unless distributed otherwise as provided herein.</u></p> <p><u>Where the General Meeting distributes profits to shareholders before making up losses of the Company and appropriating to statutory reserves in breach of the preceding paragraph, shareholders must return the profits so distributed to the Company.</u></p> <p><u>Shares in the Company held by itself are not entitled to profit distribution.</u></p>
<p>Article 16.15 The Company shall not allocate dividends or carry out other allocations in the form of bonuses before it has made up for its losses and made allocations to the statutory common reserve fund. Dividends paid by the Company shall not carry any interest except where the Company has failed to pay the dividends to the shareholders on the date on which such dividends become payable.</p> <p>Any amount paid up in advance of calls on any shares may carry interest but the holder of such shares shall not be entitled to participate in respect thereof in a subsequent dividend declaration.</p>	<p>Article 159 Dividends paid by the Company shall not carry any interest except where the Company has failed to pay the dividends to the shareholders on the date on which such dividends become payable.</p>
<p>Article 16.16 Capital reserve fund includes the following items:</p> <p>(I) premium received when Shares are issued at a premium to their par value;</p> <p>(II) any other income required by the competent finance department of the State Council to be included in the capital reserve fund.</p> <p>The capital reserve fund of the Company shall not be used to cover the Company's losses.</p>	<p>Delete</p>

Before amendment	After amendment
<p>Article 16.17 The statutory provident fund of the Company shall only be used for the following purposes:</p> <p>(I) to make up for losses;</p> <p>(II) to expand the Company’s production and operation;</p> <p>(III) to convert to the increased capital.</p> <p>The Company can, resolved by the general meeting, capitalize capital reserve and surplus reserve which can be converted into capital under the relevant regulations, and shall either distribute new shares in proportion to the existing number of shares held by the shareholders, or to increase the par value of each share. However, when the statutory surplus reserve is converted to capital, the balance of such common reserve fund shall not fall below 25% of the registered capital of the Company before such conversion.</p>	<p>Article 160 The statutory provident fund of the Company shall only be used for the following purposes:</p> <p>(1) to make up losses;</p> <p>(2) to expand the Company’s production and operation;</p> <p>(3) to convert <u>into additional</u> capital <u>of the Company</u>.</p> <p><u>However, no capital reserves shall be used for making up losses of the Company.</u></p> <p>When the statutory reserves are converted into capital, the balance of such common reserve fund shall not fall below 25% of the registered capital of the Company before such conversion.</p>
<p>Article 16.18 Subject to the restrictions stipulated by Articles 16.11, 16.12 and 16.13 herein, the annual dividends shall be distributed to the shareholders in proportion to their respective shareholdings within six months after the end of the fiscal year.</p>	Delete
New provisions	<p>Article 161 <u>Upon decision on the profit distribution plan by the General Meeting of the Company, the Board of Directors of the Company must complete the distribution of dividends (or shares) within two (2) months upon convention of the General Meeting.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 162 The profit allocation policy of the Company is specifically as follows:</u></p> <p><u>The Company implements a continuous and stable profit distribution policy, whereby the Company's profit distribution should focus on reasonable investment returns to investors and also take into account the Company's sustainable development. The Board of Directors and the General Meeting of the Company shall fully listen to the opinions of independent directors and minority shareholders through various channels when deciding and discussing the profit distribution policy.</u></p> <p><u>The Company may distribute dividends by means of cash, stocks or the combination thereof. The Company shall distribute dividends in cash on a priority basis, and will actively distribute profits by means of cash dividend subject to satisfaction of the capital requirements of the Company for normal operation.</u></p>
<p>Article 16.19 The Company may distribute dividends in the form of:</p> <p>(I) cash;</p> <p>(II) shares;</p> <p>(III) other manners permitted by laws, administrative regulations and regulatory rules of the place where the shares are listed.</p>	Delete
<p>Article 16.20 The Company shall pay cash dividends and other payments in RMB payable to the holders of domestic shares. Cash dividends and other payments payable to the holders of overseas-listed foreign shares shall be calculated and declared in RMB by the Company, and such distribution shall be handled in accordance with applicable regulations on foreign exchange control of the People's Republic of China.</p>	Delete

Before amendment	After amendment
<p>Article 16.21 Unless otherwise provided for in relevant laws and administrative regulations, where cash dividends and other funds are to be paid in Hong Kong dollars, the applicable exchange rate shall be the average of the mid-point rate for the relevant foreign currency announced by the Peoples' Bank of China during the week prior to the announcement of payment of dividend and other funds.</p>	Delete
<p>Article 16.22 When distributing dividends to its shareholders, the Company shall withhold and pay on behalf of its shareholders the taxes levied on the dividends in accordance with the provisions of the PRC tax law.</p>	Delete
<p>Article 16.23 Subject to the Article 8.2 and Article 10.3 (14) of this Articles of Association, the Board of Directors may decide on a plan for the payment of interim or special dividends of the Company as authorized by the Shareholders' general meeting.</p>	Delete
<p>Article 16.25 In respect of dividends distributed to shareholders, the Company has the power, if authorized, to forfeit unclaimed dividends, but such power shall not be exercised until the expiration of applicable relevant effective periods.</p>	Delete
New provisions	<p>Article 164 <u>Subject to applicable laws, regulations, regulatory documents and relevant regulations of the securities regulatory authority at the place where the shares of the Company are listed, the Company shall have the right to confiscate any unclaimed dividends, provided that such right may only be exercised after the relevant applicable limitation period expires.</u></p>

Before amendment	After amendment
<p>Article 16.26 The Company can send dividend warrants by post, either directly or through receiving agents. Where such warrants have been left uncashed, the Company has power to cease sending dividend warrants by post, either directly or through receiving agents. However, such right can only be exercised after the dividend warrants have been so left uncashed on two consecutive occasions. Nevertheless, such right may be exercised by the Company after the first occasion in which such a warrant is returned undelivered.</p>	Delete
<p>Article 16.27 When the Company is authorized to cease sending dividend warrants by post, but such warrants have been left uncashed, such right can only be exercised after the dividend warrants have been so left uncashed on two consecutive occasions. However, such right may be exercised by the Company after the first occasion in which such a warrant is returned undelivered.</p>	Delete
<p>Article 16.28 When permitted by law, the Company has the power to sell the shares of a member who is untraceable under the following circumstances:</p> <p>(I) the dividends on such shares have been distributed at least three times in a period of 12 years and the dividends are not claimed by anyone during this period; and</p> <p>(II) upon expiry of the 12-year period, the Company shall put notices on newspapers, stating its intention to sell the shares and notify the Hong Kong Stock Exchange of such intention.</p>	Delete
New provisions	<p>Article 165 <u>The Company carries out internal audit system, and will equip full-time auditor to conduct internal audit and supervision over the financial payments and receipts and economic activities of the Company.</u></p>

Before amendment	After amendment
New provisions	<u>Article 166 The internal audit system of the Company and the duties of auditor shall be implemented upon approval by the Board of Directors. The person in charge of audit shall be accountable to the Board of Directors and report to the Board of Directors.</u>
<p>Article 17.1 The Company shall engage an independent accounting firm which is qualified under relevant national regulations to audit the Company's annual financial reports and review the Company's other financial reports.</p> <p>The first accounting firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting and the accounting firm so appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its aforesaid powers, those powers shall be exercised by the Board.</p>	<p><u>Article 167 The Company shall engage an accounting firm in compliance with the Securities Law to conduct accounting statements audit, net assets verification and other related consulting services for a term of one year, which may be renewed.</u></p>
<p>Article 17.2 The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting at which they were appointed until the conclusion of the next annual general meeting.</p>	Delete

Before amendment	After amendment
<p>Article 17.3 The accounting firm appointed by the Company shall have the following rights:</p> <p>(I) to inspect at any time the books, records or vouchers of the Company, and to require the Directors, general managers or other senior management of the Company to provide any relevant information and explanation thereof;</p> <p>(II) to require the Company to take all reasonable measures to obtain from its subsidiaries such information and explanation that are necessary for the performance of duties of such accounting firm;</p> <p>(III) to attend Shareholders' general meetings and to receive all notices of, or other information relating to, any Shareholders' general meeting that any Shareholder is entitled to receive, and to be speak at any Shareholders' general meeting in relation to matters concerning its role as the accounting firm of the Company.</p>	Delete
<p>Article 17.4 If there is any vacancy in the office of accounting firm, the Board may appoint an accounting firm to fill such casual vacancy before the convening of the Shareholders' general meeting, but while any such vacancy continues, the surviving or continuing accounting firm, if any, may act.</p>	Delete
<p>Article 17.5 The Shareholders' general meeting may, by ordinary resolution, remove an accounting firm prior to the expiration of its term, notwithstanding the terms and conditions to the contract howsoever entered into between the accounting firm and the Company, but without prejudice to the right of the firm to claim, if any, for damages in respect of such dismissal.</p>	Delete

Before amendment	After amendment
<p>Article 17.6 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined by ordinary resolution of the Shareholders' general meeting. The remuneration of an accounting firm appointed by the Board shall be determined by the Board.</p>	Delete
<p>Article 17.7 The Company's appointment, removal and non-reappointment of an accounting firm shall be resolved by ordinary resolution of the Shareholders' general meeting, which shall be filed with the securities regulatory authorities under the State Council.</p>	Delete
<p>Article 17.8 Where it is proposed that any resolution be passed at a Shareholders' general meeting concerning the appointment of an accounting firm, which is not an incumbent firm, to replace an existing accounting firm or to fill a casual vacancy in the office of the accounting firm, or to reappoint a retiring accounting firm appointed by the Board to fill a casual vacancy, or to remove the accounting firm before the expiration of its term of office, the following provisions shall apply:</p> <p>(I) A copy of the proposal on such appointment or removal shall be sent to the accounting firm proposed to be appointed or proposing to leave its post or has left its post in the relevant fiscal year before notice of the Shareholders' general meeting is given to the Shareholders. Leaving includes leaving by removal, resignation and retirement.</p> <p>(II) If the leaving accounting firm makes representations in writing and requests the Company to notify the Shareholders of such representations, the Company shall (unless the representations are received too late):</p> <p>1. in any notice given to Shareholders on the resolution to be made, state the representations that has been made by the leaving accounting firm;</p>	Delete

Before amendment	After amendment
<p>2. attach a copy of the representations to the notice and deliver it to the Shareholders as required by the Articles of Association.</p> <p>(HH) If the accounting firm's representations are not sent in accordance with paragraph (H) above, the relevant accounting firm may require that the representations be read at the Shareholders' general meeting and may make further complaints.</p> <p>(IV) An accounting firm that is leaving its post shall be entitled to attend:</p> <ol style="list-style-type: none"> 1. the Shareholders' general meeting relating to the expiry of its term of office; 2. any Shareholders' general meeting where it is proposed to fill the vacancy caused by its removal; 3. any Shareholders' general meeting convened for its resignation. <p>An accounting firm that is leaving its post shall be entitled to receive all notices of, and other information relating to, any such meetings, and to speak at such meetings in relation to matters concerning its role as the former accounting firm of the Company.</p>	
New provisions	Article 168 <u>The engagement of the accounting firm by the Company shall be decided by the General Meeting, and the Board of Directors may not appoint the accounting firm until it is decided by the General Meeting.</u>
New provisions	Article 169 <u>The Company ensures to provide authentic and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the engaged accounting firm, without withholding, concealment or falsification.</u>
New provisions	Article 170 <u>The audit fee of the accounting firm shall be decided by an ordinary resolution made at the General Meeting.</u>

Before amendment	After amendment
<p>Article 17.9 Prior to the removal or the non-reappointment of an accounting firm, prior notice of such removal or non-reappointment shall be given to the accounting firm concerned and such firm shall be entitled to make representations 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 impropriety on the part of the Company.</p>	<p>Article 171 Prior to the removal or the non-reappointment of an accounting firm, a <u>30-day</u> prior notice of such removal or non-reappointment shall be <u>given to the accounting firm concerned and such firm shall be allowed to present and express its opinions when the General Meeting of the Company is voting on dismissal of the accounting firm.</u> Where the accounting firm resigns from its post, it shall make clear to the Shareholders' general meeting whether there has been any impropriety on the part of the Company.</p>
<p>Article 17.10 An accounting firm may resign from its office by depositing at the Company's residence a resignation notice that shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include:</p> <p>(I) a statement to the effect that there is no circumstance connected with its resignation that it considers should be brought to the notice of the Shareholders or creditors of the Company; or</p> <p>(II) a statement of any matters of which an account should be given.</p> <p>Where a writing notice is deposited in accordance with the preceding paragraph, the Company shall send a copy of the notice to the competent authority within 14 days. If the notice contains a statement referred to in subparagraph (II) above, a copy of such statement shall be maintained at the Company for Shareholders' inspection. The Company shall also send a copy of such statement to every holder of overseas listed foreign Shares by prepaid post to the addresses recorded in the register of Shareholders.</p> <p>Where the notice of resignation of an accounting firm contains a statement of any matters of which an account should be given, the accounting firm may request the Board to convene a Shareholders' extraordinary general meeting to explain the circumstances connected with its resignation.</p>	<p>Delete</p>

Before amendment	After amendment
Article 18.1 The various types of insurance of the Company shall be covered by insurance companies registered in China and allowed by the laws of China to provide insurance business to the companies of China.	Delete
Article 18.2 The types of insurance, the insured amount, the period of insurance and other insurance clauses shall be discussed and determined by the Board of the Company according to the practices of the companies in the similar industry in other countries and the convention in China as well as requirements of the laws.	Delete
Article 19.1 The Company shall formulate its systems regarding to labor management, human resources management, payroll and welfare and social insurance in accordance with the laws, regulations and administrative rules of the PRC.	Delete
Article 19.2 The Company shall hire the management personnel of different levels by appointment and the common employees by contract. The Company may determine the allocation of human resources at its own discretion. It is also entitled to hire management personnel and other employees on its own, and to dismiss the same in accordance with the regulations and the contract provisions.	Delete
Article 19.3 The Company is entitled to, within the scope specified by the administrative rules, determine the payroll and welfare benefits of management personnel of different levels and different employees in accordance with its own economic efficiency.	Delete
Article 19.4 Subject to the relevant administrative rules of the PRC government and regional governments, the Company shall arrange medical, retirement and unemployment insurance for its management personnel and employees and shall implement the laws, regulations and relevant requirements of labor insurance regarding to retirement and unemployment of employees.	Delete

Before amendment	After amendment
<p>Article 20.1 The staff of the Company shall have the right to establish a labor union organization according to Labor Union Law of PRC to perform union activities. The labor union's activities shall be carried out outside working hours unless otherwise prescribed by the Board.</p>	Delete
<p>Article 21.1 In the event of the merger or division of the Company, a plan shall be proposed by the Board of the Company and approved in accordance with the procedures stipulated in the Articles of Association, and the relevant examining and approving formalities shall be processed as required by laws. Shareholders who oppose the merger or division plan of the Company shall have the right to request the Company or the Shareholders who consent to such plan to purchase their Shares at a fair price. The Company's resolution on the merger or division should be prepared as a special document for inspection by the Shareholders.</p> <p>The aforesaid document shall also be sent by post to holders of overseas listed foreign Shares. Subject to the laws, administrative regulations and the listing rules of the stock exchange where the Company's Shares are listed, the Company may deliver by announcements (including publishing on the Company's website).</p>	Delete

Before amendment	After amendment
<p>Article 21.2 Companies may merge through merger by absorption or through the establishment of a newly merged entity.</p> <p>In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days after the date of the Company’s resolution on merger and shall make newspaper announcement within 30 days after the date of the Company’s resolution on merger.</p> <p>Upon the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.</p>	<p>Article 172 Companies may merge through merger by absorption or through the establishment of a newly merged entity.</p> <p><u>A merger by absorption is that a company absorbs another company and the absorbed company is dissolved. A merger by consolidation is more than two companies are consolidated to establish a new company, and the merging parties are dissolved.</u></p> <p>In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days after the date of the Company’s resolution on merger and shall make newspaper announcement within 30 days after the date of the Company’s resolution on merger.</p> <p><u>Creditors may demand the Company to repay debts or provide corresponding security within 30 days upon receipt of such notice or 45 days from the date of announcement in case of receiving no such notice.</u></p> <p>Upon the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.</p>
<p>Article 21.3 When the Company is divided, its assets shall be split accordingly.</p> <p>In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days after the date of the Company’s resolution on division and shall make newspaper announcements within 30 days after the date of the Company’s resolution on division.</p> <p>Debts incurred by the Company before its division shall be borne by the companies after the division according to the respective agreement reached, save as otherwise agreed in writing between the Company and the creditors in respect of debt settlement before division.</p>	<p>Article 173 When the Company is divided, its assets shall be split accordingly.</p> <p>In the event of a division of the Company, <u>the Company shall prepare a balance sheet and inventories of assets.</u> The Company shall notify its creditors within 10 days after the date of the Company’s resolution on division and shall make newspaper announcements within 30 days after the date of the Company’s resolution on division.</p> <p><u>The companies established upon split shall be jointly and severally liable for the debts of the Company before the split, except as otherwise provided in the written agreement on debt service entered into between the Company and its creditors before the split.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 174 The Company must prepare a balance sheet and an inventory of assets when it intends to reduce its registered capital.</u></p> <p><u>The Company shall notify the creditors within ten (10) days upon its resolution on reduction of registered capital and make announcement thereof on the newspaper within thirty (30) days. Creditors may demand the Company to repay debts or provide corresponding security within thirty (30) days upon receipt of such notice or forty-five (45) days from the date of announcement in case of receiving no such notice.</u></p> <p><u>The registered capital of the Company upon capital reduction shall not fall below the statutory minimum amount.</u></p>
<p>Article 21.4 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the laws. When the Company is dissolved, the Company shall cancel its registration in accordance with the laws. When a new company is established, its establishment shall be registered in accordance with the laws.</p>	<p>Article 175 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the laws. When the Company is dissolved, the Company shall cancel its registration in accordance with the laws. When a new company is established, its establishment shall be registered in accordance with the laws.</p> <p><u>In case of increase or reduction of registered capital of the Company, the Company shall legally complete the formalities for change registration with the registration authority of the Company.</u></p>

Before amendment	After amendment
<p>Article 22.1 Upon the occurrence of any of the following circumstances, the Company shall be lawfully dissolved and liquidated:</p> <p>(I) where the term of operation expires as stipulated in the Articles of Association or other reasons for dissolution as stipulated in the Articles of Association occur;</p> <p>(II) where the general meeting dissolves the Company with special resolution;</p> <p>(III) where dissolution is required for the purpose of merger or division of the Company;</p> <p>(IV) where the Company is legally declared bankrupt due to its inability to repay the debts as they fall due;</p> <p>(V) where the business license of the Company is suspended or revoked, or the Company is ordered to close down according to laws in violation of laws or administrative regulations;</p> <p>(VI) where the Company runs into difficulties in operation and management, its continuous existence may cause heavy losses to the Shareholders' interests, and such difficulties may not be dealt with in other ways, the Shareholders holding more than 10% of the total number of Shares carrying voting rights may apply to the court to dissolve the Company.</p>	<p>Article 176 The Company <u>shall be dissolved if:</u></p> <p>(1) where the term of operation expires as stipulated in the Articles of Association or other reasons for dissolution as stipulated in the Articles of Association occur;</p> <p>(2) where the general meeting dissolves the Company with special resolution;</p> <p>(3) where dissolution is required for the purpose of merger or division of the Company;</p> <p>(4) where the Company is legally declared bankrupt due to its inability to repay the debts as they fall due;</p> <p><u>(5) where the Company is revoked off its business license, ordered to close or canceled according to the laws; or</u></p> <p>(6) where the Company runs into difficulties in operation and management, its continuous existence may cause heavy losses to the Shareholders' interests, and such difficulties may not be dealt with in other ways, the Shareholders holding more than 10% of the total number of Shares carrying voting rights may apply to the court to dissolve the Company.</p>
<p>New provisions</p>	<p>Article 177 <u>Where the Company is under the circumstance set forth in Item (1) in the preceding paragraph, the Company may continue its operation by means of amending these Articles.</u></p> <p><u>Any amendment to these Articles according to the preceding paragraph shall be approved by more than two thirds of the voting powers of the shareholders present at the General Meeting.</u></p>

Before amendment	After amendment
<p>Article 22.2 Where the Company is dissolved in accordance with the provisions set forth in items (I), (II), (V) and (VI) above, the liquidation team shall be established within 15 days and shall consist of the persons determined by ordinary resolution at the general meeting. In the event the that no liquidation team is established within such period to carry out liquidation, the creditor(s) may apply to the people's court to designate relevant persons to form a liquidation team to carry out liquidation.</p> <p>In the event that the Company is dissolved in accordance with the provision set forth in item (IV) above, the people's court shall organize the Shareholders, the related authorities and related professionals to form a liquidation team to carry out liquidation pursuant to provisions of relevant laws. In the event that the Company is ordered to close down or dissolved in violation of laws or administrative regulations, the relevant competent authority shall organize the Shareholders, the related authorities and relevant professionals to form a liquidation team to carry out liquidation.</p>	<p>Article 178 Where the Company is dissolved in accordance with the provisions of Item (1), (2), (5) or (6) of Article 176 hereof, a liquidation team shall be established within fifteen (15) days upon occurrence of the dissolution cause to start liquidation of the Company. The liquidation team shall consist of directors or any other individuals appointed by the General Meeting. In the event the that no liquidation team is established within such period to carry out liquidation, the creditor(s) may apply to the people's court to designate relevant persons to form a liquidation team to carry out liquidation.</p> <p>In the event that the Company is dissolved in accordance with the provision set forth in Item (4) of Article 176 hereof, the people's court shall organize the Shareholders, the related authorities and related professionals to form a liquidation team to carry out liquidation pursuant to provisions of relevant laws.</p>
<p>Article 22.3 Where the Board decides to liquidate the Company for any reason other than the Company's declaration of its bankruptcy, the Board shall include a statement in the notice convening a general meeting for such purpose that the Board has performed a comprehensive investigation into the affairs of the Company, and is of the opinion that the Company will be able to pay its debts in full within 12 months from the commencement of liquidation.</p> <p>Upon the passing of the special resolution to liquidate the Company at the general meeting, the functions and powers of the Board of the Company shall cease immediately.</p> <p>In accordance with the instructions of the general meeting, the liquidation team shall make a report at least once every year to the general meeting on its income and expenditure, the business of the company and the progress of liquidation, and present a final report to the general meeting upon on completion of liquidation.</p>	Delete

Before amendment	After amendment
<p>Article 22.6 After sorting out the assets of the company and preparing the balance sheet and an inventory of assets, the liquidation team shall formulate a liquidation proposal and present it to the general meeting or relevant competent authorities for confirmation.</p> <p>The settlement shall follow the sequence as below with the Company's assets:</p> <p>(I) liquidation expenses;</p> <p>(II) wages of employees, social insurance expenses and statutory compensations;</p> <p>(III) settlement of outstanding taxes;</p> <p>(IV) repayment of bank loans and other debts of the Company.</p> <p>The remaining assets of the Company after repayment of its debts in accordance with the provisions above shall be distributed to the Shareholders of the Company according to the class of Shares held by them and in proportion to their respective shareholdings.</p> <p>The Company shall continue to exist during the liquidation period, but shall not engage in any operation activities that are not related to the liquidation.</p>	<p>Article 181 After sorting out the assets of the company and preparing the balance sheet and an inventory of assets, the liquidation team shall formulate a liquidation proposal and present it to the general meeting or <u>the people's court</u> for confirmation.</p> <p><u>Any surplus assets of the Company remaining after paying the liquidation fee, wages of the employees, social insurance contributions and statutory compensations as well as the owed taxes and discharging the debts of the Company, shall be distributed to the shareholders in proportion to their shareholding percentage.</u></p> <p>The Company shall continue to exist during the liquidation period, but shall not engage in any operation activities that are not related to the liquidation. <u>No allocation shall be made to shareholders until the assets of the Company are discharged in accordance with the provisions set forth in the foregoing paragraph.</u></p>
<p>Article 22.7 In the event of liquidation due to dissolution of the Company and the liquidation team finds that, after sorting out the Company's assets and preparing the balance sheet and an inventory of assets, the assets of the Company are insufficient to pay the debts, it shall immediately apply to the people's court to declare insolvency.</p> <p>After the Company is declared insolvent by ruling of the people's court, the liquidation team shall transfer matters arising from the liquidation to the people's court.</p>	<p>Article 182 Where the liquidation team <u>discovers that the assets of the Company are insufficient to pay all debts after sorting out the assets of the Company and preparing the balance sheet and an inventory of assets, it shall legally</u> apply to the people's court to declare insolvency.</p> <p>After the Company is declared insolvent by ruling of the people's court, the liquidation team shall transfer matters arising from the liquidation to the people's court.</p>

Before amendment	After amendment
<p>Article 22.8 Following the completion of liquidation of the company, the liquidation team shall prepare a liquidation report, a statement of income and expenditure and financial books during the liquidation period, which, after being verified by a Chinese registered accountant, shall be presented to the general meeting or relevant authorities for confirmation.</p> <p>The liquidation team shall, within 30 days after such confirmation by the general meeting or relevant authorities, present the above-mentioned documents to the company registration authority and apply for cancellation of registration of the Company and publish an announcement relating to the termination of the Company.</p>	<p>Article 183 Following the completion of liquidation of the company, the liquidation team shall prepare <u>and send a</u> liquidation report to the General Meeting or <u>the people's court</u> for confirmation, <u>and then submit the same to the registration authority of the Company to</u> apply for cancellation of registration of the Company and publish an announcement relating to the termination of the Company.</p>
<p>New provisions</p>	<p>Article 184 <u>Members of the liquidation team shall faithfully perform their duties and carry out their liquidation obligations in accordance with the laws.</u></p> <p><u>No members of the liquidation team may take any bribery or other illegal income or embezzle the assets of the Company by taking advantage of their position.</u></p> <p><u>Where the members of the liquidation team cause any loss to the Company or the creditors, intentionally or due to gross negligence, such members shall be liable for compensation.</u></p>
<p>New provisions</p>	<p>Article 185 <u>Where the Company is legally declared bankrupt, the bankruptcy liquidation shall be carried out in accordance with applicable laws on business bankruptcy.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 187 The Company shall amend these Articles if:</u></p> <p><u>(1) the matters provided in these Articles conflict with any provision of the amended version of the Company Law or other applicable laws or administrative regulations;</u></p> <p><u>(2) the situation of the Company changes, which is inconsistent with those stated herein; or</u></p> <p><u>(3) the General Meeting decides by special resolution to amend these Articles.</u></p>
<p>Article 23.2 The Articles of Association may be amended in accordance with the following procedures:</p> <p>(I) the Board shall pass a resolution in accordance with the Articles of Association to propose amendments to the Articles of Association by Shareholders' general meeting and to formulate the proposal for amendments;</p> <p>(II) the Shareholders shall be notified of the proposals for amendments and a Shareholders' general meeting shall be convened to vote on the amendments;</p> <p>(III) subject to the relevant provisions of the Articles of Association of the Company, the amendments put to the vote at a Shareholders' general meeting shall be passed by way of a special resolution;</p> <p>(IV) the proposed amendments to the Articles of Association passed by votes at a Shareholders' general meeting shall become effective after it was reported to and approved by competent approving authority (if necessary);</p> <p>(V) the Company shall submit the amended Articles of Association to the company registration authority for record.</p>	Delete

Before amendment	After amendment
<p>Article 23.3 Any amendment to provisions incorporated in the Articles of Association in connection with the Mandatory Provisions will only be effective after approval by the company approval authority authorized by the State Council and China Securities Regulatory Commission (if necessary); in relation to matters involving the Company's registration, its registration with the authority must also be changed in accordance with the law.</p>	<p><u>Article 188 Where any amendment to these Articles adopted by the resolution of General Meeting requires approval from the competent authority, such amendment shall be reported to the competent authority for approval;</u> in relation to matters involving the Company's registration, its registration with the authority must also be changed in accordance with the law.</p> <p><u>The Board of Directors shall amend these Articles in accordance with the resolution of General Meeting on amendment of these Articles and the approval opinions of relevant competent authority.</u></p>
New provisions	<p><u>Article 189 Where the amendment to these Articles involves any information required to be disclosed by laws and regulations, announcement shall be made according to the regulations.</u></p>
<p>Article 25.1 A notice of the Company shall be delivered by:</p> <p>(I) hand;</p> <p>(II) mail;</p> <p>(III) facsimile or email;</p> <p>(IV) publication on the website designated by the Company and the Hong Kong Stock Exchange, subject to the compliance with laws, administrative regulations and listing rules of the stock exchange where the Shares of the Company are listed;</p> <p>(V) public announcements;</p> <p>(VI) other means agreed in advance between the Company and the recipient or such other approved means as notified to the recipient;</p> <p>(VII) any other means approved by the regulatory authority of the place where the Shares of the Company are listed or provided in the Articles of Association.</p>	<p>Article 191 A notices of the Company shall be delivered by:</p> <p>(1) hand;</p> <p>(2) mail;</p> <p>(3) facsimile or email;</p> <p>(4) publishing on the website of the Company and the <u>website designated by the stock exchange where the shares of the Company are listed</u>, subject to compliance with the laws, administrative regulations, and listing rules of the stock exchange where the shares of the Company are listed;</p> <p>(5) public announcement;</p> <p>(6) other means agreed in advance between the Company and the recipient or such other approved means as notified to the recipient;</p> <p>(7) any other means approved by the regulatory authority of the place where the Shares of the Company are listed or provided in the Articles of Association.</p>

Before amendment	After amendment
<p>Unless the context otherwise requires, “announcement” referred to in the Articles of Association, in respect of the announcements issued to the Shareholders of Domestic Shares or the announcements issued in the territory of China in accordance with relevant provisions and the Articles of Association, refers to publishing announcements on relevant newspapers in China, and relevant newspapers shall be prescribed by the laws and administrative regulations of the People’s Republic of China or designated by the securities regulatory authority under the State Council; in respect of the announcements issued to the holders of overseas listed foreign Shares or the announcements that shall be issued in Hong Kong in accordance with relevant provisions and the Articles of Association, the announcements shall be published in accordance with the requirements of relevant Listing Rules.</p> <p>The Company must give notice sufficient to enable the Shareholders, whose addresses on the register of members are in Hong Kong, to exercise their rights or act in accordance with the terms of the notice.</p>	<p><u>If the notice issued by the Company is given by announcement, then once announced, all relevant personnel shall be deemed to have received the notice. Any other requirements of the securities regulatory authority at the place where the shares of the Company are listed shall prevail.</u></p> <p><u>As far as the manner in which the Company provides or sends corporate communications to shareholders holding overseas listed shares in accordance with the requirements of the HKEX Listing Rules is concerned, the Company may opt to issue the corporate communications in the form of notice specified in Paragraph (4) of this Article, provided that it complies with the relevant requirements of the securities regulatory authority at the place where the Company’s shares are listed, in lieu of sending written documents to each shareholder holding overseas listed shares by personal delivery or by postage prepaid mail. The term “corporate communication” above shall mean any document issued or to be issued by the Company for shareholders’ reference or action, including but not limited to annual reports (including annual financial reports), interim reports (including interim financial reports), board reports (together with balance sheets and income statements), notices of General Meetings, circulars and other communication documents.</u></p>
New provisions	<p><u>Article 194 If any notice of meeting fails to be given to any person entitled to receive such notice or such person does not receive a notice of meeting due to accidental omission, such meeting and the resolution passed thereat shall not become invalid thereby.</u></p>
New provisions	<p><u>Article 196 The Company shall issue announcements and disclose information to its shareholders in accordance with laws and regulations. Any announcement to be made to holders of overseas-listed foreign invested shares under these Articles shall also be published in accordance with the method prescribed by the HKEX Listing Rules.</u></p>

Before amendment	After amendment
New provisions	<p><u>Article 197</u> <u>The Board of Directors shall have the right to adjust the method of information disclosure by the Company, provided that it shall ensure the adjustment required by the applicable laws, regulations, and rules of the securities regulatory authority and stock exchange at the place where the Company's shares are listed.</u></p>
New provisions	<p><u>Article 198 Interpretation</u></p> <p><u>(1) The term "actual controller" refers to any person who is not a shareholder of the Company but is able to actually direct the actions of the Company by investment relation, agreement or other arrangement.</u></p> <p><u>(2) The term "connected transaction" shall have the meaning defined in the HKEX Listing Rules.</u></p> <p><u>(3) Unless otherwise provided in or expressly referred to in the HKEX Listing Rules, the term "transaction" when used herein includes:</u></p> <ul style="list-style-type: none"> <u>(i) purchase or sale of assets;</u> <u>(ii) making external investment (except for purchasing bank wealth management products);</u> <u>(iii) transferring or acquiring R&D projects;</u> <u>(iv) signing license agreement;</u> <u>(v) provision of guarantee;</u> <u>(vi) lease-in or lease-out of assets;</u> <u>(vii) appointing others or being appointed for management of assets or business;</u> <u>(viii) donating or receiving assets;</u> <u>(ix) restructuring of debts or claims; and</u> <u>(x) providing financial assistance.</u>

Before amendment	After amendment
	<p><u>The purchase or sale of assets mentioned above excludes the activities relating to the daily operations such as the purchase of raw materials, fuel and energy and the sale of products and merchandise.</u></p> <p><u>(4) The term “accounting firm” shall have the same meaning as “auditor” referred to in the HKEX Listing Rules.</u></p>
New provisions	<p><u>Article 199 The Board of Directors may formulate bylaws in accordance with the provisions hereof. Bylaws shall not conflict with the provisions of these Articles.</u></p>
<p>Article 26.1 The Articles of Association shall be subject to the interpretation of the Board of the Company. Any matter not provided in the Articles of Association shall be resolved by the resolution proposed by the Board and passed at the Shareholders’ general meeting.</p>	<p><u>Article 200 The Articles of Association shall be subject to the interpretation of the Board of the Company.</u></p>
<p>Article 26.2 The Articles of Association are written in both Chinese and English and the Chinese version shall prevail in case of discrepancy.</p>	<p><u>Article 201 These Articles shall be written in Chinese, and in case of any difference between the articles of association in any other language or version and these Articles, the Chinese Articles of Association last approved by and registered with the competent administration for market regulation of the Company shall prevail.</u></p>
<p>Article 26.3 All “over”, “under” and “not less than” referred in the Articles of Association include themselves; “more”, “more than”, “except” and “less than” do not include themselves.</p>	<p><u>Article 202 For the purposes of these Articles, “more than”, “within” shall include the given figure; while “less than”, “exceed” shall exclude the number the given figure.</u></p>
New provisions	<p><u>Article 204 These Articles shall be approved, take effect and be implemented from the date of special resolution made at the General Meeting of the Company. Since the effective date of these Articles, the original Articles of Association of the Company shall be automatically invalidated.</u></p>
Before amendment	After amendment
<p>Article 26.5 Unless the context otherwise requires, the following expressions have the following meanings in the Articles of Association:</p>	

Before amendment	After amendment
"Articles of Association"	the Articles of Association of the Company
"Board"	the board of directors of the Company
"Chairman"	the chairman of the Board
"Director"	any director of the Company
"overseas listed foreign Shares"	any overseas listed foreign Shares of the Company
"residence of the Company"	the legal residence of the Company, being Block 5, B Area, No. 777, Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province
"Renminbi" or "RMB"	the lawful currency of the PRC
"senior management"	the general manager, deputy general manager, financial controller and secretary to the Board of the Company
"PRC" and "State"	the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Listing Rules"	The Listing Rules issued by Hong Kong Stock Exchange
"Company"	the Company, Jenscare Scientific Co., Ltd.

Before amendment		After amendment
"accounting firm"	Has the meaning ascribed to "auditor" under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited	
"Company Law"	the Company Law of the Peoples' Republic of China	
"Insurance Law"	the Insurance Law of the Peoples' Republic of China	
"Trade Union Law"	the Trade Union Law of the People's Republic of China	
"MP" and "Mandatory Provisions"	the Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas (Zheng Wei Fa [1994] No. 21) jointly issued by the former Securities Commission of the State Council and the former State Commission for Restructuring the Economic Systems	
"App3"	Appendix III of the Listing Rules newly promulgated by the Hong Kong Stock Exchange	
"A13D"	Appendix XHID of the Listing Rules newly promulgated by the Hong Kong Stock Exchange	
"LR"	the Listing Rules newly promulgated by the Hong Kong Stock Exchange	
"LR19A"	Chapter 19A of the Listing Rules newly promulgated by the Hong Kong Stock Exchange	

Before amendment		After amendment
“Zheng Jian Hai Han”	Circular Regarding to Opinions on Supplementary Amendment to Articles of Associations ——— by Companies to be listed in Hong Kong (Zheng Jian Hai Han [1995] No. 1) jointly promulgated by the — Overseas Listing Department of China Securities Regulatory Commission and the former ——— Production System Department of the State Commission for Restructuring ——— the Economic Systems	
“Normative Opinions”	the Opinion on the Further Promotion of the Standardised Operation and In-depth Reform of Companies ——— Listed Overseas ——— jointly promulgated by the former State Economic and Trade Commission and China Securities Regulatory Commission	

COMPARISON TABLE OF AMENDMENTS
TO THE ARTICLES OF ASSOCIATION

Before amendment	After amendment
<p>Article 1 These Articles of Association (these “Articles”) have been formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKEX Listing Rules”), the Guidelines for the Articles of Association of Listed Companies and other applicable laws, regulations and regulatory documents to protect the legal rights and interests of Jenscare Scientific Co., Ltd. (the “Company”) and its shareholders and creditors and regulate the organization and acts of the Company.</p>	<p>Article 1 These Articles of Association (these “Articles”) have been formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “HKEX Listing Rules”), the Guidelines for the Articles of Association of Listed Companies, <u>the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchanges (the “SSE STAR Listing Rules”), the Code of Corporate Governance for Listed Companies</u>, and other applicable laws, regulations and regulatory documents to protect the legal rights and interests of Jenscare Scientific Co., Ltd. (the “Company”) and its shareholders and creditors and regulate the organization and acts of the Company.</p>

Before amendment	After amendment
<p>Article 5 With approval of the China Securities Regulatory Commission (the “CSRC”) and The Stock Exchange of Hong Kong Limited (the “HKEX”), the Company issued 8,076,400 overseas-listed foreign invested shares (H-shares) in its initial public offering, 20 holders of domestic shares of the Company converted 107,584,920 domestic shares into overseas-listed foreign invested shares and 7 holders of foreign invested shares converted 15,929,312 non-listed foreign invested shares into overseas-listed foreign invested shares, all of which had been listed on the HKEX on October 10, 2022.</p>	<p>Article 5 With approval of the China Securities Regulatory Commission (the “CSRC”) and The Stock Exchange of Hong Kong Limited (the “HKEX”), the Company issued 8,076,400 overseas-listed foreign invested shares (H-shares) in its initial public offering, 20 holders of domestic shares of the Company converted 107,584,920 domestic shares into overseas-listed foreign invested shares and 7 holders of foreign invested shares converted 15,929,312 non-listed foreign invested shares into overseas-listed foreign invested shares, all of which had been listed on the HKEX on October 10, 2022.</p> <p><u>With consent of Shanghai Stock Exchange (the “SSE”) and after registration with the China Securities Regulatory Commission (the “CSRC”), the Company completed its initial public offering of [●] domestic RMB denominated ordinary shares (A-shares) and listing on the Science and Technology Innovation Board on [●]. After the Company completes the initial public offering of the overseas-listed foreign invested shares (H-shares) and listing, such conversion of domestic unlisted shares into overseas-listed foreign invested shares, and the initial public offering of domestic RMB denominated ordinary shares (A-shares) and listing, the share capital structure of the Company shall be: [●] ordinary shares, of which, [●] RMB denominated domestic shares (A shares), accounting for [●]% of the total number of ordinary shares of the Company; and [●] H-shares, accounting for [●]% of the total number of ordinary shares of the Company.</u></p>
<p>Article 6 The registered capital of the Company is RMB417,167,290.</p>	<p>Article 6 The registered capital of the Company is RMB[●].</p>

Before amendment	After amendment
<p>Article 18 Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency are referred to as foreign shares. Foreign shares which are listed outside the People's Republic of China are referred to as overseas listed foreign shares.</p> <p>Shares listed on an overseas stock exchange upon approval by the department authorized by the State Council and by the overseas securities regulatory authority are collectively known as overseas listed shares.</p> <p>Foreign shares issued by the Company and listed on the Hong Kong Stock Exchange are known as H shares. These shares are approved for listing on the Hong Kong Stock Exchange, have a par value denominated in Renminbi and are subscribed for and traded in foreign currencies.</p> <p>Foreign currencies referred to in the preceding paragraph mean the lawful currencies, other than Renminbi, of other countries or regions, which are recognized by the foreign exchange authority of the State and can be used to pay to the Company for the shares.</p> <p>To the extent as permitted by relevant law, administrative regulations and department rules, shareholders of the Company may apply for the listing of its unlisted shares they hold on an overseas stock exchange upon filing with securities regulatory authority under the State Council. Listing of the aforesaid shares on an overseas stock exchange shall also be in compliance with the regulatory procedures, regulations and requirements of the overseas securities market.</p>	<p>Article 18 Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency are referred to as foreign shares. Foreign shares which are listed outside the People's Republic of China are referred to as overseas listed foreign shares.</p> <p>Shares listed on an overseas stock exchange upon approval by the department authorized by the State Council and by the overseas securities regulatory authority are collectively known as overseas listed shares.</p> <p>Foreign shares issued by the Company and listed on the Hong Kong Stock Exchange are known as H shares. These shares are approved for listing on the Hong Kong Stock Exchange, have a par value denominated in Renminbi and are subscribed for and traded in foreign currencies.</p> <p>Foreign currencies referred to in the preceding paragraph mean the lawful currencies, other than Renminbi, of other countries or regions, which are recognized by the foreign exchange authority of the State and can be used to pay to the Company for the shares.</p>

Before amendment	After amendment
<p>Article 19 The H-shares issued by the Company are mainly deposited in the trusted companies subordinate to Hong Kong Securities Clearing Company Ltd.</p>	<p>Article 19 <u>The domestically listed domestic shares issued by the Company shall be deposited in Shanghai Branch of China Securities Depository and Clearing Co., Ltd. in a centralized way.</u> The H-shares issued by the Company are mainly deposited in the trusted companies subordinate to Hong Kong Securities Clearing Company Ltd.</p>
<p>Article 21 The Company has 417,167,290 shares in total, all of which are ordinary shares.</p>	<p>Article 21 The Company has [●] shares in total, all of which are ordinary shares, <u>including [●] shares held by shareholders of domestically listed domestic shares; [●] shares held by H-share shareholders.</u></p>
<p>Article 43 The following external guarantee to be provided by the Company must be considered and approved by the general meeting:</p> <ol style="list-style-type: none"> (1) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company; (2) any guarantee provided after the total amount of external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company; (3) any guarantee to be provided to a party which has an asset-liability ratio of over 70%; (4) any guarantee exceeding 30% of the Company's latest audited total assets in accordance with the principle of cumulative calculation of the guarantee amount for 12 consecutive months; (5) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the Company's latest audited total assets; (6) any guarantee to be provided to shareholders, actual controllers and their related party/connected parties; and 	<p>Article 43 The following external guarantee to be provided by the Company must be considered and approved by the general meeting:</p> <ol style="list-style-type: none"> (1) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company; (2) any guarantee provided after the total amount of external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company; (3) any guarantee to be provided to a party which has an asset-liability ratio of over 70%; (4) any guarantee exceeding 30% of the Company's latest audited total assets in accordance with the principle of cumulative calculation of the guarantee amount for 12 consecutive months; (5) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the Company's latest audited total assets; (6) any guarantee to be provided to shareholders, actual controllers and their related party/connected parties; and

Before amendment	After amendment
<p>(7) other guarantees as prescribed by laws, regulations, regulatory documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.</p> <p>External guarantees above that should be approved by the general meeting must be considered and approved by the Board of Directors before they are submitted to the general meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the board of directors. When the guarantee specified in Item (4) above is considered at the general meeting, it shall be approved by more than two-thirds of voting rights held by the shareholders attending the general meeting.</p> <p>Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in these Articles. The Company shall disclose the aforesaid guarantees pursuant to the regulatory rules of the place where the shares of the Company are listed.</p> <p>A guarantee provided by the Company for a related/connected party shall have reasonable business logic and be disclosed in a timely manner and submitted to the general meeting for consideration after consideration and approval by the Board of Directors. In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related/connected parties, the controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee.</p>	<p>(7) other guarantees as prescribed by laws, regulations, regulatory documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.</p> <p>External guarantees above that should be approved by the general meeting must be considered and approved by the Board of Directors before they are submitted to the general meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the board of directors. When the guarantee specified in Item (4) above is considered at the general meeting, it shall be approved by more than two-thirds of voting rights held by the shareholders attending the general meeting.</p> <p>Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in these Articles. The Company shall summarize and disclose the aforesaid guarantees <u>in its annual report and semi-annual report.</u></p> <p>A guarantee provided by the Company for a related/connected party shall have reasonable business logic and be disclosed in a timely manner and submitted to the general meeting for consideration after consideration and approval by the Board of Directors. In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related/connected parties, the controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee.</p>

Before amendment	After amendment
<p>When considering a proposal of providing guarantee to shareholders, actual controllers and their related/connected parties at the general meeting, such shareholders or shareholders controlled by such actual controller shall not vote thereon. Voting shall be approved by more than one half of the voting rights held by other shareholders present at the general meeting.</p> <p>If the Company provides a guarantee, then the Company shall make prompt disclosure if the guaranteed party fails to fulfill its or his debt repayment obligations within 15 trading days after the maturity of the debt, or the guaranteed party enters into bankruptcy or liquidation or is under other circumstances that seriously affect its or his ability to repay the debt.</p>	<p>When considering a proposal of providing guarantee to shareholders, actual controllers and their related/connected parties at the general meeting, such shareholders or shareholders controlled by such actual controller shall not vote thereon. Voting shall be approved by more than one half of the voting rights held by other shareholders present at the general meeting.</p> <p>If the Company provides a guarantee, then the Company shall make prompt disclosure if the guaranteed party fails to fulfill its or his debt repayment obligations within 15 trading days after the maturity of the debt, or the guaranteed party enters into bankruptcy or liquidation or is under other circumstances that seriously affect its or his ability to repay the debt.</p>
<p>Article 46 The venue of a general meeting of the Company shall be the Company's domicile or the place specified in the notice of the general meeting.</p> <p>The general meeting shall set up a venue and be convened by means of physical meeting. The Company could also provide online voting or other means permitted by the regulatory rules of the place where the shares of the Company are listed to facilitate shareholders' participation in the General Meetings. Shareholders attending the general meeting by the aforesaid means shall be deemed as present.</p> <p>Once the notice of the general meeting is given, the venue of the general meeting may not be changed without justifiable reasons. If such change is indeed necessary, the convener shall make announcement at least two (2) working days prior to the scheduled date of the physical meeting and state the reasons.</p> <p>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</p>	<p>Article 46 The venue of a general meeting of the Company shall be the Company's domicile or the place specified in the notice of the general meeting.</p> <p>The general meeting shall set up a venue and be convened by means of physical meeting. The Company <u>shall</u> also provide online voting or other means <u>required</u> by the regulatory rules of the place where the shares of the Company are listed to facilitate shareholders' participation in the General Meetings. Shareholders attending the general meeting by the aforesaid means shall be deemed as present.</p> <p>Once the notice of the general meeting is given, the venue of the general meeting may not be changed without justifiable reasons. If such change is indeed necessary, the convener shall make announcement at least two (2) working days prior to the scheduled date of the physical meeting and state the reasons.</p> <p>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</p>

Before amendment	After amendment
<p>Article 47 Where the Company holds a general meeting, it will engage a legal counsel to issue opinions as required by the regulatory rules of the place where the shares of the Company are listed.</p>	<p>Article 47 Where the Company holds a general meeting, it shall engage a legal counsel to issue opinions <u>on and make announcements of:</u></p> <ol style="list-style-type: none"> <li data-bbox="815 455 1353 576">(1) <u>whether the convention and holding procedures of the meeting comply with the laws, administrative regulations and these Articles;</u> <li data-bbox="815 614 1353 708">(2) <u>whether the qualifications of the attendees and the convener of the meeting are legal and valid;</u> <li data-bbox="815 746 1353 840">(3) <u>whether the voting procedures and results of the meeting are legal and valid; and</u> <li data-bbox="815 878 1353 972">(4) <u>such other related issues for which the Company requests to issue legal opinions.</u>
<p>Article 49 Independent directors may requisition to the Board of Directors to convene an extraordinary general meeting. For the requisition made by independent director for convening an extraordinary general meeting, the Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for convening an extraordinary general meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and these Articles. In the event that the Board of Directors consents to convene an extraordinary general meeting, the notice thereof shall be issued within five days after the passing of a board resolution to that effect. In the event that the Board of Directors dissents to convene an extraordinary general meeting, an explanation shall be given.</p> <p>Any other requirements of the securities regulatory authority at the place where the shares of the Company are listed shall prevail.</p>	<p>Article 49 Independent directors may requisition to the Board of Directors to convene an extraordinary general meeting. For the requisition made by independent director for convening an extraordinary general meeting, the Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for convening an extraordinary general meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and these Articles. In the event that the Board of Directors consents to convene an extraordinary general meeting, the notice thereof shall be issued within five days after the passing of a board resolution to that effect. In the event that the Board of Directors dissents to convene an extraordinary general meeting, an explanation shall be given <u>and an announcement shall be made.</u></p> <p>Any other requirements of the securities regulatory authority at the place where the shares of the Company are listed shall prevail.</p>

Before amendment	After amendment
<p>Article 52 Where the Board of Supervisors or the shareholder or shareholders decide to convene an extraordinary General Meeting on its/his/their own, the Board of Supervisors or such shareholder or shareholders shall notify the Board of Directors in writing.</p> <p>Before announcing any resolution of the General Meeting, the shareholder(s) who convene(s) the meeting shall have a shareholding of no less than 10%.</p> <p>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</p>	<p>Article 52 Where the Board of Supervisors or the shareholder or shareholders decide to convene an extraordinary General Meeting on its/his/their own, the Board of Supervisors or such shareholder or shareholders shall notify the Board of Directors in writing <u>and file with the stock exchange and the regional office of the CSRC at the place where the Company is located for record.</u></p> <p>Before announcing any resolution of the General Meeting, the shareholder(s) who convene(s) the meeting shall have a shareholding of no less than 10%.</p> <p><u>The Board of Supervisors or shareholder(s) who convene(s) the General Meeting shall, when issuing notice of the General Meeting and announcing resolution of the General Meeting, submit relevant supporting materials to the regional office of the CSRC at the place where the Company is located and the stock exchange.</u></p> <p>If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.</p>

Before amendment	After amendment
<p>Article 57 Notice of general meetings shall contain:</p> <ol style="list-style-type: none"> (1) the date, venue and duration of the meeting; (2) matters and proposals submitted for consideration at the meeting; (3) a clear statement that: each shareholder is entitled to attend the general meeting in person, or appoint one or more proxies who need not be shareholders of the Company, to attend and vote on his/its behalf, or if it is a corporate shareholder, a representative to attend and vote on its behalf at any general meeting; and such corporate shareholder shall be deemed to have attended any meeting in person if it has appointed a representative to do so. The corporate shareholder may have a duly authorized person to sign the proxy form; (4) the date of record for the determination of shareholders who are entitled to attend the general meeting; (5) name and telephone number of permanent contact person; (6) time and procedures for voting online or by other means; (7) such other requirements stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed and these Articles. 	<p>Article 57 Notice of general meetings shall contain:</p> <ol style="list-style-type: none"> (1) the date, venue and duration of the meeting; (2) matters and proposals submitted for consideration at the meeting; (3) a clear statement that: each shareholder is entitled to attend the general meeting in person, or appoint one or more proxies who need not be shareholders of the Company, to attend and vote on his/its behalf, or if it is a corporate shareholder, a representative to attend and vote on its behalf at any general meeting; and such corporate shareholder shall be deemed to have attended any meeting in person if it has appointed a representative to do so. The corporate shareholder may have a duly authorized person to sign the proxy form; (4) the date of record for the determination of shareholders who are entitled to attend the general meeting; (5) name and telephone number of permanent contact person; (6) time and procedures for voting online or by other means; (7) such other requirements stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed and these Articles.

Before amendment	After amendment
<p>The notice and supplementary notice of general meeting shall contain the contents required by the regulatory rules of the place where the shares of the Company are listed and these Articles, and shall fully, completely and accurately disclose and explain on all specific content of all proposals. For the matters proposed to discuss require opinions of the independent directors, such opinions and reasons thereof shall be disclosed together with the notice or supplementary notice of the general meeting.</p> <p>Where a general meeting will be held online or otherwise, the notice of general meeting shall specify the voting time and procedures online or otherwise.</p> <p>There shall be no more than 7 working days between the date of record and the date of the meeting. Once confirmed, the date of record shall not be changed.</p>	<p>The notice and supplementary notice of general meeting shall contain the contents required by the regulatory rules of the place where the shares of the Company are listed and these Articles, and shall fully, completely and accurately disclose and explain on all specific content of all proposals. For the matters proposed to discuss require opinions of the independent directors, such opinions and reasons thereof shall be disclosed together with the notice or supplementary notice of the general meeting.</p> <p>Where a general meeting will be held online or otherwise, the notice of general meeting shall specify the voting time and procedures online or otherwise. <u>The starting time of the voting online or otherwise for the general meeting shall be neither earlier than 3:00 p.m. on the day immediately before nor later than 9:30 a.m. on, the day of holding of the physical general meeting, and the ending time of such voting shall not be earlier than 3:00 p.m. on the day of holding of the physical general meeting.</u></p> <p>There shall be no more than 7 working days between the date of record and the date of the meeting. Once confirmed, the date of record shall not be changed.</p>

Before amendment	After amendment
<p>Article 74 The General Meetings shall have meeting minutes, which shall be recorded by the Secretary to the Board of Directors, and shall contain:</p> <ol style="list-style-type: none"> (1) the date, venue and agenda of the meeting, and the name of the convener; (2) the names of the presider and the directors, supervisors, general manager and other senior managements attending or present at the meeting with or without voting rights; (3) the number of attending shareholders and proxies, and the total number of their voting shares and their percentage in the total number of shares of the Company; (4) the consideration process of each proposal, summaries of the speeches and the voting result; (5) details of the inquiries or recommendations of the shareholders, and the corresponding response or explanations; (6) the name of the counsel(s), vote counter(s) and scrutineer(s); and (7) such other content that shall be recorded in the minutes according to the Articles of Association. 	<p>Article 74 The General Meetings shall have meeting minutes, which shall be recorded by the Secretary to the Board of Directors, and shall contain:</p> <ol style="list-style-type: none"> (1) the date, venue and agenda of the meeting, and the name of the convener; (2) the names of the presider and the directors, supervisors, general manager and other senior managements attending or present at the meeting with or without voting rights; (3) the number of attending shareholders and proxies, and the total number of their voting shares and their percentage in the total number of shares of the Company; (4) the consideration process of each proposal, summaries of the speeches and the voting result; (5) details of the inquiries or recommendations of the shareholders, and the corresponding response or explanations; (6) the name of the counsel(s), vote counter(s) and scrutineer(s); and (7) such other content that shall be recorded in the minutes according to the Articles of Association. <p><u>The meeting minutes of the Company as a company issuing both domestic shares and foreign invested shares listed domestically shall also include: (1) number of voting shares of holders of domestic shares (including their proxies) and holders of foreign invested shares listed domestically (including their proxies) attending the General Meeting, and their respective percentage in the total shares of the Company; and (2) the respective votes by holders of domestic shares and holders of foreign invested shares listed domestically on each resolution, when recording the voting results.</u></p>

Before amendment	After amendment
<p>Article 76 The convener shall ensure the successive holding of the General Meeting until the adoption of final resolution. Where the General Meeting is suspended or unable to adopt resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the General Meeting as soon as possible or directly terminate the General Meeting concerned, and make timely announcement to that effect.</p>	<p>Article 76 The convener shall ensure the successive holding of the General Meeting until the adoption of final resolution. Where the General Meeting is suspended or unable to adopt resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the General Meeting as soon as possible or directly terminate the General Meeting concerned, and make timely announcement to that effect. <u>Meanwhile, the convener shall report the same to the regional office of China Securities Regulatory Commission at the place where the Company locates and the corresponding stock exchange.</u></p>
<p>Article 84 The list of director or supervisor candidates shall be submitted as proposal to the General Meeting for voting.</p> <p>Cumulative voting system may be implemented when the General Meeting votes for the election of the directors and supervisors in accordance with the provisions of these Articles or the resolution of the General Meeting.</p> <p>The cumulative voting stated in the preceding paragraph refers to that when the General Meeting elects directors or supervisors, every share has votes as many as the number of the directors or supervisors to be elected, and a shareholder may cast all its/his votes for a single candidate. The Board of Directors shall announce the resumes and basic information of the director and supervisor candidates to the shareholders.</p>	<p>Article 84 The list of director or supervisor candidates shall be submitted as proposal to the General Meeting for voting.</p> <p>Cumulative voting system may be implemented when the General Meeting votes for the election of the directors and supervisors in accordance with the provisions of these Articles or the resolution of the General Meeting.</p> <p>The cumulative voting stated in the preceding paragraph refers to that when the General Meeting elects directors or supervisors, every share has votes as many as the number of the directors or supervisors to be elected, and a shareholder may cast all its/his votes for a single candidate. The Board of Directors shall announce the resumes and basic information of the director and supervisor candidates to the shareholders.</p> <p><u>Matters concerning cumulative voting shall be implemented in accordance with the Company's implementing rules for cumulative voting.</u></p>

Before amendment	After amendment
<p>Article 105 The Company shall have independent directors, and the qualifications, nomination and election procedures, term of office, resignation, functions and powers of independent directors shall be implemented in accordance with laws, administrative regulations, and relevant rules of the stock exchange.</p>	<p>Article 105 The Company shall have independent directors, and the qualifications, nomination and election procedures, term of office, resignation, functions and powers of independent directors shall be implemented in accordance with laws, administrative regulations, and relevant rules of <u>the CSRC</u> and the stock exchange.</p>
<p>Article 115 Any connection transaction between the Company and the connected party shall be submitted to the Board of Directors for consideration if it meets the standard set forth in the HKEX Listing Rules.</p>	<p>Article 115 Any <u>related party</u>/connection transaction between the Company and <u>the related</u>/connected party shall be submitted to the Board of Directors for consideration if it meets <u>any</u> standard set forth in <u>the SSE STAR Listing Rules</u> and the HKEX Listing Rules.</p>
<p>Article 155 The Company shall publish two financial reports in each accounting year, meaning that the interim financial report shall be published within sixty (60) days after the end of the first six (6) months of the accounting year and the annual financial report shall be published within one hundred and twenty (120) days after the end of each accounting year. Such annual, interim reports shall be prepared in accordance with relevant laws, administrative regulations, the securities regulatory authorities of the place where the shares of the Company are listed and rules of the stock exchange.</p>	<p>Article 155 The Company shall publish <u>its</u> financial reports <u>four (4) times</u> in each accounting year, that <u>is</u>, the interim financial report shall be published within sixty (60) days after the end of the first six (6) months of each accounting year, the annual financial report shall be published within one hundred and twenty (120) days after the end of each accounting year, <u>the quarterly reports shall be published within one month after the end of the first three (3) months and after the end of the first nine (9) months of each accounting year. The disclosure time of the quarterly report of the first quarter shall not be earlier than the disclosure time of the annual report of last year.</u></p> <p>Such annual, interim <u>and quarterly</u> reports shall be prepared in accordance with relevant laws, administrative regulations, and rules of <u>the CSRC</u> and the stock exchange.</p>

Before amendment	After amendment
<p>Article 162 The profit allocation policy of the Company is specifically as follows:</p> <p>The Company implements a continuous and stable profit distribution policy, whereby the Company's profit distribution should focus on reasonable investment returns to investors and also take into account the Company's sustainable development. The Board of Directors and the General Meeting of the Company shall fully listen to the opinions of independent directors and minority shareholders through various channels when deciding and discussing the profit distribution policy.</p> <p>The Company may distribute dividends by means of cash, stocks or the combination thereof. The Company shall distribute dividends in cash on a priority basis, and will actively distribute profits by means of cash dividend subject to satisfaction of the capital requirements of the Company for normal operation.</p>	<p>Article 162 The profit allocation policy of the Company is specifically as follows:</p> <p>(1) <u>Principles of Profit Distribution</u></p> <p>The Company implements a continuous and stable profit distribution policy, whereby the Company's profit distribution should focus on reasonable investment returns to investors and also take into account the Company's sustainable development. The Board of Directors and the General Meeting of the Company shall fully listen to the opinions of independent directors and minority shareholders through various channels when deciding and discussing the profit distribution policy.</p> <p>(2) <u>Form of Profit Distribution</u></p> <p>The Company may distribute dividends by means of cash, stocks or the combination thereof. The Company shall distribute dividends in cash on a priority basis, and will actively distribute profits by means of cash dividend subject to satisfaction of the capital requirements of the Company for normal operation.</p> <p>(3) <u>Conditions and Ratio for Profit Distribution</u></p> <p>A. <u>Conditions and Ratio of Cash Dividend:</u></p> <p><u>The Company shall carry out cash dividend distribution when all of the following conditions are met:</u></p> <p>(i) <u>the Company has realized positive distributable profit (i.e. after-tax profit after recovery of losses and appropriation to reserves) in the year, and its cash flow is strong, and the implementation of cash dividend will not affect the Company's subsequent operation on a going-concern basis;</u></p>

Before amendment	After amendment
	<p>(ii) <u>the auditor has issued a standard unqualified auditor's report on the Company's financial report of the year;</u></p> <p>(iii) <u>the Company has positive accumulated distributable profit; and</u></p> <p>(iv) <u>the Company has no major investment plan or significant cash expenditure in the next twelve months (except for fund-raising projects).</u></p> <p><u>The term "major investment plan or significant cash expenditure" refers to any accumulated expenditure of the Company exceeding 30% of latest audited net assets of the Company in the consolidated statements, due to its proposed external investment, acquisition of assets or purchase of equipment in the next twelve months.</u></p> <p><u>Subject to the Company's satisfaction of conditions for cash dividend above, as a general rule, the cash dividend ratio shall be no less than 10% of the distributable profit realized in the year, and the specific dividend ratio shall be proposed by the Board of Directors according to the annual profits and the future fund use plan of the Company, and submitted to the General Meeting for consideration and decision.</u></p>

Before amendment	After amendment
	<p><u>When distributing dividends, the Company shall distinguish the following situations by comprehensively considering factors such as industry characteristics, development stage, business model, profit level of the Company, and whether there are significant capital expenditure arrangements, and formulate a differentiated cash dividend policy according to the procedures set forth in these Articles:</u></p> <p><u>(i) if the development stage of the Company is mature stage and there are no significant capital expenditure arrangements, the cash dividend shall account for a minimum of 80% of the distributable profit in the profit distribution concerned;</u></p> <p><u>(ii) if the development stage of the Company is mature stage but there are significant capital expenditure arrangements, the cash dividend shall account for a minimum of 40% of the distributable profit in the profit distribution concerned; and</u></p> <p><u>(iii) if the development stage of the Company is growth stage and there are significant capital expenditure arrangements, the cash dividend shall account for a minimum of 20% of the distributable profit in the profit distribution concerned.</u></p>

Before amendment	After amendment
	<p data-bbox="967 293 1355 480"><u>If it is not easy to distinguish in which stage the Company is but there is significant capital expenditure arrangement, the preceding provision may be followed.</u></p> <p data-bbox="892 519 1294 544"><u>B. Conditions for Bonus Issue</u></p> <p data-bbox="967 583 1355 1251"><u>If the Company has a need to expand the size of its share capital, and the Board of Directors believes that the Company's share price does not match the size of the Company's share capital, or the bonus issue is beneficial to the overall interests of all shareholders of the Company, the Company may then, to the extent the above conditions for cash dividend are satisfied, make a bonus issue. In case of profit distribution by bonus issue, the Board of Directors of the Company shall make its decision based on such real and reasonable factors as the Company's growth and the dilution of net asset value per share.</u></p> <p data-bbox="815 1289 1251 1315"><u>(4) Interval of Profit Distribution</u></p> <p data-bbox="892 1353 1355 1664"><u>In principle, the Company adopts an annual profit distribution policy. The Board of Directors of the Company may propose, and after consideration and approval by the General Meeting, implement, an interim profit distribution plan according to the Company's development plan, profitability, cash flow and capital requirement plan.</u></p>

Before amendment	After amendment
	<p>(5) <u>The profit distribution plan is decided by the following procedures:</u></p> <p>(i) <u>In the process of deliberating the profit distribution plan, the Board of Directors of the Company shall fully discuss with the independent directors and supervisors, and propose and develop the Company's profit distribution plan after considering the provision of sustainable, stable and scientific return to all shareholders according to the Company's earnings, capital needs and plan for return to shareholders, in combination with the relevant provisions of the Articles of Association. The profit distribution matter shall be submitted to the General Meeting for consideration only after the profit distribution plan has been considered and approved by the Board of Directors. The Board of Directors shall, when deliberating the profit distribution plan, seriously study and substantiate the timing, conditions and minimum percentage, conditions for adjustment, requirements for the decision-making procedures, and other matters in connection with the cash dividend distribution by the Company. The profit distribution plan shall be approved by a majority of all directors and by more than one-half of the independent directors. Independent directors shall issue independent opinions on the specific profit distribution plan.</u></p>

Before amendment	After amendment
	<p data-bbox="890 293 1356 512"><u>(ii) The Board of Supervisors shall deliberate on the specific profit distribution plan drafted by the Board of Directors, which shall be approved by a majority of all supervisors of the Board of Supervisors.</u></p> <p data-bbox="890 549 1356 1087"><u>(iii) The General Meeting shall consider and vote on the profit distribution plan proposed by the Board of Directors in accordance with laws, regulations and the Articles of Association. Before consideration and voting, the Company shall actively communicate and exchange with shareholders, especially minority shareholders through various channels, fully listen to the opinions and requirements of minority shareholders, and timely answer questions that concern minority shareholders.</u></p> <p data-bbox="890 1123 1356 1406"><u>(iv) If the Board of Directors does not propose a profit distribution plan in cash if the conditions for cash dividend are satisfied in the year, the reasons shall be disclosed in the periodic report, and the independent directors shall express an independent opinion in this respect.</u></p>

Before amendment	After amendment
	<p data-bbox="815 293 1359 385"><u>(6) Conditions and Procedures for Adjustment of Profit Distribution Policy:</u></p> <p data-bbox="890 423 1359 1283"><u>Where the Company adjusts or changes the profit distribution policy according to external business environment and the Company's internal operating condition, investment planning, long-term development and other needs, the adjusted profit distribution policy shall comply with the provisions of applicable laws and regulations. Any motion on adjustment to profit distribution policy shall be prepared by the Board of Directors, opined by independent directors and the Board of Supervisors, and considered and approved by the Board of Directors of the Company, before being submitted to the General Meeting for approval. The motion on adjustment to profit distribution policy shall be approved by more than two thirds of voting rights held by shareholders present at the General Meeting, and when such motion is considered at the General Meeting, opinions of shareholders, especially minority shares shall be fully listened to.</u></p> <p data-bbox="815 1321 975 1349"><u>(7) Others</u></p> <p data-bbox="890 1387 1359 1602"><u>If any shareholder has illegally appropriated funds of the Company, the Company shall make deduction from the cash dividend distributable to such shareholder, as compensation for the funds appropriated by such shareholder.</u></p>

Before amendment	After amendment
<p>Article 196 The Company shall issue announcements and disclose information to its shareholders in accordance with laws and regulations. Any announcement to be made to holders of overseas-listed foreign invested shares under these Articles shall also be published in accordance with the method prescribed by the HKEX Listing Rules.</p>	<p>Article 196 The Company shall issue announcements and disclose information to <u>holders of domestic shares through information disclosure newspapers and websites designated by</u> laws, regulations <u>or the securities regulatory authorities in the PRC</u>. Any announcement to be made to holders of overseas-listed foreign invested shares under these Articles shall also be published in accordance with the method prescribed by the HKEX Listing Rules.</p>
<p>Article 197 The Board of Directors shall have the right to adjust the method of information disclosure by the Company, provided that it shall ensure the adjustment required by the applicable laws, regulations, and rules of the securities regulatory authority and stock exchange at the place where the Company's shares are listed.</p>	<p>Article 197 The Board of Directors shall have the right to adjust the <u>newspapers</u> for information disclosure by the Company, provided that it shall ensure <u>the designated information disclosure newspapers comply with the qualifications and conditions</u> required by the applicable laws, regulations, and rules of the securities regulatory authority and stock exchange at the place where the Company's shares are listed.</p>

Before amendment	After amendment
<p>Article 198 Interpretation</p> <p>(1) The term “actual controller” refers to any person who is not a shareholder of the Company but is able to actually direct the actions of the Company by investment relation, agreement or other arrangement.</p> <p>(2) The term “connected transaction” shall have the meaning defined in the HKEX Listing Rules.</p> <p>(3) Unless otherwise provided in or expressly referred to in the HKEX Listing Rules, the term “transaction” when used herein includes:</p> <ul style="list-style-type: none"> (i) purchase or sale of assets; (ii) making external investment (except for purchasing bank wealth management products); (iii) transferring or acquiring R&D projects; (iv) signing license agreement; (v) provision of guarantee; (vi) lease-in or lease-out of assets; (vii) appointing others or being appointed for management of assets or business; (viii) donating or receiving assets; (ix) restructuring of debts or claims; (x) providing financial assistance. The purchase or sale of assets mentioned above excludes the activities relating to the daily operations such as the purchase of raw materials, fuel and energy and the sale of products and merchandise. <p>(4) The term “accounting firm” shall have the same meaning as “auditor” referred to in the HKEX Listing Rules.</p>	<p>Article 198 Interpretation</p> <p>(1) The term “actual controller” refers to any person who is not a shareholder of the Company but is able to actually direct the actions of the Company by investment relation, agreement or other arrangement.</p> <p>(2) The term “connected transaction” shall have the meaning defined in the HKEX Listing Rules, <u>and the term “related party transaction” shall have the meaning defined in the SSE STAR Listing Rules.</u></p> <p>(3) Unless otherwise provided in or expressly referred to in the HKEX Listing Rules, the term “transaction” when used herein includes:</p> <ul style="list-style-type: none"> (i) purchase or sale of assets; (ii) making external investment (except for purchasing bank wealth management products); (iii) transferring or acquiring R&D projects; (iv) signing license agreement; (v) provision of guarantee; (vi) lease-in or lease-out of assets; (vii) appointing others or being appointed for management of assets or business; (viii) donating or receiving assets; (ix) restructuring of debts or claims; (x) providing financial assistance; <u>and</u> <u>(xi) other transactions recognized by Shanghai Stock Exchange.</u> <p>The purchase or sale of assets mentioned above excludes the activities relating to the daily operations such as the purchase of raw materials, fuel and energy and the sale of products and merchandise.</p> <p>(4) The term “accounting firm” shall have the same meaning as “auditor” referred to in the HKEX Listing Rules.</p>

Before amendment	After amendment
<p>Article 204 These Articles shall be approved, take effect and be implemented from the date of special resolution made at the General Meeting of the Company. Since the effective date of these Articles, the original Articles of Association of the Company shall be automatically invalidated.</p>	<p>Article 204 These Articles shall be approved <u>by special resolution made at the General Meeting of the Company and shall take effect and be implemented from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange.</u> Since the effective date of these Articles, the original Articles of Association of the Company shall be automatically invalidated.</p>

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules of Procedures (hereinafter referred to as the “**Rules**”) are formulated, to safeguard the lawful rights and interests of shareholders and creditors of Jenscare Scientific Co., Ltd. (the “**Company**”) and standardize the organization and behavior of the General Meeting of the Company, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”) and other laws, regulations, rules and regulatory documents, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

CHAPTER 2 GENERAL PROVISIONS

Article 2 The General Meeting shall be the ultimate authority organ of the Company and legally exercise the following powers:

- (1) decide the operation policies and investment plans of the Company;
- (2) elect and replace any director who is not an employees’ representative, and determine the remuneration matters in connection with the director;
- (3) elect and replace any supervisor who is not an employees’ representative, and determine the remuneration matters in connection with the supervisor;
- (4) consider and approve reports from the Board of Directors;
- (5) consider and approve reports from the Supervisory Committee;
- (6) consider and approve annual financial budget plans and final accounting plans of the Company;
- (7) consider and approve the profit distribution plan and the loss recovery plan of the Company;
- (8) resolve on increase or reduction of registered capital of the Company;
- (9) resolve on merger, split, dissolution, liquidation or change of corporate form of the Company;
- (10) resolve on the issuance of corporate bonds, corporate restructuring or other public offering of securities of the Company and listing plan thereof;
- (11) resolve on the appointment of, removal of and non-reappointment of an accounting firm by the Company;
- (12) amend the Articles of Association;

- (13) consider a proposal raised by any shareholder or shareholders who hold 3% or more of the total number of voting shares in the Company;
- (14) consider and approve any change in the use of proceeds;
- (15) consider and approve any external guarantee which shall be approved at the General Meeting under the Articles of Association;
- (16) consider matters relating to the Company's purchases and disposals of material assets, which account for more than 30% of the latest audited total assets of the Company, within one year;
- (17) consider and approve any significant transactions and related party/connected party transactions that shall be considered and approved at the General Meeting under laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association;
- (18) consider to approve and amend equity incentive plans and employee stock option plans; and
- (19) consider other matters which shall be resolved at the General Meeting under laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Article 3 The following external guarantees to be provided by the Company must be considered and approved by the General Meeting:

- (1) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;
- (2) any guarantee provided after the total amount of the external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company;
- (3) any guarantee to be provided to a party which has an assets-liability ratio of over 70%;
- (4) any guarantee exceeding 30% of the latest audited total assets of the Company in accordance with the principle of cumulative calculation of the guarantee amount for 12 consecutive months;
- (5) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets of the Company;

- (6) any guarantee to be provided to shareholders, the actual controller and their related party/connected parties; and
- (7) such other guarantees as prescribed by laws, regulations, normative documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

External guarantees above that should be approved by the General Meeting must be considered and approved by the Board of Directors before they are submitted to the General Meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the Board of Directors. Any guarantee specified in Item (4) above which is considered at the General Meeting shall be approved by more than two thirds of the voting rights of the shareholders present at the General Meeting.

Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in the Articles of Association. The Company shall disclose the aforesaid guarantees pursuant to the regulatory rules of the place where the shares of the Company are listed.

Any guarantee provided by the Company for a related/connected party shall have reasonable business logic, and be disclosed in a timely manner pursuant to the regulatory rules of the place where the shares of the Company are listed and submitted to the General Meeting for consideration after consideration and approval by the Board of Directors. A controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee to any guarantee provided by the Company to such controlling shareholder, actual controller or their related/connected parties.

When considering a proposal of providing guarantee to shareholders, actual controller and their related/connected parties at the General Meeting, such shareholders or shareholders controlled by such actual controller shall not vote thereon. Voting shall be approved by a majority of the voting rights held by other shareholders present at the General Meeting.

If the Company provides a guarantee, then the Company shall make prompt disclosure if the guaranteed party fails to fulfill its or his debt repayment obligations within 15 trading days after the maturity of the debt, or the guaranteed party enters into bankruptcy or liquidation or is under other circumstances that seriously affect its or his ability to repay the debt.

Article 4 The definition of significant transaction of the Company and the standard for its submission to the General Meeting for consideration, and the applicable exemption of such submission shall be subject to the provisions of relevant laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 5 The General Meeting shall include annual General Meeting and extraordinary General Meeting. The annual General Meeting shall be held every year within six (6) months after the end of the last fiscal year.

The Company shall convene an extraordinary General Meeting within two (2) months if and after:

- (1) the number of directors is less than two thirds of the number specified in the Company Law or the Articles of Association;
- (2) the unrecovered losses of the Company amount to one-third of its total paid up share capital;
- (3) the shareholder individually or shareholders jointly holding more than 10% shares in the Company requisition to convene;
- (4) the Board of Directors considers it necessary;
- (5) the Supervisory Committee proposes to call for such a meeting; or
- (6) such other circumstances stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Article 6 The venue of a General Meeting of the Company shall be the place where the Company is located or the place specified in the notice of the General Meeting.

The General Meeting shall set up a venue and be convened by means of physical meeting. The Company could also provide online voting or other means permitted by the regulatory rules of the place where the shares of the Company are listed to facilitate shareholders' participation in the General Meetings. Shareholders attending the General Meeting by the aforesaid means shall be deemed as present.

Once the notice of the General Meeting, the venue of the General Meeting may not be changed without justifiable reasons. If such change is indeed necessary, the convener shall make announcement at least two (2) working days prior to the scheduled date of the physical meeting and state the reasons.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 7 Where the Company holds a General Meeting, it will engage a legal counsel to issue opinions as required by the regulatory rules of the place where the shares of the Company are listed.

CHAPTER 3 CONVENING OF GENERAL MEETING

Article 8 The General Meeting shall be convened by the Board of Directors and presided over by the Chairman. If the Board of Directors is unable or fails to perform the duty of convening the General Meeting, the Supervisory Committee shall convene it in time. If the Supervisory Committee does not convene the meeting, any shareholder(s) individually or jointly holding more than 10% of the shares in the Company for more than 90 consecutive days may convene the meeting on their own.

Article 9 Independent directors may propose to the Board of Directors to convene an extraordinary General Meeting. For the requisition by any independent director to convene an extraordinary General Meeting of shareholders, the Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for convening an extraordinary General Meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and the Articles of Association.

In the event that the Board of Directors consents to convene an extraordinary General Meeting, the notice thereof shall be issued within five days after the passing of a board resolution to that effect. In the event that the Board of Directors dissents to convene an extraordinary General Meeting, an explanation shall be given.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 10 The Supervisory Committee shall have the right to requisition in writing to the Board of Directors to convene an extraordinary General Meeting. The Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for convening an extraordinary General Meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and the Articles of Association.

In the event that the Board of Directors consents to convene an extraordinary General Meeting, a notice of General Meeting shall be issued within five days after passing of a board resolution to that effect; and any change to the original requisition in the said notice shall be subject to the consent of the Supervisory Committee.

In the event that the Board of Directors dissents to convene an extraordinary General Meeting or furnishes no reply within 10 days upon receipt of such requisition, it shall be deemed that the Board of Directors is unable or unwilling to perform the duty to convene the General Meeting and the Supervisory Committee may on its own convene and preside over the extraordinary General Meeting.

Article 11 Shareholder individually or shareholders jointly holding more than 10% shares in the Company may submit a written requisition to the Board of Directors to convene an extraordinary General Meeting. The Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for the convening of an extraordinary General Meeting within 10 days upon receipt of such requisition in accordance with the provisions of the laws, administrative regulations and the Articles of Association.

In the event that the Board of Directors consents to convene an extraordinary General Meeting, a notice for convening such General Meeting or class meeting shall be given within five days after passing a resolution to that effect; and any change to the original requisition in the said notice shall be subject to the consent of the relevant shareholder or shareholders.

In the event that the Board of Directors dissents to convene an extraordinary General Meeting, or furnishes no reply within ten days upon receipt of such requisition, shareholder individually or shareholders jointly holding more than 10% shares in the Company shall be entitled to submit a written requisition to the Supervisory Committee to convene an extraordinary General Meeting or class meeting.

In the event that the Supervisory Committee consents to convene an extraordinary General Meeting or class meeting, a notice for convening such General Meeting or class meeting shall be given within five days upon receipt of such requisition; and any change to the original proposal in the said notice shall be subject to the consent of the relevant shareholder or shareholders.

In the event that the Supervisory Committee fails to serve any notice of General Meeting or class meeting within the prescribed time, the Supervisory Committee shall be deemed convening and presiding over no General Meeting nor class meeting, in which case, shareholder individually or shareholders jointly holding more than 10% shares in the Company for more than 90 consecutive days may independently convene and preside over the General Meeting or class meeting.

Article 12 Where the Supervisory Committee or the shareholder or shareholders decide to convene an extraordinary General Meeting on its/their own, it/they shall send a written notice to the Board of Directors.

Before announcing any resolution of the General Meeting, the shareholder(s) who convene(s) the meeting shall have a shareholding of no less than 10%.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 13 Where a General Meeting is convened by the Supervisory Committee or the shareholder or shareholders on its/their own, the Board of Directors and the Secretary to the Board of Directors shall work in a cooperative manner. The Board of Directors shall provide the register of shareholders of the date of record.

Article 14 Where a General Meeting is convened by the Supervisory Committee or the shareholder or shareholders on its/their own, the expenses necessary for the General Meeting shall be borne by the Company.

CHAPTER 4 PROPOSALS AND NOTICES OF GENERAL MEETING

Article 15 The convener shall notify all shareholders by announcement at least 21 days prior to the convention of an annual General Meeting, or at least 15 days prior to the convention of an extraordinary General Meeting. The Company shall not include the date of convention of meeting into the calculation of starting and ending time.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 16 The content of a proposal shall be within the functions and powers of the General Meeting, have definite issues for discussion and specific resolutions, and comply with the relevant provisions of the laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the Company holds a General Meeting, the Board of Directors, the Supervisory Committee and shareholder individually or shareholders jointly holding more than 3% of the total voting shares in the Company may file a proposal to the Company.

Shareholder individually or shareholders jointly holding more than 3% of the total voting shares in the Company may submit a written temporary proposal to the Company via the convener 10 days prior to the date of the General Meeting.

The convener of the General Meeting shall serve a supplemental notice of the General Meeting within two days after receipt of the temporary proposal, and announce the contents of the said temporary proposal.

Except as provided in the preceding paragraph, the convener shall not revise the proposal set out in the notice of the General Meeting or add any new proposal after the said notice is served.

Proposals not set out in the notice of the General Meeting or not complying with the Articles of Association shall not be voted on or resolved at the General Meeting.

Article 17 The notice of the General Meeting shall contain the following:

- (1) the date, venue and duration of the meeting;
- (2) matters and proposals submitted for consideration at the meeting;
- (3) a clear statement that: each shareholder is entitled to attend the General Meeting in person, or appoint one or more proxies who need not be

shareholders of the Company, to attend and vote on his/its behalf, or if it is a corporate shareholder, a representative to attend and vote on its behalf at any General Meeting; and such corporate shareholder shall be deemed to have attended any meeting in person if it has appointed a representative to do so. The corporate shareholder may have a duly authorized person to sign the proxy form;

- (4) the date of record for the determination of shareholders who are entitled to attend the General Meeting;
- (5) name and telephone number of permanent contact person;
- (6) time and procedures for voting online or by other means;
- (7) such other requirements stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The notice and supplementary notice of General Meeting shall contain the contents required by the regulatory rules of the place where the shares of the Company are listed and the Articles of Association, and shall fully, completely and accurately disclose and explain on all specific content of all proposals. For the matters proposed to discuss require opinions of the independent directors, such opinions and reasons thereof shall be disclosed together with the notice or supplementary notice of the General Meeting.

Where a General Meeting will be held online or otherwise, the notice of General Meeting shall specify the voting time and procedures online or otherwise.

There shall be no more than 7 working days between the date of record and the date of the meeting. Once confirmed, the date of record shall not be changed.

Article 18 If the election of directors or supervisors is proposed to be discussed at a General Meeting, the notice of the meeting shall adequately specify the detailed information on the director or supervisor candidates, which shall at least include:

- (1) personal particulars, including academic qualifications, working experience and concurrent positions;
- (2) whether or not have any relation/connection with the Company, its controlling shareholders or actual controller;
- (3) the number of shares of the Company held by such candidate;
- (4) whether such candidates have ever been punished by the CSRC and other relevant authorities or disciplined by a stock exchange.

Except for electing directors and supervisors by cumulative voting, each candidate for director or supervisor shall be nominated in a separate proposal.

Article 19 Once the notice of General Meeting is issued, the meeting shall not be postponed or canceled and proposals contained in the notice shall not be withdrawn, in each case, unless with proper reasons. Once delay or cancellation occurs, the convener shall notify shareholders with explanation at least two working days before the original convening date.

CHAPTER 5 HOLDING OF GENERAL MEETING

Article 20 The General Meeting shall set up a venue and be convened by means of physical meeting. The Company shall also provide online voting to facilitate shareholders' participation in the General Meetings. Shareholders participating in the General Meeting by the said means shall be deemed to have attended the meeting.

Article 21 The Board of Directors and other convener of the Company shall take necessary measures to safeguard the normal order of the General Meeting. Behavior such as disruption of the meeting, provocation of trouble and infringement on the legitimate rights and interests of shareholders shall be prevented and promptly reported to relevant authorities for investigation.

Article 22 All shareholders whose names appear on the register of shareholders on the date of record or their proxies are entitled to attend the General Meeting and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association. The Company and the convener shall not refuse their attendance for any reason.

Any shareholder who is entitled to attend and vote at the General Meeting or class meeting may do so in person or by one or more proxies who need not be shareholders of the Company, or if it is a corporate shareholder, appoint a representative to attend and vote on its behalf, at any General Meeting; and such corporate shareholder shall be deemed to have attended in person if it has appointed a representative to attend any meeting. The corporate shareholder may have a duly authorized person sign the proxy form.

The clearing house shall be entitled to appoint a proxy or company representative to attend any General Meeting of the issuer, who shall have the same legal rights as other shareholders, including the right to speak and vote.

Article 23 Individual shareholders who attend the meeting in person shall show their own identity cards, or other valid documents or certificates to show their identity. The proxy appointed by shareholders to attend the meeting shall provide his/her identity card and the form of proxy of the shareholder.

Corporate shareholder shall attend the meeting by its legal representative or the proxy appointed by its legal representative. Where the legal representative attends the meeting, he shall present his identification card and valid proof that can prove his qualification as legal representative; and where he appoints a proxy to attend the meeting, the proxy shall present his own identification card, and the written power of attorney legally issued by the legal representative of the corporate shareholder.

Article 24 The form of proxy issued by the shareholder appointing his or her proxy to attend the General Meeting shall state:

- (1) name of the proxy;
- (2) whether or not the proxy has any voting right;
- (3) instruction to vote for or against or abstain from voting on each and every issue included in the agenda of the General Meeting;
- (4) the date of issue and validity period of the form of proxy;
- (5) the signature (or seal) of the appointer. If the appointer is a corporate shareholder, the form of proxy shall be affixed with the common seal of such corporate shareholder or signed by its director or duly authorized attorney.

Article 25 The form of proxy shall indicate whether the proxy can vote in his own discretion if the appointing shareholder makes no specific instructions.

Article 26 Where such form of proxy is signed by a person authorized by the appointer, that power of attorney or other authorization document shall be notarized. A notarized copy of that power of attorney or other authorization document together with the form of proxy shall be deposited at the Company's domicile or such other place as specified in the notice of the meeting.

If the appointer is a corporate shareholder, the legal representative or such person who is authorized by the resolution of its Board of Directors or other governing body to act as its representative may attend the General Meeting of the Company.

Besides, where such shareholder is a recognized clearing house or its nominee, the clearing house shall be entitled to appoint a proxy or company representative to act on its behalf at any General Meeting, meeting of creditors or class meetings, provided in the event of more than one person are authorized, the power of attorney shall specify the number and class of shares represented by each person so authorized. Any person or company representative so authorized shall have the same legal rights as other shareholders, including the right to speak and vote.

Article 27 The Company shall be responsible for preparing a register of attendees of the meeting. Such register shall specify information such as the name, identity card number, residential address of, number of voting shares held or represented by, the persons (or organizations) attending the meeting, and name of the persons (or organizations) represented.

Article 28 The convener and the counsel engaged by the Company shall jointly verify the legality of the shareholders' qualifications in accordance with the register of shareholders provided by the securities depository and clearing institution, and register the name of the shareholders and the number of their voting shares. The registration process shall end before the presider of the meeting announces on site the number of shareholders and proxies that attend the meeting, and the total number of their voting shares.

Article 29 When a General Meeting is held, all directors, supervisors and Secretary to the Board of Directors of the Company shall attend the meeting, and the General Manager and other senior management shall also be present at the meeting.

Article 30 A General Meeting shall be convened by the Board of Directors and presided over by the Chairman of the Board of Directors. Where the Chairman of the Board of Directors is unable or fails to perform his duties, a director jointly elected by a majority of the directors shall preside over the meeting.

For a General Meeting convened by the Supervisory Committee on its own, the Chairman of the Supervisory Committee shall preside over the meeting. Where the Chairman of the Supervisory Committee cannot perform his duties or fails to perform his duties, a supervisor jointly selected by a majority of the supervisors shall preside over the meeting.

For a General Meeting convened by shareholder(s) on its/their own, the convener(s) shall select a representative to preside over the meeting.

When a General Meeting is held and the presider violates these Rules of Procedures to cause the General Meeting impossible to continue, then upon consent of the shareholders with a majority of the voting rights present at the meeting, a person may be elected at the General Meeting to act as the presider to continue the meeting.

Article 31 At an annual General Meeting, the Board of Directors and the Supervisory Committee shall report to the General Meeting their work in the last year. Each of the independent directors shall also report their work.

Article 32 Directors, supervisors and senior management shall provide explanation and clarification to the inquiries raised by the shareholders at the General Meeting.

Article 33 The presider of the meeting shall announce the number of attending shareholders and proxies and the total number of their voting shares before voting, each of which shall be subject to the registration of the meeting.

Article 34 The General Meetings shall have meeting minutes, which shall be recorded by the Secretary to the Board of Directors, and shall contain:

- (1) the date, venue and agenda of the meeting, and the name of the convener;
- (2) the names of the presider and the directors, supervisors, General Manager and other senior management attending or present at the meeting with or without voting rights;
- (3) the number of attending shareholders and proxies, and the total number of their voting shares and their percentage in the total number of shares of the Company;
- (4) the consideration process of each proposal, summaries of the speeches and the voting result;
- (5) details of the inquiries or recommendations of the shareholders, and the corresponding answers or explanations;
- (6) the name of the counsel(s), vote counter(s) and scrutineer(s);
- (7) such other content that shall be recorded in the minutes according to the Articles of Association.

Article 35 The convener shall guarantee the authenticity, accuracy and completeness of the content of the minutes of the meeting. The attending directors, supervisors, Secretary to the Board of Directors, convener or their representatives and the presider of the meeting shall sign on the minutes, and ensure that the minutes are truthful, accurate and complete. The meeting minutes and the signed attendance record of the shareholders who attended in person, the forms of proxy for the proxies present at the meeting and valid materials in case of voting online or otherwise shall be kept together for at least 10 years.

Article 36 The convener shall ensure that the General Meeting continues until ultimate resolutions are formed. Where the General Meeting is suspended or unable to adopt resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the General Meeting as soon as possible or directly terminate the General Meeting concerned, and make timely announcement to that effect.

CHAPTER 6 VOTING PROCEDURES AND RESOLUTIONS OF GENERAL MEETING

Article 37 Resolutions of General Meeting shall include ordinary resolutions and special resolutions.

Any ordinary resolution made at the General Meeting shall be adopted by the affirmative vote of a majority of the voting rights held by the shareholders (including proxies) present at the meeting.

Any special resolution made at the General Meeting shall be adopted by the affirmative vote of more than two thirds of the voting rights held by the shareholders attending the General Meeting (including proxies) present at the meeting.

Article 38 Shareholders shall have the right to (1) speak at the General Meetings and (2) vote at the General Meetings, unless individual shareholders are required to abstain from voting on individual matters as required by the listing rules of the stock exchange on which the Company's shares are listed. Shareholders (including their proxies) shall, when voting at the General Meetings, exercise their voting rights in accordance with the number of voting shares they represent, and each share shall have one vote.

The shares of the Company held by itself shall have no voting rights and shall not be counted in the total number of voting shares present at the General Meeting.

When material issues affecting the interests of minority investors are considered at a General Meeting, the votes of minority investors shall be counted separately. The separate votes counting results shall be disclosed in a timely manner to the public.

Where a shareholder purchases voting shares of the Company in violation of Paragraph 1 or 2 of Article 63 of the Securities Law, then within thirty-six (36) months after such purchase, the voting rights attached to such shares in excess of the prescribed percentage shall not be exercised, and such shares shall not be included in the total number of voting shares present at the General Meeting.

The Board of Directors, the independent director, the shareholder(s) holding more than one hundredth of the voting shares of the Company, or any investor protection institution established in accordance with the laws, administrative regulations, or rules of the CSRC may solicit proxies from shareholders of the Company. In case of solicitation of proxies from shareholders, specific voting intention and other information shall be fully disclosed to the shareholders whose proxies are solicited. Solicitation of proxies from shareholders for compensation or disguised compensation is prohibited. The Company may not propose any minimum shareholding restriction on proxy solicitation, except the statutory conditions.

Article 39 Unless the resolutions on relevant procedures of a General Meeting or administrative matters which can be decided by the presider of the meeting in the spirit of honesty and credibility and shall be voted on by show of hands, voting at a General Meeting shall be made by disclosed ballot. Such procedures and administrative matters shall:

- (1) not be contained in the agenda of the General Meeting or in any supplementary circular to shareholders; and

- (2) involve the duty of the presider of the meeting to maintain the orderly conduct of the General Meeting and/or allow the business of the General Meeting to be transacted in a more proper and efficient manner, while giving all shareholders a reasonable opportunity to express their views.

Article 40 The following matters shall be approved by ordinary resolution at a General Meeting:

- (1) report on the work of the Board of Directors and the Supervisory Committee;
- (2) profit distribution plan and loss recovery plan formulated by the Board of Directors;
- (3) appointment and removal of members of the Board of Directors and the Supervisory Committee, their remuneration and method of payment;
- (4) annual budget and final accounting plan of the Company;
- (5) annual report of the Company;
- (6) appointment and removal of the accounting firm, its remuneration and method of payment; and
- (7) any matters not otherwise required by the laws, administrative regulations, regulatory rules of the place where the shares of the Company are listed or the Articles of Association to be approved by special resolution.

Article 41 The following matters shall be approved by special resolution at a General Meeting:

- (1) increase or reduction of the registered capital of the Company and issuance of any type of shares, options and other similar types of securities;
- (2) spin-off, split, merger, dissolution, or liquidation of the Company;
- (3) amendment to the Articles of Association of the Company;
- (4) purchase or sale of material assets or provision of guarantee, by the Company, with a value exceeding 30% of the latest audited total assets of the Company;
- (5) formulation and amendment of share incentive plans;
- (6) vary or abrogate the rights conferred on the shareholders; and

- (7) other matters as stipulated by the laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed or the Articles of Association, and matters determined by the General Meeting by ordinary resolution to have material effect on the Company and necessary for approval by special resolution.

Article 42 When the General Meeting reviews matters relating to related party/connected transactions, the related/connected shareholders and their close associates shall not participate in voting by ballot and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes. The announcement of the General Meeting resolutions shall fully disclose the votes by non-related parties/non-connected persons.

Before the General Meeting reviews matters relating to related party/connected transactions, the Company shall determine the scope of related/connected shareholders in accordance with relevant laws, regulations and regulatory documents. Related parties/connected persons or their authorized representatives may attend the General Meeting, and may clarify their views to the shareholders in accordance with the procedures of the meeting, but they shall abstain from voting by ballot.

Where the General Meeting reviews matters relating to related party/connected transactions, related/connected shareholders shall abstain from voting. If related/connected shareholders fail to abstain from voting, other shareholders attending the meeting shall have the right to request them to do so. After related/connected shareholders have abstained from voting, other shareholders shall vote according to their voting rights and pass the corresponding resolutions in accordance with the provisions of the Articles of Association and rules herein. The presider of the meeting shall announce the number of shareholders and proxies present at the meeting except related/connected persons and the total number of their voting shares.

No resolution made at the General Meeting on matters relating to related party/connected transactions shall be passed unless approved by more than half of the votes cast by the non-related/non-connected shareholders attending the General Meeting. However, when the related party/connected transaction involves matters that need to be approved by special resolution as stipulated in the Articles of Association and rules herein, the resolution of the General Meeting shall not be passed unless approved by more than 2/3 of the voting rights held by the non-related/connected shareholders attending the General Meeting.

If a related party/connected party or its/his associate participates in voting by ballot in violation of the provisions of this Article, the voting on matters relating to related party/connected transaction shall be invalid.

Article 43 Except that the Company is in crisis or under other exceptional cases, without the approval by special resolution of the General Meeting, the Company shall not enter into contract with any person other than the directors, managers or other senior management to hand over the administration of all or material business of the Company to such person.

Article 44 The list of director or supervisor candidates shall be submitted as proposal to the General Meeting for voting.

Cumulative voting system may be implemented when the General Meeting votes for the election of the directors and supervisors in accordance with the provisions of these Articles or the resolution of the General Meeting.

The cumulative voting stated in the preceding paragraph refers to that when the General Meeting elects directors or supervisors, every share has votes as many as the number of the directors or supervisors to be elected, and a shareholder may cast all its/his votes for a single candidate. The Board of Directors shall announce the resumes and basic information of the director and supervisor candidates to the shareholders.

Article 45 Except for the cumulative voting system, the General Meeting shall vote on all proposals one by one. In the event that there are different proposals on the same matter, such proposals will be voted on in chronological order according to the time of submission. Unless the General Meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the General Meeting.

Article 46 When a proposal is submitted to the General Meeting for discussion, no revision to such proposal shall be made; otherwise, any relevant change will be deemed as a new proposal, which may not be voted at such General Meeting.

Article 47 A voting right shall be exercised by physical voting, online voting or otherwise. The first voting result shall prevail over repetitious votes for the same voting right.

Article 48 Before voting on the proposal, the General Meeting shall elect two shareholders' representatives to participate in the counting and supervision of votes. For the related party/connected shareholders having interests in the item to be considered, such shareholders and their proxies shall not participate in vote counting and scrutiny.

When proposals are voted on at the General Meeting, the shareholders' representative, the supervisors' representative and other relevant persons appointed according to the regulatory rules of the place where the shares of the Company are listed shall be jointly responsible for the counting and scrutinizing of the ballots according to the regulatory rules of the place where the shares of the Company are listed, and the voting results on resolution shall be announced on site, and recorded in the minutes.

The shareholders of the Company or their proxies who vote online or otherwise shall be entitled to check and verify their own votes through relevant voting systems.

Article 49 Onsite voting at the General Meeting shall not be closed earlier than voting online or otherwise. The presider of the meeting shall declare the voting information and result of each proposal and declare whether the proposal is passed or not according to the voting result.

Prior to formal announcement of voting result, the Company, vote counter, scrutineer, substantial shareholders, online service provider and other parties involved in onsite voting, online voting or voting by other means at the General Meeting are obliged to keep confidential the voting information.

Article 50 Shareholders attending the General Meeting shall express one of the three opinions on the proposal tabled for voting: "For", "Against", and "Abstain", except that the securities depository and clearing institution as the nominal holder of Stock Connect stocks makes declaration based on the declaration of intention of the actual controller.

If the ballot paper is left blank, incorrectly filled in or illegible or not cast, the voter is deemed to have abstained from voting and the voting result of the corresponding voting shares shall be "abstention".

If, under the listing rules of stock exchange on which the shares of the Company are listed, any shareholder is required to abstain from voting on or restricted to vote for or against any individual resolution, any vote cast by such shareholder (or its/his proxy) in violation of such requirement or restriction shall not be counted in the voting results.

Article 51 The presider of the meeting may organize recount of votes if he or she has any doubt about the submitted voting result; if the presider of the meeting does not count votes and attending shareholders or proxies disagree with the result declared by the presider, such shareholders or proxies may require recount immediately following the declaration of the voting result, in which case the presider of the meeting shall immediately organize counting of votes.

Article 52 Resolutions of the General Meeting shall be announced in due time according to the relevant laws, regulations, departmental rules, regulatory documents, regulatory rules of the place where the shares of the Company are listed or the Articles of Association. The announcement shall specify the number of attending shareholders and proxies, the total number of voting shares they represent and the proportion of such shares to the total number of the voting shares of the Company, the total number of shares required to abstain from voting in the concurring votes and/or voting as requested by the regulatory rules of the place where the shares of the Company are listed (as specific to certain proposals, if any), whether the shareholder who is required to abstain from voting has given up the voting right, the voting method, the voting result of each resolution and the details of each of the resolutions passed.

The Company as a company issuing foreign invested shares listed domestically shall make separate statistics and announcement on the attendance of and votes at the meeting by the holders of domestic shares and holders of foreign invested shares.

Article 53 Proposals not adopted or resolutions of the former General Meeting changed in this General Meeting shall be specially pointed out in the announcement of resolution of the General Meeting.

Article 54 Where a proposal on election of directors or supervisors is passed at the General Meeting, the new directors and supervisors shall take office from the date on which the resolution of the General Meeting is passed.

Article 55 Where a proposal on distribution of cash dividend, bonus share or capital increase from conversion of capital surplus is passed at a General Meeting, the Company shall implement the specific proposal within two (2) months after the General Meeting ends.

Article 56 The resolution of the General Meeting is invalid if it violates laws and administrative regulations.

Where the procedures for convening of and voting at General Meetings are in violation of laws, administrative regulations or the Articles of Association, or the resolutions violate the Articles of Association, shareholders are entitled to request the People's Court to revoke such resolutions within 60 days from the date they are made.

CHAPTER 7 THE AUTHORIZATION CONFERRED BY THE GENERAL MEETING ON THE BOARD OF DIRECTORS

Article 57 Subject to the laws and regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association, the Board of Directors can be authorized by the resolution passed by the General Meeting.

Article 58 Matters which, in accordance with laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed or the provisions of the Articles of Association, shall be approved at a General Meeting, shall be deliberated by the General Meeting to ensure the decision-making power of the shareholders of the Company thereon. Under necessary, reasonable and legal circumstances, the General Meeting may authorize the Board of Directors to determine specific matters which cannot or is unnecessary to be decided upon immediately at such General Meeting.

For authorization conferred by the General Meeting on the Board of Directors, if it is for an ordinary resolution, it shall be approved by a majority of the voting rights held by the shareholders (including proxies) present at the meeting. If it is for a special resolution, it shall be approved by two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting. The authorization should be clear and specific.

Article 59 When deciding on matters so authorized, the Board of Directors shall discuss and demonstrate the matters thoroughly and may appoint intermediaries to provide advice, if necessary, to ensure scientific and reasonable decision-making on the matters.

CHAPTER 8 IMPLEMENTATION OF RESOLUTIONS OF
GENERAL MEETINGS

Article 60 The Board of Directors shall make a special report to the General Meeting on implementation of the matters that should be handled by the Board of Directors in the resolution of the previous General Meeting. In case the resolution of the General Meeting fails to be implemented due to special reasons, the Board of Directors shall state the reasons.

CHAPTER 9 SUPPLEMENTARY PROVISIONS

Article 61 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or other normative documents, as promulgated after these Rules come into effect, or in conflict with the Articles of Association, the said provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, other normative documents or the said Articles of Association shall prevail.

Article 62 These Rules shall be annexed to the Articles of Association. Unless otherwise stated, all terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 63 These Rules shall take effect and be implemented from the date of being deliberated and approved by the General Meeting of the Company. Since the effective date of the present Rules, the original Rules of Procedures for General Meetings of the Company shall be automatically invalidated.

Article 64 These Rules shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules of Procedures (hereinafter referred to as the “**Rules**”) are formulated, to safeguard the lawful rights and interests of shareholders and creditors of Jenscare Scientific Co., Ltd. (the “**Company**”) and standardize the organization and behavior of the General Meeting of the Company, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange (the “**SSE STAR Listing Rules**”) and other laws, regulations, rules and regulatory documents, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

CHAPTER 2 GENERAL PROVISIONS

Article 2 The General Meeting shall be the ultimate authority organ of the Company and legally exercise the following powers:

- (1) decide the operation policies and investment plans of the Company;
- (2) elect and replace any director who is not an employees’ representative, and determine the remuneration matters in connection with the director;
- (3) elect and replace any supervisor who is not an employees’ representative, and determine the remuneration matters in connection with the supervisor;
- (4) consider and approve reports from the Board of Directors;
- (5) consider and approve reports from the Supervisory Committee;
- (6) consider and approve annual financial budget plans and final accounting plans of the Company;
- (7) consider and approve the profit distribution plan and the loss recovery plan of the Company;
- (8) resolve on increase or reduction of registered capital of the Company;
- (9) resolve on merger, split, dissolution, liquidation or change of corporate form of the Company;
- (10) resolve on the issuance of corporate bonds, corporate restructuring or other public offering of securities of the Company and listing plan thereof;
- (11) resolve on the appointment of, removal of and non-reappointment of an accounting firm by the Company;

- (12) amend the Articles of Association;
- (13) consider a proposal raised by any shareholder or shareholders who hold 3% or more of the total number of voting shares in the Company;
- (14) consider and approve any change in the use of proceeds;
- (15) consider and approve any external guarantee which shall be approved at the General Meeting under the Articles of Association;
- (16) consider matters relating to the Company's purchases and disposals of material assets, which account for more than 30% of the latest audited total assets of the Company, within one year;
- (17) consider and approve any significant transactions and related party/connected party transactions that shall be considered and approved at the General Meeting under laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association;
- (18) consider to approve and amend equity incentive plans and employee stock option plans; and
- (19) consider other matters which shall be resolved at the General Meeting under laws, administrative regulations, the regulatory rules of the place where the shares of the Company are listed, and the Articles of Association.

Article 3 The following external guarantees to be provided by the Company must be considered and approved by the General Meeting:

- (1) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;
- (2) any guarantee provided after the total amount of the external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company;
- (3) any guarantee to be provided to a party which has an assets-liability ratio of over 70%;
- (4) any guarantee exceeding 30% of the latest audited total assets of the Company in accordance with the principle of cumulative calculation of the guarantee amount for 12 consecutive months;

- (5) any guarantee provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets of the Company;
- (6) any guarantee to be provided to shareholders, the actual controller and their related party/connected parties; and
- (7) such other guarantees as prescribed by laws, regulations, normative documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

External guarantees above that should be approved by the General Meeting must be considered and approved by the Board of Directors before they are submitted to the General Meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the Board of Directors. Any guarantee specified in Item (4) above which is considered at the General Meeting shall be approved by more than two thirds of the voting rights of the shareholders present at the General Meeting.

Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in the Articles of Association. The Company shall summarize and disclose the aforesaid guarantees in its annual report and semi-annual report.

Any guarantee provided by the Company for a related/connected party shall have reasonable business logic, and be disclosed in a timely manner pursuant to the regulatory rules of the place where the shares of the Company are listed and submitted to the General Meeting for consideration after consideration and approval by the Board of Directors. A controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee to any guarantee provided by the Company to such controlling shareholder, actual controller or their related/connected parties.

When considering a proposal of providing guarantee to shareholders, actual controller and their related/connected parties at the General Meeting, such shareholders or shareholders controlled by such actual controller shall not vote thereon. Voting shall be approved by a majority of the voting rights held by other shareholders present at the General Meeting.

If the Company provides a guarantee, then the Company shall make prompt disclosure if the guaranteed party fails to fulfill its or his debt repayment obligations

within 15 trading days after the maturity of the debt, or the guaranteed party enters into bankruptcy or liquidation or is under other circumstances that seriously affect its or his ability to repay the debt.

Article 4 The definition of significant transaction of the Company and the standard for its submission to the General Meeting for consideration, and the applicable exemption of such submission shall be subject to the provisions of relevant laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 5 The General Meeting shall include annual General Meeting and extraordinary General Meeting. The annual General Meeting shall be held every year within six (6) months after the end of the last fiscal year.

The Company shall convene an extraordinary General Meeting within two (2) months if and after:

- (1) the number of directors is less than two thirds of the number specified in the Company Law or the Articles of Association;
- (2) the unrecovered losses of the Company amount to one-third of its total paid up share capital;
- (3) the shareholder individually or shareholders jointly holding more than 10% shares in the Company requisition to convene;
- (4) the Board of Directors considers it necessary;
- (5) the Supervisory Committee proposes to call for such a meeting; or
- (6) such other circumstances stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Article 6 The venue of a General Meeting of the Company shall be the place where the Company is located or the place specified in the notice of the General Meeting.

The General Meeting shall set up a venue and be convened by means of physical meeting. The Company shall also provide online voting or other means required by the regulatory rules of the place where the shares of the Company are listed to facilitate shareholders' participation in the General Meetings. Shareholders attending the General Meeting by the aforesaid means shall be deemed as present.

Once the notice of the General Meeting, the venue of the General Meeting may not be changed without justifiable reasons. If such change is indeed necessary, the convener shall make announcement at least two (2) working days prior to the scheduled date of the physical meeting and state the reasons.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 7 Where the Company holds a General Meeting, it shall engage a legal counsel to issue opinions on and make announcements of:

- (1) whether the convention and holding procedures of the meeting comply with the laws, administrative regulations and the Articles of Association;
- (2) whether the qualifications of the attendees and the convener of the meeting are legal and valid;
- (3) whether the voting procedures and results of the meeting are legal and valid; and
- (4) such other related issues for which the Company requests to issue legal opinions.

CHAPTER 3 CONVENING OF GENERAL MEETING

Article 8 The General Meeting shall be convened by the Board of Directors and presided over by the Chairman. If the Board of Directors is unable or fails to perform the duty of convening the General Meeting, the Supervisory Committee shall convene it in time. If the Supervisory Committee does not convene the meeting, any shareholder(s) individually or jointly holding more than 10% of the shares in the Company for more than 90 consecutive days may convene the meeting on their own.

Article 9 Independent directors may propose to the Board of Directors to convene an extraordinary General Meeting. For the requisition by any independent director to convene an extraordinary General Meeting of shareholders, the Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for convening an extraordinary General Meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and the Articles of Association.

In the event that the Board of Directors consents to convene an extraordinary General Meeting, the notice thereof shall be issued within five days after the passing of a board resolution to that effect. In the event that the Board of Directors dissents to convene an extraordinary General Meeting, an explanation shall be given and an announcement shall be made.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 10 The Supervisory Committee shall have the right to requisition in writing to the Board of Directors to convene an extraordinary General Meeting. The Board of Directors shall furnish a written reply stating its consent or dissent to such requisition

for convening an extraordinary General Meeting within 10 days upon receipt of such requisition, in accordance with the laws, administrative regulations and the Articles of Association.

In the event that the Board of Directors consents to convene an extraordinary General Meeting, a notice of General Meeting shall be issued within five days after passing of a board resolution to that effect; and any change to the original requisition in the said notice shall be subject to the consent of the Supervisory Committee.

In the event that the Board of Directors dissents to convene an extraordinary General Meeting or furnishes no reply within 10 days upon receipt of such requisition, it shall be deemed that the Board of Directors is unable or unwilling to perform the duty to convene the General Meeting and the Supervisory Committee may on its own convene and preside over the extraordinary General Meeting.

Article 11 Shareholder individually or shareholders jointly holding more than 10% shares in the Company may submit a written requisition to the Board of Directors to convene an extraordinary General Meeting. The Board of Directors shall furnish a written reply stating its consent or dissent to such requisition for the convening of an extraordinary General Meeting within 10 days upon receipt of such requisition in accordance with the provisions of the laws, administrative regulations and the Articles of Association.

In the event that the Board of Directors consents to convene an extraordinary General Meeting, a notice for convening such General Meeting or class meeting shall be given within five days after passing a resolution to that effect; and any change to the original requisition in the said notice shall be subject to the consent of the relevant shareholder or shareholders.

In the event that the Board of Directors dissents to convene an extraordinary General Meeting, or furnishes no reply within ten days upon receipt of such requisition, shareholder individually or shareholders jointly holding more than 10% shares in the Company shall be entitled to submit a written requisition to the Supervisory Committee to convene an extraordinary General Meeting or class meeting.

In the event that the Supervisory Committee consents to convene an extraordinary General Meeting or class meeting, a notice for convening such General Meeting or class meeting shall be given within five days upon receipt of such requisition; and any change to the original proposal in the said notice shall be subject to the consent of the relevant shareholder or shareholders.

In the event that the Supervisory Committee fails to serve any notice of General Meeting or class meeting within the prescribed time, the Supervisory Committee shall be deemed convening and presiding over no General Meeting nor class meeting, in which case, shareholder individually or shareholders jointly holding more than 10% shares in the Company for more than 90 consecutive days may independently convene and preside over the General Meeting or class meeting.

Article 12 Where the Supervisory Committee or the shareholder or shareholders decide to convene an extraordinary General Meeting on its/their own, it/they shall send a written notice to the Board of Directors and file with the local counterpart of the CSRC at the place where the Company is located and the corresponding stock exchange for record.

Before announcing any resolution of the General Meeting, the shareholder(s) who convene(s) the meeting shall have a shareholding of no less than 10%.

The Supervisory Committee or shareholder(s) who convene(s) the General Meeting shall, when issuing notice of the General Meeting and announcing resolution of the General Meeting, submit relevant supporting materials to the regional office of the CSRC at the place where the Company is located and the stock exchange.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 13 Where a General Meeting is convened by the Supervisory Committee or the shareholder or shareholders on its/their own, the Board of Directors and the Secretary to the Board of Directors shall work in a cooperative manner. The Board of Directors shall provide the register of shareholders of the date of record.

Article 14 Where a General Meeting is convened by the Supervisory Committee or the shareholder or shareholders on its/their own, the expenses necessary for the General Meeting shall be borne by the Company.

CHAPTER 4 PROPOSALS AND NOTICES OF GENERAL MEETING

Article 15 The convener shall notify all shareholders by announcement at least 21 days prior to the convention of an annual General Meeting, or at least 15 days prior to the convention of an extraordinary General Meeting. The Company shall not include the date of convention of meeting into the calculation of starting and ending time.

If the laws, regulations and the securities regulatory authorities of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 16 The content of a proposal shall be within the functions and powers of the General Meeting, have definite issues for discussion and specific resolutions, and comply with the relevant provisions of the laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

When the Company holds a General Meeting, the Board of Directors, the Supervisory Committee and shareholder individually or shareholders jointly holding more than 3% of the total voting shares in the Company may file a proposal to the Company.

Shareholder individually or shareholders jointly holding more than 3% of the total voting shares in the Company may submit a written temporary proposal to the Company via the convener 10 days prior to the date of the General Meeting.

The convener of the General Meeting shall serve a supplemental notice of the General Meeting within two days after receipt of the temporary proposal, and announce the contents of the said temporary proposal.

Except as provided in the preceding paragraph, the convener shall not revise the proposal set out in the notice of the General Meeting or add any new proposal after the said notice is served.

Proposals not set out in the notice of the General Meeting or not complying with the Articles of Association shall not be voted on or resolved at the General Meeting.

Article 17 The notice of the General Meeting shall contain the following:

- (1) the date, venue and duration of the meeting;
- (2) matters and proposals submitted for consideration at the meeting;
- (3) a clear statement that: each shareholder is entitled to attend the General Meeting in person, or appoint one or more proxies who need not be shareholders of the Company, to attend and vote on his/its behalf, or if it is a corporate shareholder, a representative to attend and vote on its behalf at any General Meeting; and such corporate shareholder shall be deemed to have attended any meeting in person if it has appointed a representative to do so. The corporate shareholder may have a duly authorized person to sign the proxy form;
- (4) the date of record for the determination of shareholders who are entitled to attend the General Meeting;
- (5) name and telephone number of permanent contact person;
- (6) time and procedures for voting online or by other means;
- (7) such other requirements stipulated by laws, administrative regulations, departmental rules, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

The notice and supplementary notice of General Meeting shall contain the contents required by the regulatory rules of the place where the shares of the Company are listed and the Articles of Association, and shall fully, completely and accurately disclose and explain on all specific content of all proposals. For the matters proposed to discuss require opinions of the independent directors, such opinions and reasons thereof shall be disclosed together with the notice or supplementary notice of the General Meeting.

Where a General Meeting will be held online or otherwise, the notice of General Meeting shall specify the voting time and procedures online or otherwise. The starting time of the voting online or otherwise for the General Meeting shall be neither earlier than 3:00 p.m. on the day immediately before nor later than 9:30 a.m. on, the day of holding of the physical General Meeting, and the ending time of such voting shall not be earlier than 3:00 p.m. on the day of holding of the physical General Meeting.

There shall be no more than 7 working days between the date of record and the date of the meeting. Once confirmed, the date of record shall not be changed.

Article 18 If the election of directors or supervisors is proposed to be discussed at a General Meeting, the notice of the meeting shall adequately specify the detailed information on the director or supervisor candidates, which shall at least include:

- (1) personal particulars, including academic qualifications, working experience and concurrent positions;
- (2) whether or not have any relation/connection with the Company, its controlling shareholders or actual controller;
- (3) the number of shares of the Company held by such candidate;
- (4) whether such candidates have ever been punished by the CSRC and other relevant authorities or disciplined by a stock exchange.

Except for electing directors and supervisors by cumulative voting, each candidate for director or supervisor shall be nominated in a separate proposal.

Article 19 Once the notice of General Meeting is issued, the meeting shall not be postponed or canceled and proposals contained in the notice shall not be withdrawn, in each case, unless with proper reasons. Once delay or cancellation occurs, the convener shall notify shareholders with explanation at least two working days before the original convening date.

CHAPTER 5 HOLDING OF GENERAL MEETING

Article 20 The General Meeting shall set up a venue and be convened by means of physical meeting. The Company shall also provide online voting to facilitate shareholders' participation in the General Meetings. Shareholders participating in the General Meeting by the said means shall be deemed to have attended the meeting.

Article 21 The Board of Directors and other convener of the Company shall take necessary measures to safeguard the normal order of the General Meeting. Behavior such as disruption of the meeting, provocation of trouble and infringement on the legitimate rights and interests of shareholders shall be prevented and promptly reported to relevant authorities for investigation.

Article 22 All shareholders whose names appear on the register of shareholders on the date of record or their proxies are entitled to attend the General Meeting and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association. The Company and the convener shall not refuse their attendance for any reason.

Any shareholder who is entitled to attend and vote at the General Meeting or class meeting may do so in person or by one or more proxies who need not be shareholders of the Company, or if it is a corporate shareholder, appoint a representative to attend and vote on its behalf, at any General Meeting; and such corporate shareholder shall be deemed to have attended in person if it has appointed a representative to attend any meeting. The corporate shareholder may have a duly authorized person sign the proxy form.

The clearing house shall be entitled to appoint a proxy or company representative to attend any General Meeting of the issuer, who shall have the same legal rights as other shareholders, including the right to speak and vote.

Article 23 Individual shareholders who attend the meeting in person shall show their own identity cards, or other valid documents or certificates to show their identity. The proxy appointed by shareholders to attend the meeting shall provide his/her identity card and the form of proxy of the shareholder.

Corporate shareholder shall attend the meeting by its legal representative or the proxy appointed by its legal representative. Where the legal representative attends the meeting, he shall present his identification card and valid proof that can prove his qualification as legal representative; and where he appoints a proxy to attend the meeting, the proxy shall present his own identification card, and the written power of attorney legally issued by the legal representative of the corporate shareholder.

Article 24 The form of proxy issued by the shareholder appointing his or her proxy to attend the General Meeting shall state:

- (1) name of the proxy;
- (2) whether or not the proxy has any voting right;
- (3) instruction to vote for or against or abstain from voting on each and every issue included in the agenda of the General Meeting;
- (4) the date of issue and validity period of the form of proxy;
- (5) the signature (or seal) of the appointer. If the appointer is a corporate shareholder, the form of proxy shall be affixed with the common seal of such corporate shareholder or signed by its director or duly authorized attorney.

Article 25 The form of proxy shall indicate whether the proxy can vote in his own discretion if the appointing shareholder makes no specific instructions.

Article 26 Where such form of proxy is signed by a person authorized by the appointer, that power of attorney or other authorization document shall be notarized. A notarized copy of that power of attorney or other authorization document together with the form of proxy shall be deposited at the Company's domicile or such other place as specified in the notice of the meeting.

If the appointer is a corporate shareholder, the legal representative or such person who is authorized by the resolution of its Board of Directors or other governing body to act as its representative may attend the General Meeting of the Company.

Besides, where such shareholder is a recognized clearing house or its nominee, the clearing house shall be entitled to appoint a proxy or company representative to act on its behalf at any General Meeting, meeting of creditors or class meetings, provided in the event of more than one person are authorized, the power of attorney shall specify the number and class of shares represented by each person so authorized. Any person or company representative so authorized shall have the same legal rights as other shareholders, including the right to speak and vote.

Article 27 The Company shall be responsible for preparing a register of attendees of the meeting. Such register shall specify information such as the name, identity card number, residential address of, number of voting shares held or represented by, the persons (or organizations) attending the meeting, and name of the persons (or organizations) represented.

Article 28 The convener and the counsel engaged by the Company shall jointly verify the legality of the shareholders' qualifications in accordance with the register of shareholders provided by the securities depository and clearing institution, and register the name of the shareholders and the number of their voting shares. The registration process shall end before the presider of the meeting announces on site the number of shareholders and proxies that attend the meeting, and the total number of their voting shares.

Article 29 When a General Meeting is held, all directors, supervisors and Secretary to the Board of Directors of the Company shall attend the meeting, and the General Manager and other senior management shall also be present at the meeting.

Article 30 A General Meeting shall be convened by the Board of Directors and presided over by the Chairman of the Board of Directors. Where the Chairman of the Board of Directors is unable or fails to perform his duties, a director jointly elected by a majority of the directors shall preside over the meeting.

For a General Meeting convened by the Supervisory Committee on its own, the Chairman of the Supervisory Committee shall preside over the meeting. Where the

Chairman of the Supervisory Committee cannot perform his duties or fails to perform his duties, a supervisor jointly selected by a majority of the supervisors shall preside over the meeting.

For a General Meeting convened by shareholder(s) on its/their own, the convener(s) shall select a representative to preside over the meeting.

When a General Meeting is held and the presider violates these Rules of Procedures to cause the General Meeting impossible to continue, then upon consent of the shareholders with a majority of the voting rights present at the meeting, a person may be elected at the General Meeting to act as the presider to continue the meeting.

Article 31 At an annual General Meeting, the Board of Directors and the Supervisory Committee shall report to the General Meeting their work in the last year. Each of the independent directors shall also report their work.

Article 32 Directors, supervisors and senior management shall provide explanation and clarification to the inquiries raised by the shareholders at the General Meeting.

Article 33 The presider of the meeting shall announce the number of attending shareholders and proxies and the total number of their voting shares before voting, each of which shall be subject to the registration of the meeting.

Article 34 The General Meetings shall have meeting minutes, which shall be recorded by the Secretary to the Board of Directors, and shall contain:

- (1) the date, venue and agenda of the meeting, and the name of the convener;
- (2) the names of the presider and the directors, supervisors, General Manager and other senior management attending or present at the meeting with or without voting rights;
- (3) the number of attending shareholders and proxies, and the total number of their voting shares and their percentage in the total number of shares of the Company;
- (4) the consideration process of each proposal, summaries of the speeches and the voting result;
- (5) details of the inquiries or recommendations of the shareholders, and the corresponding answers or explanations;
- (6) the name of the counsel(s), vote counter(s) and scrutineer(s);
- (7) such other content that shall be recorded in the minutes according to the Articles of Association.

The meeting minutes of the Company as a company issuing both domestic shares and foreign invested shares listed domestically shall also include: (1) number of voting shares of holders of domestic shares (including their proxies) and holders of foreign invested shares listed domestically (including their proxies) attending the General Meeting, and their respective percentage in the total shares of the Company; and (2) the respective votes by holders of domestic shares and holders of foreign invested shares listed domestically on each resolution, when recording the voting results.

Article 35 The convener shall guarantee the authenticity, accuracy and completeness of the content of the minutes of the meeting. The attending directors, supervisors, Secretary to the Board of Directors, convener or their representatives and the presider of the meeting shall sign on the minutes, and ensure that the minutes are truthful, accurate and complete. The meeting minutes and the signed attendance record of the shareholders who attended in person, the forms of proxy for the proxies present at the meeting and valid materials in case of voting online or otherwise shall be kept together for at least 10 years.

Article 36 The convener shall ensure that the General Meeting continues until ultimate resolutions are formed. Where the General Meeting is suspended or unable to adopt resolution due to force majeure or other special reasons, necessary measures shall be taken to resume the General Meeting as soon as possible or directly terminate the General Meeting concerned, and make timely announcement to that effect. Meanwhile, the convener shall report the same to the local counterpart of China Securities Regulatory Commission at the place where the Company is located and the corresponding stock exchange.

CHAPTER 6 VOTING PROCEDURES AND RESOLUTIONS OF GENERAL MEETING

Article 37 Resolutions of General Meeting shall include ordinary resolutions and special resolutions.

Any ordinary resolution made at the General Meeting shall be adopted by the affirmative vote of a majority of the voting rights held by the shareholders (including proxies) present at the meeting.

Any special resolution made at the General Meeting shall be adopted by the affirmative vote of more than two thirds of the voting rights held by the shareholders attending the General Meeting (including proxies) present at the meeting.

Article 38 Shareholders shall have the right to (1) speak at the General Meetings and (2) vote at the General Meetings, unless individual shareholders are required to abstain from voting on individual matters as required by the listing rules of the stock exchange on which the Company's shares are listed. Shareholders (including their proxies) shall, when voting at the General Meetings, exercise their voting rights in accordance with the number of voting shares they represent, and each share shall have one vote.

The shares of the Company held by itself shall have no voting rights and shall not be counted in the total number of voting shares present at the General Meeting.

When material issues affecting the interests of minority investors are considered at a General Meeting, the votes of minority investors shall be counted separately. The separate votes counting results shall be disclosed in a timely manner to the public.

Where a shareholder purchases voting shares of the Company in violation of Paragraph 1 or 2 of Article 63 of the Securities Law, then within thirty-six (36) months after such purchase, the voting rights attached to such shares in excess of the prescribed percentage shall not be exercised, and such shares shall not be included in the total number of voting shares present at the General Meeting.

The Board of Directors, the independent director, the shareholder(s) holding more than one hundredth of the voting shares of the Company, or any investor protection institution established in accordance with the laws, administrative regulations, or rules of the CSRC may solicit proxies from shareholders of the Company. In case of solicitation of proxies from shareholders, specific voting intention and other information shall be fully disclosed to the shareholders whose proxies are solicited. Solicitation of proxies from shareholders for compensation or disguised compensation is prohibited. The Company may not propose any minimum shareholding restriction on proxy solicitation, except the statutory conditions.

Article 39 Unless the resolutions on relevant procedures of a General Meeting or administrative matters which can be decided by the presider of the meeting in the spirit of honesty and credibility and shall be voted on by show of hands, voting at a General Meeting shall be made by disclosed ballot. Such procedures and administrative matters shall:

- (1) not be contained in the agenda of the General Meeting or in any supplementary circular to shareholders; and
- (2) involve the duty of the presider of the meeting to maintain the orderly conduct of the General Meeting and/or allow the business of the General Meeting to be transacted in a more proper and efficient manner, while giving all shareholders a reasonable opportunity to express their views.

Article 40 The following matters shall be approved by ordinary resolution at a General Meeting:

- (1) report on the work of the Board of Directors and the Supervisory Committee;
- (2) profit distribution plan and loss recovery plan formulated by the Board of Directors;
- (3) appointment and removal of members of the Board of Directors and the Supervisory Committee, their remuneration and method of payment;

- (4) annual budget and final accounting plan of the Company;
- (5) annual report of the Company;
- (6) appointment and removal of the accounting firm, its remuneration and method of payment; and
- (7) any matters not otherwise required by the laws, administrative regulations, regulatory rules of the place where the shares of the Company are listed or the Articles of Association to be approved by special resolution.

Article 41 The following matters shall be approved by special resolution at a General Meeting:

- (1) increase or reduction of the registered capital of the Company and issuance of any type of shares, options and other similar types of securities;
- (2) spin-off, split, merger, dissolution, or liquidation of the Company;
- (3) amendment to the Articles of Association of the Company;
- (4) purchase or sale of material assets or provision of guarantee, by the Company, with a value exceeding 30% of the latest audited total assets of the Company;
- (5) formulation and amendment of share incentive plans;
- (6) vary or abrogate the rights conferred on the shareholders;
- (7) other matters as stipulated by the laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed or the Articles of Association, and matters determined by the General Meeting by ordinary resolution to have material effect on the Company and necessary for approval by special resolution.

Article 42 When the General Meeting reviews matters relating to related party/connected transactions, the related/connected shareholders and their close associates shall not participate in voting by ballot and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes. The announcement of the General Meeting resolutions shall fully disclose the votes by non-related parties/non-connected persons.

Before the General Meeting reviews matters relating to related party/connected transactions, the Company shall determine the scope of related/connected shareholders in accordance with relevant laws, regulations and regulatory documents. Related parties/connected persons or their authorized representatives may attend the General

Meeting, and may clarify their views to the shareholders in accordance with the procedures of the meeting, but they shall abstain from voting by ballot.

Where the General Meeting reviews matters relating to related party/connected transactions, related/connected shareholders shall abstain from voting. If related/connected shareholders fail to abstain from voting, other shareholders attending the meeting shall have the right to request them to do so. After related/connected shareholders have abstained from voting, other shareholders shall vote according to their voting rights and pass the corresponding resolutions in accordance with the provisions of the Articles of Association and rules herein. The presider of the meeting shall announce the number of shareholders and proxies present at the meeting except related/connected persons and the total number of their voting shares.

No resolution made at the General Meeting on matters relating to related party/connected transactions shall be passed unless approved by more than half of the votes cast by the non-related/non-connected shareholders attending the General Meeting. However, when the related party/connected transaction involves matters that need to be approved by special resolution as stipulated in the Articles of Association and rules herein, the resolution of the General Meeting shall not be passed unless approved by more than 2/3 of the voting rights held by the non-related/connected shareholders attending the General Meeting.

If a related party/connected party or its/his associate participates in voting by ballot in violation of the provisions of this Article, the voting on matters relating to related party/connected transaction shall be invalid.

Article 43 Except that the Company is in crisis or under other exceptional cases, without the approval by special resolution of the General Meeting, the Company shall not enter into contract with any person other than the directors, managers or other senior management to hand over the administration of all or material business of the Company to such person.

Article 44 The list of director or supervisor candidates shall be submitted as proposal to the General Meeting for voting.

Cumulative voting system may be implemented when the General Meeting votes for the election of the directors and supervisors in accordance with the provisions of these Articles or the resolution of the General Meeting.

The cumulative voting stated in the preceding paragraph refers to that when the General Meeting elects directors or supervisors, every share has votes as many as the number of the directors or supervisors to be elected, and a shareholder may cast all its/his votes for a single candidate. The Board of Directors shall announce the resumes and basic information of the director and supervisor candidates to the shareholders.

Matters concerning cumulative voting shall be implemented in accordance with the Company's implementing rules for cumulative voting.

Article 45 Except for the cumulative voting system, the General Meeting shall vote on all proposals one by one. In the event that there are different proposals on the same matter, such proposals will be voted on in chronological order according to the time of submission. Unless the General Meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the General Meeting.

Article 46 When a proposal is submitted to the General Meeting for discussion, no revision to such proposal shall be made; otherwise, any relevant change will be deemed as a new proposal, which may not be voted at such General Meeting.

Article 47 A voting right shall be exercised by physical voting, online voting or otherwise. The first voting result shall prevail over repetitious votes for the same voting right.

Article 48 Before voting on the proposal, the General Meeting shall elect two shareholders' representatives to participate in the counting and supervision of votes. For the related party/connected shareholders having interests in the item to be considered, such shareholders and their proxies shall not participate in vote counting and scrutiny.

When proposals are voted on at the General Meeting, the shareholders' representative, the supervisors' representative and other relevant persons appointed according to the regulatory rules of the place where the shares of the Company are listed shall be jointly responsible for the counting and scrutinizing of the ballots according to the regulatory rules of the place where the shares of the Company are listed, and the voting results on resolution shall be announced on site, and recorded in the minutes.

The shareholders of the Company or their proxies who vote online or otherwise shall be entitled to check and verify their own votes through relevant voting systems.

Article 49 Onsite voting at the General Meeting shall not be closed earlier than voting online or otherwise. The presider of the meeting shall declare the voting information and result of each proposal and declare whether the proposal is passed or not according to the voting result.

Prior to formal announcement of voting result, the Company, vote counter, scrutineer, substantial shareholders, online service provider and other parties involved in onsite voting, online voting or voting by other means at the General Meeting are obliged to keep confidential the voting information.

Article 50 Shareholders attending the General Meeting shall express one of the three opinions on the proposal tabled for voting: "For", "Against", and "Abstain", except that the securities depository and clearing institution as the nominal holder of Stock Connect stocks makes declaration based on the declaration of intention of the actual controller.

If the ballot paper is left blank, incorrectly filled in or illegible or not cast, the voter is deemed to have abstained from voting and the voting result of the corresponding voting shares shall be “abstention”.

If, under the listing rules of stock exchange on which the shares of the Company are listed, any shareholder is required to abstain from voting on or restricted to vote for or against any individual resolution, any vote cast by such shareholder (or its/his proxy) in violation of such requirement or restriction shall not be counted in the voting results.

Article 51 The presider of the meeting may organize recount of votes if he or she has any doubt about the submitted voting result; if the presider of the meeting does not count votes and attending shareholders or proxies disagree with the result declared by the presider, such shareholders or proxies may require recount immediately following the declaration of the voting result, in which case the presider of the meeting shall immediately organize counting of votes.

Article 52 Resolutions of the General Meeting shall be announced in due time according to the relevant laws, regulations, departmental rules, regulatory documents, regulatory rules of the place where the shares of the Company are listed or the Articles of Association. The announcement shall specify the number of attending shareholders and proxies, the total number of voting shares they represent and the proportion of such shares to the total number of the voting shares of the Company, the total number of shares required to abstain from voting in the concurring votes and/or voting as requested by the regulatory rules of the place where the shares of the Company are listed (as specific to certain proposals, if any), whether the shareholder who is required to abstain from voting has given up the voting right, the voting method, the voting result of each resolution and the details of each of the resolutions passed.

The Company as a company issuing foreign invested shares listed domestically shall make separate statistics and announcement on the attendance of and votes at the meeting by the holders of domestic shares and holders of foreign invested shares.

Article 53 Proposals not adopted or resolutions of the former General Meeting changed in this General Meeting shall be specially pointed out in the announcement of resolution of the General Meeting.

Article 54 Where a proposal on election of directors or supervisors is passed at the General Meeting, the new directors and supervisors shall take office from the date on which the resolution of the General Meeting is passed.

Article 55 Where a proposal on distribution of cash dividend, bonus share or capital increase from conversion of capital surplus is passed at a General Meeting, the Company shall implement the specific proposal within two (2) months after the General Meeting ends.

Article 56 The resolution of the General Meeting is invalid if it violates laws and administrative regulations.

Where the procedures for convening of and voting at General Meetings are in violation of laws, administrative regulations or the Articles of Association, or the resolutions violate the Articles of Association, shareholders are entitled to request the People's Court to revoke such resolutions within 60 days from the date they are made.

**CHAPTER 7 THE AUTHORIZATION CONFERRED BY
THE GENERAL MEETING ON THE BOARD OF DIRECTORS**

Article 57 Subject to the laws and regulations, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association, the Board of Directors can be authorized by the resolution passed by the General Meeting.

Article 58 Matters which, in accordance with laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed or the provisions of the Articles of Association, shall be approved at a General Meeting, shall be deliberated by the General Meeting to ensure the decision-making power of the shareholders of the Company thereon. Under necessary, reasonable and legal circumstances, the General Meeting may authorize the Board of Directors to determine specific matters which cannot or is unnecessary to be decided upon immediately at such General Meeting.

For authorization conferred by the General Meeting on the Board of Directors, if it is for an ordinary resolution, it shall be approved by a majority of the voting rights held by the shareholders (including proxies) present at the meeting. If it is for a special resolution, it shall be approved by two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting. The authorization should be clear and specific.

Article 59 When deciding on matters so authorized, the Board of Directors shall discuss and demonstrate the matters thoroughly and may appoint intermediaries to provide advice, if necessary, to ensure scientific and reasonable decision-making on the matters.

CHAPTER 8 IMPLEMENTATION OF RESOLUTIONS OF GENERAL MEETINGS

Article 60 The Board of Directors shall make a special report to the General Meeting on implementation of the matters that should be handled by the Board of Directors in the resolution of the previous General Meeting. In case the resolution of the General Meeting fails to be implemented due to special reasons, the Board of Directors shall state the reasons.

CHAPTER 9 SUPPLEMENTARY PROVISIONS

Article 61 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or other normative documents, as promulgated after these Rules come into effect, or in conflict with the Articles of Association, the said provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, other normative documents or the said Articles of Association shall prevail.

Article 62 These Rules shall be annexed to the Articles of Association. Unless otherwise stated, all terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 63 These Rules shall be deliberated and approved by the General Meeting of the Company and shall take effect and be implemented from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange. Since the effective date of the present Rules, the original Rules of Procedures for General Meetings of the Company shall be automatically invalidated.

Article 64 These Rules shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules of Procedures (the “**Rules**”) are formulated, to further standardize the discussion methods and decision-making procedures of the Board of Directors (the “**Board**”) of Jenscare Scientific Co., Ltd. (the “**Company**”), promote the directors and the Board to effectively perform their duties, and improve the standard operation and scientific decision-making level of the Board, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”) and other laws, regulations and regulatory documents, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 The Company shall have a board of directors pursuant to laws. The members of the Board shall be elected by the General Meeting and appointed by the General Meeting to take charge of the operation and management of the Company’s corporate property, who shall be the decision-making center of the Company and accountable to the General Meeting.

Article 3 The Board shall consist of 9 directors, and have one Chairman who shall be elected by a majority vote of all directors of the Board. There shall be three independent members in the Board of the Company, and at least one of them is an accounting professional (who shall be a person with senior job title or certified public accountant qualification).

Article 4 The Board of the Company has established the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee and the Strategy Committee. These special committees shall be accountable to the Board, and fulfill their duties according to the Articles of Association and within the scope of delegation by the Board, submit proposals to the Board for consideration and decision. All members of the special committees shall be directors, among which, more than half of the members of Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee shall be independent directors, who shall act as convener (and chairperson) of the meetings thereof. All members of the Audit Committee shall be non-executive directors or independent directors, at least one of whom shall hold appropriate professional qualifications provided in the HKEX Listing Rules or have appropriate accounting or relevant financial management expertise. The convener (and chairperson) of the Audit Committee shall be accounting professional. The Board of Directors shall be responsible for formulating the work rules for special committees, and regulating the operation of special committees.

Article 5 The Board of the Company shall make explanations to the General Meeting with respect to the modified audit opinions issued by the engaged certified public accountant(s) for the financial report of the Company.

Article 6 The Board shall be accountable to the General Meeting and exercise the following duties and powers:

- (1) to convene general meetings and report its work to the General Meeting;
- (2) to implement resolutions of the General Meeting;
- (3) to determine the business and investment plans of the Company;
- (4) to prepare the annual financial budget and final accounts of the Company;
- (5) to prepare the profit distribution plan and the loss recovery plan of the Company;
- (6) to prepare plans on increase or reduction of registered capital of the Company, issuance of bonds or other securities, and listing of the Company;
- (7) to formulate plans for material acquisitions, buy-back of shares of the Company, merger, split, dissolution or change of organizational form of the Company;
- (8) to decide on external investment, asset acquisition or disposal, mortgage of assets, external guarantee, entrusted wealth management and related party translations, donations, etc. of the Company, within the scope of delegation by the General Meeting;
- (9) to approve matters in relation to investment, acquisition or disposal of assets, financing and related party/connected transactions as required to be decided by the board of directors under the listing rules of the stock exchange where the shares of the Company are listed;
- (10) to decide on the internal management organizations of the Company;
- (11) to decide on the appointment or removal of the General Manager, the Secretary of the Board or other senior management of the Company, and their remuneration, rewards and punishments; to decide on the employment or dismissal of the deputy general manager, CFO, and other senior management of the Company according to the nomination of the General Manager, and their remuneration, rewards and punishments;
- (12) to formulate basic management policies of the Company;
- (13) to formulate amendments to the Articles of Association;
- (14) to manage information disclosures of the Company;

- (15) to propose to the General Meeting to engage or replace the accounting firm which provides audit services to the Company;
- (16) to listen to work reports presented by the General Manager of the Company and inspect the work of the General Manager; and
- (17) other duties and powers granted by laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

For the previous resolutions made by the Board, except for Items (6), (7), and (13), which must be approved by more than two thirds of the directors, the rest shall be approved by more than half of the directors.

Matters beyond the scope of delegation by the General Meeting shall be submitted to the General Meeting for consideration.

The specific duties and powers of the Board stipulated in the Company Law shall be collectively exercised by the Board, shall not be delegated to others, and shall not be altered or deprived by means of the Articles of Association, resolutions of the General Meeting, etc.

For other duties and powers of the Board as stipulated in the Articles of Association, major business and matters shall be subject to approval upon collective decision-making, rather than sole decision by one or several delegated directors.

Article 7 The definition of significant transaction of the Company and the standard for its submission to the Board for consideration, shall be subject to the provisions of relevant laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 8 The Chairman of the Board shall exercise the following powers and duties:

- (1) to preside over the general meetings, and convene and preside over Board meetings;
- (2) to urge and inspect the implementation of Board resolutions;
- (3) other duties and powers as delegated by the Board or conferred by the regulatory rules of the place where the shares of the Company are listed.

Where the Chairman of the Board is unable to perform his duties, a director jointly selected by more than one half of the directors shall perform such duties.

Article 9 The Chairman of the Board shall convene an extraordinary Board meeting within 10 days if:

- (1) it is requisitioned by more than one-tenth of the shareholders with voting rights;
- (2) it is requisitioned by more than one third of the directors;
- (3) it is requisitioned by half of the independent directors;
- (4) it is requisitioned by the Supervisory Committee;
- (5) the Chairman of the Board considers necessary;
- (6) it is requisitioned by the General Manager; or
- (7) other circumstances as provided in the Articles of Association occur.

Article 10 A Board meeting may be held only if a majority of directors attend the meeting.

The General Manager and the Secretary of the Board shall attend the meeting; supervisors and other senior management may attend the meeting as required.

The Board may invite intermediaries or experts in industry, business, law and finance to attend Board meetings to provide professional input.

Article 11 A director shall attend the Board meetings in person or, by a director proxy appointed in writing under these Rules, if he is unable to attend for cause.

CHAPTER 2 RULES FOR MEETING PROPOSALS

Article 12 Matters to be considered by the Board shall be made in the form of a motion. The Secretary of the Board shall be responsible for collecting, collating and submitting motions to the Board for consideration and resolution.

For the purpose of these Rules, a motion refers to a matter pending for consideration which is formally included in the scope of deliberations of the Board, while a proposal refers to a matter pending for consideration which has been submitted by a proposer, but not yet included in the scope of deliberations of the Board, and the person or entity making the proposal is referred to as the proposer. The content of a proposal shall include but not limited to the name and content of the proposal, necessary demonstration and analysis, etc., and shall be signed or sealed by the proposer.

Article 13 Every motion shall be sent to the Secretary of the Board. The Secretary of the Board shall compile and classify all motions and submit them to the Chairman for examination. If the Chairman considers that the content of a motion is unclear or unspecific or the relevant materials are insufficient, he may request the filer to amend or supplement it.

The content of the motions shall be sent to all directors and to those persons required to attend the meeting together with the notice of the meeting.

Article 14 Where a requisition is made to convene an extraordinary Board meeting in accordance with these Rules, a written requisition signed (or sealed) by the requisitioner shall be submitted through the Secretary of the Board or directly to the Chairman of the Board. The written requisition shall specify the following:

- (1) name of the requisitioner;
- (2) reasons or objective circumstances for the requisition;
- (3) time, duration, venue and form of the requisitioned meeting;
- (4) a clear and specific proposal;
- (5) contacts of the requisitioner and date of the requisition, etc.

Proposals should be on matters within the powers and duties of the Board as set out in the Articles of Association, and documents relating to the proposals should be submitted together with the proposals.

The Secretary of the Board shall, on receipt of the above written requisition and the relevant materials, forward the same to the Chairman on the same day. Where the Chairman considers that the content of the proposal is unclear and unspecific or the relevant materials are insufficient, he may request the requisitioner to make revision or supplement.

Article 15 A proposal to the Board shall meet the following conditions:

- (1) its content is not in conflict with any provision of the laws, regulations or the Articles of Association, and is within the business scope of the Company and the powers and duties of the Board;
- (2) the proposal must be in the interests of the Company and its shareholders;
- (3) the proposal has clear issues and specific matters; and
- (4) the proposal must be submitted in writing.

Article 16 The following persons/organizations may submit proposals to the Board:

- (1) shareholder individually or shareholders collectively holding more than 3% of the total number of voting shares in the Company;
- (2) any director;
- (3) the Supervisory Committee;
- (4) General Manager, other senior management and the Secretary of the Board.

The proposals submitted by proposers set forth in Items (3) and (4) above should be confined to matters within the scope of their respective duties.

Article 17 If, in the course of the Board discussion of a proposal, the directors disagree on certain issue in or part of a proposal, and to the extent that the directors separately vote on the amendment with respect to the issue or the part, the proposal may be amended at the meeting in accordance with the votes.

CHAPTER 3 NOTICE OF MEETINGS AND SIGN-IN RULES

Article 18 The Board meetings shall include regular meetings and extraordinary meetings.

Regular Board meetings shall be held at least four times a year, which shall be convened by the Chairman of the Board, and notified to all directors and supervisors in writing 14 days prior to the date of meeting.

The notice of an extraordinary meeting of the Board of Directors shall be given to all directors and supervisors three days before the meeting. The time limit restriction for meeting notice set forth in the preceding paragraph may not apply to any urgent situation which requires the convention of an extraordinary meeting of the Board of Directors as soon as possible.

Notice of Board meetings shall be given in writing, by personal delivery, facsimile, electronic mail or in such other manner as may be provided for in the Articles of Association.

In case of urgent situation which requires the convention of an extraordinary Board meeting as soon as possible, the meeting notice may be given at any time by phone or other verbal means, provided that the convener shall make an explanation to that effect at the meeting.

Article 19 The notice of meeting of the Board shall at least contain:

- (1) date and place of the meeting;

- (2) duration of the meeting;
- (3) reasons and details of the matter(s) to be discussed; and
- (4) date of issuance of notice.

Article 20 Where, after the written notice for the regular Board meeting is issued, there is a need to change the date, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, a written change notice shall be issued three days before the originally scheduled meeting date, specifying the situation and relevant content of and materials about the new proposal. If it is less than 3 days in advance, the date of the meeting shall be postponed accordingly or the meeting shall be held as scheduled with the approval of all directors present.

Article 21 Where, after the notice for the extraordinary Board meeting is issued, there is a need to change the time, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, the approval by all directors attending the meeting shall be obtained in advance and the records thereof shall be made.

The person to whom notice of a meeting is given shall inform the Secretary of the Board as soon as possible whether or not it/he will attend the meeting in accordance with the return receipt requested in the notice of the meeting.

Article 22 Meetings of the Board shall be attended by directors in person, and where directors cannot attend the meeting for cause, they may appoint other directors in writing to attend on their behalf, by a form of proxy which shall state the name of proxy, agency matters, and scope and term of authority, and shall be signed or sealed by the appointing director.

The proxy director shall exercise the rights of the appointing director within the scope of authority. A director who is not present at a Board meeting in person or by proxy shall be deemed to have abstained from voting at that meeting.

Where a director fails to attend the meeting in person (a director who attends or votes at the Board meeting by means of communication shall be deemed as attending in person) or by a director proxy for two consecutive times, he shall be deemed unable to fulfill his duties, in which case, the Board shall suggest the General Meeting to replace him.

Article 23 The following principles shall govern the appointment of and attendance as a proxy at Board meetings:

- (1) in the consideration of related party transactions, a non-related director shall not appoint a related director to attend on his behalf, nor shall a related director accept an appointment from a non-related director;

- (2) a director shall not give his full authority to another director to attend in his stead without stating his personal opinion and intention to vote on the proposal, nor shall such director accept a proxy with full authority or unspecified authority;
- (3) a director shall not accept a proxy from more than two directors, nor shall a director appoint a director who has accepted a proxy from two other directors to attend the meeting on his behalf.
- (4) An independent director shall not appoint a non-independent director to attend on his behalf, nor shall a non-independent director accept an appointment from an independent director.

Article 24 A rule for signing in at Board meetings shall be adopted whereby all persons attending a meeting shall sign in person and it is not be permitted to sign on behalf of others. The meeting attendance book shall be kept together with other written documents for the meeting.

CHAPTER 4 RULES OF PROCEDURE AND VOTING

Article 25 The Board shall conduct its business by convening Board meetings. A resolution of the Board shall be passed by a majority of all the directors. If the Board resolves on any external guarantee matters within its scope of authority in accordance with the Articles of Association, such resolution shall be considered and approved by more than two-thirds of directors attending the meeting.

Article 26 Voting at Board meetings shall be conducted by disclosed ballot or show of hands.

Board meetings may be held by physical meeting, or means of communication, or a combination of both.

Subject to full and free expression of opinions by the directors, a physical Board meeting may provide convenience to directors to attend the meeting through means of telephone, video or other instant communication device. Directors who attend a Board meeting by the aforementioned means shall be deemed to have attended such physical meeting.

If the Board meetings are convened via telephone, video or other instant communication device, it shall ensure that the attending directors are able to hear clearly other directors' speaking and are able to communicate with each other. Sound records and video records shall be made for the Board meetings held in this way. Where the directors are unable to sign the meeting resolutions immediately at such meetings, they shall cast their votes orally and complete the signing on written resolutions as soon as possible. Oral voting by the directors shall have the same effect as signing in writing, provided that such

ex post signing in writing shall be consistent with the earlier oral voting at the meetings. If there is any discrepancy between such signing in writing and oral voting, the oral voting shall prevail.

Subject to full expression of opinions by the directors, an extraordinary meeting of the Board may be held and adopt resolution by circulation of a written resolution or otherwise, and the present directors shall sign on the resolution documents.

Article 27 Each director shall have one vote.

Article 28 If the method of registered voting is adopted, the Secretary of the Board shall be responsible for organizing the production of the votes of the Board. A vote of a Board meeting shall contain:

- (1) the session, time and place of the Board meeting;
- (2) name of director;
- (3) matters requiring consideration for voting;
- (4) instructions for voting for, against and abstaining from voting;
- (5) other matters to be noted.

Attending directors shall make one option from “for”, “against” or “abstain”. Where any director does not make any option or makes two or more options, the presider of the meeting shall ask relevant director to make option again, and if the director refuses to do so, or if any director leaves the meeting venue halfway without making option, he shall be regarded as abstaining from voting.

Article 29 Voting forms shall be distributed to the directors present at a meeting before the Board votes on each matter under consideration and shall be collected after the vote has been taken.

A director appointed by another director to vote on his behalf shall, in addition to holding a vote for himself, hold a vote on behalf of the appointing director and shall state in the director name column “Voted on behalf of xxx director” on such vote.

Article 30 The Board shall proceed to vote on each item of business on the agenda and shall not withhold or refrain from voting on any matter for whatever reason.

Article 31 The Chairman shall preside over the Board meetings. Whenever the Chairman is unable to or fails to exercise his powers, a director elected by more than half of the directors shall perform the duties.

Article 32 Every issue to be discussed by the Board shall be presented through a keynote address delivered by the proposer or by a designated director, stating the substance of the issue, the leading view of the proposal, etc.

Article 33 No director, who has relation/connection with the entity involved in a resolution submitted to the Board meeting for consideration and voting, may exercise voting rights over such resolution for his own account or on behalf of other director. Such a Board meeting may be held in the presence of a majority of the non-related/non-connected directors and a resolution passed at a Board meeting shall require the approval of a majority of the non-related/non-connected directors. If the number of non-related/non-connected directors attending the Board meetings is less than 3, the issue shall be submitted to the General Meeting for consideration.

Article 34 Unless approved unanimously by all the directors attending the meeting, no proposals not included in the notice of meeting shall be voted at the Board meeting. Directors attending the Board meeting as proxy shall not vote on proposals which are not included in the notice of the meeting on behalf of other directors.

Article 35 For each item under consideration, at least two directors shall be elected from among those present at the meeting to take part in the count and shall be supervised by a supervisor, and the result of the count shall be announced on the spot by the representative of the counters.

Article 36 The presider of the meeting shall decide whether resolutions are passed according to the voting results and announce such results in the meeting. The result of the vote on the resolution shall be recorded in the minutes of the meeting.

Article 37 If the presider is in any doubt as to the result of a resolution put to the vote, he may count the votes cast; if a vote is to be counted and a director present at the meeting objects to the result announced by the presider, he shall be entitled to request a vote count immediately after the announcement of the voting result and the presider shall count the votes immediately.

Article 38 When more than half of the directors attending the meeting deem the proposals unclear or unspecific, or that documents of the meeting are so inadequate that they are unable to make a judgment on the relevant matters, the presider shall ask the meeting to defer the vote on such proposals.

The directors who suggest suspending the voting shall put forward specific requirements necessary for the resubmission of a proposal.

Article 39 The directors present shall sign the minutes of the meeting and the resolutions on their own behalf and on behalf of those directors who have appointed them to attend the meeting. If a director disagrees with the minutes of a meeting or the record of a resolution, he may make a written statement to that effect at the time of signing.

Article 40 The directors shall be responsible for the resolutions of the Board. If a resolution of the Board violates laws, regulations or the Articles of Association and causes the Company to suffer loss, the directors who participated in the resolution shall be liable to the Company for compensation; but any director who is proven to have expressed dissenting opinion at the time of voting and recorded in the minutes of the meeting shall be exempted from liability. A director who does not attend a meeting, nor appoint a proxy, nor give written advice on any matter before or at the time of the meeting shall be deemed not to have dissented and shall not be exempted from such liability.

Article 41 The Board shall act in strict accordance with the authorization delegated by the General Meeting and provided in the Articles of Association, and shall not pass any ultra vires resolution.

Article 42 Where a Board meeting needs to make resolution on profit distribution of the Company, the Board may first send a notice to the certified public accountant attaching the distribution plan draft proposed to the Board for consideration, and requesting the latter to issue a draft auditor's report on this (provided that other financial data other than those related to distribution have been definite).

After the Board passes the resolution on distribution, it shall require the certified public accountant to issue a formal auditor's report, and the Board shall then make resolution on other relevant matters requiring regular reporting based on such formal auditor's report from the certified public accountant.

Article 43 For any unsuccessful proposal, if there is no material change to relevant conditions and elements, the Board meeting shall not review proposals with the same content within one month therefrom.

CHAPTER 5 MINUTES

Article 44 Minutes shall be kept of Board meetings and shall be signed by the directors present and by the recorder. A director who is present at a meeting shall be entitled to have an explanatory note made in the minutes of what he has said at the meeting.

In addition to the minutes of meetings, the Secretary of the Board may, if necessary, take concise minutes of the proceedings of the meetings and make separate minutes of the resolutions formed at the meetings based on the voting results counted.

The Secretary of the Board shall be responsible for the custody of the written information such as attendance books, power of attorney, votes, records, minutes, resolutions, etc. for a period of no less than ten years.

Article 45 The minutes of the Board meetings shall contain:

- (1) the date and place of the meeting and the name of the convener;
- (2) the names of the directors present and the names of those directors (proxies) who are appointed by others to attend the Board meeting;
- (3) the agenda of the meeting;
- (4) the main points and key comments of the directors' speeches (including any concerns or objections);
- (5) the method and results of the voting for each resolution (the voting result should specify the number of votes for and against the proposal or abstention); and
- (6) other matters that the attending directors consider necessary.

Article 46 If it is not possible to complete the minutes immediately after the meeting due to shortage of time, the Secretary of the Board shall be responsible for completing the minutes within 3 days after the meeting and sending them to each director by reasonable means such as personal delivery, express mail or email. Each director shall sign the minutes of the meeting within 3 days of their receipt and shall deliver the signed minutes to the Company. If the directors have any comments on or objections to the minutes, they may refuse to provide their signatures, but they shall send their written comments to the Company at the time and in the manner hereinbefore provided.

In the event of any error or omission in the minutes prepared by the Secretary of the Board, the Secretary of the Board shall correct the same and the director shall sign the corrected minutes.

CHAPTER 6 ENFORCEMENT OF BOARD RESOLUTIONS

Article 47 Once a resolution has been formed at a Board meeting, the executor identified in the resolution is responsible for organizing and implementing it, and reporting the results to the Chairman.

Article 48 The Chairman shall urge relevant persons to implement the Board resolutions, check the implementation of the resolutions and report on implementation of the resolutions at subsequent Board meetings.

The Secretary of the Board shall report to the Chairman of the Board in a timely manner on implementation of the Board resolutions and communicate the Chairman's views to the relevant directors and the management of the Company in a factual manner.

The Secretary of the Board may assist the Board in urging and checking the implementation of the Board resolutions by collecting and inspecting relevant documents and communicating with relevant personnel.

The Board may require members of the management to report orally or in writing to the Board on implementation of the Board resolutions and on significant production and operation matters of the Company.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 49 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or other regulatory documents, as promulgated after these Rules come into effect, or in conflict with the Articles of Association, the said provisions of laws, regulations, regulatory rules of the place where the Company's shares are listed, other regulatory documents or the said Articles of Association shall prevail.

Article 50 These Rules shall be annexed to the Articles of Association. Unless otherwise stated, all terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 51 These Rules shall take effect and be implemented from the date of being reviewed and approved by the General Meeting of the Company. Since the effective date of the Rules, the original Rules of Procedure of the Board of the Company shall be automatically invalidated.

Article 52 These Rules shall be interpreted by the Board.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules of Procedures (the “**Rules**”) are formulated, to further standardize the discussion methods and decision-making procedures of the Board of Directors (the “**Board**”) of Jenscare Scientific Co., Ltd. (the “**Company**”), promote the directors and the Board to effectively perform their duties, and improve the standard operation and scientific decision-making level of the Board, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange (the “**SSE STAR Listing Rules**”) and other laws, regulations and regulatory documents, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 The Company shall have a board of directors pursuant to laws. The members of the Board shall be elected by the General Meeting and appointed by the General Meeting to take charge of the operation and management of the Company’s corporate property, who shall be the decision-making center of the Company and accountable to the General Meeting.

Article 3 The Board shall consist of 9 directors, and have one Chairman who shall be elected by a majority vote of all directors of the Board. There shall be three independent members in the Board of the Company, and at least one of them is an accounting professional (who shall be a person with senior job title or certified public accountant qualification).

Article 4 The Board of the Company has established the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee and the Strategy Committee. These special committees shall be accountable to the Board, and fulfill their duties according to the Articles of Association and within the scope of delegation by the Board, submit proposals to the Board for consideration and decision. All members of the special committees shall be directors, among which, more than half of the members of Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee shall be independent directors, who shall act as convener (and chairperson) of the meetings thereof. All members of the Audit Committee shall be non-executive directors or independent directors, at least one of whom shall hold appropriate professional qualifications provided in the HKEX Listing Rules or have appropriate accounting or relevant financial management expertise. The convener (and chairperson) of the Audit Committee shall be accounting professional. The Board of Directors shall be responsible for formulating the work rules for special committees, and regulating the operation of special committees.

Article 5 The Board of the Company shall make explanations to the General Meeting with respect to the modified audit opinions issued by the engaged certified public accountant(s) for the financial report of the Company.

Article 6 The Board shall be accountable to the General Meeting and exercise the following duties and powers:

- (1) to convene general meetings and report its work to the General Meeting;
- (2) to implement resolutions of the General Meeting;
- (3) to determine the business and investment plans of the Company;
- (4) to prepare the annual financial budget and final accounts of the Company;
- (5) to prepare the profit distribution plan and the loss recovery plan of the Company;
- (6) to prepare plans on increase or reduction of registered capital of the Company, issuance of bonds or other securities, and listing of the Company;
- (7) to formulate plans for material acquisitions, buy-back of shares of the Company, merger, split, dissolution or change of organizational form of the Company;
- (8) to decide on external investment, asset acquisition or disposal, mortgage of assets, external guarantee, entrusted wealth management and related party translations, donations, etc. of the Company, within the scope of delegation by the General Meeting;
- (9) to approve matters in relation to investment, acquisition or disposal of assets, financing and related party/connected transactions as required to be decided by the board of directors under the listing rules of the stock exchange where the shares of the Company are listed;
- (10) to decide on the internal management organizations of the Company;
- (11) to decide on the appointment or removal of the General Manager, the Secretary of the Board or other senior management of the Company, and their remuneration, rewards and punishments; to decide on the employment or dismissal of the deputy general manager, CFO, and other senior management of the Company according to the nomination of the General Manager, and their remuneration, rewards and punishments;
- (12) to formulate basic management policies of the Company;
- (13) to formulate amendments to the Articles of Association;
- (14) to manage information disclosures of the Company;

- (15) to propose to the General Meeting to engage or replace the accounting firm which provides audit services to the Company;
- (16) to listen to work reports presented by the General Manager of the Company and inspect the work of the General Manager; and
- (17) other duties and powers granted by laws, administrative regulations, departmental rules, regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

For the previous resolutions made by the Board, except for Items (6), (7), and (13), which must be approved by more than two thirds of the directors, the rest shall be approved by more than half of the directors.

Matters beyond the scope of delegation by the General Meeting shall be submitted to the General Meeting for consideration.

The specific duties and powers of the Board stipulated in the Company Law shall be collectively exercised by the Board, shall not be delegated to others, and shall not be altered or deprived by means of the Articles of Association, resolutions of the General Meeting, etc.

For other duties and powers of the Board as stipulated in the Articles of Association, major business and matters shall be subject to approval upon collective decision-making, rather than sole decision by one or several delegated directors.

Article 7 The definition of significant transaction of the Company and the standard for its submission to the Board for consideration, shall be subject to the provisions of relevant laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 8 The Chairman of the Board shall exercise the following powers and duties:

- (1) to preside over the general meetings, and convene and preside over Board meetings;
- (2) to urge and inspect the implementation of Board resolutions;
- (3) other duties and powers as delegated by the Board or conferred by the regulatory rules of the place where the shares of the Company are listed.

Where the Chairman of the Board is unable to perform his duties, a director jointly selected by more than one half of the directors shall perform such duties.

Article 9 The Chairman of the Board shall convene an extraordinary Board meeting within 10 days if:

- (1) it is requisitioned by more than one-tenth of the shareholders with voting rights;
- (2) it is requisitioned by more than one third of the directors;
- (3) it is requisitioned by half of the independent directors;
- (4) it is requisitioned by the Supervisory Committee;
- (5) the Chairman of the Board considers necessary;
- (6) it is requisitioned by the General Manager; or
- (7) other circumstances as provided in the Articles of Association occur.

Article 10 A Board meeting may be held only if a majority of directors attend the meeting.

The General Manager and the Secretary of the Board shall attend the meeting; supervisors and other senior management may attend the meeting as required.

The Board may invite intermediaries or experts in industry, business, law and finance to attend Board meetings to provide professional input.

Article 11 A director shall attend the Board meetings in person or, by a director proxy appointed in writing under these Rules, if he is unable to attend for cause.

CHAPTER 2 RULES FOR MEETING PROPOSALS

Article 12 Matters to be considered by the Board shall be made in the form of a motion. The Secretary of the Board shall be responsible for collecting, collating and submitting motions to the Board for consideration and resolution.

For the purpose of these Rules, a motion refers to a matter pending for consideration which is formally included in the scope of deliberations of the Board, while a proposal refers to a matter pending for consideration which has been submitted by a proposer, but not yet included in the scope of deliberations of the Board, and the person or entity making the proposal is referred to as the proposer. The content of a proposal shall include but not limited to the name and content of the proposal, necessary demonstration and analysis, etc., and shall be signed or sealed by the proposer.

Article 13 Every motion shall be sent to the Secretary of the Board. The Secretary of the Board shall compile and classify all motions and submit them to the Chairman for

examination. If the Chairman considers that the content of a motion is unclear or unspecific or the relevant materials are insufficient, he may request the filer to amend or supplement it.

The content of the motions shall be sent to all directors and to those persons required to attend the meeting together with the notice of the meeting.

Article 14 Where a requisition is made to convene an extraordinary Board meeting in accordance with these Rules, a written requisition signed (or sealed) by the requisitioner shall be submitted through the Secretary of the Board or directly to the Chairman of the Board. The written requisition shall specify the following:

- (1) name of the requisitioner;
- (2) reasons or objective circumstances for the requisition;
- (3) time, duration, venue and form of the requisitioned meeting;
- (4) a clear and specific proposal;
- (5) contacts of the requisitioner and date of the requisition, etc.

Proposals should be on matters within the powers and duties of the Board as set out in the Articles of Association, and documents relating to the proposals should be submitted together with the proposals.

The Secretary of the Board shall, on receipt of the above written requisition and the relevant materials, forward the same to the Chairman on the same day. Where the Chairman considers that the content of the proposal is unclear and unspecific or the relevant materials are insufficient, he may request the requisitioner to make revision or supplement.

Article 15 A proposal to the Board shall meet the following conditions:

- (1) its content is not in conflict with any provision of the laws, regulations or the Articles of Association, and is within the business scope of the Company and the powers and duties of the Board;
- (2) the proposal must be in the interests of the Company and its shareholders;
- (3) the proposal has clear issues and specific matters; and
- (4) the proposal must be submitted in writing.

Article 16 The following persons/organizations may submit proposals to the Board:

- (1) shareholder individually or shareholders collectively holding more than 3% of the total number of voting shares in the Company;
- (2) any director;
- (3) the Supervisory Committee;
- (4) General Manager, other senior management and the Secretary of the Board.

The proposals submitted by proposers set forth in Items (3) and (4) above should be confined to matters within the scope of their respective duties.

Article 17 If, in the course of the Board discussion of a proposal, the directors disagree on certain issue in or part of a proposal, and to the extent that the directors separately vote on the amendment with respect to the issue or the part, the proposal may be amended at the meeting in accordance with the votes.

CHAPTER 3 NOTICE OF MEETINGS AND SIGN-IN RULES

Article 18 The Board meetings shall include regular meetings and extraordinary meetings.

Regular Board meetings shall be held at least four times a year, which shall be convened by the Chairman of the Board, and notified to all directors and supervisors in writing 14 days prior to the date of meeting.

The notice of an extraordinary meeting of the Board of Directors shall be given to all directors and supervisors three days before the meeting. The time limit restriction for meeting notice set forth in the preceding paragraph may not apply to any urgent situation which requires the convention of an extraordinary meeting of the Board of Directors as soon as possible.

Notice of Board meetings shall be given in writing, by personal delivery, facsimile, electronic mail or in such other manner as may be provided for in the Articles of Association.

In case of urgent situation which requires the convention of an extraordinary Board meeting as soon as possible, the meeting notice may be given at any time by phone or other verbal means, provided that the convener shall make an explanation to that effect at the meeting.

Article 19 The notice of meeting of the Board shall at least contain:

- (1) date and place of the meeting;

- (2) duration of the meeting;
- (3) reasons and details of the matter(s) to be discussed; and
- (4) date of issuance of notice.

Article 20 Where, after the written notice for the regular Board meeting is issued, there is a need to change the date, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, a written change notice shall be issued three days before the originally scheduled meeting date, specifying the situation and relevant content of and materials about the new proposal. If it is less than 3 days in advance, the date of the meeting shall be postponed accordingly or the meeting shall be held as scheduled with the approval of all directors present.

Article 21 Where, after the notice for the extraordinary Board meeting is issued, there is a need to change the time, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, the approval by all directors attending the meeting shall be obtained in advance and the records thereof shall be made.

The person to whom notice of a meeting is given shall inform the Secretary of the Board as soon as possible whether or not it/he will attend the meeting in accordance with the return receipt requested in the notice of the meeting.

Article 22 Meetings of the Board shall be attended by directors in person, and where directors cannot attend the meeting for cause, they may appoint other directors in writing to attend on their behalf, by a form of proxy which shall state the name of proxy, agency matters, and scope and term of authority, and shall be signed or sealed by the appointing director.

The proxy director shall exercise the rights of the appointing director within the scope of authority. A director who is not present at a Board meeting in person or by proxy shall be deemed to have abstained from voting at that meeting.

Where a director fails to attend the meeting in person (a director who attends or votes at the Board meeting by means of communication shall be deemed as attending in person) or by a director proxy for two consecutive times, he shall be deemed unable to fulfill his duties, in which case, the Board shall suggest the General Meeting to replace him.

Where a director refuses or neglects to attend the meeting, giving rise to failure to meet the quorum required for holding the meeting, the Chairman and the Secretary of the Board shall timely report this to the regulatory authorities.

Article 23 The following principles shall govern the appointment of and attendance as a proxy at Board meetings:

- (1) in the consideration of related party transactions, a non-related director shall not appoint a related director to attend on his behalf, nor shall a related director accept an appointment from a non-related director;
- (2) a director shall not give his full authority to another director to attend in his stead without stating his personal opinion and intention to vote on the proposal, nor shall such director accept a proxy with full authority or unspecified authority;
- (3) a director shall not accept a proxy from more than two directors, nor shall a director appoint a director who has accepted a proxy from two other directors to attend the meeting on his behalf.
- (4) An independent director shall not appoint a non-independent director to attend on his behalf, nor shall a non-independent director accept an appointment from an independent director.

Article 24 A rule for signing in at Board meetings shall be adopted whereby all persons attending a meeting shall sign in person and it is not be permitted to sign on behalf of others. The meeting attendance book shall be kept together with other written documents for the meeting.

CHAPTER 4 RULES OF PROCEDURE AND VOTING

Article 25 The Board shall conduct its business by convening Board meetings. A resolution of the Board shall be passed by a majority of all the directors. If the Board resolves on any external guarantee matters within its scope of authority in accordance with the Articles of Association, such resolution shall be considered and approved by more than two-thirds of directors attending the meeting.

Article 26 Voting at Board meetings shall be conducted by disclosed ballot or show of hands.

Board meetings may be held by physical meeting, or means of communication, or a combination of both.

Subject to full and free expression of opinions by the directors, a physical Board meeting may provide convenience to directors to attend the meeting through means of telephone, video or other instant communication device. Directors who attend a Board meeting by the aforementioned means shall be deemed to have attended such physical meeting.

If the Board meetings are convened via telephone, video or other instant communication device, it shall ensure that the attending directors are able to hear clearly

other directors' speaking and are able to communicate with each other. Sound records and video records shall be made for the Board meetings held in this way. Where the directors are unable to sign the meeting resolutions immediately at such meetings, they shall cast their votes orally and complete the signing on written resolutions as soon as possible. Oral voting by the directors shall have the same effect as signing in writing, provided that such ex post signing in writing shall be consistent with the earlier oral voting at the meetings. If there is any discrepancy between such signing in writing and oral voting, the oral voting shall prevail.

Subject to full expression of opinions by the directors, an extraordinary meeting of the Board may be held and adopt resolution by circulation of a written resolution or otherwise, and the present directors shall sign on the resolution documents.

Article 27 Each director shall have one vote.

Article 28 If the method of registered voting is adopted, the Secretary of the Board shall be responsible for organizing the production of the votes of the Board. A vote of a Board meeting shall contain:

- (1) the session, time and place of the Board meeting;
- (2) name of director;
- (3) matters requiring consideration for voting;
- (4) instructions for voting for, against and abstaining from voting;
- (5) other matters to be noted.

Attending directors shall make one option from "for", "against" or "abstain". Where any director does not make any option or makes two or more options, the presider of the meeting shall ask relevant director to make option again, and if the director refuses to do so, or if any director leaves the meeting venue halfway without making option, he shall be regarded as abstaining from voting.

Article 29 Voting forms shall be distributed to the directors present at a meeting before the Board votes on each matter under consideration and shall be collected after the vote has been taken.

A director appointed by another director to vote on his behalf shall, in addition to holding a vote for himself, hold a vote on behalf of the appointing director and shall state in the director name column "Voted on behalf of xxx director" on such vote.

Article 30 The Board shall proceed to vote on each item of business on the agenda and shall not withhold or refrain from voting on any matter for whatever reason.

Article 31 The Chairman shall preside over the Board meetings. Whenever the Chairman is unable to or fails to exercise his powers, a director elected by more than half of the directors shall perform the duties.

Article 32 Every issue to be discussed by the Board shall be presented through a keynote address delivered by the proposer or by a designated director, stating the substance of the issue, the leading view of the proposal, etc.

Article 33 No director, who has relation/connection with the entity involved in a resolution submitted to the Board meeting for consideration and voting, may exercise voting rights over such resolution for his own account or on behalf of other director. Such a Board meeting may be held in the presence of a majority of the non-related/non-connected directors and a resolution passed at a Board meeting shall require the approval of a majority of the non-related/non-connected directors. If the number of non-related/non-connected directors attending the Board meetings is less than 3, the issue shall be submitted to the General Meeting for consideration.

Article 34 Unless approved unanimously by all the directors attending the meeting, no proposals not included in the notice of meeting shall be voted at the Board meeting. Directors attending the Board meeting as proxy shall not vote on proposals which are not included in the notice of the meeting on behalf of other directors.

Article 35 For each item under consideration, at least two directors shall be elected from among those present at the meeting to take part in the count and shall be supervised by a supervisor, and the result of the count shall be announced on the spot by the representative of the counters.

Article 36 The presider of the meeting shall decide whether resolutions are passed according to the voting results and announce such results in the meeting. The result of the vote on the resolution shall be recorded in the minutes of the meeting.

Article 37 If the presider is in any doubt as to the result of a resolution put to the vote, he may count the votes cast; if a vote is to be counted and a director present at the meeting objects to the result announced by the presider, he shall be entitled to request a vote count immediately after the announcement of the voting result and the presider shall count the votes immediately.

Article 38 When more than half of the directors attending the meeting deem the proposals unclear or unspecific, or that documents of the meeting are so inadequate that they are unable to make a judgment on the relevant matters, the presider shall ask the meeting to defer the vote on such proposals.

The directors who suggest suspending the voting shall put forward specific requirements necessary for the resubmission of a proposal.

Article 39 The directors present shall sign the minutes of the meeting and the resolutions on their own behalf and on behalf of those directors who have appointed them

to attend the meeting. If a director disagrees with the minutes of a meeting or the record of a resolution, he may make a written statement to that effect at the time of signing.

Article 40 The directors shall be responsible for the resolutions of the Board. If a resolution of the Board violates laws, regulations or the Articles of Association and causes the Company to suffer loss, the directors who participated in the resolution shall be liable to the Company for compensation; but any director who is proven to have expressed dissenting opinion at the time of voting and recorded in the minutes of the meeting shall be exempted from liability. A director who does not attend a meeting, nor appoint a proxy, nor give written advice on any matter before or at the time of the meeting shall be deemed not to have dissented and shall not be exempted from such liability.

Article 41 The Board shall act in strict accordance with the authorization delegated by the General Meeting and provided in the Articles of Association, and shall not pass any ultra vires resolution.

Article 42 Where a Board meeting needs to make resolution on profit distribution of the Company, the Board may first send a notice to the certified public accountant attaching the distribution plan draft proposed to the Board for consideration, and requesting the latter to issue a draft auditor's report on this (provided that other financial data other than those related to distribution have been definite).

After the Board passes the resolution on distribution, it shall require the certified public accountant to issue a formal auditor's report, and the Board shall then make resolution on other relevant matters requiring regular reporting based on such formal auditor's report from the certified public accountant.

Article 43 For any unsuccessful proposal, if there is no material change to relevant conditions and elements, the Board meeting shall not review proposals with the same content within one month therefrom.

CHAPTER 5 MINUTES

Article 44 Minutes shall be kept of Board meetings and shall be signed by the directors present and by the recorder. A director who is present at a meeting shall be entitled to have an explanatory note made in the minutes of what he has said at the meeting.

In addition to the minutes of meetings, the Secretary of the Board may, if necessary, take concise minutes of the proceedings of the meetings and make separate minutes of the resolutions formed at the meetings based on the voting results counted.

The Secretary of the Board shall be responsible for the custody of the written information such as attendance books, power of attorney, votes, records, minutes, resolutions, etc. for a period of no less than ten years.

Article 45 The minutes of the Board meetings shall contain:

- (1) the date and place of the meeting and the name of the convener;
- (2) the names of the directors present and the names of those directors (proxies) who are appointed by others to attend the Board meeting;
- (3) the agenda of the meeting;
- (4) the main points and key comments of the directors' speeches (including any concerns or objections);
- (5) the method and results of the voting for each resolution (the voting result should specify the number of votes for and against the proposal or abstention); and
- (6) other matters that the attending directors consider necessary.

Article 46 If it is not possible to complete the minutes immediately after the meeting due to shortage of time, the Secretary of the Board shall be responsible for completing the minutes within 3 days after the meeting and sending them to each director by reasonable means such as personal delivery, express mail or email. Each director shall sign the minutes of the meeting within 3 days of their receipt and shall deliver the signed minutes to the Company. If the directors have any comments on or objections to the minutes, they may refuse to provide their signatures, but they shall send their written comments to the Company at the time and in the manner hereinbefore provided.

In the event of any error or omission in the minutes prepared by the Secretary of the Board, the Secretary of the Board shall correct the same and the director shall sign the corrected minutes.

CHAPTER 6 ENFORCEMENT OF BOARD RESOLUTIONS

Article 47 Once a resolution has been formed at a Board meeting, the executor identified in the resolution is responsible for organizing and implementing it, and reporting the results to the Chairman.

Article 48 The Chairman shall urge relevant persons to implement the Board resolutions, check the implementation of the resolutions and report on implementation of the resolutions at subsequent Board meetings.

The Secretary of the Board shall report to the Chairman of the Board in a timely manner on implementation of the Board resolutions and communicate the Chairman's views to the relevant directors and the management of the Company in a factual manner.

The Secretary of the Board may assist the Board in urging and checking the implementation of the Board resolutions by collecting and inspecting relevant documents and communicating with relevant personnel.

The Board may require members of the management to report orally or in writing to the Board on implementation of the Board resolutions and on significant production and operation matters of the Company.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 49 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or other regulatory documents, as promulgated after these Rules come into effect, or in conflict with the Articles of Association, the said provisions of laws, regulations, regulatory rules of the place where the Company's shares are listed, other regulatory documents or the said Articles of Association shall prevail.

Article 50 These Rules shall be annexed to the Articles of Association. Unless otherwise stated, all terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 51 These Rules shall be reviewed and approved by the General Meeting of the Company and shall take effect and be implemented from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange. Since the effective date of the Rules, the original Rules of Procedure of the Board of the Company shall be automatically invalidated.

Article 52 These Rules shall be interpreted by the Board.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules of Procedures are formulated, to give full play to the role of the Supervisory Committee, improve the corporate governance structure of Jenscare Scientific Co., Ltd. (the “**Company**”), promote the standardized operation of the Company, and safeguard the independent exercise of the supervisory powers by the Supervisory Committee, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”) and other laws, regulations, rules and regulatory documents, and Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”), and based on the Company’s actual conditions.

Article 2 The Supervisory Committee is a standing supervisory body of the Company and is accountable to the General Meeting, and shall oversee the compliance with laws and regulations by the Company’s finance staff, directors, General Manager and other senior management during their performance of duties and protect the legitimate rights and interests of the Company and its shareholders.

Article 3 The Company shall have a Supervisory Committee. The Supervisory Committee comprises three supervisors, including shareholder representatives and an appropriate proportion of employee representatives. The proportion of employee representative supervisors in the Supervisory Committee shall be no less than one third of the supervisors appointed. Supervisors in the Supervisory Committee who are employees’ representatives shall be elected and removed at the employee representative congress or the assembly of staff or otherwise democratically. Supervisors in the Supervisory Committee who are shareholder representatives shall be elected and removed at the General Meeting.

The tenure of a supervisor shall be three years, after which, the supervisor may be re-elected.

Article 4 The Supervisory Committee shall have one Chairman, who shall be determined by more than two-thirds of the members of the Supervisory Committee. The Chairman of the Supervisory Committee may ask other personnel of the Company to assist him in handling day-to-day affairs of the Supervisory Committee.

The Chairman of the Supervisory Committee shall exercise the following functions and powers:

- (1) to convene and preside over the meeting of the Supervisory Committee and inspect the implementation of resolutions of the Supervisory Committee;
- (2) to handle day-to-day affairs of the Supervisory Committee, take custody of seals of the Supervisory Committee, and the Chairman of the Supervisory Committee may ask other personnel to assist him in handling day-to-day affairs of the Supervisory Committee;

- (3) to perform other day-to-day supervisory functions delegated to be performed by the Supervisory Committee;
- (4) to organize the performance of duties of the Supervisory Committee;
- (5) to examine, approve and sign reports and other important documents of the Supervisory Committee;
- (6) to report work of the Supervisory Committee to the General Meeting on behalf of the Supervisory Committee; and
- (7) other duties as provided in laws, regulations and the Articles of Association.

Article 5 The method for discussions of the Supervisory Committee shall be Supervisory Committee meetings. The meetings of the Supervisory Committee shall include regular meetings and extraordinary meetings. The Supervisory Committee shall hold one regular meeting every six months and at least two regular meetings every year. Regular meetings shall be convened by the Chairman of the Supervisory Committee. A supervisor may propose to convene an extraordinary Supervisory Committee meeting.

Where a supervisor fails to attend the meeting in person (a supervisor who attends or votes at the meeting of the Supervisory Committee by means of communication shall be deemed as attending in person) or by other supervisor proxy for two consecutive times, he shall be deemed unable to fulfill his duties, in which case, the General Meeting or the employee representative congress shall replace him.

Article 6 The Supervisory Committee shall convene an extraordinary meeting within ten days if:

- (1) a supervisor proposes to convene such a meeting;
- (2) a resolution is passed at a General Meeting or a Board meeting that violates laws, regulations, rules, various stipulations and requirements of regulatory authorities, the Articles of Association, resolutions of General Meetings of the Company and other relevant regulations;
- (3) any misconduct of directors and senior management is likely to cause significant damage to the Company or to cause adverse effects in the market;
- (4) lawsuits are filed by shareholders against the Company, directors, supervisors or senior management;
- (5) administrative penalties are imposed on the Company, directors, supervisors or senior management; or

- (6) other circumstances as stipulated by laws, regulations, regulatory documents or the Articles of Association occur.

CHAPTER 2 POWERS AND FUNCTIONS OF THE SUPERVISORY COMMITTEE

Article 7 The Supervisory Committee shall be accountable to the General Meeting and shall exercise the following functions and powers according to the law:

- (1) to inspect the finance of the Company;
- (2) to supervise fulfillment by the directors and senior management of their respective duties in the Company and propose the removal of any director or senior management who violates any laws, administrative regulations, the Articles of Association or resolutions of the General Meeting;
- (3) to require any director, the General Manager or other senior management to take corrective action where he acts in a way that damages the interests of the Company;
- (4) to propose the convention of an extraordinary General Meeting, and convene and preside over the General Meeting when the Board of Directors cannot perform the duties to convene and preside over the General Meeting as provided in the Company Law and the Articles of Association;
- (5) to make proposals to the General Meeting;
- (6) to examine and put forward written examination opinions on the regular reports of the Company prepared by the Board of Directors;
- (7) to initiate any action against a director or senior management in accordance with Article 151 of the Company Law;
- (8) to conduct investigation against any unusual circumstances in the Company's operations; if necessary, to engage an accounting firm, law firm or other professional institutions to assist in its work at the expenses of the Company; and
- (9) other powers and functions as provided in laws, administrative regulations and the Articles of Association.

Article 8 The Supervisory Committee shall supervise the Company's investments, property disposals, mergers and acquisitions, related party transactions, consolidations and splits, and the due diligence of the Board of Directors, directors and senior management.

When the directors and senior management of the Company commit any material misconduct or damage the interests of the Company, the Supervisory Committee shall require them to make corrections and, if necessary, may propose to the General Meeting or the Board of Directors for removal or dismissal of relevant persons. The General Meeting and the Board of Directors shall discuss and vote on the proposals of the Supervisory Committee.

Article 9 The Supervisory Committee shall oversee the Company's internal control system to ensure that the Company implements effective internal control measures to prevent possible risks.

Article 10 At the annual general meeting, the Board of Supervisors shall report to the general meeting on its work in last year.

If the Supervisory Committee considers necessary, it may give opinion on the proposals examined at General Meeting and delivers independent reports.

Article 11 The Supervisory Committee shall have the right to propose and urge the Board of Directors to convene an extraordinary general meeting in accordance with the provisions of the Articles of Association if:

- (1) the Supervisory Committee is unable to effectively perform its supervisory functions;
- (2) the fundamental interests of shareholders are at stake;
- (3) the Supervisory Committee considers that the resolution of the Board of Directors on the relevant related party transaction lacks fairness and reasonableness and it is not possible to reach agreement with the Board of Directors on such matters; or
- (4) other necessary circumstances arise.

The Supervisory Committee may propose to the Board of Directors to convene an extraordinary general meeting by submitting a written proposal listing the complete topics and content of the meeting. The Supervisory Committee shall ensure that the content of the proposal is in compliance with the laws, regulations and the Articles of Association of the Company.

Article 12 The supervisors shall attend the General Meetings of the Company. The supervisors shall cooperate with the Board of Directors in making replies and explanations in respect of enquiries and suggestions made by shareholders, other than matters involving trade secrets of the Company that may not be disclosed at the General Meetings.

Article 13 The supervisors may attend the Board meetings of the Company and perform their supervisory duties with respect to the legality of the procedures of the Board meetings, the avoidance of related directors from voting, the compliance of the content of the Board resolutions with the laws and regulations and the Articles of Association, and the actual needs of the Company.

Article 14 The Supervisory Committee shall have the right to recommend an external audit firm to the General Meetings of the Company, and the supervisors shall have the right to understand and inquire about the Company's operations and be obliged to maintain confidentiality of such information.

Article 15 The directors, senior management and other staff of the Company shall provide necessary assistance to, and shall not interfere with or obstruct, the supervisors in the normal performance of their duties. The reasonable expenses incurred by the supervisors in performing their duties shall be borne by the Company.

Article 16 The Supervisory Committee's supervision records and results of financial or specific inspection of directors, General Manager and other senior management will serve as important basis for their performance assessment.

CHAPTER 3 PROPOSAL AND CONVENING OF MEETINGS

Article 17 Before giving a notice on convening a regular meeting of the Supervisory Committee, the Chairman of the Supervisory Committee shall solicit proposals for the meeting from all supervisors and provide at least 3 days to solicit opinions from the employees of the Company. When soliciting proposals and opinions, the Chairman of the Supervisory Committee shall explain that the Supervisory Committee focuses on the supervision of the standard operation of the Company and the performance of the duties of the directors and senior management rather than making decisions on the operation and management of the Company.

Article 18 If a supervisor proposes to convene an extraordinary meeting of the Supervisory Committee, he shall submit an executed written proposal to the Chairman of the Supervisory Committee. The written proposal shall specify:

- (1) the name of the proposing supervisor;
- (2) the reason or objective circumstance for the proposal;
- (3) the time or duration, venue and form of the proposed meeting;
- (4) a clear and specific proposal; and
- (5) contact information of the proposing supervisor and date of proposal, etc.

Within 3 days after the Chairman of the Supervisory Committee receives the written proposal from a supervisor, the Chairman of the Supervisory Committee shall issue a notice to convene an extraordinary meeting of the Supervisory Committee.

Article 19 The meeting of the Supervisory Committee shall be convened and presided over by the Chairman of the Supervisory Committee; if the Chairman of the Supervisory Committee is unable to or fails to carry out his duties, a supervisor elected by more than half of the supervisors shall convene and preside over the meeting.

CHAPTER 4 NOTICE OF SUPERVISORY COMMITTEE MEETINGS

Article 20 The method for discussions of the Supervisory Committee shall be Supervisory Committee meetings. As for the voting on a resolution of the Supervisory Committee, each supervisor shall have one vote, and the vote shall be taken by disclosed ballot and in writing. The meeting notice for regular meetings and extraordinary meetings of the Supervisory Committee shall be delivered to all supervisors 10 days and 3 days in advance respectively.

The time limit restriction set forth in the preceding paragraph shall not apply to the giving of meeting notice in case of urgent situation which requires the convention of an extraordinary meeting of the Supervisory Committee as soon as possible.

Article 21 Meetings of the Supervisory Committee shall be held at the domicile of the Company as a general rule, and may be held in other places within the territory of China if approved by resolution of the Supervisory Committee.

Article 22 The notice of meeting of the Supervisory Committee shall include:

- (1) the date, place and duration of the meeting;
- (2) reasons and details of the matter(s) to be discussed;
- (3) the issuance date of notice;
- (4) the convener and presider of the meeting, the proposer of the extraordinary meeting and his written proposal;
- (5) meeting materials necessary for supervisors to vote;
- (6) the requirement that a supervisor shall attend the meeting in person; and
- (7) contact person and contact details.

A verbal meeting notice shall at least include the information set forth in Items (1) and (2) above and the explanations on holding the extraordinary meeting of the Supervisory Committee in urgent situation.

Article 23 Where, after the written notice for the regular meeting of the Supervisory Committee is issued, there is a need to change the date, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, then a written change notice shall be issued three days before the originally scheduled meeting date, specifying the situation and relevant content of and providing materials about the new proposal. In case of less than three (3) days, the date of meeting shall correspondingly be postponed, or the meeting shall be called at the original date of meeting upon obtaining the written consent of all supervisors present.

Article 24 Where, after the written notice for the extraordinary meeting of the Supervisory Committee is issued, there is a need to change the date, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, then the approval by all supervisors attending the meeting shall be obtained in advance and records thereof shall be made.

CHAPTER 5 HOLDING AND RESOLUTION OF MEETINGS

Article 25 Meetings of the Supervisory Committee may be held and voting can be conducted by physical meetings or means of communication or a combination of both.

A physical Supervisory Committee meeting may provide convenience to supervisors to attend the meeting through the means of telephone, video or other instant communication device. Supervisors who attend a Supervisory Committee meeting by the aforementioned means shall be deemed to have attended such physical meeting.

If the meetings of the Supervisory Committee are convened via telephone, video or other instant communication device, it shall ensure that the attending supervisors are able to hear clearly other supervisors' speaking and are able to communicate with each other. Sound records and video records shall be made for the Supervisory Committee meetings held in this way. Where the supervisors are unable to sign the meeting resolutions immediately at such meetings, they shall cast their votes orally and complete the signing on written resolutions as soon as possible. Oral voting by the supervisors shall have the same effect as signing in writing, provided that such ex post signing in writing shall be consistent with the earlier oral voting at the meetings. If there is any discrepancy between such signing in writing and oral voting, the oral voting shall prevail.

No Supervisory Committee meeting may be held unless attended by a majority of supervisors. Where a supervisor refuses or neglects to attend the meeting, giving rise to failure to meet the quorum required for holding the meeting, other supervisors shall timely report this to the regulatory authorities.

Supervisors shall attend the Supervisory Committee meetings in person. Where a supervisor cannot attend the meeting for cause, he may appoint another supervisor in writing to attend on their behalf, by a proxy form which shall state the name of the appointer and the proxy, brief opinions from the appointer on each proposal, the appointer's scope of authority and instructions on the intention to vote on the proposal,

the duration of the authority and the date, and shall be signed or sealed by the appointing supervisor. The proxy supervisor present at the meeting shall exercise the rights of supervisor within the scope of authority.

The Secretary of the Board of Directors shall attend the Supervisory Committee meetings as nonvoting delegate.

Article 26 The presider of the meeting shall ask the attending supervisors for their opinions on each of the proposals.

The presider of the meeting shall request the directors, senior management, other employees of the Company or business personnel of relevant intermediaries to answer for inquiries at the meeting according to the suggestions of the supervisors.

Article 27 As for the voting on a resolution of the Supervisory Committee meeting, each supervisor shall have one vote, whether by disclosed ballot or show of hands.

Supervisors may vote for or against the proposal or abstain from voting. Attending supervisors shall make one option from “for”, “against” or “abstain”. Where any supervisor does not make any option or makes two or more options, the presider of the meeting shall ask relevant supervisor to make option again, and if the supervisor refuses to do so, or if any supervisor leaves the meeting venue halfway without making option, he shall be regarded as abstaining from voting.

A resolution of the Supervisory Committee must be approved by more than two-thirds of the supervisors. A resolution of the Supervisory Committee shall be confirmed by the signature of the attending supervisors.

Article 28 The Supervisory Committee shall assign a person to take minutes of the physical meeting. The meeting minutes shall contain:

- (1) the session, time, venue and form of the meeting;
- (2) the information on the issuance of meeting notice;
- (3) the convener and the presider of the meeting;
- (4) the information on meeting attendance;
- (5) the proposals discussed at the meeting, the main points of each supervisor’s speech and main opinions on the matters, and the intention to vote on the proposals;
- (6) method and results of the voting for each proposal (the voting result should specify the number of votes for and against the proposal or abstention); and
- (7) other issues that the attending supervisors consider necessary.

Total recording of meetings of the Supervisory Committee may be conducted as needed. For meetings of Supervisory Committee that are held by means of communication, the Supervisory Committee shall assign a person to collate the minutes of the meeting with reference of the provisions above.

Article 29 The minutes of meetings of the Supervisory Committee shall be confirmed by the signature of the attending supervisors. Supervisors dissenting from the meeting minutes shall make a written statement at the time of signing.

Article 30 Supervisors shall urge relevant persons to implement the resolutions of the Supervisory Committee. The Chairman of the Supervisory Committee shall report on the implementation of the resolutions passed at a subsequent Supervisory Committee meeting.

Article 31 Supervisors may require to record some of their speech made on the meeting as some kind of illustration record. The Chairman of the Supervisory Committee shall designate a person to be responsible for keeping the meeting documents of the Supervisory Committee, including the meeting notice and the meeting materials, the attendance book of the meeting, the meeting audio recordings, votes, meeting minutes and resolutions confirmed and signed by the supervisors. The meeting documents of the Supervisory Committee shall be kept for a period of no less than ten years.

In case of voting by means of communication, the supervisors shall send their signed written opinions and confirmation on voting intention on the matters submitted for consideration, by fax, courier, email or otherwise to the person so authorized by the Supervisory Committee. Supervisors participating in the voting by means of communication shall submit the original of the signed voting forms to the Supervisory Committee within the time limit set forth in the meeting notice.

Article 32 Announcement of resolutions of the Supervisory Committee shall be made in accordance with the relevant regulations of the securities regulatory authority of the place where the stocks of the Company are listed.

CHAPTER 6 ENFORCEMENT OF AND FEEDBACK ON RESOLUTIONS OF THE SUPERVISORY COMMITTEE

Article 33 The Supervisory Committee may make recommendations to the Board of Directors and the General Meeting, which shall be implemented by relevant departments under the organization by the Board of Directors.

Article 34 For any resolution made by the Supervisory Committee which relates to requisition for convening an extraordinary meeting of the Board of Directors or an extraordinary General Meeting or submission of proposals to the General Meeting, the Supervisory Committee shall submit a written proposal listing the complete topics and content of the meeting to the Board of Directors, and ensure the content of such proposal comply with laws, administrative regulations, other regulatory documents and the Articles of Association.

Article 35 Supervisors shall urge relevant persons to implement the resolutions of the Supervisory Committee. The Chairman of the Supervisory Committee shall report on the implementation of the resolutions passed at a subsequent Supervisory Committee meeting.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 36 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or other regulatory documents, as promulgated then in effect, or in conflict with the Articles of Association, the said provisions of laws, regulations, regulatory rules of the place where the Company's shares are listed, other regulatory documents or the said Articles of Association shall prevail.

Article 37 These Rules shall be annexed to the Articles of Association. Unless otherwise stated, all terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 38 These Rules shall take effect from the date of being reviewed and approved by the General Meeting of the Company. Since the effective date of these Rules, the original Rules of Procedure of the Supervisory Committee of the Company shall be automatically invalidated.

Article 39 These Rules shall be interpreted by the Supervisory Committee of the Company.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules of Procedures are formulated, to give full play to the role of the Supervisory Committee, improve the corporate governance structure of Jenscare Scientific Co., Ltd. (the “**Company**”), promote the standardized operation of the Company, and safeguard the independent exercise of the supervisory powers by the Supervisory Committee, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchanges (the “**SSE STAR Listing Rules**”), and other laws, regulations, rules and regulatory documents, and Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”), and based on the Company’s actual conditions.

Article 2 The Supervisory Committee is a standing supervisory body of the Company and is accountable to the General Meeting, and shall oversee the compliance with laws and regulations by the Company’s finance staff, directors, General Manager and other senior management during their performance of duties and protect the legitimate rights and interests of the Company and its shareholders.

Article 3 The Company shall have a Supervisory Committee. The Supervisory Committee comprises three supervisors, including shareholder representatives and an appropriate proportion of employee representatives. The proportion of employee representative supervisors in the Supervisory Committee shall be no less than one third of the supervisors appointed. Supervisors in the Supervisory Committee who are employees’ representatives shall be elected and removed at the employee representative congress or the assembly of staff or otherwise democratically. Supervisors in the Supervisory Committee who are shareholder representatives shall be elected and removed at the General Meeting.

The tenure of a supervisor shall be three years, after which, the supervisor may be re-elected.

Article 4 The Supervisory Committee shall have one Chairman, who shall be determined by more than two-thirds of the members of the Supervisory Committee. The Chairman of the Supervisory Committee may ask the Company’s Representative of Securities Affairs or other personnel to assist him in handling day-to-day affairs of the Supervisory Committee.

The Chairman of the Supervisory Committee shall exercise the following functions and powers:

- (1) to convene and preside over the meeting of the Supervisory Committee and inspect the implementation of resolutions of the Supervisory Committee;
- (2) to handle day-to-day affairs of the Supervisory Committee, take custody of seals of the Supervisory Committee, and the Chairman of the Supervisory Committee may ask other personnel to assist him in handling day-to-day affairs of the Supervisory Committee;
- (3) to perform other day-to-day supervisory functions delegated to be performed by the Supervisory Committee;
- (4) to organize the performance of duties of the Supervisory Committee;
- (5) to examine, approve and sign reports and other important documents of the Supervisory Committee;
- (6) to report work of the Supervisory Committee to the General Meeting on behalf of the Supervisory Committee; and
- (7) other duties as provided in laws, regulations and the Articles of Association.

Article 5 The method for discussions of the Supervisory Committee shall be Supervisory Committee meetings. The meetings of the Supervisory Committee shall include regular meetings and extraordinary meetings. The Supervisory Committee shall hold one regular meeting every six months and at least two regular meetings every year. Regular meetings shall be convened by the Chairman of the Supervisory Committee. A supervisor may propose to convene an extraordinary Supervisory Committee meeting.

Where a supervisor fails to attend the meeting in person (a supervisor who attends or votes at the meeting of the Supervisory Committee by means of communication shall be deemed as attending in person) or by other supervisor proxy for two consecutive times, he shall be deemed unable to fulfill his duties, in which case, the General Meeting or the employee representative congress shall replace him.

Article 6 The Supervisory Committee shall convene an extraordinary meeting within ten days if:

- (1) a supervisor proposes to convene such a meeting;
- (2) a resolution is passed at a General Meeting or a Board meeting that violates laws, regulations, rules, various stipulations and requirements of regulatory authorities, the Articles of Association, resolutions of General Meetings of the Company and other relevant regulations;
- (3) any misconduct of directors and senior management is likely to cause significant damage to the Company or to cause adverse effects in the market;
- (4) lawsuits are filed by shareholders against the Company, directors, supervisors or senior management;
- (5) administrative penalties are imposed on the Company, directors, supervisors or senior management; or
- (6) other circumstances as stipulated by laws, regulations, regulatory documents or the Articles of Association occur.

CHAPTER 2 POWERS AND FUNCTIONS OF THE SUPERVISORY COMMITTEE

Article 7 The Supervisory Committee shall be accountable to the General Meeting and shall exercise the following functions and powers according to the law:

- (1) to inspect the finance of the Company;
- (2) to supervise fulfillment by the directors and senior management of their respective duties in the Company and propose the removal of any director or senior management who violates any laws, administrative regulations, the Articles of Association or resolutions of the General Meeting;
- (3) to require any director, the General Manager or other senior management to take corrective action where he acts in a way that damages the interests of the Company;
- (4) to propose the convention of an extraordinary General Meeting, and convene and preside over the General Meeting when the Board of Directors cannot perform the duties to convene and preside over the General Meeting as provided in the Company Law and the Articles of Association;
- (5) to make proposals to the General Meeting;
- (6) to examine and put forward written examination opinions on the regular reports of the Company prepared by the Board of Directors;

- (7) to initiate any action against a director or senior management in accordance with Article 151 of the Company Law;
- (8) to conduct investigation against any unusual circumstances in the Company's operations; if necessary, to engage an accounting firm, law firm or other professional institutions to assist in its work at the expenses of the Company; and
- (9) other powers and functions as provided in laws, administrative regulations and the Articles of Association.

Article 8 The Supervisory Committee shall supervise the Company's investments, property disposals, mergers and acquisitions, related party transactions, consolidations and splits, and the due diligence of the Board of Directors, directors and senior management, and submit special reports to the General Meetings.

When the directors and senior management of the Company commit any material misconduct or damage the interests of the Company, the Supervisory Committee shall require them to make corrections and, if necessary, may propose to the General Meeting or the Board of Directors for removal or dismissal of relevant persons. The General Meeting and the Board of Directors shall discuss and vote on the proposals of the Supervisory Committee.

Article 9 The Supervisory Committee shall oversee the Company's internal control system to ensure that the Company implements effective internal control measures to prevent possible risks.

Article 10 At the annual general meeting, the Supervisory Committee shall read their special supervision report of the Company for the last year which shall include:

- (1) the examination of the financial situation of the Company;
- (2) the performance of duties in the Company by directors and senior management and the implementation of the relevant laws and regulations, the Articles of Association and the resolutions of the General Meetings; and
- (3) other important events that the Supervisory Committee shall report to the General Meetings.

If the Supervisory Committee considers necessary, it may give opinion on the proposals examined at General Meeting and delivers independent reports.

Article 11 The Supervisory Committee shall have the right to propose and urge the Board of Directors to convene an extraordinary general meeting in accordance with the provisions of the Articles of Association if:

- (1) the Supervisory Committee is unable to effectively perform its supervisory functions;
- (2) the fundamental interests of shareholders are at stake;
- (3) the Supervisory Committee considers that the resolution of the Board of Directors on the relevant related party transaction lacks fairness and reasonableness and it is not possible to reach agreement with the Board of Directors on such matters; or
- (4) other necessary circumstances arise.

The Supervisory Committee may propose to the Board of Directors to convene an extraordinary general meeting by submitting a written proposal listing the complete topics and content of the meeting. The Supervisory Committee shall ensure that the content of the proposal is in compliance with the laws, regulations and the Articles of Association of the Company.

Article 12 The supervisors shall attend the General Meetings of the Company. The supervisors shall cooperate with the Board of Directors in making replies and explanations in respect of enquiries and suggestions made by shareholders, other than matters involving trade secrets of the Company that may not be disclosed at the General Meetings.

Article 13 The supervisors may attend the Board meetings of the Company and perform their supervisory duties with respect to the legality of the procedures of the Board meetings, the avoidance of related directors from voting, the compliance of the content of the Board resolutions with the laws and regulations and the Articles of Association, and the actual needs of the Company.

Article 14 The Supervisory Committee shall have the right to recommend an external audit firm to the General Meetings of the Company, and the supervisors shall have the right to understand and inquire about the Company's operations and be obliged to maintain confidentiality of such information.

Article 15 The directors, senior management and other staff of the Company shall provide necessary assistance to, and shall not interfere with or obstruct, the supervisors in the normal performance of their duties. The reasonable expenses incurred by the supervisors in performing their duties shall be borne by the Company.

Article 16 The Supervisory Committee's supervision records and results of financial or specific inspection of directors, General Manager and other senior management will serve as important basis for their performance assessment.

CHAPTER 3 PROPOSAL AND CONVENING OF MEETINGS

Article 17 Before giving a notice on convening a regular meeting of the Supervisory Committee, the Chairman of the Supervisory Committee shall solicit proposals for the meeting from all supervisors and provide at least 3 days to solicit opinions from the employees of the Company. When soliciting proposals and opinions, the Chairman of the Supervisory Committee shall explain that the Supervisory Committee focuses on the supervision of the standard operation of the Company and the performance of the duties of the directors and senior management rather than making decisions on the operation and management of the Company.

Article 18 If a supervisor proposes to convene an extraordinary meeting of the Supervisory Committee, he shall submit an executed written proposal to the Chairman of the Supervisory Committee. The written proposal shall specify:

- (1) the name of the proposing supervisor;
- (2) the reason or objective circumstance for the proposal;
- (3) the time or duration, venue and form of the proposed meeting;
- (4) a clear and specific proposal; and
- (5) contact information of the proposing supervisor and date of proposal, etc.

Within 3 days after the Chairman of the Supervisory Committee receives the written proposal from a supervisor, the Chairman of the Supervisory Committee shall issue a notice to convene an extraordinary meeting of the Supervisory Committee.

If the Chairman of the Supervisory Committee neglects in issuing the meeting notice, the proposing supervisor shall report to the regulatory authorities in a timely manner.

Article 19 The meeting of the Supervisory Committee shall be convened and presided over by the Chairman of the Supervisory Committee; if the Chairman of the Supervisory Committee is unable to or fails to carry out his duties, a supervisor elected by more than half of the supervisors shall convene and preside over the meeting.

CHAPTER 4 NOTICE OF SUPERVISORY COMMITTEE MEETINGS

Article 20 The method for discussions of the Supervisory Committee shall be Supervisory Committee meetings. As for the voting on a resolution of the Supervisory Committee, each supervisor shall have one vote, and the vote shall be taken by disclosed ballot and in writing. The meeting notice for regular meetings and extraordinary meetings of the Supervisory Committee shall be delivered to all supervisors 10 days and 3 days in advance respectively.

The time limit restriction set forth in the preceding paragraph shall not apply to the giving of meeting notice in case of urgent situation which requires the convention of an extraordinary meeting of the Supervisory Committee as soon as possible.

Article 21 Meetings of the Supervisory Committee shall be held at the domicile of the Company as a general rule, and may be held in other places within the territory of China if approved by resolution of the Supervisory Committee.

Article 22 The notice of meeting of the Supervisory Committee shall include:

- (1) the date, place and duration of the meeting;
- (2) reasons and details of the matter(s) to be discussed;
- (3) the issuance date of notice;
- (4) the convener and presider of the meeting, the proposer of the extraordinary meeting and his written proposal;
- (5) meeting materials necessary for supervisors to vote;
- (6) the requirement that a supervisor shall attend the meeting in person; and
- (7) contact person and contact details.

A verbal meeting notice shall at least include the information set forth in Items (1) and (2) above and the explanations on holding the extraordinary meeting of the Supervisory Committee in urgent situation.

Article 23 Where, after the written notice for the regular meeting of the Supervisory Committee is issued, there is a need to change the date, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, then a written change notice shall be issued three days before the originally scheduled meeting date, specifying the situation and relevant content of and providing materials about the new proposal. In case of less than three (3) days, the date of meeting shall correspondingly be postponed, or the meeting shall be called at the original date of meeting upon obtaining the written consent of all supervisors present.

Article 24 Where, after the written notice for the extraordinary meeting of the Supervisory Committee is issued, there is a need to change the date, place or other matters of the meeting, or to add, change or cancel the proposals of the meeting, then the approval by all supervisors attending the meeting shall be obtained in advance and records thereof shall be made.

CHAPTER 5 HOLDING AND RESOLUTION OF MEETINGS

Article 25 Meetings of the Supervisory Committee may be held and voting can be conducted by physical meetings or means of communication or a combination of both.

A physical Supervisory Committee meeting may provide convenience to supervisors to attend the meeting through the means of telephone, video or other instant communication device. Supervisors who attend a Supervisory Committee meeting by the aforementioned means shall be deemed to have attended such physical meeting.

If the meetings of the Supervisory Committee are convened via telephone, video or other instant communication device, it shall ensure that the attending supervisors are able to hear clearly other supervisors' speaking and are able to communicate with each other. Sound records and video records shall be made for the Supervisory Committee meetings held in this way. Where the supervisors are unable to sign the meeting resolutions immediately at such meetings, they shall cast their votes orally and complete the signing on written resolutions as soon as possible. Oral voting by the supervisors shall have the same effect as signing in writing, provided that such ex post signing in writing shall be consistent with the earlier oral voting at the meetings. If there is any discrepancy between such signing in writing and oral voting, the oral voting shall prevail.

No Supervisory Committee meeting may be held unless attended by a majority of supervisors. Where a supervisor refuses or neglects to attend the meeting, giving rise to failure to meet the quorum required for holding the meeting, other supervisors shall timely report this to the regulatory authorities.

Supervisors shall attend the Supervisory Committee meetings in person. Where a supervisor cannot attend the meeting for cause, he may appoint another supervisor in writing to attend on their behalf, by a proxy form which shall state the name of the appointer and the proxy, brief opinions from the appointer on each proposal, the appointer's scope of authority and instructions on the intention to vote on the proposal, the duration of the authority and the date, and shall be signed or sealed by the appointing supervisor. The proxy supervisor present at the meeting shall exercise the rights of supervisor within the scope of authority.

The Secretary of the Board of Directors and the Representative of Securities Affairs shall attend the Supervisory Committee meetings as nonvoting delegate.

Article 26 The presider of the meeting shall ask the attending supervisors for their opinions on each of the proposals.

The presider of the meeting shall request the directors, senior management, other employees of the Company or business personnel of relevant intermediaries to answer for inquiries at the meeting according to the suggestions of the supervisors.

Article 27 As for the voting on a resolution of the Supervisory Committee meeting, each supervisor shall have one vote, whether by disclosed ballot or show of hands.

Supervisors may vote for or against the proposal or abstain from voting. Attending supervisors shall make one option from “for”, “against” or “abstain”. Where any supervisor does not make any option or makes two or more options, the presider of the meeting shall ask relevant supervisor to make option again, and if the supervisor refuses to do so, or if any supervisor leaves the meeting venue halfway without making option, he shall be regarded as abstaining from voting.

A resolution of the Supervisory Committee must be approved by more than two-thirds of the supervisors. A resolution of the Supervisory Committee shall be confirmed by the signature of the attending supervisors.

Article 28 The Supervisory Committee shall assign a person to take minutes of the physical meeting. The meeting minutes shall contain:

- (1) the session, time, venue and form of the meeting;
- (2) the information on the issuance of meeting notice;
- (3) the convener and the presider of the meeting;
- (4) the information on meeting attendance;
- (5) the proposals discussed at the meeting, the main points of each supervisor’s speech and main opinions on the matters, and the intention to vote on the proposals;
- (6) method and results of the voting for each proposal (the voting result should specify the number of votes for and against the proposal or abstention); and
- (7) other issues that the attending supervisors consider necessary.

Total recording of meetings of the Supervisory Committee may be conducted as needed. For meetings of Supervisory Committee that are held by means of communication, the Supervisory Committee shall assign a person to collate the minutes of the meeting with reference of the provisions above.

Article 29 The minutes of meetings of the Supervisory Committee shall be confirmed by the signature of the attending supervisors. Supervisors dissenting from the meeting minutes shall make a written statement at the time of signing.

Supervisors that neither sign in accordance with the provisions of the preceding paragraph, nor make a written statement or report to the regulatory authorities to explain their dissenting opinion or publish a public statement, are deemed to fully agree with the contents of the meeting minutes.

Article 30 Supervisors shall urge relevant persons to implement the resolutions of the Supervisory Committee. The Chairman of the Supervisory Committee shall report on the implementation of the resolutions passed at a subsequent Supervisory Committee meeting.

Article 31 Supervisors may require to record some of their speech made on the meeting as some kind of illustration record. The Chairman of the Supervisory Committee shall designate a person to be responsible for keeping the meeting documents of the Supervisory Committee, including the meeting notice and the meeting materials, the attendance book of the meeting, the meeting audio recordings, votes, meeting minutes and resolutions confirmed and signed by the supervisors. The meeting documents of the Supervisory Committee shall be kept for a period of no less than ten years.

In case of voting by means of communication, the supervisors shall send their signed written opinions and confirmation on voting intention on the matters submitted for consideration, by fax, courier, email or otherwise to the person so authorized by the Supervisory Committee. Supervisors participating in the voting by means of communication shall submit the original of the signed voting forms to the Supervisory Committee within the time limit set forth in the meeting notice.

Article 32 Announcement of resolutions of the Supervisory Committee shall be made in accordance with the relevant regulations of the securities regulatory authority of the place where the stocks of the Company are listed.

CHAPTER 6 ENFORCEMENT OF AND FEEDBACK ON RESOLUTIONS OF THE SUPERVISORY COMMITTEE

Article 33 The Supervisory Committee may make recommendations to the Board of Directors and the General Meeting, which shall be implemented by relevant departments under the organization by the Board of Directors.

Article 34 For any resolution made by the Supervisory Committee which relates to requisition for convening an extraordinary meeting of the Board of Directors or an extraordinary General Meeting or submission of proposals to the General Meeting, the Supervisory Committee shall submit a written proposal listing the complete topics and content of the meeting to the Board of Directors, and ensure the content of such proposal comply with laws, administrative regulations, other regulatory documents and the Articles of Association.

Article 35 Supervisors shall urge relevant persons to implement the resolutions of the Supervisory Committee. The Chairman of the Supervisory Committee shall report on the implementation of the resolutions passed at a subsequent Supervisory Committee meeting.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 36 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, departmental rules, regulatory rules of the place where the Company's shares are listed, or other regulatory documents, as promulgated then in effect, or in conflict with the Articles of Association, the said provisions of laws, regulations, regulatory rules of the place where the Company's shares are listed, other regulatory documents or the said Articles of Association shall prevail.

Article 37 These Rules shall be annexed to the Articles of Association. Unless otherwise stated, all terms used herein shall have the same meaning as those defined in the Articles of Association.

Article 38 These Rules shall be reviewed and passed by the General Meeting of the Company and shall take effect from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange. Since the effective date of these Rules, the original Rules of Procedure of the Supervisory Committee of the Company shall be automatically invalidated.

Article 39 These Rules shall be interpreted by the Supervisory Committee of the Company.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to improve the management of and standardize any act of the related party/connected transactions by Jenscare Scientific Co., Ltd. (the “**Company**”), effectively prevent and control the operating risks, guarantee the legality, fairness and reasonableness of the related party/connected transactions and protect the legitimate rights and interests of the Company and its shareholders as a whole, and in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Administrative Measures for the Disclosure of Information of Listed Companies, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange (the “**SSE STAR Listing Rules**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”) and other laws, regulations, rules and regulatory documents and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 These Rules apply to the Company and its branches and subsidiaries that are included in the Company’s consolidated accounting statements.

Article 3 These Rules shall be binding on and observed by the shareholders, directors, supervisors and senior management of the Company.

Article 4 The Company shall enter into written agreements with respect to its related party/connected transaction activities in accordance with the principles of fairness, equity and openness. Each agreement should be entered into on an equal, voluntary, equivalent and compensatory basis, and the content of the agreement should be clear, specific and in compliance with the relevant provisions of the SSE STAR Listing Rules and the HKEX Listing Rules.

CHAPTER 2 IDENTIFICATION OF RELATED/CONNECTED PARTY AND
RELATED PARTY/CONNECTED TRANSACTION

Article 5 Related/Connected Parties of the Company include related parties defined in the SSE STAR Listing Rules and other PRC securities regulation rules as well as connected persons defined in the HKEX Listing Rules and other Hong Kong securities regulation rules.

Article 6 In accordance with the provisions of the SSE STAR Listing Rules, a related party of the Company refers to any of the following natural persons, legal persons, or other organizations:

- (1) any natural person, legal person, or other organization who directly or indirectly controls the Company;
- (2) any natural person who directly or indirectly holds more than 5% shares in the Company;
- (3) the directors, supervisors or senior management of the Company;

- (4) close family members of the related natural persons referred to in Items (i), (ii) and (iii) of this Article, including their spouse, children aged 18 or above and their spouse, parents and parents-in-law, siblings and their spouse, spouse's siblings, and children's parents-in-law;
- (5) any legal person or other organization that directly holds more than 5% shares in the Company;
- (6) the directors, supervisors, senior management, or other principal person-in-charge of any legal person or other organization that directly or indirectly controls the Company;
- (7) any legal person or other organization, other than the Company or its controlled subsidiary, which is controlled either directly or indirectly by a related legal person or related natural person as enumerated in Items (i) to (vi) of this Article, or in which such related natural person other than an independent director serves as a director or senior management;
- (8) any legal person or other organization that indirectly holds more than 5% shares in the Company;
- (9) any other natural person or legal person or other organization, as determined by the China Securities Regulatory Commission (the "CSRC"), the Shanghai Stock Exchange or the Company in accordance with the principle of substance over form, that has a special relationship with the Company which may cause the Company to act in his or its favor.

Any legal person, other organization or natural person shall be deemed as a related party of the Company if it/he is any of those identified in the preceding paragraph within 12 months before the date of occurrence of a transaction or after the effectiveness of the relevant agreement for the transaction or the implementation of the arrangement for the transaction.

Where the Company and any legal person or other organization directly or indirectly controlled by the legal person or other organization identified in Item (i), Paragraph One of this Article are under the common control of a state-owned asset administration authority, there shall be no resulting related party relationship between them, unless the legal representative, general manager, person-in-charge, or the majority of the directors of such legal person or other organization serve concurrently as a director, supervisor or senior management of the Company.

Article 7 In accordance with the provisions of the HKEX Listing Rules, a connected person of the Company is:

- (1) a director (including any person who was a director of the Company or any of its branches and subsidiaries in the last 12 months), supervisor, general manager or substantial shareholder of the Company or any of its branches and subsidiaries (hereinafter referred to as the “**Core Connected Persons**”). A substantial shareholder means a person who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company or each of its branches and subsidiaries;
- (2) an associate of any of the above Core Connected Persons (as defined in Chapter IX herein);
- (3) a non-wholly-owned subsidiary of the Company where any Core Connected Person(s) and their associates (other than at the level of its branches and subsidiaries) are (individually or together) entitled to exercise or control the exercise of, 10% or more of the voting power at any general meeting of such non-wholly owned subsidiary;
- (4) any branch or subsidiary at all levels of such non-wholly-owned subsidiaries of the Company as mentioned in the above Item (iii);
- (5) a person deemed to be connected by The Stock Exchange of Hong Kong Limited (the “**HKEX**”).

Article 8 Other than the non-wholly-owned subsidiaries of the Company and their branches or subsidiaries at all levels provided in Items (iii) and (iv) of Article 7 herein, any other branches and subsidiaries of the Company are not connected persons of the Company. A director, supervisor, senior management or substantial shareholder of the Company’s insignificant subsidiary (as defined in Chapter IX herein) does not constitute a connected person of the Company.

Article 9 In addition to the abovementioned persons, the related/connected parties of the Company also include any natural person, legal person or other organization identified as a related/connected party in accordance with the rules of the CSRC, the Shanghai Stock Exchange, the HKEX and other domestic/foreign securities regulatory authorities coming into force from time to time thereafter. In the event of any conflict between the definition of a related/connected party hereunder and the laws or regulations such as the SSE STAR Listing Rules and the HKEX Listing Rules coming into force from time to time thereafter, the relevant laws and regulations in force on the date when the laws and regulations define the related/connected party shall prevail.

Article 10 Related party/connected transactions of the Company include related party transactions defined in the SSE STAR Listing Rules and other PRC securities regulation rules as well as connected transactions defined in the Hong Kong Listing Rules and other Hong Kong securities regulation rules.

In accordance with the provisions of the SSE STAR Listing Rules, the related party transactions refer to any transaction between the Company or any of its subsidiaries and other entities within the scope of its consolidated financial statements and a related party of the Company.

In accordance with the provisions of the HKEX Listing Rules, the connected transactions refer to any transaction between the Company or any of its branches and subsidiaries and a connected party of the Company, including but not limited to leasing, licensing, provision of products, provision of guarantees, provision of financial assistance, issue of shares, provision of services or shared services, establishment of joint venture arrangements.

Article 11 In accordance with the provisions of the SSE STAR Listing Rules, the related party transactions of the Company include but are not limited to:

- (1) purchase or sale of assets;
- (2) making external investment (except for purchasing bank wealth management products);
- (3) transferring or acquiring R&D projects;
- (4) signing license agreement;
- (5) provision of guarantee;
- (6) lease-in or lease-out of assets;
- (7) appointing others or being appointed for management of assets or business;
- (8) donating or receiving assets;
- (9) restructuring of debts or claims;
- (10) providing financial assistance; and
- (11) other transactions as identified by the Shanghai Stock Exchange.

In addition to the abovementioned transactions, any matter of the Company occurring with a related party in the ordinary course of business which may lead to transfer of resources or obligations also constitutes a related party transaction of the Company.

Article 12 In accordance with the provisions of the HKEX Listing Rules, the connected transactions of the Company may be one-off transactions or continuing transactions.

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

A continuing connected transaction is a connected transaction involving goods, services or the provision of financial assistance that is expected to be carried out on a continuing or recurring basis over a period of time, usually in the ordinary course of the Company's business, including but not limited to:

- (1) sale of products and goods;
- (2) provision or acceptance of labor services;
- (3) appointing others or being appointed for sales;
- (4) signing license agreement;
- (5) transferring or acquiring R&D projects;
- (6) appointing others or being appointed for management of assets or business;
- (7) lease-in or lease-out of assets;
- (8) providing financial assistance; and
- (9) any other matter which shall be identified as a continuing transaction in accordance with the provisions of the HKEX Listing Rules.

CHAPTER 3 MANAGEMENT OF RELATED PARTY/ CONNECTED TRANSACTIONS

Article 13 The General Meetings of the Company shall be responsible for the approval of related party/connected transactions that should be decided by the general meeting as stipulated by laws and regulations as well as securities regulatory authorities.

The Board of Directors of the Company shall be responsible for the approval of related party/connected transactions other than those specified in the preceding paragraph and other related party/connected transactions as prescribed by the securities regulatory authorities.

The Audit Committee of the Board of Directors of the Company shall be responsible for the confirmation of the list of related/connected parties of the Company, the overall review of related party/connected transactions and the regular review of the overall situation of related party/connected transactions of the Company, which specifically include the verification of the decision-making and performance of related party/connected transactions of the Company within 10 days after the end of each half-year and the review of the overall situation of related party/connected transactions

of the Company within 30 days after the end of each year. Then, an opinion on the review shall be formed and reported to the Company's Board of Directors and Supervisory Committee.

The Supervisory Committee of the Company shall be responsible for overseeing the consideration, voting, disclosure and performance of the related party/connected transactions. The general manager shall be responsible for considering and deciding the related party/connected transactions within his/her competence.

Article 14 The Investment Management Department shall be responsible for the management of related/connected parties, the compilation and dynamic maintenance of the list of related/connected parties, the organization of the decision making process of the General Meetings and the Board of Directors for the related party/connected transactions, disclosure and application for disclosure exemption of information on the related party/connected transactions.

The Financial Management Department shall be responsible for the accounting records, accounting, reporting and statistical analysis of the related party/connected transactions and reporting to the Investment Management Department for filing.

The Legal Affairs Department shall be responsible for identifying and reviewing the related/connected parties and related party/connected transactions, verifying the related party/connected transaction agreements and reporting to the Investment Management Department for filing.

The relevant functional departments of the Company shall be responsible for the preparation of proposals for related party/connected transactions, the signing of related party/connected transaction agreements and the supervision and reporting of the progress of related party/connected transactions within their areas of responsibility.

Article 15 The relevant functional departments of the Company shall report each transaction to the Investment Management Department prior to its occurrence, and the Investment Management Department shall organize the following departments to review and sign the contract for the transaction, specifically including:

- (1) the Investment Management Department, which is responsible for verifying the list of related/connected parties, and determining whether the counterparty is a related/connected party already included in the list, whether there is a potential related/connected party that requires updating the list of related/connected parties, and whether the transaction requires disclosure.
- (2) the Legal Affairs Department, which is responsible for examining the background of the counterparty, identifying whether the transaction is a related party/connected transaction and revealing the relation/connection between the related/connected party and the Company on a layer-by-layer basis;

- (3) the Financial Management Department, which is responsible for the verification of transaction-related information and conducting ratio tests.
- (4) The review results of the related party/connected transaction shall be reported to the Investment Management Department for filing and the Investment Management Department shall organize the decision making process for the related party/connected transaction. No agreement or transaction shall be entered into in respect of a related party/connected transaction until the decision making process has been completed.

Article 16 Each branch or subsidiary of the Company is responsible for coordinating the management of the related party/connected transactions conducted by the Company, implementing the audit process of the related party/connected transactions in accordance with the relevant regulations of the Company, and reporting the audit results of each related party/connected transaction to the Investment Management Department of the Company.

Article 17 Each functional department of the Company shall specify its personnel responsible for the management of related/connected parties and related party/connected transactions, and each branch or subsidiary of the Company shall specify its department and personnel responsible for the management of related/connected parties and related party/connected transactions and report them to the Investment Management Department of the Company for filing.

CHAPTER 4 REPORTING OF THE RELATED/CONNECTED PARTIES

Article 18 The related/connected parties of the Company shall promptly inform the Investment Management Department of the Company of their relation/connection with the Company, and shall promptly inform the Investment Management Department of the Company of any changes in the information of such related/connected parties.

Each department or branch or subsidiary of the Company shall submit to the Investment Management Department of the Company any information on the related/connected parties of the Company arising from their direct trading activities, and shall promptly inform the Investment Management Department of the Company of any changes in the information of the relevant related/connected parties.

Article 19 The Investment Management Department of the Company will send a confirmation of changes in related/connected parties to the related/connected parties identified by the Company on an annual basis, compile and update the list of related/connected parties as necessary, and submit the updated list of related/connected parties to the Audit Committee of the Board of Directors of the Company for review, and send it to all departments and branches and subsidiaries of the Company for their reference. The Audit Committee of the Board of Directors of the Company shall report to the Board of Directors and the Supervisory Committee of the Company in a timely manner upon confirmation of the list of related/connected parties of the Company.

Article 20 Information on the related/connected parties of the Company that needs reporting includes:

- (1) in the case of a legal person, the name and organization code of the legal person, and in the case of a natural person, the name and identity card number of the natural person;
- (2) description of the relation/connection with the Company.

CHAPTER 5 DECISION MAKING FOR RELATED PARTY/ CONNECTED TRANSACTIONS

Article 21 Where the Company or any of its branches or subsidiaries intends to enter into a related party/connected transaction with a related/connected party, it may not do so until completing the decision making process in accordance with this Chapter.

A motion on a related party/connected transaction submitted to a meeting for decision should provide a detailed description of the specific details of the transaction, the pricing policy, the necessity and feasibility of the transaction and the impact on the interests of the Company and its shareholders.

Article 22 Where the Company intends to enter into a related party transaction defined in the SSE STAR Listing Rules, it shall comply with the respective review procedures and make timely disclosure as follows:

- (1) Any transaction between the Company and a related party with a transaction amount (other than the provision of guarantees) representing more than 1% of the Company's latest audited total assets or market value and exceeding RMB30 million, shall be submitted to the General Meeting for consideration after consideration and approval by the Board of Directors;
- (2) Any transaction between the Company and a related legal person with a transaction amount representing more than 0.1% of the Company's latest audited total assets or market value and exceeding RMB3 million, or any transaction between the Company and a related natural person with a transaction amount exceeding RMB300,000, shall be submitted to the Board of Directors for consideration.

A transaction between a subsidiary of the Company within the scope of its consolidated financial statements and a related party defined in the SSE STAR Listing Rules shall be subject to the above review procedures and timely disclosure if it meets the above standard, or be implemented after approval by the General Manager if it fails the above standard.

The Company shall not provide any loan to its directors, supervisors or senior management, directly or through its subsidiaries.

Article 23 Any guarantee to be provided by the Company for related parties shall have reasonable business logic, and be submitted to the General Meeting for consideration after consideration and approval by the Board of Directors.

For any guarantee provided by the Company for a controlling shareholder, actual controller or their related parties, such controlling shareholder, actual controller or their related parties shall provide a counter guarantee.

Article 24 Where the Company intends to conduct a related party transaction defined in the SSE STAR Listing Rules which meets the standard for consideration by the General Meeting, the Company shall provide (i) to the extent that the transaction object is equity interest, an audit report on the financial report for the most recent financial year and the latest reporting period with respect to the transaction object; or (ii) to the extent that the transaction object is non-cash assets other than equity interest, a valuation report. The cut-off date of the audited financial report shall not be more than 6 months from the date of the audited report being used and the valuation date of the valuation report shall not be more than 1 year from the date of the valuation report being used. Any related party transaction concerning the day-to-day operations of the Company may be exempted from audit or valuation.

The audit report and the valuation report required by the preceding paragraph shall be issued by securities trading service institutions qualified to carry out securities and futures trading related business.

Article 25 Where the Company intends to enter into a related party transaction defined in the SSE STAR Listing Rules, it shall prudently provide financial assistance or trustee investment to its related parties; if it is necessary to do so, the amount incurred shall be used as the basis of calculation for disclosure and be aggregated for a period of 12 consecutive months.

If the Company has performed its obligation pursuant to Article 22 herein, such transactions shall no longer be aggregated.

Article 26 In accordance with the SSE STAR Listing Rules, the following transactions to be conducted by the Company shall be aggregated for a period of 12 consecutive months to determine the applicability of Article 22 herein:

- (1) transactions with a single related party;
- (2) transactions with different related parties the objects of which are related in category.

The above-mentioned single related party includes legal persons or other organizations which are under the common control of an actual controller with the related party, or which have an equity control relationship with the related party, or which have any natural person director or senior management also serving as a director or senior management in the related party.

The Company is required to submit any single related party transaction subject to the consideration of the General Meeting under the principle of aggregation for a period of 12 consecutive months to the General Meeting for consideration only, and disclose in the announcement of such related party transaction other related party transaction(s) already completed in the previous period.

Article 27 Any connected transaction defined in the HKEX Listing Rules contemplated by the Company which meets any of the following standards shall be reviewed and approved by the General Manager; while any connected transaction contemplated by any branch or subsidiary of the Company which meets any of the following standards shall first be reviewed and approved by such branch or subsidiary according to its relevant decision making process and then reported to the Investment Management Department of the Company for filing:

- (1) issues or repurchases of securities in compliance with the HKEX Listing Rules;
- (2) directors' service contracts of the Company or any of its branches and subsidiaries;
- (3) consumer goods or consumer services and sharing of administrative services in compliance with the HKEX Listing Rules;
- (4) the highest value of the ratio tests conducted according to the HKEX Listing Rules is (a) less than 0.1%; (b) less than 1% and the transaction is a connected transaction only because it involves connected person(s) at the branch or subsidiary level; or (c) less than 5% and the total transaction amount (or in the case of any financial assistance, the total value of the financial assistance plus any monetary advantage to the connected person or commonly held entity) is less than HK\$3 million;
- (5) a transaction conducted on normal commercial terms or more favorable terms with connected person(s) at the branch or subsidiary level according to the HKEX Listing Rules, provided that: (a) the Board of the Directors of the Company has approved the transaction; and (b) an independent director of the Company has confirmed that the transaction is entered into on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole;
- (6) transactions between the Company and a connected person who is connected with the Company solely by virtue of its or his relationship with an insignificant subsidiary of the Company; or
- (7) transactions with associates of passive investors (as defined in the HKEX Listing Rules) according to the HKEX Listing Rules.

Article 28 Any connected transaction defined in the HKEX Listing Rules contemplated by the Company which meets the following standards shall be reviewed and approved by the General Manager and then the Board of Directors of the Company; any connected transaction contemplated by any branch or subsidiary of the Company which meets the following standards shall, after the relevant decision making process has been completed by such branch or subsidiary, be submitted by the General Manager to the Board of Directors of the Company for review and approval; after the relevant decision making process has been completed, such connected transaction shall be reported to the Investment Management Department for filing; such connected transaction shall be disclosed in the form of announcement after review and approval by the Board of Directors of the Company:

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

Article 29 Any connected transaction defined in the HKEX Listing Rules contemplated by the Company which does not fall in the category mentioned in Articles 27 and 28 above (i.e. the highest value of the ratio tests is more than 5%) shall be reviewed and approved by the Board of Directors and then the General Meeting of the Company; any connected transaction contemplated by any branch or subsidiary of the Company which does not fall in the category mentioned in Articles 27 and 28 above (i.e. the highest value of the ratio tests is more than 5%) shall, after the relevant decision making process has been completed by such branch or subsidiary, be submitted by the General Manager for review and approval by the Board of Directors and then the General Meeting of the Company. After the relevant decision making process has been completed, such connected transaction shall be reported to the Investment Management Department for filing. Such connected transaction shall be disclosed in the form of announcement and circular after review and approval by the Board of Directors of the Company.

Article 30 According to the HKEX Listing Rules, the following related party/connected transactions by the Company or its branches and subsidiaries should be aggregated for a period of 12 consecutive months to calculate the amount of the connected transactions and then the corresponding requirements should apply accordingly:

- (1) transactions entered into with a single connected person, or persons who are connected with one another;
- (2) involving the acquisition or disposal of parts of an asset, or securities or interests in a company; or
- (3) transactions that will lead to substantial involvement by the Company and its branches and subsidiaries in a new business activity.

Where the decision making process at a General Meeting has been carried out on an aggregated basis, such transactions shall no longer be aggregated.

Article 31 Related party/connected transactions contemplated by the Company or any of its branches and subsidiaries that require the review and approval by the General Meeting of the Company shall be submitted to the Board of Directors of the Company for consideration after prior approval by the independent directors of the Company. The prior approval of the independent directors should be agreed by more than half of all independent directors and disclosed in the announcement of the related party/connected transaction. The independent directors may, at the Company's expense, engage an independent financial adviser to issue a report to support their decisions.

The Audit Committee of the Board of Directors of the Company shall, at the same time, review and form a written opinion on any related party/connected transaction contemplated by the Company or any of its branches and subsidiaries which requires the review and approval by the General Meeting of the Company, and submit the same to the Board of Directors of the Company for consideration and report to the Supervisory Committee of the Company. The Audit Committee of the Board of Directors of the Company may, at the Company's expense, engage an independent financial adviser to issue a report to support their decisions.

Article 32 When the Board of Directors is voting on a related party/connected transaction, the related/connected director shall take the initiative to state the relation/connection and file an avoidance application, and shall not vote as a proxy of other directors; the presider shall remind the related/connected director to avoid voting prior to the voting at the meeting. Any director who is aware of the relation/connection shall require the related/connected director to avoid if such related/connected director fails to so state and avoid. No related/connected director may attend or interfere with the voting on related party/connected transaction, or act as vote counter at the meeting considering the related party/connected transaction, provided that the related/connected director may express opinions and advise on the related party/connected transaction.

Such a Board meeting may be held in the presence of a majority of the non-related/non-connected directors and a resolution passed at such Board meeting shall require the approval of a majority of the non-related/non-connected directors. A non-related/non-connected director shall not appoint a related/connected director to attend on his behalf. If the number of non-related/non-connected directors attending the meeting is less than 3, the transaction shall be submitted to the General Meeting for consideration.

Independent directors attending and members of Supervisory Committee present at a Board meeting shall pay special attention to and deliver independent opinions on the avoidance of related party/connected director and the voting on related party/connected transaction, and shall immediately suggest the Board of Directors to make correction if in their opinion any director or the Board of Directors has breached the Articles of Association or these Rules.

A related/connected director includes a director who is either:

- (1) a counterparty to the transaction;
- (2) having direct or indirect control of the counterparty to the transaction;
- (3) holding office at the counterparty to the transaction, or holding office at a legal person or other organization directly or indirectly controlling or controlled by such counterparty;
- (4) a close family member of the counterparty to the transaction or a person directly or indirectly in control of the counterparty to the transaction;
- (5) a close family member of any director, supervisor or senior management of the counterparty to the transaction or a person directly or indirectly in control of the counterparty to the transaction; or
- (6) any other person whose independent business judgment may be affected otherwise as determined by domestic or foreign securities regulators or by the Company on the basis of the principle of substance over form.

Article 33 When the General Meeting reviews a related party/connected transactions, the related/connected shareholder shall take the initiative to state the situation to the General Meeting and express its intention of not participating in the voting, and shall not vote as a proxy of other shareholders. The Board of Directors of the Company and the witnessing lawyer shall remind the related/connected shareholders to avoid voting prior to the voting by shareholders. Where a related/connected shareholder fails to so state the relation/connection, other shareholders may require it or him to make statement and avoid voting, and the number of voting shares represented by the related/connected shareholder shall not be included in the total number of valid votes. The shareholder who is required to avoid and objects to such requirement may raise objection to and obtain reasonable explanation from the presider of the General Meeting, provided that this shall not affect the conduct of voting on the meeting or the validity of the results of such voting. This provision shall also apply to the related/connected shareholders who attend the General Meeting by proxy.

A related/connected shareholder includes a shareholder who is either:

- (1) a counterparty to the transaction;
- (2) having direct or indirect control of the counterparty to the transaction;
- (3) directly or indirectly controlled by the counterparty to the transaction;
- (4) directly or indirectly under common control of a natural person, legal person or other organization with the counterparty to the transaction;

- (5) having voting rights restricted or affected by the existence of outstanding equity transfer agreements or other agreements with the counterparty to the transaction or its related/connected parties; or
- (6) any other legal person or natural person determined by domestic or foreign securities regulators as may cause the Company to act in his or its favor.

Article 34 Under the SSE STAR Listing Rules, the following transactions between the Company and its related parties may be exempted from being deliberated and disclosed as a related party transaction:

- (1) any transaction in which one party subscribes in cash for stocks, corporate bonds or enterprise bonds, convertible bonds or other derivatives publicly issued by the other party;
- (2) any transaction in which one party, as a member of an underwriting group, underwrites stocks, corporate bonds or enterprise bonds, convertible bonds or other derivatives publicly issued by the other party;
- (3) any transaction in which one party thereto receives dividends, bonuses or remuneration in accordance with the resolutions of the shareholders' general meeting of the other party;
- (4) any transaction in which one party participates in the open tendering or auction of the other party, except as it is impossible for the open tendering or auction to produce a fair price;
- (5) any transaction in which the Company is unilaterally benefited, including receipt of cash donation, relief of debts, receipt of guarantee and financial assistance, etc.;
- (6) any transaction the price of which is prescribed by the government;
- (7) any transaction in which the related party provides funds to the Company at an interest rate not higher than the benchmark interest rate for applicable loans as set by the People's Bank of China and without any corresponding guarantee therefor from the Company;
- (8) any transaction in which the Company provides products and services to its director, supervisor or senior management on terms and conditions equal to those for non-related parties;
- (9) other transactions as identified by the Shanghai Stock Exchange.

Article 35 For connected transactions that meet the conditions for disclosure exemption under the HKEX Listing Rules, the Board of Directors of the Company may apply to the HKEX for an exemption in accordance with the requirements of the HKEX Listing Rules.

CHAPTER 6 SPECIAL PROVISIONS FOR CONTINUING RELATED PARTY/ CONNECTED TRANSACTIONS

Article 36 In accordance with the SSE STAR Listing Rules, when the Company enters into day-to-day related party transactions with its related parties, it shall disclose and perform deliberation procedures for such transactions in accordance with the following provisions:

- (1) For any day-to-day related party transaction occurring for the first time, the Company shall enter into a written agreement with the related party, and perform the deliberation procedures and make disclosure in a timely manner according to the transaction amount involved in the agreement. Such day-to-day related party transaction shall be submitted to the General Meeting for deliberation if no specific transaction amount is set forth in such agreement;
- (2) For day-to-day related party transaction agreements that have been deliberated and approved by the Board of Directors or the General Meeting of the Company and are being performed, if no material change has occurred in the main terms during performance, the Company shall disclose the actual performance of each agreement in the annual report and the semi-annual report as required, stating whether the provisions of each agreement have been observed; if material changes have occurred in the main terms during performance of an agreement or if an agreement is due for renewal, the Company shall go through another deliberation procedure and make timely disclosure of the newly amended or renewed day-to-day related party transaction agreement based on the transaction amount involved in the agreement. Such day-to-day related party transaction shall be submitted to the General Meeting for deliberation if no specific transaction amount is set forth in such agreement;
- (3) the Company may, by reasonably estimating the annual amount of the day-to-day related party transactions by category, conduct deliberation procedures and disclosure. If the estimated amount is exceeded in the actual execution of such transactions, the Company shall go through another deliberation procedures and disclosure of the excess amount;
- (4) the Company shall classify, aggregate and disclose such day-to-day related party transactions in its annual and interim reports;
- (5) if any day-to-day related party transaction agreement between the Company and its related party has a term of over 3 years, the Company shall re-perform relevant deliberation procedures and disclosure obligation every 3 years.

Article 37 Under the HKEX Listing Rules, where the Company or any of its branches or subsidiaries enters into a continuing connected transaction with a connected person, it shall perform the corresponding decision making process and disclosure obligations under this Chapter respectively.

- (1) For continuing connected transactions occurring for the first time, the Company and the connected person shall enter into a written agreement and submit the same to the Board of Directors or General Meeting of the Company for consideration based on the total annual transaction amount involved in the agreement, and disclose the details of the transactions in a timely manner; if the estimated amount is exceeded in the actual implementation of the Company thereafter, the Company shall resubmit the same to the Board of Directors or General Meeting of the Company for consideration and disclosure based on the excess amount;
- (2) For continuing connected transaction agreements that have been approved by the General Meeting or the Board of Directors of the Company and are being performed, if no material change has occurred in the main terms during performance, the Company shall disclose the actual performance of each agreement in the annual report as required, stating whether the provisions of each agreement have been observed; if material changes have occurred in the main terms during performance of an agreement or if an agreement is due for renewal, the Company shall resubmit the newly amended or renewed continuing connected transaction agreement to the Board of Directors or General Meeting of the Company for consideration based on the total annual transaction amount involved in the agreement;
- (3) Each continuing connected transaction is budgeted for the total annual transaction amount by the relevant functional department and financial management department;
- (4) At the beginning of each accounting year, the Investment Management Department of the Company shall conduct a statistical survey of the continuing connected transactions to determine the cap of each type of continuing connected transactions for the year and inform the relevant functional departments in a timely manner;
- (5) If the Investment Management Department of the Company estimates, after the statistics, that the annual transaction amount of a continuing connected transaction will exceed the pre-approved annual cap, the Investment Management Department should promptly compile and organize the corresponding decision making process in accordance with the new annual cap and disclose the details of the transactions in a timely manner;
- (6) The connected transactions in excess of the pre-approved annual cap that does not follow the required decision making process shall not be implemented.

Article 38 The continuing related party/connected transaction agreement between the Company and the related/connected party should include:

- (1) pricing policy and basis;
- (2) transaction price;
- (3) the total volume of transactions for each year and the basis for their determination;
- (4) payment terms and schedule;
- (5) other key terms that should be disclosed.

Article 39 The duration of continuing related party/connected transaction agreements between the Company and a related/connected party shall generally be limited to three years or less; for such continuing related party/connected transaction agreements of three years or less, three years later the Company shall re-perform the decision making process and disclosure obligations every three years, and the independent financial adviser appointed by the Company shall explain the reasons for exceeding the three-year period and that such period is consistent with the general treatment of such agreements in the industry.

Article 40 The independent directors of the Company shall annually review the continuing related party/connected transactions and express opinions on the continuing related party/connected transactions of the Company and its branches or subsidiaries in the annual reports.

Article 41 The external auditor of the Company shall issue an annual letter to the Board of Directors of the Company expressing opinions on the continuing related party/connected transactions of the Company and its branches and subsidiaries. The Company shall allow the external auditor to verify the accounts so that the external auditor can express opinions on them.

Article 42 The Company shall disclose in its annual report details of each continuing related party/connected transaction, including the date, parties, substance, purpose, amount and principal terms of each related party/connected transaction as well as the nature and extent of the interests of the related/connected parties in the transaction.

CHAPTER 7 DISCLOSURE OF RELATED PARTY/CONNECTED TRANSACTIONS

Article 43 In respect of related party/connected transactions which are required to be disclosed under the SSE STAR Listing Rules and the HKEX Listing Rules, the Company shall disclose the execution, modification, termination and performance of such related party/ connected transaction agreements in accordance with the relevant requirements.

Article 44 Under the SSE STAR Listing Rules and the relevant guidelines on the format of transaction announcements, an announcement relating to related party transactions shall disclose, inter alia, the following:

- (1) overview of the related party transaction;
- (2) basic information about the related party;
- (3) basic information on the target of the related party transaction;
- (4) pricing of the related party transaction;
- (5) the main contents and performance arrangements of the related party transaction agreement;
- (6) the necessity of the related party transaction and its impact on the Company;
- (7) the deliberation procedure of the related party transaction;
- (8) opinions from the intermediary (if applicable);
- (9) other contents as may be required under the SSE STAR Listing Rules;
- (10) such other contents as may be required by the CSRC and the Shanghai Stock Exchange to help explain the substance of the transaction.
- (11) If the Company provides guarantee for any related party or shareholder with a shareholding of less than 5%, such disclosure shall also include the total amount of external guarantees of the Company and its holding subsidiaries, total amount of guarantee provided by the Company for the holding subsidiaries, and the respective percentage of such amounts in the latest audited net assets of the Company, each as of the date of disclosure.

Article 45 The Company shall submit the following documents to Shanghai Stock Exchange, when disclosing any related party transaction under the SSE STAR Listing Rules:

- (1) draft announcement;
- (2) written document reflecting the prior approval of the transaction by the independent directors;
- (3) opinions from independent directors and the sponsor (if sponsoring is involved);
- (4) agreement or letter of intent related to the transaction;

- (5) resolution of the Board of Directors and its draft announcement (if applicable);
- (6) governmental approval involved in the transaction (if applicable);
- (7) professional reports issued by the intermediary (if applicable);
- (8) such other documents as may be required to submit by Shanghai Stock Exchange.

Article 46 Under the HKEX Listing Rules, an announcement relating to connected transactions shall disclose, inter alia, the following:

- (1) a general description of the connected transaction;
- (2) the date of the transaction;
- (3) the name of the counterparty to the transaction, its principal business and its connection with the Company;
- (4) the transaction price and its determination basis and terms;
- (5) payment terms and schedule;
- (6) the reasons for and benefits of entering into the transaction;
- (7) the opinions of the Board of Directors;
- (8) whether there are any connected directors who are required to abstain from voting at the Board meetings;
- (9) in the case of a continuing connected transaction, the contractual term, the total transaction amount in each year and the determination basis, and the actual amounts incurred in connected transactions of the same category in the past three years; a confirmation by the independent non-executive directors in respect of the matters referred to in Rule 14A.55 of the HKEX Listing Rules; and a statement by the auditor in respect of the matters referred to in Rule 14A.55 of the HKEX Listing Rules;
- (10) such other contents as may be required under the HKEX Listing Rules.

Article 47 Under the HKEX Listing Rules, a circular relating to connected transactions shall disclose, inter alia, the following:

- (1) the full contents disclosed in the corresponding connected transaction announcement;

- (2) whether there are any connected shareholders who are required to abstain from voting at the General Meetings;
- (3) written opinions from the independent directors;
- (4) written opinions from the independent financial adviser;
- (5) basic information about the Company;
- (6) such other contents as may be required under the HKEX Listing Rules.

Article 48 If, during the negotiation of a related party/connected transaction, the price of the Company's shares fluctuates significantly as a result of rumors or reports of such related party/connected transaction in the market, the Company shall make clarification announcements as appropriate in accordance with the relevant regulations.

CHAPTER 8 LIABILITIES

Article 49 The related/connected parties of the Company shall not damage the interests of the Company with its relation/connection; otherwise, it shall be liable for compensation for any loss to the Company arising from its breach.

Article 50 In the event that a related/connected party misappropriates the Company's assets to the detriment of the Company and its shareholders, the Company has the right to take effective measures to require the related/connected party to cease the infringement and to apply to the People's Court for a judicial freeze against the Company's assets misappropriated by the related/connected party and the Company's shares held by the related/connected party (if any).

Article 51 If any director, supervisor or senior management of the Company assists or connives at the appropriation of the Company's assets by any related/connected party to the detriment of the Company in violation of the laws, regulations or these Rules, the Board of Directors of the Company may, depending on the severity of the case, impose punishment on those directly responsible and remove the director, supervisor or senior management seriously responsible, and have the right to demand appropriate compensation from them according to the extent of the loss suffered by the Company; if an offence is committed, the Company will refer to judicial authority for handling.

Article 52 If the Company is affected by or suffers losses arising from any dereliction of duty or malfeasance of duty on the part of the management body of the related party/connected transactions at all levels and the relevant personnel in the course of handling related party/connected transactions, then the Company shall have the right to punish the person directly responsible, including criticism, warning and up to dismissal from office, depending on the severity of the case.

Article 53 In the event that a shareholder of the Company suffers financial loss as a result of an act committed by a related/connected party that is detrimental to the interests of the Company and other shareholders and thus brings a civil action for compensation in accordance with the law, the Company is obliged to provide relevant information and other support in compliance with the laws, regulations and the Articles of Association of the Company.

CHAPTER 9 SUPPLEMENTARY PROVISIONS

Article 54 Under the HKEX Listing Rules, the “associates” for the purpose of these Rules include:

- (1) In case the Core Connected Person is a natural person:
 - A. his/her spouse; his/her (or his/her spouse’s) child or step-child, natural or adopted, under the age of 18 years (each an “**immediate family member**”); the trustees, acting in their capacity as trustees of any trust of which the individual or his immediate family member is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object (other than a trust which is an employees’ share scheme or occupational pension scheme established for a wide scope of participants and the connected persons’ aggregate interests in the scheme are less than 30%) (the “**trustees**”); or a 30%-controlled company held, directly or indirectly, by the individual, his immediate family members and/or the trustees (individually or together), or any of its branches and subsidiaries; or
 - B. (i) a person cohabiting with him/her as a spouse, or his/her child, step-child, parent, stepparent, brother, step-brother, sister or step-sister (each a “**family member**”); or (ii) a majority-controlled company held, directly or indirectly, by the family members (individually or together), or held by the family members together with the individual, his immediate family members and/or the trustees, or any of its branches and subsidiaries.
- (2) In case the core connected person is a legal person:
 - A. its subsidiary or holding company, or a fellow subsidiary of the holding company;
 - B. the trustees, acting in their capacity as trustees of any trust of which the company is a beneficiary or, in the case of a discretionary trust, is (to its knowledge) a discretionary object (the “**trustees**”); or
 - C. a 30%-controlled company held, directly or indirectly, by the company, the companies referred to in (1) above, and/or the trustees (individually or together), or any of its branches and subsidiaries.

- (3) A 30%-controlled company held by a person will not be regarded as his or its associate if the person's and his or its associates' interests in the company, other than those indirectly held through the listed issuer's group, are together less than 10%.
- (4) A person's associates include any joint venture partner of a cooperative or contractual joint venture (whether or not it is a separate legal entity) where:
 - A. the person (being an individual), his immediate family members and/or the trustees; or
 - B. the person (being a company), any company which is its subsidiary or holding company or a fellow subsidiary of the holding company, and/or the trustees, together directly or indirectly hold 30% (or an amount that would trigger a mandatory general offer or establish legal or management control over a business enterprise under the PRC laws) or more in the joint venture's capital or assets contributions, or the contractual share of its profits or other income.
- (5) In addition to the above, other natural and legal persons identified as connected persons under the HKEX Listing Rules. In the event of any conflict between the definition of an associate hereunder and the HKEX Listing Rules coming into force thereafter, the HKEX Listing Rules in effect on the date when the associate is defined shall prevail.

Article 55 Under the HKEX Listing Rules, an "insignificant subsidiary" for the purpose of these Rules is a subsidiary whose:

- (1) values of the ratio tests based on total assets, revenue and profits for each of the last three accounting years are all less than 10%;
- (2) values of the ratio tests based on total assets, revenue and profits for the last accounting year are all less than 5%.

Article 56 Under the HKEX Listing Rules, the "ratio tests" for the purpose of these Rules include:

- (1) total assets test: the total assets which are the subject of the transaction divided by the latest disclosed audited or unaudited total assets of the Company;
- (2) revenue test: the revenue attributable to the assets which are the subject of the transaction, excluding those items of revenue and gains that arise incidentally, divided by the audited revenue of the Company disclosed during the last year;

- (3) profits test: the profits attributable to the assets which are the subject of the transaction (after deducting all charges except taxation and before non-controlling interests) divided by the audited revenue of the Company disclosed during the last year;
- (4) consideration test: the consideration divided by the total market capitalization of the Company (calculated by multiplying the average closing share price of the Company's shares on the HKEX for the five trading days prior to the transaction agreement by the total number of shares in the Company); and
- (5) equity capital test: where the shares in the Company are the consideration, the nominal value of the equity capital of the consideration for the transaction divided by the nominal value of the total issued equity capital of the Company prior to the transaction.

Article 57 Matters uncovered herein shall be subject to the national laws, regulations and regulatory documents, the SSE STAR Listing Rules, the HKEX Listing Rules and the Articles of Association of the Company. In case of any conflict between these Rules and the above regulations, the national laws, regulations and regulatory documents, the SSE STAR Listing Rules, the HKEX Listing Rules and the Articles of Association of the Company shall prevail.

Article 58 Unless otherwise specified, terms used herein shall have the same meanings ascribed to them in the SSE STAR Listing Rules, the HKEX Listing Rules and the Articles of Association of the Company.

Article 59 These Rules shall be reviewed and approved by the General Meeting of the Company and shall take effect and be implemented from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange. Since the effective date of these Rules, the original Management Rules for Connected Transaction of the Company shall be automatically invalidated.

Article 60 These Rules shall be interpreted by the Board of Directors of the Company. The Investment Management Department of the Company shall update and modify these Rules in a timely manner in accordance with the latest requirements on related party/connected transactions issued by the CSRC, the Shanghai Stock Exchange and the HKEX, and inform the relevant departments.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to regulate the external guarantee activities of Jenscare Scientific Co., Ltd. (the “**Company**”), effectively control the risks of external guarantee, ensure the safety of the Company’s assets, and protect the legitimate rights and interests of the shareholders and other stakeholders, in accordance with the requirements of establishing a modern enterprise system and the Company Law of the People’s Republic of China (the “**Company Law**”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), and other relevant regulations, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 For the purposes of these Rules, “external guarantees” refer to guarantees provided by the Company or its holding subsidiaries for others, including guarantees provided by the Company for its holding subsidiaries. Guarantee may be provided in the form of, among others, guarantee, mortgage or pledge. The type of external guarantee includes bank loan guarantee, bank letter of credit guarantee, bankers’ acceptance guarantee and guarantee for the issuance of bank guarantee, etc.

Article 3 These Rules shall apply to the Company and its holding subsidiaries. The external guarantees of the Company’s holding subsidiaries shall be implemented with reference to these Rules.

**CHAPTER 2 PRINCIPLES FOR THE COMPANY TO
PROVIDE EXTERNAL GUARANTEE**

Article 4 The Company shall follow the principles of lawfulness, prudence, mutual benefit and safety and strictly control the guarantee risks in its provision of external guarantees. The controlling shareholder, actual controller of and other enterprises controlled by the Company shall not take advantage of guarantee to directly or indirectly appropriate the Company’s funds and assets, require the Company to provide guarantees in violation of laws and regulations, and harm the legitimate rights and interests of the Company and other shareholders.

Article 5 The Company may provide guarantee to an entity with independent legal personality and sound solvency which:

- (1) will in turn provide guarantee to the Company due to the business needs of the Company;
- (2) has actual or potential important business relationship of the Company; and
- (3) is a holding subsidiary of or has other control relationship with the Company.

The Company may provide guarantee to entities other than those listed above, with which the Company deems it necessary to develop the business and cooperation relationship, and to which the Company deems it less risky to provide guarantee, in accordance with laws, regulations and the Articles of Association, after approval by the Board of Directors or the General Meeting of the Company (as may be required in the Articles of Association and these Rules).

Article 6 External guarantee of the Company is under uniform management, and no one shall have the right to enter into contracts, agreements or other similar legal documents for external guarantee in the name of the Company unless with the approval of the Board of Directors or the General Meeting of the Company.

Article 7 When providing guarantee to others, the Company shall perform its information disclosure obligation regarding external guarantees in strict accordance with relevant provisions of the laws, regulations, the rules of the securities regulatory authority or stock exchange at the place where the shares of the Company are listed, and truthfully provide the certified public accountants engaged by the Company with all information on external guarantees of the Company.

Article 8 No branch or functional department of the Company may provide external guarantee without authorization.

Article 9 In case of providing an external guarantee, the Company shall take necessary measures such as requiring counter-guarantee to prevent risks, and the guarantor providing the counter-guarantee shall have the actual ability to perform the obligations thereunder.

In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related parties, the controlling shareholder, actual controller or their related parties shall provide a counter guarantee, except for guarantee provided by the Company for its holding subsidiaries and guarantee provided by its holding subsidiaries for the Company.

The guaranteed amount of the counter-guarantee provided by the guaranteed party to the Company must correspond to that of the guarantee provided by the Company. The Company shall reject any counter guarantee from a guaranteed party, the collateral property of which is prohibited from circulation or transfer under the laws and regulations.

**CHAPTER 3 REVIEW OF THE GUARANTEED PARTY OF
EXTERNAL GUARANTEE**

Article 10 The guaranteed party (referring to the debtor of the main contract, same below) shall provide the Company with the following information:

- (1) basic information of the enterprise, including business license, copy of the articles of association, identity document of the legal representative, relevant materials reflecting the relation/connection or other relationship with the Company, etc.;
- (2) application for guarantee, including but not limited to the method, term, amount of guarantee, etc.;
- (3) the audited financial reports of the latest three years, the financial statements for the current reporting period, and repayment capacity analysis;
- (4) photocopies of the main contract and its relevant appendices;
- (5) a statement on no threatened and pending material litigations, arbitrations or administrative penalties on the guaranteed party;
- (6) the counter-guarantee plan or proof that the guarantor providing the counter-guarantee has the actual ability to perform the obligations thereunder, and in case of counter-guarantee with collateral of owned assets, the corresponding ownership certificate of such assets;
- (7) borrowing and loan guarantee resolutions made by the board of directors of the enterprise or other competent bodies; and
- (8) other materials as the Company may deem necessary to provide.

Article 11 The person responsible for handling shall, based on the basic information provided by the guarantee applicant, investigate and verify the operation and financial condition, project situation, credit standing and industry prospects of the guarantee applicant, submit the results thereof to the relevant departments for review in accordance with the contract approval procedures, and report the relevant materials to the Board of Directors or the General Meeting of the Company for approval after examination and approval by the leader in charge and the General Manager.

Article 12 The Board of Directors or the General Meeting of the Company shall consider and vote on the relevant materials, and record the voting results. No guarantee shall be provided for a guaranteed party, if the information provided is insufficient, or if the guaranteed party:

- (1) intends to make any investment against national laws and regulations or national industry policies;

- (2) has false records or provided false information in financial and accounting documents in the recent three years;
- (3) has defaulted in repayment or payment of bank loan and its interest for which the Company has provided guarantee, and has not yet repaid or fails to put in place effective measures for the same at the time of this guarantee application;
- (4) has deteriorated business condition and bad reputation, without any sign of improvement;
- (5) fails to secure valid property for counter-guarantee; or
- (6) has any other circumstance in which the Board of Directors deems that a guarantee cannot be provided.

Article 13 The counter guarantee or other effective risk-prevention measures provided by the guarantee applicant must have an amount corresponding with the guarantee to be provided. A counter guarantee shall be rejected if its collateral property provided by guaranteed party is prohibited from circulation or transfer by the laws and regulations

CHAPTER 4 APPROVAL PROCEDURE OF EXTERNAL GUARANTEE

Article 14 The external guarantees to be provided by the Company shall be reviewed by the Board of Directors or the General Meeting. External guarantees that should be approved by the General Meeting must be considered and approved by the Board of Directors before they are submitted to the General Meeting for approval.

Article 15 The following external guarantee to be provided by the Company must be considered and approved by the General Meeting:

- (1) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;
- (2) any guarantee provided after the total amount of external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company;
- (3) any guarantee to be provided to a party which has an asset-liability ratio in excess of 70%;
- (4) guarantees exceeding 30% of the latest audited total assets of the Company in accordance with the principle of cumulative calculation of the guaranteed amount for 12 consecutive months;

- (5) any guarantee to be provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets of the Company;
- (6) any guarantee to be provided to the shareholders, the actual controller or their related parties; and
- (7) other guarantees as prescribed by laws, regulations, regulatory documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

External guarantees above that should be approved by the General Meeting must be considered and approved by the Board of Directors before they are submitted to the General Meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the Board of Directors, and in case of guarantee provided by the Company to its related parties, by more than two thirds of the unrelated directors present at the meeting of the Board of Directors. When the guarantee specified in Item (4) above is considered at the General Meeting, it shall be approved by more than two-thirds of voting rights held by the shareholders attending the General Meeting.

A guarantee provided by the Company for a related/connected party shall have reasonable business logic and be disclosed in a timely manner pursuant to the regulatory rules of the place where the shares of the Company are listed and submitted to the General Meeting for consideration after consideration and approval by the Board of Directors. In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related/connected parties, the controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee.

When considering the resolution of providing guarantee to shareholders, actual controller and their related/connected parties at the General Meeting, such shareholders or shareholders controlled by such actual controller shall not vote on such resolution. Voting shall be approved by more than half of the voting rights held by other shareholders present at the General Meeting.

Article 16 Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in the Articles of Association. The Company shall disclose the aforesaid guarantees pursuant to the regulatory rules of the place where the shares of the Company are listed.

Article 17 Except for the external guarantees that must be submitted to the General Meeting for consideration as provided in the Articles of Association and herein, other external guarantees shall be considered and approved by the Board of Directors.

Any director related to a guarantee under consideration by the Board of Directors shall avoid from voting and shall not exercise voting rights on behalf of other directors. The meeting of the Board of Directors may be held with more than half of the non-related directors present, and any resolution at such meeting of the Board of Directors must be approved by more than two thirds of all the non-related directors. If the number of non-related directors attending the meeting of the Board of Directors is less than 3, the Company shall submit such guarantee to the General Meeting for consideration.

Article 18 The Board of Directors shall carefully consider and analyze the financial condition, operation, industry prospect and creditworthiness of the guaranteed party, and make a prudent decision. The Company may, when necessary, engage an external professional institution to evaluate the risk of providing the external guarantee as a basis for decision made by the Board of Directors or the General Meeting.

Article 19 Independent directors of the Company shall issue independent opinions in respect of the external guarantee of the Company pursuant to the regulatory rules of the place where the shares of the Company are listed.

Article 20 If the debt guaranteed by the Company needs to be extended after maturity and the Company needs to continue providing the guarantee for the guaranteed party, such guarantee should be regarded as a new external guarantee and submitted to the Board of Directors and the General Meeting of the Company for performing the corresponding guarantee approval procedure.

Article 21 In the process of contract management, once abnormal guarantee contracts that have not been approved by the Board of Directors or the General Meeting are identified, the Company shall report them to the Board of Directors and the Supervisory Committee in a timely manner, and promptly take relevant measures to mitigate the risks of abnormal guarantee.

Article 22 The Secretary of the Board of Directors shall record in details the discussions and voting at meeting of Board of Directors and the General Meeting.

Article 23 The Chairman of the Company or other legally authorized persons shall sign the guarantee contract on behalf of the Company in accordance with the resolution of the Board of Directors or the General Meeting of the Company. When signing a guarantee contract, the authorized person must hold the resolution adopted by the Board of Directors or the General Meeting on such guarantee and the relevant power of attorney. The authorized person shall not exceed the authority to enter into the guarantee contract or sign or seal the main contract in the capacity of the guarantor.

Article 24 When concluding a standard guarantee contract, the obligatory clauses should be strictly examined in light of the credit standing of the guaranteed party. Any mandatory terms which may cause risks unforeseeable to the Company shall be amended or the guarantee shall be refused, with a report thereof submitted to the Board of Directors.

Article 25 The guarantee contract shall at least specify:

- (1) the creditor and the debtor;
- (2) the type and amount of the guaranteed primary creditor's rights;
- (3) the term for the debtor to discharge the debt;
- (4) guarantee method;
- (5) guarantee scope;
- (6) term of guarantee;
- (7) rights, obligations and liabilities for breach of contract of the parties; and
- (8) other matters as the parties may deem necessary to be agreed upon.

If the guaranteed party requests multiple parties to provide guarantee concurrently, the Company shall clearly specify its share of the guarantee liability in the guarantee contract with such guaranteed party, which shall clearly stipulate that the guarantee provided by the Company is separate, without joint and several liability with other guarantees.

CHAPTER 5 MANAGEMENT OF EXTERNAL GUARANTEE

Article 26 The Company's Financial Management Department shall be the daily management department of the external guarantees provided by the Company, and responsible for the credit investigation and evaluation of the guaranteed party, the review and follow-up management of the guarantee contract and the management of external guarantee files.

Article 27 The Secretary of the Board of Directors of the Company shall conduct a compliance review after receipt of the written report from the Financial Management Department and the relevant materials of the guarantee application.

Article 28 After the guarantee application passes the compliance review, the Secretary of the Board of Directors of the Company shall organize the approval procedures of the Board of Directors or the General Meeting in accordance with the provisions of the Articles of Association, these Rules and other relevant regulatory documents.

Article 29 After the Company receives a guarantee application submitted by the guarantee applicant, the Company shall strictly review and evaluate the relevant condition of the guaranteed party, including but not limited to those set forth in Article 10 hereof, and report the relevant materials to the Board of Directors or the General Meeting of the Company for consideration.

Article 30 If any guarantee registration is required under the laws, the Company must be responsible for going through the guarantee registration at the relevant registration authority.

Article 31 The Company shall require the guaranteed party to provide valid assets, including fixed assets, equipment, machinery, real estate, personal property of the legal representative, etc. for mortgage or pledge, and effectively implement counter-guarantee measures.

Article 32 The Company must enter into a written guarantee contract and a written counter guarantee contract for external guarantees. The guarantee contract and the counter-guarantee contract shall have the content required by the Civil Code of the People's Republic of China and other laws and regulations. The guarantee contract shall be properly kept in accordance with the internal management regulations of the Company, and shall be promptly notified to the Supervisory Committee, the Secretary of the Board of Directors and the Financial Management Department.

Article 33 The Financial Management Department of the Company shall properly manage the guarantee contract and related original information, conduct timely collation and inspection, and be responsible for the follow-up management of external guarantees, and regularly check with banks and other related institutions to ensure the completeness, accuracy and validity of the information on file and pay attention to the limitation period and term of the guarantee.

Article 34 The Financial Management Department of the Company shall assign a person to continuously follow the situation of the guaranteed party, collect the latest financial information and audit reports of the guaranteed party, regularly analyze its financial condition and solvency, pay attention to its production and operation, assets and liabilities, external guarantees, as well as merger and split and changes in legal representative or goodwill, establish relevant financial records and report to the Board of Directors on a regular basis.

If it is found that the business condition of the guaranteed party has seriously deteriorated, or there is a major event such as dissolution or split of the guaranteed party, or there is evidence proving that the guaranteed party has lost or may lose its ability to discharge the debt, the responsible person shall report this to the Board of Directors in a timely manner. The Board of Directors shall be then obliged to take effective measures. Where the Company finds that the creditor and the debtor have conspired with each other to harm the interests of the Company, the Company shall immediately take measures to confirm the invalidity of the guarantee contract. In case of any economic loss caused by the breach of the guaranteed party, the Company shall timely make recovery against the guaranteed party.

Where the guarantee creditors claim against the Company to assume the guarantee liabilities, the handling departments of the Company shall immediately initiate the counter guarantee recourse procedure, and circulate the same to the Secretary of the Board of Directors, who shall then report the same to the Board of Directors of the Company immediately.

Article 35 Upon the maturity of the debt guaranteed by the Company, the Company shall urge the guaranteed party to fulfill the debt repayment obligations within a limited period of time. If the guaranteed party fails to perform its obligations on time, the Company shall take necessary remedial measures in a timely manner.

Article 36 For the guarantee that have been approved by the required procedures, if the guaranteed party fails to perform its repayment obligations within 15 trading days after the maturity of its debt, or the guaranteed party enters into bankruptcy, liquidation or is under other circumstances seriously affecting its repayment capacity, the Financial Management Department shall be obliged to timely understand the debt repayment progress of the guaranteed party and report relevant information to the Board of Directors in a timely manner.

Article 37 If the Company is a general guarantor, the Company shall not bear the guarantee liability to the debtor, until the dispute over the guarantee contract has been tried or arbitrated, and the debtor's property is insufficient to discharge the debt after being duly enforced.

Article 38 The Company as the guarantor shall, when there are two or more guarantors for the same debt and it is agreed that such guarantors assume the guarantee liability in proportion, refuse to assume the guarantee liability exceeding the agreed proportion of the Company.

Article 39 For a continuous debt guarantee without agreed guarantee term, the Company shall promptly terminate the guarantee contract by a written notice to the creditor, if and after it identifies a greater risk of continuing to guarantee for the guaranteed party.

Article 40 Where the guaranteed party cannot fulfill its obligations, and the guarantee creditor claim debts against the Company, the Company shall immediately initiate the counter guarantee recourse procedure, and report the same to the Board of Directors.

Article 41 Where a people's court has accepted the bankruptcy case of the debtor, and the creditors have not declared for their creditor's rights, the relevant person in charge shall remind the Company to participate in the allocation of bankruptcy properties and exercise the recourse right in advance.

Article 42 After the Company has performed the guarantee obligations for the debtor, it shall take effective measures to recourse against the debtor, and report the recourse situation to the Board of Directors.

**CHAPTER 6 LIABILITY FOR BREACH OF
GUARANTEE MANAGEMENT RULES**

Article 43 The Company shall provide external guarantee in strict accordance with these Rules. The Board of Directors of the Company will determine the appropriate punishment for the person responsible for the fault depending on the level of risk and loss borne by the Company and the severity of the situation.

Article 44 Without the approval and authorization of the General Meeting or the Board of Directors of the Company, no one shall sign a guarantee contract on behalf of the Company without authorization. If a guarantee contract is signed due to his unauthorized act or ultra vires act, the Company shall have the right to recover from the signatory after the Company assumes the corresponding liabilities according to laws and regulations.

Article 45 If the Company assumes any liabilities that the guarantee is not required to assume by law due to the unauthorized decision of the staff of the Company's handling department or other responsible persons, giving rise to losses to the Company, the Company shall have the right to claim compensation against them and require them to assume the liability for compensation.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 46 The term "more than" as referred to in these Rules shall include the given figure whereas the term "exceed" excludes the given figure.

Article 47 These Rules shall take effect and be implemented from the date of being reviewed and approved by the General Meeting of the Company. Since the effective date hereof, the original Management Rules for External Guarantees of the Company shall be automatically invalidated.

Article 48 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed, or the said Articles of Association shall prevail.

Article 49 These Rules shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to regulate the external guarantee activities of Jenscare Scientific Co., Ltd. (the “**Company**”), effectively control the risks of external guarantee, ensure the safety of the Company’s assets, and protect the legitimate rights and interests of the shareholders and other stakeholders, in accordance with the requirements of establishing a modern enterprise system and the Company Law of the People’s Republic of China (the “**Company Law**”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchanges (the “**SSE STAR Listing Rules**”) and other relevant regulations, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 For the purposes of these Rules, “external guarantees” refer to guarantees provided by the Company or its holding subsidiaries for others, including guarantees provided by the Company for its holding subsidiaries. Guarantee may be provided in the form of, among others, guarantee, mortgage or pledge. The type of external guarantee includes bank loan guarantee, bank letter of credit guarantee, bankers’ acceptance guarantee and guarantee for the issuance of bank guarantee, etc.

Article 3 These Rules shall apply to the Company and its holding subsidiaries. The external guarantees of the Company’s holding subsidiaries shall be implemented with reference to these Rules.

CHAPTER 2 PRINCIPLES FOR THE COMPANY TO PROVIDE
EXTERNAL GUARANTEE

Article 4 The Company shall follow the principles of lawfulness, prudence, mutual benefit and safety and strictly control the guarantee risks in its provision of external guarantees. The controlling shareholder, actual controller of and other enterprises controlled by the Company shall not take advantage of guarantee to directly or indirectly appropriate the Company’s funds and assets, require the Company to provide guarantees in violation of laws and regulations, and harm the legitimate rights and interests of the Company and other shareholders.

Article 5 The Company may provide guarantee to an entity with independent legal personality and sound solvency which:

- (1) will in turn provide guarantee to the Company due to the business needs of the Company;
- (2) has actual or potential important business relationship of the Company; and
- (3) is a holding subsidiary of or has other control relationship with the Company.

The Company may provide guarantee to entities other than those listed above, with which the Company deems it necessary to develop the business and cooperation relationship, and to which the Company deems it less risky to provide guarantee, in accordance with laws, regulations and the Articles of Association, after approval by the Board of Directors or the General Meeting of the Company (as may be required in the Articles of Association and these Rules).

Article 6 External guarantee of the Company is under uniform management, and no one shall have the right to enter into contracts, agreements or other similar legal documents for external guarantee in the name of the Company unless with the approval of the Board of Directors or the General Meeting of the Company.

Article 7 When providing guarantee to others, the Company shall perform its information disclosure obligation regarding external guarantees in strict accordance with relevant provisions of the laws, regulations, the rules of the securities regulatory authority or stock exchange at the place where the shares of the Company are listed, and truthfully provide the certified public accountants engaged by the Company with all information on external guarantees of the Company.

Article 8 No branch or functional department of the Company may provide external guarantee without authorization.

Article 9 In case of providing an external guarantee, the Company shall take necessary measures such as requiring counter-guarantee to prevent risks, and the guarantor providing the counter-guarantee shall have the actual ability to perform the obligations thereunder.

In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related parties, the controlling shareholder, actual controller or their related parties shall provide a counter guarantee, except for guarantee provided by the Company for its holding subsidiaries and guarantee provided by its holding subsidiaries for the Company.

The guaranteed amount of the counter-guarantee provided by the guaranteed party to the Company must correspond to that of the guarantee provided by the Company. The Company shall reject any counter guarantee from a guaranteed party, the collateral property of which is prohibited from circulation or transfer under the laws and regulations.

CHAPTER 3 REVIEW OF THE GUARANTEED PARTY OF EXTERNAL GUARANTEE

Article 10 The guaranteed party (referring to the debtor of the main contract, same below) shall provide the Company with the following information:

- (1) basic information of the enterprise, including business license, copy of the articles of association, identity document of the legal representative, relevant materials reflecting the relation/connection or other relationship with the Company, etc.;
- (2) application for guarantee, including but not limited to the method, term, amount of guarantee, etc.;
- (3) the audited financial reports of the latest three years, the financial statements for the current reporting period, and repayment capacity analysis;
- (4) photocopies of the main contract and its relevant appendices;
- (5) a statement on no threatened and pending material litigations, arbitrations or administrative penalties on the guaranteed party;
- (6) the counter-guarantee plan or proof that the guarantor providing the counter-guarantee has the actual ability to perform the obligations thereunder, and in case of counter-guarantee with collateral of owned assets, the corresponding ownership certificate of such assets;
- (7) borrowing and loan guarantee resolutions made by the board of directors of the enterprise or other competent bodies; and
- (8) other materials as the Company may deem necessary to provide.

Article 11 The person responsible for handling shall, based on the basic information provided by the guarantee applicant, investigate and verify the operation and financial condition, project situation, credit standing and industry prospects of the guarantee applicant, submit the results thereof to the relevant departments for review in accordance with the contract approval procedures, and report the relevant materials to the Board of Directors or the General Meeting of the Company for approval after examination and approval by the leader in charge and the General Manager.

Article 12 The Board of Directors or the General Meeting of the Company shall consider and vote on the relevant materials, and record the voting results. No guarantee shall be provided for a guaranteed party, if the information provided is insufficient, or if the guaranteed party:

- (1) intends to make any investment against national laws and regulations or national industry policies;

- (2) has false records or provided false information in financial and accounting documents in the recent three years;
- (3) has defaulted in repayment or payment of bank loan and its interest for which the Company has provided guarantee, and has not yet repaid or fails to put in place effective measures for the same at the time of this guarantee application;
- (4) has deteriorated business condition and bad reputation, without any sign of improvement;
- (5) fails to secure valid property for counter-guarantee; or
- (6) has any other circumstance in which the Board of Directors deems that a guarantee cannot be provided.

Article 13 The counter guarantee or other effective risk-prevention measures provided by the guarantee applicant must have an amount corresponding with the guarantee to be provided. A counter guarantee shall be rejected if its collateral property provided by guaranteed party is prohibited from circulation or transfer by the laws and regulations

CHAPTER 4 APPROVAL PROCEDURE OF EXTERNAL GUARANTEE

Article 14 The external guarantees to be provided by the Company shall be reviewed by the Board of Directors or the General Meeting. External guarantees that should be approved by the General Meeting must be considered and approved by the Board of Directors before they are submitted to the General Meeting for approval.

Article 15 The following external guarantee to be provided by the Company must be considered and approved by the General Meeting:

- (1) any single guarantee with an amount exceeding 10% of the latest audited net assets of the Company;
- (2) any guarantee provided after the total amount of external guarantees provided by the Company and its holding subsidiary exceeds 50% of the latest audited net assets of the Company;
- (3) any guarantee to be provided to a party which has an asset-liability ratio in excess of 70%;
- (4) guarantees exceeding 30% of the latest audited total assets of the Company in accordance with the principle of cumulative calculation of the guaranteed amount for 12 consecutive months;

- (5) any guarantee to be provided after the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets of the Company;
- (6) any guarantee to be provided to the shareholders, the actual controller or their related parties; and
- (7) other guarantees as prescribed by laws, regulations, regulatory documents, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

External guarantees above that should be approved by the General Meeting must be considered and approved by the Board of Directors before they are submitted to the General Meeting for approval. In addition to the approval of a majority of all directors, guarantees falling into the scope of approval authority of the Board of Directors must also be approved by more than two thirds of the directors present at the meeting of the Board of Directors, and in case of guarantee provided by the Company to its related parties, by more than two thirds of the unrelated directors present at the meeting of the Board of Directors. When the guarantee specified in Item (4) above is considered at the General Meeting, it shall be approved by more than two-thirds of voting rights held by the shareholders attending the General Meeting.

A guarantee provided by the Company for a related/connected party shall have reasonable business logic and be disclosed in a timely manner pursuant to the regulatory rules of the place where the shares of the Company are listed and submitted to the General Meeting for consideration after consideration and approval by the Board of Directors. In case of a guarantee provided by the Company for a controlling shareholder, actual controller or their related/connected parties, the controlling shareholder, actual controller or their related/connected parties shall provide a counter guarantee.

When considering the resolution of providing guarantee to shareholders, actual controller and their related/connected parties at the General Meeting, such shareholders or shareholders controlled by such actual controller shall not vote on such resolution. Voting shall be approved by more than half of the voting rights held by other shareholders present at the General Meeting.

Article 16 Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of Items (1), (2) and (3) above may be exempted, unless otherwise provided in the Articles of Association. The Company shall summarize and disclose the aforesaid guarantees in its annual report and semi-annual report.

Article 17 Except for the external guarantees that must be submitted to the General Meeting for consideration as provided in the Articles of Association and herein, other external guarantees shall be considered and approved by the Board of Directors.

Any director related to a guarantee under consideration by the Board of Directors shall avoid from voting and shall not exercise voting rights on behalf of other directors. The meeting of the Board of Directors may be held with more than half of the non-related directors present, and any resolution at such meeting of the Board of Directors must be approved by more than two thirds of all the non-related directors. If the number of non-related directors attending the meeting of the Board of Directors is less than 3, the Company shall submit such guarantee to the General Meeting for consideration.

Article 18 The Board of Directors shall carefully consider and analyze the financial condition, operation, industry prospect and creditworthiness of the guaranteed party, and make a prudent decision. The Company may, when necessary, engage an external professional institution to evaluate the risk of providing the external guarantee as a basis for decision made by the Board of Directors or the General Meeting.

Article 19 In the annual report, independent directors of the Company shall make special explanations on the cumulative amount and current amount of external guarantees provided by the Company and the situation on implementation of the foregoing provisions, and issue independent opinions in respect thereof.

Article 20 If the debt guaranteed by the Company needs to be extended after maturity and the Company needs to continue providing the guarantee for the guaranteed party, such guarantee should be regarded as a new external guarantee and submitted to the Board of Directors and the General Meeting of the Company for performing the corresponding guarantee approval procedure.

Article 21 In the process of contract management, once abnormal guarantee contracts that have not been approved by the Board of Directors or the General Meeting are identified, the Company shall report them to the Board of Directors, the Supervisory Committee and relevant regulatory authorities in a timely manner, and promptly take relevant measures to mitigate the risks of abnormal guarantee.

Article 22 The Secretary of the Board of Directors shall record in details the discussions and voting at meeting of Board of Directors and the General Meeting.

Article 23 The Chairman of the Company or other legally authorized persons shall sign the guarantee contract on behalf of the Company in accordance with the resolution of the Board of Directors or the General Meeting of the Company. When signing a guarantee contract, the authorized person must hold the resolution adopted by the Board of Directors or the General Meeting on such guarantee and the relevant power of attorney. The authorized person shall not exceed the authority to enter into the guarantee contract or sign or seal the main contract in the capacity of the guarantor.

Article 24 When concluding a standard guarantee contract, the obligatory clauses should be strictly examined in light of the credit standing of the guaranteed party. Any

mandatory terms which may cause risks unforeseeable to the Company shall be amended or the guarantee shall be refused, with a report thereof submitted to the Board of Directors.

Article 25 The guarantee contract shall at least specify:

- (1) the creditor and the debtor;
- (2) the type and amount of the guaranteed primary creditor's rights;
- (3) the term for the debtor to discharge the debt;
- (4) guarantee method;
- (5) guarantee scope;
- (6) term of guarantee;
- (7) rights, obligations and liabilities for breach of contract of the parties; and
- (8) other matters as the parties may deem necessary to be agreed upon.

If the guaranteed party requests multiple parties to provide guarantee concurrently, the Company shall clearly specify its share of the guarantee liability in the guarantee contract with such guaranteed party, which shall clearly stipulate that the guarantee provided by the Company is separate, without joint and several liability with other guarantees.

CHAPTER 5 MANAGEMENT OF EXTERNAL GUARANTEE

Article 26 The Company's Financial Management Department shall be the daily management department of the external guarantees provided by the Company, and responsible for the credit investigation and evaluation of the guaranteed party, the review and follow-up management of the guarantee contract and the management of external guarantee files.

Article 27 The Secretary of the Board of Directors of the Company shall conduct a compliance review after receipt of the written report from the Financial Management Department and the relevant materials of the guarantee application.

Article 28 After the guarantee application passes the compliance review, the Secretary of the Board of Directors of the Company shall organize the approval procedures of the Board of Directors or the General Meeting in accordance with the provisions of the Articles of Association, these Rules and other relevant regulatory documents.

Article 29 After the Company receives a guarantee application submitted by the guarantee applicant, the Company shall strictly review and evaluate the relevant condition of the guaranteed party, including but not limited to those set forth in Article 10 hereof, and report the relevant materials to the Board of Directors or the General Meeting of the Company for consideration.

Article 30 If any guarantee registration is required under the laws, the Company must be responsible for going through the guarantee registration at the relevant registration authority.

Article 31 The Company shall require the guaranteed party to provide valid assets, including fixed assets, equipment, machinery, real estate, personal property of the legal representative, etc. for mortgage or pledge, and effectively implement counter-guarantee measures.

Article 32 The Company must enter into a written guarantee contract and a written counter guarantee contract for external guarantees. The guarantee contract and the counter-guarantee contract shall have the content required by the Civil Code of the People's Republic of China and other laws and regulations. The guarantee contract shall be properly kept in accordance with the internal management regulations of the Company, and shall be promptly notified to the Supervisory Committee, the Secretary of the Board of Directors and the Financial Management Department.

Article 33 The Financial Management Department of the Company shall properly manage the guarantee contract and related original information, conduct timely collation and inspection, and be responsible for the follow-up management of external guarantees, and regularly check with banks and other related institutions to ensure the completeness, accuracy and validity of the information on file and pay attention to the limitation period and term of the guarantee.

Article 34 The Financial Management Department of the Company shall assign a person to continuously follow the situation of the guaranteed party, collect the latest financial information and audit reports of the guaranteed party, regularly analyze its financial condition and solvency, pay attention to its production and operation, assets and liabilities, external guarantees, as well as merger and split and changes in legal representative or goodwill, establish relevant financial records and report to the Board of Directors on a regular basis.

If it is found that the business condition of the guaranteed party has seriously deteriorated, or there is a major event such as dissolution or split of the guaranteed party, or there is evidence proving that the guaranteed party has lost or may lose its ability to discharge the debt, the responsible person shall report this to the Board of Directors in a timely manner. The Board of Directors shall be then obliged to take effective measures. Where the Company finds that the creditor and the debtor have conspired with each other to harm the interests of the Company, the Company shall immediately take measures to confirm the invalidity of the guarantee contract. In case of any economic loss caused by the breach of the guaranteed party, the Company shall timely make recovery against the guaranteed party.

Where the guarantee creditors claim against the Company to assume the guarantee liabilities, the handling departments of the Company shall immediately initiate the counter guarantee recourse procedure, and circulate the same to the Secretary of the Board of Directors, who shall then report the same to the Board of Directors of the Company immediately.

Article 35 Upon the maturity of the debt guaranteed by the Company, the Company shall urge the guaranteed party to fulfill the debt repayment obligations within a limited period of time. If the guaranteed party fails to perform its obligations on time, the Company shall take necessary remedial measures in a timely manner.

Article 36 For the guarantee that have been approved by the required procedures, if the guaranteed party fails to perform its repayment obligations within 15 trading days after the maturity of its debt, or the guaranteed party enters into bankruptcy, liquidation or is under other circumstances seriously affecting its repayment capacity, the Financial Management Department shall be obliged to timely understand the debt repayment progress of the guaranteed party and report relevant information to the Board of Directors in a timely manner.

Article 37 If the Company is a general guarantor, the Company shall not bear the guarantee liability to the debtor, until the dispute over the guarantee contract has been tried or arbitrated, and the debtor's property is insufficient to discharge the debt after being duly enforced.

Article 38 The Company as the guarantor shall, when there are two or more guarantors for the same debt and it is agreed that such guarantors assume the guarantee liability in proportion, refuse to assume the guarantee liability exceeding the agreed proportion of the Company.

Article 39 For a continuous debt guarantee without agreed guarantee term, the Company shall promptly terminate the guarantee contract by a written notice to the creditor, if and after it identifies a greater risk of continuing to guarantee for the guaranteed party.

Article 40 Where the guaranteed party cannot fulfill its obligations, and the guarantee creditor claim debts against the Company, the Company shall immediately initiate the counter guarantee recourse procedure, and report the same to the Board of Directors.

Article 41 Where a people's court has accepted the bankruptcy case of the debtor, and the creditors have not declared for their creditor's rights, the relevant person in charge shall remind the Company to participate in the allocation of bankruptcy properties and exercise the recourse right in advance.

Article 42 After the Company has performed the guarantee obligations for the debtor, it shall take effective measures to recourse against the debtor, and report the recourse situation to the Board of Directors.

CHAPTER 6 LIABILITY FOR BREACH OF GUARANTEE MANAGEMENT RULES

Article 43 The Company shall provide external guarantee in strict accordance with these Rules. The Board of Directors of the Company will determine the appropriate punishment for the person responsible for the fault depending on the level of risk and loss borne by the Company and the severity of the situation.

Article 44 Without the approval and authorization of the General Meeting or the Board of Directors of the Company, no one shall sign a guarantee contract on behalf of the Company without authorization. If a guarantee contract is signed due to his unauthorized act or ultra vires act, the Company shall have the right to recover from the signatory after the Company assumes the corresponding liabilities according to laws and regulations.

Article 45 If the Company assumes any liabilities that the guarantee is not required to assume by law due to the unauthorized decision of the staff of the Company's handling department or other responsible persons, giving rise to losses to the Company, the Company shall have the right to claim compensation against them and require them to assume the liability for compensation.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 46 The term "more than" as referred to in these Rules shall include the given figure whereas the term "exceed" excludes the given figure.

Article 47 These Rules shall be reviewed and approved by the General Meeting of the Company and shall take effect and be implemented from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange. Since the effective date hereof, the original Management Rules for External Guarantees of the Company shall be automatically invalidated.

Article 48 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed, or the said Articles of Association shall prevail.

Article 49 These Rules shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to regulate the external investment activities of Jenscare Scientific Co., Ltd. (the “**Company**”), strengthen the external investment management of the Company, prevent the risks of external investment, ensure the safety of external investment, improve the efficiency and effects of external investment and protect the image of the Company and the interests of investors, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 The term “external investment” used herein refers to the Company’s activities of investing a certain amount of monetary capital, equity, or assessed assets (including physical assets, intangible assets or other assets that can be contributed according to laws and regulations and regulatory documents) in order to obtain future income.

Article 3 The Company’s external investments can be classified into short-term and long-term investments according to the length of the investment period.

Short-term investments mainly refer to investments acquired by the Company that can be readily converted to cash and held for a period of not exceeding one year (inclusive), including various stocks, bonds, funds, participating insurance, etc., within the scope permitted by laws and regulations.

Long-term investments mainly refer to various investments that the Company cannot readily or does not intend to convert to cash and will hold for a period of exceeding one year, including bond investments, equity investments, etc. Long-term investments include, but are not limited to, the following:

- (1) any enterprise solely established or business project solely funded by the Company;
- (2) any joint venture, cooperative company or development project funded and established by the Company together with other domestic and/or foreign independent legal entities;
- (3) additional investments in any enterprise controlled or participated by the Company;
- (4) acquisitions of equity or assets, and acquisitions and mergers of enterprises;
- (5) equity participation in other domestic and/or foreign independent legal entities; and
- (6) other investments that the Company can make under the laws.

Article 4 Basic Principles to Be Followed in External Investment: abide by national laws and regulations, conform to the Company's development strategy, reasonably allocate corporate resources, promote the optimal combination of factors, and create good economic benefits.

Article 5 These Rules shall apply to all external investments by the Company and its holding subsidiaries.

CHAPTER 2 APPROVAL AUTHORITY FOR EXTERNAL INVESTMENT

Article 6 The Company implements a professional management and level-by-level approval system for external investments.

Article 7 The approval of an external investment by the Company shall be subject to the approval procedures in strict accordance with the authority set forth in the Company Law and other applicable laws and regulations, the Articles of Association and the Rules of Procedures for General Meeting of Jenscare Scientific Co., Ltd., the Rules of Procedures for the Board of Directors of Jenscare Scientific Co., Ltd. and other rules of the Company.

Article 8 The General Meeting, the Board of Directors and the General Manager of the Company shall be the decision-making organs of the Company for its investment, and shall make decision on external investments of the Company within the scope of their respective approval authority.

(1) Approval Authority of the General Manager:

The General Manage may decide on the following external investment based on the authority delegated by the Board of Directors in accordance with the Articles of Association:

- A. that the total assets involved in the transaction account for less than 10% (inclusive) of the latest audited total assets of the Company, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;
- B. that the transaction amount accounts for less than 10% (inclusive) of the Company's market value;
- C. that the net assets of the object of transaction (such as equity) in the latest accounting year account for less than 10% (inclusive) of the Company's market value;

- D. that the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for less than 10% (inclusive) of the audited operating income of the Company in the latest accounting year, or the absolute amount thereof is less than CNY10 million (inclusive);
- E. that the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for less than 10% (inclusive) of the audited net profit of the Company in the latest accounting year, or the absolute amount thereof is less than CNY1 million (inclusive);
- F. that the profit of the transaction accounts for less than 10% (inclusive) of the audited net profit of the Company in the latest accounting year, or the absolute amount thereof is less than CNY1 million (inclusive).
- G. Any external investments of any transaction type of the Company, the aggregated amount or percentage of which in 12 consecutive months reaches any standard for submission to the Board of Directors for consideration, shall be submitted to the Board of Directors for consideration. Where the Company has performed relevant obligations in accordance with the foregoing paragraph, such external investments shall no longer be aggregated.

If any data value as involved in the calculation above is negative, the absolute value thereof shall apply.

(2) Approval Authority of Board of Directors:

Any external investment of the Company shall be submitted to the Board of Directors for consideration if it meets any of the following standards:

- A. the total assets involved in the transaction account for more than 10% of the Company's latest audited total assets, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;
- B. the transaction amount accounts for more than 10% of the Company's market value;
- C. the net assets of the object of transaction (such as equity) in the latest accounting year account for more than 10% of the Company's market value;

- D. the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for more than 10% of the audited operating income of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY10 million;
- E. the profit of the transaction accounts for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY1 million;
- F. the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY1 million.

If any data value as involved in the calculation above is negative, the absolute value thereof shall apply.

(3) Approval Authority of General Meeting

Any external investment of the Company, after discussed and approved by the Board of Directors, shall be submitted to the General Meeting for consideration, provided one of the following standards is met:

- A. the total assets involved in the transaction account for more than 50% of the Company's latest audited total assets, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;
- B. the transaction amount accounts for more than 50% of the Company's market value;
- C. the net assets of the object of transaction (such as equity) in the latest accounting year account for more than 50% of the Company's market value;
- D. the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for more than 50% of the audited operating income of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY50 million;
- E. the profit of the transaction accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY5 million;

- F. the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY5 million;
- G. transactions meeting the following criteria according to the definitions and relevant calculation methods under the HKEX Listing Rules:
 - i. major transactions;
 - ii. very substantial disposals;
 - iii. very substantial acquisitions;
 - iv. reverse takeovers.

The net profit indicator in the above standards can be exempted before the Company makes profits.

The transaction amount stipulated above refers to the amount paid for the transaction and the liabilities and expenses assumed, etc. If the transaction arrangement involves possible future payment or receipt of consideration, without a specific amount or with an amount to be determined according to the set conditions, the expected maximum amount will be the transaction amount.

The market value stipulated above refers to the arithmetic mean of the closing market value for the 10 trading days prior to the transaction.

If the Company implements a transaction by installments, the above provisions shall be applied on the basis of the total amount of the transaction. The Company shall disclose the actual occurrence of the installment transactions in a timely manner.

As for the transaction in which the Company receives benefits unilaterally, including cash assets donated, debt relief granted, guarantees and subsidies, provided etc., the Company is exempt from the General Meeting consideration procedure set forth in this Article.

CHAPTER 3 ORGANIZATION BODIES FOR MANAGEMENT OF EXTERNAL INVESTMENT

Article 9 The General Meeting, the Board of Directors and the General Manager of the Company shall be the decision-making bodies of the Company for external investment, and shall make decision on external investments of the Company within the scope of their respective authority. No other departments or individuals shall have the power to make decision on external investment.

Article 10 The Strategic Committee under the Board of Directors of the Company shall be the special advisory body responsible for overall planning, coordination and organization of the analysis and study of external investment projects for the purpose of providing suggestions for decision-making.

Article 11 The General Manager of the Company shall be the person chiefly in charge of the implementation of external investment, responsible for the collection, collation and preliminary assessment of new investment projects, putting forward investment suggestions, etc., and shall report the investment progress to the Board of Directors in a timely manner, so as to facilitate the Board of Directors and the General Meeting to make timely investment decisions.

Article 12 The relevant centralized management department of the Company shall be the project organizer, who is specifically responsible for the information collection of investment projects, the preparation of project proposals and feasibility study reports, application for project initiation and approval, supervision and coordination during project implementation and post-project evaluation.

Article 13 The Company's Financial Management Department shall be the daily financial management department of external investment. After an external investment project of the Company is determined, the Company's Financial Management Department shall be responsible for raising funds, coordinating with relevant parties to handle capital contribution procedures, industrial and commercial registration, tax registration, bank account opening and other related procedures, and implementing strict borrowing, approval and payment procedures.

Article 14 For any highly specialized or large-scale investment project, its preliminary work shall be completed by a special project feasibility study team established for this purpose.

Article 15 The Company's Financial Management Department shall review and evaluate the project plan or analysis report, and decide to organize and implement it or report it to the Board of Directors or the General Meeting for approval for implementation.

CHAPTER 4 MANAGEMENT OF EXTERNAL INVESTMENT

Article 16 The Company's short-term investment procedures are as follows:

- (1) The Company's Financial Management Department regularly prepares a statement of cash flow position;
- (2) The Company's investment analysts compile the annual short-term investment plan according to the position of securities in the securities market and the profitability of other investment objects, and submit it to the Board of Directors and the General Meeting for approval according to the scale of short-term investment;

- (3) The Company's Financial Management Department shall be responsible for transferring the funds in the investment plan to other monetary fund accounts according to the investment plan;
- (4) Investment operators may put forward suggestions on securities investment, and then subscribe for or buy or sell securities after being confirmed by the deputy general manager in charge of investment;
- (5) The deputy general manager in charge of investment regularly summarizes the short-term investment profit and loss and prepares the market value statement, and submits it to the Board of Directors and the General Meeting for review.

Article 17 The investment operators shall submit the investment related documents to the Company's Financial Management Department at the end of each month. The Financial Management Department shall be responsible for timely making registration and bookkeeping by the type, quantity, unit price, accrued interest, date of purchase and other factors of short-term investment, and carry out relevant accounting treatment.

Article 18 The Company shall establish strict securities custody system, whereby more than two persons shall jointly control the securities and the securities investment operators and the funds and finance managerial personnel shall be separated and under a check and balance mechanism. No single person shall be allowed to access the investment assets alone. Any deposit or withdrawal of the investment assets must be counter-signed for confirmation by two persons kept in check.

Article 19 The short-term negotiable securities purchased by the Company shall be registered in the name of the Company on the date of purchase.

Article 20 The Financial Management Department of the Company shall be responsible for regularly verifying the use, settlement and deposit situation of the funds used for securities investment. All interests and dividends received shall be timely bookkept.

Article 21 According to the nature of the investments, the Company's long-term investments are divided into investments in new projects and capital increase in existing projects.

- (1) Investments in new projects refer to the investments in projects that have just been established and approved, according to the approved investment amount.

- (2) Capital increase in existing projects refers to the activity of adding investments in original investment projects on the basis of the original approved investment amount in accordance with the needs of business operations.

Article 22 The Company's long-term investment procedures are as follows:

- (1) The relevant centralized management department of the Company cooperates with the Company's Financial Management Department to determine the investment purpose and investigate the investment environment;
- (2) The relevant centralized management department of the Company prepares the letter of intent for investment (project initiation report) on the basis of full investigation and research;
- (3) The relevant centralized management department of the Company prepares the feasibility study report of the investment project and reports it to the Company's Financial Management Department and General Manager;
- (4) The Strategy Committee under the Board of Directors shall first examine the feasibility study report and relevant letter of intent for cooperation and submit the same to the Board of Directors for consideration. The Board of Directors shall then perform the examination and approval procedure in accordance with relevant authority, and if such investment is beyond the scope of authority granted to the Board of Directors, such investment shall be submitted to the General Meeting for consideration and approval;
- (5) Handle the approval procedures in accordance with the procedures stipulated herein;
- (6) The relevant department of the Company shall be responsible for the implementation of the external investment project that has been approved for implementation, under the authorization of the competent body;
- (7) The Company's General Manager shall be responsible for overseeing the implementation, operation and management of the project.

Article 23 Once a long-term external investment project is approved, it is not allowed to increase investment arbitrarily, and if it is really necessary to do so, a new letter of intent for investment and a new feasibility study report of the investment project must be submitted.

Article 24 The Financial Management Department of the Company shall be responsible for coordinating the authorized departments and persons to input cash, physical objects or intangible assets in accordance with the long-term investment contract or agreement. The input of physical objects must go through the physical object handover procedures and be approved by the departments using and managing the physical objects.

Article 25 For significant investment projects, experts or intermediaries may be retained to carry out review and feasibility analysis argumentation.

Article 26 For investment projects that meet the standards stipulated in Article 8 hereof, the Company may engage an accounting firm qualified to engage in securities and futures related business to audit the financial and accounting report of the object of transaction for the most recent financial year and the latest reporting period, and the audit deadline shall not exceed six months from the date of signing the agreement; and the Company may engage an asset appraisal agency qualified to engage in securities and futures related business to conduct an appraisal, and the appraisal base date shall not exceed one year from the date of signing the agreement.

Article 27 The relevant centralized management department of the Company shall, pursuant to the investment projects determined by the Company, correspondingly prepare and carry out the investment construction and development plan, and provide guidance, supervision and control over the implementation of the projects, participate in the audit of the investment projects, liquidation upon termination and suspension and the handover work, and carry out investment appraisal and summary.

Article 28 The relevant centralized management department of the Company shall be responsible for the whole-process supervision, inspection and assessment of the implementation and operation situation of the investment projects. The quarter reporting system shall be carried out for investment projects, and the relevant centralized management department of the Company shall quarterly summarize and prepare statements on the progress of the investment projects, implementation and use of the investment budget, situation of the cooperation parties, operation status, existing issues and suggestions, and timely report the same to the leaders of the Company. During the investment construction and implementation, the investment budget for the projects may be reasonably adjusted according to changes in the implementation situation, and any adjustment to the investment budget shall be approved by the original investment examination and approval body.

Article 29 The Supervisory Committee and the Financial Management Department of the Company shall carry out supervision over the investment projects based on their duties, and timely put forward any correction opinions against irregular activities, and issue special reports on important issues, and request the project investment examination and approval body to discuss the handling.

Article 30 The system for investment project file management system shall be established and improved, and the file materials generated from the pre-screening of projects to the completion and handover of the projects (including suspension of projects) shall be collated and archived by the relevant centralized management department of the Company.

CHAPTER 5 TRANSFER AND RECOUPMENT OF EXTERNAL INVESTMENT

Article 31 The Company may recoup an external investment if:

- (1) the term of operation of the investment project (enterprise) expires in accordance with the articles of association of the target company;
- (2) the investment project (enterprise) goes bankrupt according to law, due to poor management and inability to repay the debts when due;
- (3) any force majeure event occurs and prevents the Company from continuing to implement the investment project (enterprise); or
- (4) other conditions for the termination of the investment as stipulated in the contract occur.

Article 32 The Company may transfer an external investment if:

- (1) the investment project clearly goes contrary to the direction of the Company's operations;
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Article 33 The transfer of investment shall be handled in strict accordance with the provisions of the Company Law and other laws and regulations on the transfer of investment. The disposal of external investment shall be compliant with applicable national laws and regulations.

Article 34 The procedures and authority for approving the disposal of external investment shall be same as those for approving the implementation of external investment.

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Article 37 For holding subsidiaries established with the external investment, the Company shall dispatch executive directors, directors, supervisors or corresponding operation and management personnel (including CFO) in accordance with the Articles of Association, to play an important role in the operation and decision-making of such holding subsidiaries.

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Article 39 The dispatched personnel shall effectively perform their duties in accordance with the Company Law and the articles of association of the invested company, safeguard the Company's interests in the operation and management activities of the newly established company, realize the value preservation and appreciation of the Company's investments. Relevant personnel dispatched by the Company to serve as directors of the investee shall obtain more information about investee by attending board meetings or otherwise, and shall report the investment situation to the Company in a timely manner.

Article 40 The dispatched personnel shall sign a statement of responsibility with the Company every year, accept the assessment indicators issued by the Company, submit an annual work report to the Company, and accept the Company's inspection.

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Article 41 The Financial Management Department of the Company shall make full and complete financial records of the external investment activities of the Company and carry out detailed financial accounting, and set up separate ledger for each investment project to record relevant information in detail. The accounting policies and estimates adopted in the financial accounting and financial management and the change thereof shall follow the relevant provisions of the financial accounting management system of the Company.

Article 42 The Financial Management Department shall be responsible for the financial management of long-term external investment, and shall obtain the financial report of the investee based on the needs of analysis and management, so as to carry out analysis over the financial condition of the investee and maintain the rights and interests of the Company and ensure to protect the interests of the Company from damage.

Article 43 The Company shall carry out comprehensive inventory of the long-term and short-term investments at the end of each year. The Company shall carry out regular or special audit against holding subsidiaries.

Article 44 The accounting policies and estimates adopted by the holding subsidiaries of the Company in their financial accounting and financial management and the change thereof shall follow the relevant provisions of the financial accounting management system of the Company.

Article 45 The holding subsidiaries of the Company shall submit and send a financial accounting statement to the Financial Management Department of the Company on a monthly basis, and shall timely submit and report the accounting statements and provide accounting materials, as per the requirement of the Company for preparing a consolidated statement and external provision of accounting information.

Article 46 The Company may dispatch general manager or chief financial officer to the holding subsidiaries, who shall carry out supervision over the authenticity and legality of the financial status of the holding subsidiaries which he works for.

Article 47 The investment assets owned by the Company shall be regularly counted by internal auditors or other personnel who are not involved in the investment or checked with the custodian to verify whether they are owned by the Company. The counting records and the book records shall be checked against each other to confirm the consistency of the accounts.

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Article 48 The Company shall perform information disclosure obligation for external investment in strict accordance with the laws, regulations and the rules of the securities regulatory authority or stock exchange at the place where the shares of the Company are listed.

Article 49 The holding subsidiaries must comply with the Company's information disclosure management rules. The Company shall have the right to know all information of the holding subsidiaries.

Article 50 The information provided by the holding subsidiaries shall be authentic, accurate and complete, and be reported to the Company in the first instance.

Article 51 The holding subsidiaries shall timely report to the Board of Directors of the Company the following significant matters:

- (1) acquisition and sale of assets;
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- (4) significant operating or non-operating losses;
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- (6) significant administrative penalties imposed; and
- (7) other matters provided for in the rules of the securities regulatory authority or stock exchange at the place where the shares of the Company are listed.

Article 52 Each holding subsidiary shall specify the responsible persons and departments to take charge of the communication of information between the subsidiary and the Secretary of the Board of Directors of the Company.

CHAPTER 9 SUPPLEMENTARY PROVISIONS

Article 53 The term “more than” used herein shall include the given figure whereas the term “exceed” or “exceeding” excludes the given figure.

Article 54 These Rules shall take effect and be implemented from the date of being reviewed and approved by the General Meeting of the Company. Since the effective date of these Rules, the original Management Rules for External Investment of the Company shall be automatically invalidated.

Article 55 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the said Articles of Association shall prevail.

Article 56 These Rules shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to regulate the external investment activities of Jenscare Scientific Co., Ltd. (the “**Company**”), strengthen the external investment management of the Company, prevent the risks of external investment, ensure the safety of external investment, improve the efficiency and effects of external investment and protect the image of the Company and the interests of investors, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**HKEX Listing Rules**”), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchanges (the “**SSE STAR Listing Rules**”) and other relevant regulations, and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 The term “external investment” used herein refers to the Company’s activities of investing a certain amount of monetary capital, equity, or assessed assets (including physical assets, intangible assets or other assets that can be contributed according to laws and regulations and regulatory documents) in order to obtain future income.

Article 3 The Company’s external investments can be classified into short-term and long-term investments according to the length of the investment period.

Short-term investments mainly refer to investments acquired by the Company that can be readily converted to cash and held for a period of not exceeding one year (inclusive), including various stocks, bonds, funds, participating insurance, etc., within the scope permitted by laws and regulations.

Long-term investments mainly refer to various investments that the Company cannot readily or does not intend to convert to cash and will hold for a period of exceeding one year, including bond investments, equity investments, etc. Long-term investments include, but are not limited to, the following:

- (1) any enterprise solely established or business project solely funded by the Company;
- (2) any joint venture, cooperative company or development project funded and established by the Company together with other domestic and/or foreign independent legal entities;
- (3) additional investments in any enterprise controlled or participated by the Company;
- (4) acquisitions of equity or assets, and acquisitions and mergers of enterprises;
- (5) equity participation in other domestic and/or foreign independent legal entities; and

- (6) other investments that the Company can make under the laws.

Article 4 Basic Principles to Be Followed in External Investment: abide by national laws and regulations, conform to the Company's development strategy, reasonably allocate corporate resources, promote the optimal combination of factors, and create good economic benefits.

Article 5 These Rules shall apply to all external investments by the Company and its holding subsidiaries.

CHAPTER 2 APPROVAL AUTHORITY FOR EXTERNAL INVESTMENT

Article 6 The Company implements a professional management and level-by-level approval system for external investments.

Article 7 The approval of an external investment by the Company shall be subject to the approval procedures in strict accordance with the authority set forth in the Company Law and other applicable laws and regulations, the Articles of Association and the Rules of Procedures for General Meeting of Jenscare Scientific Co., Ltd., the Rules of Procedures for the Board of Directors of Jenscare Scientific Co., Ltd. and other rules of the Company.

Article 8 The General Meeting, the Board of Directors and the General Manager of the Company shall be the decision-making organs of the Company for its investment, and shall make decision on external investments of the Company within the scope of their respective approval authority.

- (1) Approval Authority of the General Manager:

The General Manage may decide on the following external investment based on the authority delegated by the Board of Directors in accordance with the Articles of Association:

- A. that the total assets involved in the transaction account for less than 10% (inclusive) of the latest audited total assets of the Company, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;
- B. that the transaction amount accounts for less than 10% (inclusive) of the Company's market value;
- C. that the net assets of the object of transaction (such as equity) in the latest accounting year account for less than 10% (inclusive) of the Company's market value;

- D. that the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for less than 10% (inclusive) of the audited operating income of the Company in the latest accounting year, or the absolute amount thereof is less than CNY10 million (inclusive);
- E. that the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for less than 10% (inclusive) of the audited net profit of the Company in the latest accounting year, or the absolute amount thereof is less than CNY1 million (inclusive);
- F. that the profit of the transaction accounts for less than 10% (inclusive) of the audited net profit of the Company in the latest accounting year, or the absolute amount thereof is less than CNY1 million (inclusive).
- G. Any external investments of any transaction type of the Company, the aggregated amount or percentage of which in 12 consecutive months reaches any standard for submission to the Board of Directors for consideration, shall be submitted to the Board of Directors for consideration. Where the Company has performed relevant obligations in accordance with the foregoing paragraph, such external investments shall no longer be aggregated.

If any data value as involved in the calculation above is negative, the absolute value thereof shall apply.

(2) Approval Authority of Board of Directors:

Any external investment of the Company shall be submitted to the Board of Directors for consideration if it meets any of the following standards:

- A. the total assets involved in the transaction account for more than 10% of the Company's latest audited total assets, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;
- B. the transaction amount accounts for more than 10% of the Company's market value;
- C. the net assets of the object of transaction (such as equity) in the latest accounting year account for more than 10% of the Company's market value;

- D. the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for more than 10% of the audited operating income of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY10 million;
- E. the profit of the transaction accounts for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY1 million;
- F. the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for more than 10% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY1 million.

If any data value as involved in the calculation above is negative, the absolute value thereof shall apply.

(3) Approval Authority of General Meeting

Any external investment of the Company, after discussed and approved by the Board of Directors, shall be submitted to the General Meeting for consideration, provided one of the following standards is met:

- A. the total assets involved in the transaction account for more than 50% of the Company's latest audited total assets, and if the total assets involved in the transaction have both net asset value and assessed value, the higher one shall be taken as the calculation data;
- B. the transaction amount accounts for more than 50% of the Company's market value;
- C. the net assets of the object of transaction (such as equity) in the latest accounting year account for more than 50% of the Company's market value;
- D. the relevant operating income of the object of transaction (such as equity) in the latest accounting year accounts for more than 50% of the audited operating income of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY50 million;
- E. the profit of the transaction accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY5 million;

- F. the relevant net profit of the object of transaction (such as equity) in the latest accounting year accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount thereof exceeds CNY5 million;
- G. transactions meeting the following criteria according to the definitions and relevant calculation methods under the HKEX Listing Rules:
 - i. major transactions;
 - ii. very substantial disposals;
 - iii. very substantial acquisitions;
 - iv. reverse takeovers.

The net profit indicator in the above standards can be exempted before the Company makes profits.

The transaction amount stipulated above refers to the amount paid for the transaction and the liabilities and expenses assumed, etc. If the transaction arrangement involves possible future payment or receipt of consideration, without a specific amount or with an amount to be determined according to the set conditions, the expected maximum amount will be the transaction amount.

The market value stipulated above refers to the arithmetic mean of the closing market value for the 10 trading days prior to the transaction.

If the Company implements a transaction by installments, the above provisions shall be applied on the basis of the total amount of the transaction. The Company shall disclose the actual occurrence of the installment transactions in a timely manner.

As for the transaction in which the Company receives benefits unilaterally, including cash assets donated, debt relief granted, guarantees and subsidies, provided etc., the Company is exempt from the General Meeting consideration procedure set forth in this Article.

CHAPTER 3 ORGANIZATION BODIES FOR MANAGEMENT OF EXTERNAL INVESTMENT

Article 9 The General Meeting, the Board of Directors and the General Manager of the Company shall be the decision-making bodies of the Company for external investment, and shall make decision on external investments of the Company within the scope of their respective authority. No other departments or individuals shall have the power to make decision on external investment.

Article 10 The Strategic Committee under the Board of Directors of the Company shall be the special advisory body responsible for overall planning, coordination and organization of the analysis and study of external investment projects for the purpose of providing suggestions for decision-making.

Article 11 The General Manager of the Company shall be the person chiefly in charge of the implementation of external investment, responsible for the collection, collation and preliminary assessment of new investment projects, putting forward investment suggestions, etc., and shall report the investment progress to the Board of Directors in a timely manner, so as to facilitate the Board of Directors and the General Meeting to make timely investment decisions.

Article 12 The relevant centralized management department of the Company shall be the project organizer, who is specifically responsible for the information collection of investment projects, the preparation of project proposals and feasibility study reports, application for project initiation and approval, supervision and coordination during project implementation and post-project evaluation.

Article 13 The Company's Financial Management Department shall be the daily financial management department of external investment. After an external investment project of the Company is determined, the Company's Financial Management Department shall be responsible for raising funds, coordinating with relevant parties to handle capital contribution procedures, industrial and commercial registration, tax registration, bank account opening and other related procedures, and implementing strict borrowing, approval and payment procedures.

Article 14 For any highly specialized or large-scale investment project, its preliminary work shall be completed by a special project feasibility study team established for this purpose.

Article 15 The Company's Financial Management Department shall review and evaluate the project plan or analysis report, and decide to organize and implement it or report it to the Board of Directors or the General Meeting for approval for implementation.

CHAPTER 4 MANAGEMENT OF EXTERNAL INVESTMENT

Article 16 The Company's short-term investment procedures are as follows:

- (1) The Company's Financial Management Department regularly prepares a statement of cash flow position;
- (2) The Company's investment analysts compile the annual short-term investment plan according to the position of securities in the securities market and the profitability of other investment objects, and submit it to the Board of Directors and the General Meeting for approval according to the scale of short-term investment;

- (3) The Company's Financial Management Department shall be responsible for transferring the funds in the investment plan to other monetary fund accounts according to the investment plan;
- (4) Investment operators may put forward suggestions on securities investment, and then subscribe for or buy or sell securities after being confirmed by the deputy general manager in charge of investment;
- (5) The deputy general manager in charge of investment regularly summarizes the short-term investment profit and loss and prepares the market value statement, and submits it to the Board of Directors and the General Meeting for review.

Article 17 The investment operators shall submit the investment related documents to the Company's Financial Management Department at the end of each month. The Financial Management Department shall be responsible for timely making registration and bookkeeping by the type, quantity, unit price, accrued interest, date of purchase and other factors of short-term investment, and carry out relevant accounting treatment.

Article 18 The Company shall establish strict securities custody system, whereby more than two persons shall jointly control the securities and the securities investment operators and the funds and finance managerial personnel shall be separated and under a check and balance mechanism. No single person shall be allowed to access the investment assets alone. Any deposit or withdrawal of the investment assets must be counter-signed for confirmation by two persons kept in check.

Article 19 The short-term negotiable securities purchased by the Company shall be registered in the name of the Company on the date of purchase.

Article 20 The Financial Management Department of the Company shall be responsible for regularly verifying the use, settlement and deposit situation of the funds used for securities investment. All interests and dividends received shall be timely bookkept.

Article 21 According to the nature of the investments, the Company's long-term investments are divided into investments in new projects and capital increase in existing projects.

- (1) Investments in new projects refer to the investments in projects that have just been established and approved, according to the approved investment amount.
- (2) Capital increase in existing projects refers to the activity of adding investments in original investment projects on the basis of the original approved investment amount in accordance with the needs of business operations.

Article 22 The Company's long-term investment procedures are as follows:

- (1) The relevant centralized management department of the Company cooperates with the Company's Financial Management Department to determine the investment purpose and investigate the investment environment;
- (2) The relevant centralized management department of the Company prepares the letter of intent for investment (project initiation report) on the basis of full investigation and research;
- (3) The relevant centralized management department of the Company prepares the feasibility study report of the investment project and reports it to the Company's Financial Management Department and General Manager;
- (4) The Strategy Committee under the Board of Directors shall first examine the feasibility study report and relevant letter of intent for cooperation and submit the same to the Board of Directors for consideration. The Board of Directors shall then perform the examination and approval procedure in accordance with relevant authority, and if such investment is beyond the scope of authority granted to the Board of Directors, such investment shall be submitted to the General Meeting for consideration and approval;
- (5) Handle the approval procedures in accordance with the procedures stipulated herein;
- (6) The relevant department of the Company shall be responsible for the implementation of the external investment project that has been approved for implementation, under the authorization of the competent body;
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- (4) significant operating or non-operating losses;
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Article 53 The term “more than” used herein shall include the given figure whereas the term “exceed” or “exceeding” excludes the given figure.

Article 54 These Rules shall be reviewed and approved by the General Meeting of the Company and shall take effect and be implemented from the date of the Company’s initial public offering of A shares and listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange. Since the effective date of these Rules, the original Management Rules for External Investment of the Company shall be automatically invalidated.

Article 55 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the said Articles of Association shall prevail.

Article 56 These Rules shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Terms of Reference have been formulated, to standardized operation of Jenscare Scientific Co., Ltd. (the “**Company**”), safeguard the overall interests of the Company and ensure that independent directors independently and duly exercise their powers, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”) and other laws, regulations, regulatory documents and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 For the purpose of these Terms of Reference, the term “independent director” shall have the meaning given to it under the Rules Governing the Listing of Securities on the Stock Exchange in Mainland China and shall also mean “independent non-executive director” under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Article 3 An independent director shall bear the duties of good faith and due diligence towards the Company and all shareholders. Independent director shall perform duties conscientiously and safeguard the overall interests of the Company, especially pay attention to protect the legitimate rights and interests of minority shareholders from damage in accordance with the relevant laws, regulations and regulatory documents and the requirements of the Articles of Association.

Article 4 Independent directors shall perform duties independently and shall not be influenced by the Company’s substantial shareholders, actual controller or other entities or persons having interest relations with the Company. If any matter under consideration is found to affect their independence, they shall declare this to the Company and abstain from such matter. If there are circumstances that clearly affect independence during their tenure, they shall inform the Company in a timely manner and submit resignation.

Article 5 In principle, an independent director engaged by the Company may concurrently serve as such at up to five listed companies, and shall ensure enough time and energy to effectively perform his duties as independent director. The independent directors shall not hold other posts, other than member of a special committee under the Board of Directors, in the Company.

Article 6 The Company shall have at least three independent directors, and at least one third of the Board members of the Company shall be independent directors, among them there shall be at least one accounting professional.

Article 7 The term “accounting professional” mentioned in the preceding paragraph refers to a person who holds senior job title or is qualified as a certified public accountant.

Article 8 If an independent director fails to meet independence requirements or is otherwise unqualified to perform his duties as independent director causing the failure of the number of the Company's independent directors to meet the statutory number, the Company shall fill up the vacancy in accordance with the rules herein.

Article 9 Independent directors and persons who intend to serve as independent directors shall participate in the training organized by relevant competent authorities in accordance with their requirements.

CHAPTER 2 QUALIFICATION OF INDEPENDENT DIRECTORS

Article 10 A person serving as an independent director of the Company shall have the qualifications appropriate to the exercise of his duties, specifically:

- (1) He should be qualified as a director of the Company in accordance with the laws, regulations and other relevant provisions;
- (2) He should satisfy the independence requirements of these Terms of Reference and the Articles of Association;
- (3) He should have the basic knowledge about operation of the Company, and be familiar with relevant laws, administrative regulations, provisions and rules;
- (4) He should have more than five years of legal or economic work experience or other work experience necessary for performing the duties as independent directors; and
- (5) He should have other conditions provided in the laws, administrative regulations, departmental rules and the Articles of Association.

CHAPTER 3 INDEPENDENCE OF INDEPENDENT DIRECTOR

Article 11 The following persons shall not serve as independent directors of the Company:

- (1) any person who works for the Company or its subsidiaries, his immediate family members and major social relations;
- (2) any individual shareholder who directly or indirectly holds more than 1% of the issued shares of the Company or is one of the top ten shareholders of the Company, and his immediate family members;
- (3) any person who works for a shareholder that directly or indirectly holds more than 5% of the issued shares of the Company or who works for one of the top five shareholders of the Company, and his immediate family members;

- (4) any person who works for the Company's controlling shareholder, actual controller and their respective subsidiaries, and his immediate family members;
- (5) any person who provides financial, legal and advisory services to the Company and its controlling shareholder, actual controller or their respective subsidiaries, including all members of the project team of the intermediary providing the services, reviewers at all levels, persons signing the reports, partners and primary responsible persons;
- (6) any person who serves as a director, supervisor or senior management in an entity with which the Company and its controlling shareholder or their respective subsidiaries have significant business dealings, or serves as a director, supervisor or senior management in an entity of the controlling shareholder of the entity with which the business dealings are conducted;
- (7) any person who was any of the persons specified in the above six items within the previous year;
- (8) other persons who shall not serve as independent director as provided by the laws, administrative regulations, departmental rules or the Articles of Association; and
- (9) other persons as determined by the CSRC.

For the purposes of this Article, "immediate family members" refer to the spouse, parents and children, etc.; "major social relations" refers to the siblings, parents of the spouse, spouses of children, spouses of siblings, and siblings of the spouse, etc.

Article 12 A candidate for independent director should have no bad record of:

- (1) ban from the securities market imposed by the China Securities Regulatory Commission (the "CSRC"), which has not yet expired;
- (2) a public announcement by the stock exchange that determines him as inappropriate for holding office as director, supervisor or senior management of listed companies for a certain period, which has not yet expired;
- (3) administrative penalty imposed by the CSRC within recent three years;
- (4) a public censure or at least two criticism circulars given by the stock exchange within recent three years;
- (5) failure to attend two consecutive meetings of the Board or to attend in person more than one-third of the meetings of the Board in any given year during his tenure as an independent director;

- (6) expressing independent opinions that are clearly inconsistent with the facts during his tenure as an independent director;
- (7) investigation by judicial authority for suspected crime or by the CSRC for suspected violation of laws and regulations, which is still pending; or
- (8) other circumstances as recognized by the CSRC or stock exchange on which the stocks of the Company are listed.

CHAPTER 4 NOMINATION, ELECTION AND REPLACEMENT OF INDEPENDENT DIRECTOR

Article 13 The Board of Directors, the Supervisory Committee, shareholder individually or shareholders jointly holding more than 1% of issued shares of the Company can nominate candidates for independent director, for election at the General Meeting.

Article 14 The nominator of an independent director shall obtain the consent of the nominee before nomination. The nominator shall fully understand the basic information of the nominee, including his occupation, educational background, title, detailed work experience and all part-time work, and shall also express his opinions on the qualification and independence of the candidate as an independent director, and the nominee shall make a public statement that he does not have any relationship with the Company which may affect his independent and objective judgment.

Before a general meeting is held to elect independent directors, the Board of Directors of the Company shall announce the above information in accordance with the regulations.

Article 15 The tenure of an independent director is the same as that of other directors of the Company. Upon expiry of the tenure, an independent director may be eligible for re-election for a further period of not exceeding 6 years.

Article 16 The Board of Directors shall request the General Meeting to replace the independent director who has failed to attend the Board meeting in person for three consecutive times. Except for the above circumstances and the circumstances specified in the Company Law which preclude a person from acting as a director, no independent director shall be removed prior to the expiry of his tenure without cause. In case of early removal, the Company shall disclose such removal as a matter of special disclosure, and the removed independent director may make a public statement if he considers that the cause for such removal of the Company is improper.

Article 17 An independent director may submit resignation before the tenure expires. The independent director must submit a written resignation to the Board of Directors indicating matters in relation to his resignation that, in his opinions, needs to be brought to the attention of shareholders and creditors of the Company.

Article 18 If the number of independent directors or number of directors in the Board of Directors is less than the statutory number or the minimum number provided in the Articles of Association, or there will be no accounting professional among the independent directors, due to the resignation of an independent director, then such independent director shall still perform his duties in accordance with laws, administrative regulations and the Articles of Association until a new independent director is appointed to fill up the vacancy. The Board of Directors shall hold a General Meeting to elect the new independent director within two months, and the resigning independent director may cease to perform his duties if no General Meeting is convened within such period.

CHAPTER 5 DUTIES AND POWERS OF INDEPENDENT DIRECTOR

Article 19 Independent directors shall attend the Board meeting on time, understand the production and operating conditions of the Company, and actively investigate and obtain the information and materials required for making decision. Independent directors shall submit to the General Meeting of the Company an annual work report on their performance of duties.

Article 20 In order to give full play to the role of independent directors, the independent directors shall have the following special duties and powers in addition to those conferred on directors by the Company Law and other relevant laws, regulations, regulatory documents and the Articles of Association:

- (1) any related party transaction with an aggregate amount of higher than RMB3 million or higher than 5% of the latest audited net asset value of the Company, that the Company intends to enter into with related /connected parties should be approved by the independent directors in advance; the independent directors may, before making their judgment, engage an intermediary to issue an independent financial adviser's report as a basis for their judgment;
- (2) to propose to the Board of Directors the appointment and removal of an accounting firm;
- (3) to propose to the Board of Directors the convening of an extraordinary General Meeting;
- (4) to propose the convening of a Board meeting;
- (5) to solicit proxy openly from shareholders prior to a General Meeting; and
- (6) to independently engage an external auditor and advisor to audit and advise on specific matters of the Company.

Article 21 The exercise of the special duties and powers set forth in Items (1) to (5) above by an independent director shall be subject to the consent of more than half of all independent directors. Of which, matters set forth in Items (1) and (2) shall only be submitted to the Board of Directors for discussion after the consent of more than half of all

independent directors. The exercise of the special duties and powers set forth in Item (6) above by an independent director shall be subject to the consent of all independent directors.

Article 22 The majority of members and the chairman (convener) of the Remuneration and Assessment Committee, the Audit Committee and the Nomination Committee under the Board of Directors of the Company shall be independent directors, and the chairman (convener) of the Audit Committee shall be an accounting professional.

CHAPTER 6 INDEPENDENT OPINIONS OF INDEPENDENT DIRECTORS

Article 23 In addition to the above duties and powers, the independent directors shall provide independent opinions on the following matters to the Board of Directors or the General Meeting:

- (1) nomination, appointment and removal of directors;
- (2) appointment and dismissal of senior management;
- (3) remuneration of directors and senior management of the Company;
- (4) any existing or new borrowing from the Company or other funds transfers with the Company by shareholders, actual controller or their respective affiliates, with an aggregate amount of higher than RMB3 million or 5% of the latest audited net asset value of the Company, and whether the Company has taken effective measures to recover the amount in arrears;
- (5) appointment and removal of the accounting firm;
- (6) changes in accounting policies, accounting estimates or corrections of significant accounting errors for reasons other than changes in accounting standards;
- (7) modified audit opinion on the financial accounting report of the Company issued by a certified public accountant;
- (8) changes in the plan promised by the relevant party;
- (9) the effect of issuance of preferred shares on the interests of the various classes of shareholders of the Company;

- (10) the preparation of profit distribution policy, profit distribution plan and plan for conversion of capital surplus into share capital, especially paying attention to whether such policy or plan will damage the legitimate rights and interests of minority investors;
- (11) related party/connected transaction, external guarantee, entrusted wealth management, provision of financial assistance, use of proceeds, engagement in new business, investment in stocks and their derivatives, or other material matters, that require disclosure;
- (12) material assets reorganization plan, equity incentive plan, employee stock ownership plan, share buy-back plan;
- (13) proposed decision of the Company to delist its shares from the stock exchange;
- (14) change of purposes of use of proceeds;
- (15) the use of excess proceeds for permanent replenishment of working capital or repayment of bank loans;
- (16) management buyout;
- (17) internal control evaluation report;
- (18) other matters which, in the opinion of the independent directors, may prejudice the interests of the minority shareholders;
- (19) other matters stipulated by laws, administrative regulations, departmental rules, regulatory documents, the regulatory rules of the place where the shares of the Company are listed and the Articles of Association.

Article 24 The types of independent opinions expressed by an independent director include concurring opinion; qualified opinion and reasons therefor; adverse opinion and reasons therefor; and disclaimer of opinion and obstacles therefor.

Article 25 Independent opinions issued by an independent director on a material matter shall at least include:

- (1) basic information on the material matter;
- (2) the basis for the opinions, including procedures performed, documents checked, contents of field inspection;
- (3) compliance with laws and regulations of the matter;

- (4) the impact on the rights and interests of the Company and minority shareholders, possible risks and whether the measures taken by the Company are effective;
- (5) conclusive opinions issued. An independent director shall explicitly explain the reasons for his qualified opinion, adverse opinion or disclaimer of opinion on the material matters.

Independent directors shall sign to confirm their independent opinions issued, and report the above opinions to the Board of Directors in a timely manner, to be disclosed together with relevant announcements of the Company.

Article 26 An independent director shall actively perform his due diligence obligations and make a report to the stock exchange in a timely manner, and if necessary, engage an intermediary to carry out special inspections, if the independent director finds that the Company:

- (1) fails to submit material matters to the Board of Directors or the General Meeting for consideration as required;
- (2) fails to perform the information disclosure obligation in a timely or proper manner;
- (3) publicly discloses information which contains misrepresentations, misleading statements, or material omissions;
- (4) violates laws and regulations or the Articles of Association in its production and operation; or
- (5) is otherwise suspected of violating laws and regulations or damaging the legitimate rights and interests of minority shareholders.
- (6) If any of the above circumstances indeed exists, the independent director shall immediately urge the Company or relevant person to make correction, and report it to the securities regulatory bureau at the place where the Company is located, and the stock exchange.

Article 27 An independent director shall make a report to the CSRC, securities regulatory bureau at the place where the Company is located, and the stock exchange, if:

- (1) the independent director is dismissed by the Company and the dismissal is, in opinion of the independent director, groundless;
- (2) the independent director resigns due to the Company hindering him from duly exercising his duties and powers;

- (3) due to incomplete or insufficient materials of the Board meeting, two or more independent directors file a written request for postponing the Board meeting or the consideration of relevant matters, but such request is rejected;
- (4) the Board of Directors fails to take effective measures after a report is made to the Board of Directors on any suspected violation of laws and regulations by the Company; or
- (5) other circumstances occur that seriously hinder the independent director from performing his duties.

Article 28 At the annual General Meeting of the Company, each independent director shall submit an annual work report on the performance of his duties, which should focus on the internal control, standardized operation, protection of rights and interests of minority investors and other corporate governance matters of the Company.

The work report submitted by an independent director shall contain:

- (1) information on his attendance of Board meetings and General Meetings, including reasons and times of non-attendance in person, in the previous year;
- (2) information on expression of opinions and participation in voting at Board meetings, including situation and reasons of abstention and dissenting votes;
- (3) investigations on the production, operation, institutional improvement, implementation of Board resolutions by the Company, discussions with the Company's management, and field survey against the material investment, production and construction projects of the Company;
- (4) other work carried out to protect the legitimate rights and interests of public shareholders;
- (5) information on trainings taken;
- (6) other work in performance of his duties as independent director in accordance with relevant laws, administrative regulations, departmental rules, regulatory documents, rules of self-regulation and the Articles of Association; and
- (7) a self-inspection conclusion on whether he still satisfies the independence requirements, and on whether there is any change in his director candidate statements and commitments.

The work report of an independent director shall be based on the work records, and specifically describe the time, place, work content, follow-up and other aspects of the performance of duties, which shall be signed after confirmation by himself and then submitted to the Company, to be kept together with the materials of the annual General Meeting.

CHAPTER 7 WORKING CONDITIONS OF INDEPENDENT DIRECTORS

Article 29 The Company shall provide necessary conditions for independent directors to effectively exercise and perform their powers and duties. The Secretary of the Board of Directors of the Company shall actively provide assistance for independent directors to perform their duties, such as background information debriefing and provision of materials, and regularly report information on operation of the Company, and may organize independent directors for field survey whenever necessary.

Article 30 The Company shall ensure that independent directors have the same right to information as other directors. With regard to any matter subject to decision-making by the Board of Directors, the Company shall notify independent directors in advance within the period specified by laws and provide sufficient information to them. Independent directors, who consider the information insufficient, may request supplementation. If the information is insufficient or the argument is not clear in the opinion of two or more independent directors, they may jointly submit a written request to the Board of Directors for postponing the Board meeting or the consideration of the matter, which shall be approved by the Board of Directors.

The information provided by the Company to the independent directors should be retained by the Company and the independent directors themselves for at least five years.

Article 31 When an independent director exercises his authorities, the relevant personnel of the Company shall actively cooperate with him and shall not refuse, obstruct or conceal any information from them, nor interfere with the independent exercise of his duties and powers.

Article 32 The fees for engaging an intermediary and other reasonable expenses incurred by the independent directors in the exercise of their duties and powers (such as travel expenses, communication fees, etc.) shall be borne by the Company.

Article 33 The Company shall give the independent directors appropriate allowance, the standards of which will be formulated by the Board of Directors, approved by the General Meeting and disclosed in the annual report of the Company. Except the above allowance, the independent directors shall not obtain other undisclosed additional benefits from the Company and its substantial shareholders or any other interested entity or individual.

Article 34 The Company may establish a necessary liability insurance system for independent directors, to reduce the risks arising from the normal performance of duties by independent directors.

Independent directors shall be entitled to require the Company to take out liability insurance for their performance of duties as independent director.

CHAPTER 8 SUPPLEMENTARY PROVISIONS

Article 35 The terms “more than”, “higher than” and “within” as referred to in these Terms of Reference shall include the given figure, whereas the term “exceed” excludes the given figure.

Article 36 These Terms of Reference shall be reviewed and approved by the General Meeting of the Company and shall take effect and be implemented from the date of the Company’s initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange. Since the effective date of these Terms of Reference, the original Terms of Reference for the Independent Directors of the Company shall be automatically invalidated.

Article 37 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed or the said Articles of Association shall prevail.

Article 38 These Terms of Reference shall be interpreted by the Board of Directors under the authority of the General Meeting of the Company.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to regulate the deposit, use and management of the proceeds by Jenscare Scientific Co., Ltd. (the “**Company**”), improve the efficiency and effect of the use of the proceeds, safeguard the safety of the proceeds, and protect the legitimate rights and interests of investors, in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange (the “**SSE STAR Listing Rules**”), the SSE Guidelines No. 1 on the Application of Self-Regulation Rules for Listed Companies on SSE STAR Market — Standardized Operation (the “**Standardized Operation Guidelines**”), the Guidelines for the Regulation of Listed Companies No. 2 — Regulatory Requirements for the Management and Use of Raised Funds by Listed Companies and other laws, regulations and regulatory documents and the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”), and based on the practical conditions of the Company.

Article 2 The term “proceeds” used herein refer to funds raised by the Company through public offering of securities (including initial public offering of shares, allotment of shares, additional issuance of shares, issuance of convertible corporate bonds, issuance of bonds with warrants, etc.) as well as non-public offering of securities to investors, excluding funds raised by the Company through implementation of equity incentive plans.

Article 3 After the proceeds are available, the Company shall promptly go through capital verification procedures and have a capital verification report issued by an accounting firm qualified in securities practice. The Company shall organize the use of the proceeds in accordance with the funds use plan promised in the prospectus, offering memorandum and other information disclosure documents. If the Company changes the purpose of use of the funds listed in the prospectus or other documents on public offering of stocks, a resolution must be made by the General Meetings.

Article 4 The Company shall deposit, use and manage the proceeds in accordance with the provisions herein and use the funds in a standardized, open and transparent manner.

Article 5 Where an Investment Project is implemented through a holding subsidiary of the Company or other enterprise controlled by the Company, the Company shall ensure that they comply with these Rules.

CHAPTER 2 DEPOSIT OF PROCEEDS

Article 6 For the convenience of the use of the proceeds and the supervision of such use, the Company shall set up a special account for deposit and management of the proceeds (the “**Special Account**”). The establishment of the Special Account shall be approved by the Board of Directors of the Company, who shall report the information and materials on the establishment of such account to relevant securities regulatory authority for filing when the Company applies for fund raising. The Special Account may not be deposited into any non-raised proceeds or used for other purposes.

If the Company has conducted more than two rounds of capital-raising, separate accounts should be set up for the proceeds of each round. Any actual net amount of proceeds in excess of the targeted amount of proceeds to be raised (the “**Excess Proceeds**”) shall also be deposited in the Special Account for management.

Article 7 Where the Company considers it necessary to open a Special Account with more than one bank due to the large amount of the proceeds and in combination with the financing arrangement of the Investment Project, then it may do so upon the approval of the Board of Directors, subject to the principles of centralized deposit and convenience for supervision.

Article 8 The Company shall sign a tripartite escrow agreement for Special Account deposit (the “**Escrow Agreement**”) with the sponsor or independent financial adviser and the commercial bank where the proceeds are deposited (the “**Commercial Bank**”) within one month after the arrival of the proceeds. The Escrow Agreement shall at least contain:

- (1) the Company shall deposit all the proceeds into the Special Account on a centralized basis;
- (2) the account number of the Special Account, Investment Project(s) relating to the Special Account, the amount deposited;
- (3) the Commercial Bank shall provide the Company with monthly bank statements of the Special Account and forward a copy thereof to the sponsor or independent financial adviser;
- (4) the sponsor or independent financial adviser may check at the Commercial Bank at any time the information on the Special Account; and
- (5) the liability for breach of contract by the Company, the Commercial Bank, the sponsor or independent financial adviser.

If the Company implements the Investment Project through a holding subsidiary or other entity, an Escrow Agreement shall be signed by the Company, the company implementing the Investment Project, the Commercial Bank and the sponsor or independent financial adviser; the Company and the company implementing the

Investment Project shall be regarded as a common party. If the Escrow Agreement is early terminated for reasons such as the change in Commercial Bank, sponsor or independent financial adviser, the Company shall enter into a new agreement with the parties concerned within one month from the date of termination of the agreement.

Article 9 The Company shall actively urge the Commercial Bank to perform the agreement. Where the Commercial Bank fails to issue the bank statement or give notice of large amount withdrawal from the Special Account to the sponsor or independent financial adviser in a timely manner for three consecutive times, and refuses to cooperate with the inquiry or investigation of the information of the Special Account by the sponsor or independent financial adviser, the Company may terminate the Escrow Agreement and cancel such Special Account.

CHAPTER 3 USE OF PROCEEDS

Article 10 The use of the proceeds by the Company shall not violate the following requirements:

- (1) The application, tiered examination and approval authority, decision-making procedure, risk control measures and information disclosure procedure on and for the use of proceeds by the Company shall be in strict compliance with relevant provisions of the Articles of Association, the Information Disclosure Management Rules, all rules of procedures, these Rules and other policies of the Company.
- (2) The Company shall use the proceeds in a prudent manner, and arrange the use of proceeds for their specified purposes in accordance with the plan on use of proceeds promised in the prospectus or other documents prepared for the fundraising, and shall not, as a general rule, change the purpose of proceeds or use the proceeds for other purposes.
- (3) If circumstances arise that seriously affect the normal conduct of the plan for the use of the proceeds, the Company shall make a timely announcement.

Article 11 Where a project financing out of the proceeds (the “**Investment Project**”) is under any of the following circumstances, the Company shall re-argue the feasibility, expected return and other factors of such Project and decide on whether to continue such Project or not, and shall disclose the progress of such Project and the reasons for any unusual conditions of such Project and the adjusted Investment Projects (if any) in the latest regular report:

- (1) significant changes in the market environment involved in the Investment Project;
- (2) the Investment Project has been on hold in excess of one year;
- (3) the date of completion of the proceeds investment plan exceeds the schedule and the amount of proceeds invested has not reached 50% of the planned amount; or

- (4) other unusual conditions of the Investment Projects occur.

Article 12 The proceeds raised by the Company shall, in principle, be used for its main business and invested in the field of technology innovation. The use of the proceeds by the Company shall not violate the following rules:

- (1) the proceeds shall not be used to carry out entrusted wealth management (except cash management), entrusted loans and other financial investments, securities investments, derivatives investments and other high-risk investments, nor may they be used to invest directly or indirectly in any company which mainly engages in the trading of negotiable securities;
- (2) the use of the proceeds shall not be changed in disguise by pledge, entrusted loans or other means;
- (3) the proceeds shall not be made available directly or indirectly to the controlling shareholder, the actual controller and other related parties for utilization, for the purpose of facilitating the use of the Investment Project by related parties to obtain improper benefits; and
- (4) the Company shall not violate any other provisions of the laws and regulations on the management of proceeds.

Article 13 Where the Investment Project was previously financed by the Company's self-raised funds, the Company may, within six months after the arrival of the proceeds, use such proceeds to replace the self-raised funds applied in such Investment Project. The replacement shall be reviewed and approved by the Company's Board of Directors, with an assurance report issued by an accounting firm and published with the explicit consent from independent directors, the Supervisory Committee, the sponsor or independent financial advisor. The Company shall make an announcement within 2 trading days after the Board meeting.

Article 14 The temporary idle proceeds may be used for cash management to invest into the investment products meeting the following conditions:

- (1) the product has high safety and commitment on capital guarantee, such as structured deposit and large-amount certificate of deposit;
- (2) the product has good liquidity, and will not affect the normal operation of the proceeds investment plans.

The invested products may not be pledged, whose special settlement account, if any, shall not be deposited with non-raised proceeds or used for other purposes. In case of opening or cancelling the special settlement account, the Company shall report to Shanghai Stock Exchange for filing within 2 trading days and make announcement thereof.

Article 15 Utilization of idle proceeds in investing products is subject to the consideration and approval of the Board of Directors of the Company, with the explicit consent of independent directors, the Supervisory Committee, the sponsor or independent financial adviser. The Company shall make an announcement on the following items within 2 trading days after the Board meeting:

- (1) background information of this fundraising, including the raising time, the amount of proceeds, net amount of proceeds and investment plan, etc.;
- (2) situation on use of proceeds;
- (3) limit and term of the investment products to be invested by the idle proceeds, whether there is any activity changing the use of the proceeds in a disguised way, and measures to guarantee the normal operation of the Investment Projects will not be affected;
- (4) income distribution method, investment scope and security of the investment products; and
- (5) the opinions issued by independent directors, the Supervisory Committee, the sponsor or independent financial adviser.

Article 16 The Company shall meet the following requirements when using the idle proceeds for temporary replenishment of working capital:

- (1) no change of the use of proceeds in a disguised way, and no influence on the normal operation of the proceeds investment plan;
- (2) only limited to the production and operation related to the main business, and no direct or indirect arrangement for the rights issue, share subscription or trading of stocks and their derivatives, convertible bonds, etc.;
- (3) the duration of a single working capital replenishment shall not exceed 12 months; and
- (4) the due previously raised proceeds used for temporary replenishment of working capital, if applicable, have been returned.

Where idle proceeds are used for temporary replenishment of working capital, the Company shall report it to the Shanghai Stock Exchange within two trading days and make announcement after consideration and approval by the Company's Board of Directors and that the independent directors, the sponsor and the Supervisory Committee have given their explicit consent.

Prior to the expiry date of the replenished working capital, the Company shall return such funds to the Special Account, and report it to Shanghai Stock Exchange within 2 trading days upon return of all funds and make announcement thereof.

Article 17 The Excess Proceeds may be used for permanent replenishment of working capital or repayment of bank loans, provided that the cumulative amount so used within every 12 months shall not exceed 30% of the total Excess Proceeds, and the Company shall undertake not to make risky investments or provide financial assistance to other parties other than its holding subsidiaries within 12 months after the replenishment of working capital.

The aforesaid provisions shall not apply to the Company's investment, together with professional investment institutions, in investment funds related to its main business, or in investment funds such as market-oriented industrial investment funds for poor areas and public welfare funds for poverty alleviation.

Article 18 Utilization of idle proceeds in permanent replenishment of working capital or repayment of bank loans is subject to the consideration and approval of the Board of Directors and the General Meeting of the Company after an online poll is organized for shareholders to vote, with the explicit consent of independent directors, the Supervisory Committee, the sponsor or independent financial adviser. The Company shall make an announcement on the following items within 2 trading days after the Board meeting:

- (1) background information of the fund-raising, including the time of raising, the amount of proceeds, the net amount of proceeds, the amount of Excess Proceeds, etc.;
- (2) the undertaking not to make risky investments and provide financial assistance to others within 12 months after the replenishment of working capital; and
- (3) the opinions issued by independent directors, the Supervisory Committee, the sponsor or independent financial adviser.

Where the Company uses the Excess Proceeds for projects under construction and new projects (including acquisition of assets, etc.), the Company shall invest such Excess Proceeds in its main business, conduct feasibility analysis of the investment projects in a scientific and prudent manner, submit such projects to the Board of Directors for review and approval, and have independent directors, the Supervisory Committee, the sponsor or independent financial adviser give their explicit consent, and fulfill the obligation of information disclosure in a timely manner.

If the Company plans to use the Excess Proceeds in a single investment amounting to CNY50 million and reaching more than 10% of the total Excess Proceeds, such investment shall also be submitted to the General Meeting for review and approval.

Article 19 After the completion of any or all Investment Projects, the Company's use of the remaining proceeds of such project(s) (including interest income) for other purpose is subject to the consideration and approval of the Board of Directors, with the explicit consent of independent directors, the sponsor or independent financial adviser,

the Supervisory Committee. The Company shall make an announcement to that effect within 2 trading days after the Board meeting.

In the event that the remaining proceeds (including interest revenues) is less than CNY10 million, the use of such proceeds may be exempted from the aforesaid procedures but shall be disclosed by the Company in the annual report.

CHAPTER 4 CHANGE IN INVESTMENT OF PROCEEDS

Article 20 The Company shall be deemed to have changed the purpose of use of the proceeds if:

- (1) the original Investment Project is canceled or terminated, with the proceeds used for implementation of a new project or working capital replenishment;
- (2) the entity responsible for the implementation of the Investment Project is changed, except for the change between the Company and its wholly-owned or holding subsidiaries;
- (3) the implementation method of the Investment Project is changed; or
- (4) other circumstances as may be recognized by the Exchange occur.

Article 21 The proceeds of the Company shall be used in accordance with the purposes stated in the prospectus or the offering memorandum. Any change made to an Investment Projects shall be considered and approved by the Board of Directors and at the General Meeting, subject to the explicit consent of independent directors, the sponsor or independent financial advisor and the Supervisory Committee. Specifically as follows:

Where any change to an Investment Project is indeed needed due to market changes, the project responsible unit or the project leader shall submit a change proposal with reasons for change to the General Manager of the Company, who will, if he concurs with such proposal upon review, submit to the Board of Directors in writing.

After making a resolution on change of the Investment Project, the Board of Directors of the Company shall timely submit it to the General Meeting for consideration, and state in the meeting notice of General Meeting the reasons for change of use of the proceeds, overview of the new project and future impact on the Company. No change may be made to the Investment Project until the General Meeting reviews and approves the change proposal and the independent directors, the sponsor and the Supervisory Committee have issued explicit consent on such change.

If the Company only changes the place of implementation of the Investment Project, it may be exempted from the procedures set out in the preceding paragraph, but such change shall still be subject to review and approval by the Board of Directors of the Company, and the reasons for the change and the opinions of the sponsor or independent financial adviser thereon shall be announced within 2 trading days.

Article 22 The changed Investment Project shall invest in the main business of the Company.

The Company shall scientifically and prudently carry out feasibility analysis of the new Investment Project to make sure that the Investment Project will have relatively good market prospects and profitability to effectively prevent the investment risks and improve the efficiency and benefits from the use of proceeds.

Article 23 Where the Company proposes to change the purpose of any Investment Project, it shall announce the following within 2 trading days upon submittal of such proposal to the Board of Directors for consideration:

- (1) basic information of the original Investment Project, and specific reasons for change;
- (2) basic information and risk disclosure of the new Investment Project;
- (3) investment plan of the new Investment Project;
- (4) statement that the new Investment Project has obtained or been obtaining the approvals from relevant authorities (if applicable);
- (5) opinions of independent directors, the Supervisory Committee, the sponsor or independent financial adviser on the change of the Investment Project;
- (6) statement on the necessity to submit to the General Meeting for consideration of the change of Investment Project; and
- (7) other information required by the Exchange.

Where the new Investment Project involves related party transaction, asset purchase or external investment, disclosure shall be made in accordance with relevant rules.

Article 24 Where the Company changes the Investment Project for the purpose of acquiring assets (including equity interest) of the controlling shareholder or actual controller, the Company shall ensure that it could effectively avoid horizontal competition and reduce related party transaction after such acquisition.

Article 25 Where the Company intends to transfer the Investment Project to a third party or replace it with a new project (except where the Investment Project has been fully transferred to a third party or replaced with a new project in the implementation of a major asset restructuring by the Company), the Company shall make an announcement on the following items within 2 trading days after submission thereof to the Board of Directors for review:

- (1) specific reasons for such transfer or replacement of the Investment Project;
- (2) amount of proceeds already used to invest in the said Project;

- (3) completion progress and realized beneficial results of the said Project;
- (4) the basic information and risk disclosure of the new Investment Project (if applicable);
- (5) pricing basis and relevant income from transfer or replacement;
- (6) opinions of independent directors, the Supervisory Committee, the sponsor or independent financial adviser on the transfer or replacement of the Investment Project;
- (7) statement on the necessity to submit to the General Meeting for consideration of the transfer or replacement of Investment Project; and
- (8) other information required by the Exchange.

The Company shall pay full attention to the collection and use of the transfer price, the change of ownership of the substitute asset and continuous operation of the substitute asset, and perform necessary information disclosure obligations.

CHAPTER 5 MANAGEMENT AND SUPERVISION ON THE USE OF PROCEEDS

Article 26 Directors, supervisors and senior management of the Company shall be diligent and responsible in supervising the Company to regulate the use of proceeds and shall safeguard the security of the Company's proceeds in a conscious way, and shall not participate in, facilitate or connive at any unauthorized or disguised conversion of the purpose of proceeds by the Company.

Article 27 The controlling shareholder and actual controller of the Company shall neither directly or indirectly appropriate or misappropriate the proceeds of the Company, nor use the proceeds of the Company and the Investment Projects for improper interests.

Article 28 The sponsor or independent financial adviser shall perform continuous supervision duties on the management and use of proceeds by the Company, in accordance with applicable laws, regulations and regulatory documents.

Article 29 The Company shall make true, accurate and complete disclosure of the actual use of the proceeds. The Board of Directors of the Company shall conduct a comprehensive verification on the progress of the Investment Projects every half a year, and issue a Special Report on Deposit and Actual Use of Proceeds of the Company (the "Special Report") for the deposit and use of proceeds.

The Special Report shall be reviewed and approved by the Board of Directors and the Supervisory Committee and shall be announced within 2 trading days after submission to the Board of Directors for consideration. At the time of annual audit, the Company shall engage an accounting firm to issue an assurance report on the deposit and use of the proceeds and disclose it when the annual report is disclosed.

The actual progress of the Investment Project may differ from the investment plan and the Company shall provide specific reasons for such difference in the Special Report. Where idle proceeds were used to invest in products during the reporting period, the Company shall disclose information, including earnings for the reporting period, the share of investments at the end of the reporting period, the contracting parties, product names and duration, in the Special Report.

Article 30 The sponsor or independent financial adviser should conduct field investigation of the deposit and use of the Company's proceeds at least every half year. After the end of each accounting year, the sponsor or independent financial adviser should issue a special verification report on the deposit and use of proceeds of the Company for the year, which will be disclosed when the Company discloses its annual report. Such verification report shall contain:

- (1) information on deposit and use of the proceeds, and balance of the Special Account;
- (2) progress of the Investment Projects, including any progress difference comparing with the proceeds investment plan;
- (3) information on the replacement of self-raised capital previously invested into the Investment Project by the proceeds (if applicable);
- (4) information and effects on the replenishment of working capital by idle proceeds (if applicable);
- (5) information on use of Excess Proceeds (if applicable);
- (6) information on change of investment of the proceeds (if applicable);
- (7) a conclusive opinion on whether the deposit and use of the proceeds of the Company comply with the laws and regulations; and
- (8) other information required by the Exchange.

After the end of each accounting year, the Board of Directors of the Company shall disclose the conclusive opinions set out in the special verification report issued by the sponsor and in the assurance report issued by the accounting firm, in the Special Report.

Article 31 Independent directors shall pay continuous attention to the actual management and use of proceeds of the Company. The audit committee of the Board of Directors, the Supervisory Committee or more than half of all independent directors may retain a certified public accountant to issue an assurance report on the deposit and use of the proceeds. The Company shall actively cooperate and bear the necessary costs.

The Board of Directors shall make an announcement within 2 trading days after receiving such assurance report. Where the assurance report finds out any irregularity of the Company in the management and use of the proceeds, the Board of Directors shall also announce the irregular circumstances existing in the deposit and use of the proceeds, any actual or possible consequence and any taken or proposed measure.

Article 32 Information on the use of proceeds shall be disclosed by the Board of Directors.

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article 33 The term “more than” as referred to in these Rules shall include the given figure whereas the term “exceed” or “in excess of” excludes the given figure.

Article 34 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed or the said Articles of Association shall prevail.

Article 35 These Rules shall be reviewed and approved by the General Meeting of the Company and shall take effect from the date of the Company’s initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange.

Article 36 These Rules shall be interpreted and amended by the Board of Directors of the Company.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Regulations (hereinafter referred to as the “**Regulations**”) are formulated, to regulate the fund transactions between Jenscare Scientific Co., Ltd. (hereinafter referred to as the “**Company**”) and its related parties, avoid its related parties from appropriating the Company’s funds, establish its internal control mechanism to protect the legitimate rights and interests of the Company and minority shareholders of the Company, in accordance with the applicable laws, regulations, rules and regulatory documents such as the Company Law of the People’s Republic of China (the “**Company Law**”), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchange, and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as well as the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”).

Article 2 The related parties specified herein shall have the same meanings ascribed to them in the Management Rules for Related Party/Connected Transactions of the Company.

Article 3 Funds appropriation referred herein includes operating fund appropriation and non-operating fund appropriation.

Operating fund appropriation refers to appropriation of funds from the Company by the related parties in related party transactions during the production and operating links of purchasing, sales, etc.

Non-operating fund appropriation refers to the advancement of fees and other expenses such as wages, welfare, insurance premiums, advertising fees for the related parties of the Company, and repayment of debts for the related parties of the Company, direct or indirect lending of funds to the related parties of the Company with or without compensation, the incurrence of debts by undertaking guarantee liability for the related party of the Company and other situations in which the funds are provided to the relevant parties of the Company for use in the absence of the provision of any goods or services.

Article 4 These Regulations apply to the Company’s subsidiaries that are included in the Company’s consolidated accounting statements. The funds transfers between the related parties, and the subsidiaries included in the consolidated accounting statements of the Company shall be implemented with reference to these Regulations.

CHAPTER 2 PRINCIPLES ON PREVENTION OF
RELATED PARTY FUND APPROPRIATION

Article 5 During the transactions concerning operating funds between the Company and the related parties, appropriation of the Company’s funds shall be strictly limited. The Company shall neither directly or indirectly provide funds, assets and resources to related party for use, by means of advancing such period expenses as wages, welfares, insurance premiums, advertisement fees, nor mutually bear any cost or other expenses on behalf of each other.

Article 6 The Company shall not provide the funds directly or indirectly to the related parties for use in the following ways:

- (1) advancing such expenses as wages, welfares, insurance premiums, advertisement fees, or bearing any cost or other expenses on behalf of and for the controlling shareholder, actual controller and other related parties;
- (2) lending funds (including entrusted loans) of the Company to the controlling shareholders, actual controller and other related parties with or without compensation, except that other shareholders of a company participated by the Company provide funds pro rata. The term "company participated" above shall exclude any company controlled by the controlling shareholder and the actual controller;
- (3) issuing commercial acceptance drafts without real transaction background for the controlling shareholder, actual controller and other related parties, and providing funds in the form of purchase price, asset transfer price, advance payment or otherwise, in the absence of consideration for goods and services or obviously contrary to commercial logic;
- (4) repaying debts on behalf of the controlling shareholder, actual controller and other related parties;
- (5) providing entrusted loans to the related parties via banks or non-banking financial institutions;
- (6) entrusting the controlling shareholder, actual controller and other related parties to engage in investment activities; or
- (7) such other ways as stipulated by laws, regulations, the regulatory rules of the place where the shares of the Company are listed or the Articles of Association.

Article 7 Related party transactions between the Company and its related parties shall be decided and implemented in strict accordance with the Articles of Association and relevant policies of the Company.

In case of any related party transaction between the Company and its related parties, the funds approval and payment procedures shall be performed in strict accordance with the related party transaction agreement and the relevant regulations on fund management, without leading to abnormal operating fund appropriation.

CHAPTER 3 RESPONSIBILITIES AND MEASURES

Article 8 The Company shall strictly prevent any non-operating fund appropriation by the related parties, and establish a sound long-term mechanism to prevent non-operating fund appropriation by the related parties.

Article 9 The directors, supervisors, and senior management of the Company and the chairman/executive director and general manager of its holding subsidiaries shall have legal obligations and responsibilities for maintaining the safety of the Company's funds and property, and shall assiduously perform their duties pursuant to relevant regulations and relevant provisions of the Articles of Associations, the Rules of Procedures for the Board of Directors, the Rules of Procedures for the Supervisory Committee, and the Terms of Reference of General Manager.

Article 10 The Board of Directors of the Company shall consider and approve related party transactions between the Company and the related parties in accordance with its powers and duties. Any related party transaction beyond the approval authority of the Board of Directors shall be submitted to the General Meeting for consideration.

Article 11 The Finance Department and Internal Audit Department of the Company shall regularly inspect the Company and its holding subsidiaries in terms of, and report the inspection results of, the non-operating funds transfers with the related parties, so as to eliminate any non-operating funds appropriation by the related parties.

Article 12 The directors, supervisors and senior management of the Company shall pay attention to any embezzlement of funds by the related parties or other embezzlement of corporate interests. Independent directors and supervisors of the Company shall check the funds transfers between the Company and the related parties at least once annually to find out whether the funds, assets and other resources of the Company have been appropriated or transferred by the related parties, and shall promptly request the Company's Board of Directors to take corresponding measures if any exception is found.

Article 13 The Board of Directors of the Company shall take effective measures to demand a related party to cease infringement and compensate for loss, if such related party embezzles the Company's assets and harms the interests of the Company and its public shareholders. Where the related party refuses to make correction, the Board of Directors of the Company shall timely report it to the local counterpart of the CSRC at the place where the Company is located and the stock exchange, and whenever necessary, bring a legal action against such related party of the Company, to protect the legal rights and interests of the Company and public shareholders.

Article 14 The Board of Directors of the Company shall establish a mechanism for "freeze immediately upon appropriation" of shares in the Company held by the controlling shareholder or the actual controller, that is, once the controlling shareholder or the actual controller is found to have appropriated assets of the Company, the Company may immediately apply for judicial freeze of the shares held by the controlling shareholder or the actual controller, upon proposal by more than half of the independent directors of the Company and review and approval by the Board of Directors of the Company. The appropriated funds shall be repaid on a case-by-case basis. Related directors shall avoid voting when the Board of Directors is considering relevant matter. Where the Board of Directors neglects to perform such duties, the independent directors, the Supervisory Committee, or shareholder individually or shareholders jointly holding

more than 10% total number of voting shares in the Company shall have the right to requisition to convene an extraordinary General Meeting to decide on relevant matters in accordance with the provisions of the Articles of Association. When such extraordinary General Meeting is reviewing relevant matters, the controlling shareholder or the actual controller of the Company shall legally avoid voting, and the total number of voting shares held by it or him shall not be counted in the total number of valid voting shares of such General Meeting.

Article 15 In case of funds appropriation, the Company shall strictly control the implementation conditions of “debt repayment with shares” or “debt repayment with non-cash assets”, strengthen supervision and control, and prevent acts detrimental to the rights and interests of the Company and minority shareholders such as debt repayment with bad assets instead of good assets, and debt repudiation by excuse of repayment with shares.

CHAPTER 4 LIABILITIES AND PUNISHMENT

Article 16 If any director or senior management of the Company assists or connives at the appropriation of the Company’s assets by any related party, the Board of Directors of the Company may, depending on the severity of the case, impose punishment on those directly responsible and propose to the General Meeting to remove the director seriously responsible.

Article 17 All directors of the Company shall prudently treat and strictly control the debt risks arising from the guarantee for related parties, and shall be liable for losses arising from illegal or improper external guarantees according to law.

Article 18 If the Company or any of its holding subsidiaries commits any non-operating fund appropriation with related parties, which adversely affects the Company, the Company will impose administrative and economic penalties on those responsible, who will also be held accountable for legal liabilities if the circumstance is serious.

Article 19 In case of any non-operating fund appropriation by related parties or illegal guarantee for related parties arising from breach of these Regulations by the Company or any of its holding subsidiaries, which causes losses to investors, the Company shall, in addition to imposing administrative and economic penalties on those responsible, seek to hold relevant responsible persons liable according to the laws.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

Article 20 For the purposes of these Regulations, “more than” shall include the given number, while “beyond” shall exclude the given number.

Article 21 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company’s shares are listed, or the Articles of Association, the said provisions

of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed and the Articles of Association shall prevail.

Article 22 These Regulations shall be reviewed and approved by the General Meeting of the Company and shall take effect from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange.

Article 23 These Regulations shall be interpreted by the Board of Directors.

CHAPTER 1 GENERAL PROVISIONS

Article 1 These Rules are formulated, to further improve the corporate governance structure of Jenscare Scientific Co., Ltd. (the “**Company**”), regulate the election of directors and supervisors of the Company, and thoroughly protect all shareholders of the Company to fully exercise their rights, in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of Shanghai Stock Exchanges (the “**Listing Rules**”) and other relevant regulations as well as the Articles of Association of Jenscare Scientific Co., Ltd. (the “**Articles of Association**”) and in combination with the actual condition of the Company.

Article 2 The term “cumulative voting system” used herein refers to that when the General Meeting elects directors or supervisors, every share has votes as many as the number of directors or supervisors to be elected, and the shareholder may cast all its/his votes for a single candidate.

Article 3 Cumulative voting system shall be implemented actively when the General Meeting votes for the election of the directors and supervisors. A company in which a single shareholder and its/his persons acting in concert own 30% or more equity interest shall adopt the cumulative voting system.

Article 4 When a General Meeting intends to elect directors or supervisors, the Board of Directors shall indicate in the notice of the General Meeting that the election of directors and supervisors will be based on a cumulative voting system.

Article 5 For the purpose of these Rules, “directors” include independent directors and non-independent directors. For the purpose of these Rules, “supervisors” refer to the non-employee representative supervisors. The employee representative supervisors shall be elected or replaced by the trade union, congress of employees of the Company or otherwise democratically, and shall not be governed by relevant rules herein.

CHAPTER 2 NOMINATION OF CANDIDATES FOR DIRECTOR OR SUPERVISOR

Article 6 The Company shall determine candidates for director and supervisor in accordance with the methods and procedures set forth in the Articles of Association to ensure openness, fairness and impartiality in the election.

Article 7 In the notice of the General Meeting, the Company shall remind shareholders, especially the public shareholders, that in addition to the candidates for director, independent director and supervisor announced by the Board of Directors, shareholders who meet the following conditions may submit proposals for new candidates for director and supervisor 10 days before the General Meeting:

- (1) The Board of Directors and the Supervisory Committee of the Company and the shareholder individually or shareholders jointly holding more than 3% shares in the Company shall have the right to nominate candidates for non-independent director;

- (2) The Board of Directors, the Supervisory Committee, and the shareholder individually or shareholders jointly holding more than 1% of issued shares in the Company shall have the right to nominate candidates for independent director, and the Board of Directors shall then submit information of such candidates to Shanghai Stock Exchange for audit of their qualifications and independence; and
- (3) The Board of Directors and the Supervisory Committee of the Company and the shareholder individually or shareholders jointly holding more than 3% shares in the Company shall have the right to nominate candidates for non-employee representative supervisor to the Supervisory Committee.

Article 8 The nominator of an independent director shall obtain consent of the nominee before nomination, and shall fully understand the basic information of the nominee, including his occupation, academic qualifications, job position, detailed work experience, all part-time jobs; whether there is any relation with the Company or the controlling shareholder and actual controller of the Company; the number of shares held by him in the Company; whether he is under any circumstance stipulated in the Company Law that prohibits him from serving as a director, or whether he has been punished by the CSRC and other authorities and taken disciplinary actions by the Shanghai Stock Exchange, etc. Candidates shall issue a written undertaking before the General Meeting is held that they have accepted the nomination, and that the information on the candidates for director submitted is true and complete, and guarantee that they will perform duties as director upon election. The independent director shall express his opinions on the qualification and independence of the candidate as an independent director, and the nominee shall make a public statement that he does not have any relationship with the Company which may affect his independent and objective judgment.

Article 9 The nominator shall submit to the Board of Directors of the Company the candidate's personal details, including but not limited to: name, gender, age, nationality, educational background, detailed work experience, all part-time jobs, relationship with the candidate, whether there is any circumstance making it inappropriate for the candidate to serve as director or supervisor, etc.

Article 10 Candidates for director or supervisor shall issue a written undertaking before the notice of General Meeting is announced that they agree to accept the nomination, and make public their personal details, and undertake that the information on the candidates for director or supervisor so disclosed is true and complete, and guarantee that they will perform duties as director or supervisor upon election. A candidate who is nominated as independent director shall also make a public statement that he does not have any relationship with the Company which may affect his independent and objective judgment.

Article 11 The Nomination Committee under the Board of Directors of the Company shall, upon receipt information of the candidates, carefully examine the qualifications of the candidates and finally submit a proposal on candidates qualified for director or supervisor to the General Meeting for election, in accordance with the provisions of the Company Law, the Listing Rules and other relevant laws, regulations, regulatory documents, and the Articles of Association and the Work Rules of Nomination Committee of the Board of Directors of Jenscare Scientific Co., Ltd.

The number of director or supervisor candidates may be more than the number of directors or supervisors provided in the Articles of Association.

CHAPTER 3 ELECTION OF AND VOTING FOR DIRECTORS AND SUPERVISORS

Article 12 Where the cumulative voting system is adopted, the presider of the General Meeting shall specifically inform attending shareholders that the election of directors or supervisors will be based on the cumulative voting system before the voting for director or supervisor candidates at the General Meeting, and the convener of the General Meeting and the Supervisory Committee must prepare ballots appropriate for the implementation of cumulative voting. The Secretary of the Board of Directors shall introduce and explain the method of cumulative voting and how to fill out the ballot.

Article 13 The specific steps of the election are as follows:

(1) Counting Method of the Cumulative Voting System

The cumulative number of votes of each shareholder in an election shall be equal to the number of voting shares held by such shareholder multiplied by the number of directors or supervisors to be elected at the General Meeting.

- A. If the General Meeting conducts multiple rounds of elections, the cumulative votes of each shareholder shall be recalculated according to the number of directors or supervisors to be elected in each round of election.
- B. The Secretary of the Board of Directors shall announce the cumulative votes of each shareholder before each round of cumulative voting, and shall immediately check the result announced if any shareholder, independent director or supervisor of the Company, or the scrutineer or witness lawyer of the General Meeting raises any objection to such result.

- (2) In order to ensure that the number of independent directors elected complies with the provisions of the Articles of Association, the election of independent directors and non-independent directors shall be carried out separately to ensure the proportion of independent directors. The specific operation is as follows:
- A. When electing independent directors, the number of voting rights held by a shareholder present at the meeting shall be equal to the total number of shares held by such shareholder multiplied by the number of independent directors to be elected at the General Meeting, and such voting rights can only be exercised in the voting of the candidates for independent directors at the General Meeting concerned.
 - B. When electing non-independent directors, the number of voting rights held by a shareholder present at the meeting shall be equal to the total number of shares held by such shareholder multiplied by the number of non-independent directors to be elected at the General Meeting, and such voting rights can only be exercised in the voting of non-independent director candidates at the General Meeting concerned.
 - C. When electing supervisors, the number of voting rights held by a shareholder present at the meeting shall be equal to the total number of shares held by such shareholder multiplied by the number of supervisors to be elected at the General Meeting, and such voting rights can only be exercised in the voting of supervisor candidates at the General Meeting concerned.
- (3) Voting Method:
- A. The staff of the General Meeting shall issue ballots for the election of directors or supervisors, and a voting shareholder must indicate on each ballot the number of shares he hold in the Company, and the number of voting rights (or number of votes) used by him to the director or supervisor elected.
 - B. Each shareholder shall not cast votes to director and supervisor candidate exceeding the maximum number of his votes available for electing directors or supervisors, and the number of candidates for directors or supervisors voted shall not exceed the number of directors or supervisors to be elected.
 - C. If a shareholder casts votes to director and supervisor candidate exceeding the maximum number of his votes available for electing directors or supervisors, such shareholder's votes to the director or supervisor candidate shall be invalid, and all votes cast by such shareholder shall be deemed abstained.

- D. If the number of director or supervisor candidates voted exceeds the number of directors or supervisors to be elected, all votes cast by such shareholder shall also be deemed abstained.
- E. If the total number of votes used by the shareholder on a ballot is less than or equal to the number of valid ballots in its/his legitimate possession, the ballot shall be valid and the difference in voting rights shall be deemed abstained.
- F. After the voting is completed, the scrutineer of the General Meeting shall count the votes and announce the votes received by each candidate for director or supervisor, and decide on the elected director or supervisor according to the number of votes received by the candidates for director or supervisor.

CHAPTER 4 ELECTED DIRECTORS AND SUPERVISORS

Article 14 Candidates for director or supervisor are elected by the number of votes they have received, and the candidate who receives the most votes will be elected. And the number of voting rights received by each elected director or supervisor shall not be less than 1/2 of the total number of shares held by shareholders attending the General Meeting (subject to the number of unaccumulated shares).

Article 15 Principles on How A Director or Supervisor is Elected:

- (1) The number and structure of directors elected at the General Meeting shall comply with the provisions of the Articles of Association. Whether a candidate is elected as director or supervisor shall be determined by the number of votes he receives, provided that the number of votes for each elected director or supervisor must exceed 1/2 of the valid voting shares held by the shareholders attending the General Meeting (subject to the number of unaccumulated shares).
- (2) If the number of elected directors or supervisors is less than the number of directors or supervisors to be elected, and the number of all elected directors or supervisors of the Company is less than the statutory minimum number stipulated in the Company Law or the Articles of Association, a second round of election shall be held for candidates who have not been elected as director or supervisor. The second round of election shall be based on the actual number of vacancies and the cumulative voting system shall be implemented. If the above requirements are not met after the second round of election, another General Meeting of the Company shall be held within 2 months after the end of the current General Meeting to elect the vacant directors or supervisors.

- (3) If the winner cannot be decided because two or more candidates receive an equal number of votes which is the least votes received by candidates to be elected, a second round of election shall be held between/among such candidates in accordance with the prescribed procedure. If the winner still cannot be determined in the second round of election, a separate election shall be held at the following General Meeting. If the number of members of the Board of Directors or the Supervisory Committee falls below the minimum number as stipulated in the Company Law or the Articles of Association, another General Meeting of the Company shall be held within 2 months after the end of the current General Meeting to elect the vacant directors or supervisors.

Article 16 After the voting of the shareholders present, the vote counter of the General Meeting shall count the number of votes, and announce the total number of votes received by each director or supervisor candidate, and determine the elected directors and supervisors in the manner described above. And the presider of the meeting shall announce the list of elected directors and supervisors on the spot. If the proposal for the election of directors and supervisors is approved by the General Meeting, the new directors and supervisors shall take office immediately after the end of the meeting.

CHAPTER 5 SUPPLEMENTARY PROVISIONS

Article 17 Before the voting on candidates for director or supervisor at the General Meeting, the presider of the General Meeting or his designee shall be responsible for explaining the implementing rules of the Company's cumulative voting system to ensure that shareholders vote correctly.

Article 18 The term "more than" as referred to in these Rules shall include the given figure whereas the term "exceed" excludes the given figure.

Article 19 In case of any matters not covered herein or in conflict with the provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed, or the Articles of Association, the said provisions of laws, regulations, rules, regulatory documents, regulatory rules of the place where the Company's shares are listed or the Articles of Association shall prevail.

Article 20 These Rules shall be reviewed and approved by the General Meeting of the Company and shall take effect from the date of the Company's initial public offering of A shares and listing on the Science and Technology Innovation Board of Shanghai Stock Exchange.

Article 21 These Rules shall be interpreted by the Board of Directors.

1. GENERAL INFORMATION ON THE PROCEEDS FROM PREVIOUS FUND RAISING ACTIVITIES

As approved under China Securities Regulatory Commission Approval (Zheng Jian Xu Ke [2021] No. 3733) by the China Securities Regulatory Commission, Jenscare Scientific Co., Ltd. issued H shares to the public outside the PRC. The Company issued 8,076,400 overseas listed foreign shares (H shares) to the public in October 2022 at an issue price of HK\$27.80 per share, raising total proceeds of HK\$224,523,920.00 (equivalent to RMB203,052,697.53). The net amount of proceeds was HK\$206,358,367.70 (equivalent to RMB186,624,317.00) after deduction of underwriters' commission and other issue expenses.

The above proceeds were remitted to the Company's special account for the proceeds with Bank of China Hong Kong Branch on October 26, 2022.

As of December 31, 2022, the balance of the special account for the H Shares proceeds was HK\$6,393,623.56, US\$17,975,427.30 and RMB53,737,791.69, with a total RMB balance of RMB184,640,684.77.

2. PROJECTS ACTUALLY INVESTED WITH THE PROCEEDS FROM PREVIOUS FUND RAISING ACTIVITIES AND CHANGES IN THESE PROJECTS

The net proceeds from previous fund raising activities are intended to be used for the following purposes: (1) approximately 65% for funding the research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve; (2) approximately 25% for funding the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products (3) approximately 10% for working capital and general corporate purposes.

As of December 31, 2022, there was no change in the projects actually invested with proceeds from previous fund raising activities of the Company.

3. EXTERNAL TRANSFER OR REPLACEMENT OF PROJECTS INVESTED WITH THE PROCEEDS FROM PREVIOUS FUND RAISING ACTIVITIES

As of December 31, 2022, there was no external transfer or replacement of projects invested with proceeds from previous fund raising activities of the Company.

4. TEMPORARY USE OF IDLE PROCEEDS FOR OTHER PURPOSES

As of December 31, 2022, there was no temporary use of the proceeds from previous fund raising activities of the Company for other purposes.

5. COMPARISON OF THE ACTUAL USE OF THE PROCEEDS FROM PREVIOUS FUND RAISING ACTIVITIES WITH THE RELEVANT CONTENTS OF THE COMPANY'S DISCLOSURE DOCUMENTS

There is no discrepancy between the actual use of the proceeds from previous fund raising activities and the relevant contents disclosed in the Company's periodic reports and other disclosure documents.

Schedule 1:

Comparative Table on the Use of Raised Proceeds

	<i>(in thousands) (RMB)</i>											
	186,624.32	Total amount of the raised proceeds that have been invested during the current year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Net proceeds raised												
Total amount of the raised proceeds for which there has been change of use												
Percentage of total amount of the raised proceeds for which there has been change of use												
	Changed projects, including partial changes (if any)	Total investment of the raised proceeds	Total committed investment of the raised proceeds	Total investment of the raised proceeds after adjustment	Investment of the current year	Accumulated investment as of the end of the period (2)	Difference between the accumulated investment and the committed investment as of the end of the period (3)=(1)-(2)	Investment progress as of the end of the period (%) (4)=(2)/(1)	Date that the project reaches to an usable condition	Benefits realized during the current year	Whether the expected benefits are achieved	Whether the feasibility of the project has changed significantly
To fund the research and development, manufacturing and commercialization of our Core Products, namely, LuX-Valve and Ken-Valve	No	121,305.81	120,016.45	120,016.45	0.00	0.00	120,016.45	0.00	N/A	N/A	N/A	N/A
To fund the research and development, clinical trials and product registration of other product candidates in our pipeline, including LuX-Valve Plus, KenFlex and mitral valve products	No	46,656.08	46,160.17	46,160.17	0.00	0.00	46,160.17	0.00	N/A	N/A	N/A	N/A
Working capital and general corporate purposes	No	18,662.43	18,464.07	18,464.07	0.00	0.00	18,464.07	0.00	N/A	N/A	N/A	N/A
Total	No	186,624.32	184,640.68	184,640.68	0.00	0.00	184,640.68	0.00	N/A	N/A	N/A	N/A

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING



Jenscare
健世科技

Jenscare Scientific Co., Ltd. 寧波健世科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9877)

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 first extraordinary general meeting (the “**EGM**”) of Jenscare Scientific Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at 2:00 p.m. on Monday, May 15, 2023 at Meeting Room, 3/F, Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC for the purposes of considering, and if thought fit, approving the following resolutions. Unless otherwise stated, the capitalized terms used herein shall have the same meanings as defined in the circular of the Company dated April 14, 2023 (the “**Circular**”), for which this notice convening the EGM shall form part of.

SPECIAL RESOLUTIONS

1. To consider and approve the Proposed Issue of A Shares as follows (each and every item as a separate resolution):
 - i. Class of new Shares to be issued: Ordinary Shares (A Shares).
 - ii. Place of listing: All A Shares will be listed and traded on the STAR Market.
 - iii. Nominal value of new Shares to be issued: RMB1.00 each.
 - iv. Issue size: The Company proposes to issue not more than 73,617,757 new A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option), representing approximately 17.65% of the issued share capital of the Company as of the Latest Practicable Date, and approximately 15.00% of the enlarged share capital upon completion of the Issue of A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option). The Issue of A Shares only involves issue of new Shares, and will not involve sale of Shares by existing shareholders. The total number of A Shares to be issued under the over-allotment option shall not exceed 15% of the Shares initially available under the Issue of A Shares. The final issue size will be determined by the Board after consultation with the lead underwriter(s) according to the authorization (if granted at the EGM and the Class Meetings), and be subject to final number of A Shares registered by the CSRC.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

- v. Target subscribers: Investors who fulfill the relevant rules and requirements relating to the STAR Market published by the Shanghai Stock Exchange and the CSRC (excluding those in respect of which subscription has been prohibited by laws, regulations and regulatory documents of the PRC).
- vi. Method of issuance: The Issue of A Shares will be conducted through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors, or other methods of issuance approved by the securities regulatory authorities (including but not limited to offering to strategic investors).
- vii. Pricing methodology: The issue price for the A Shares will be determined by the Company according to the authorization (if granted at the EGM and the Class Meetings) and the lead underwriter(s) in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange.
- viii. Strategic placing: The A Shares may be placed to strategic investors as part of the Issue of A Shares. The specific strategic placing plan will be determined by the Board or persons authorized by the Board according to the authorization (if granted at the EGM and the Class Meetings), the approvals by the CSRC and Shanghai Stock Exchange and the then market conditions.
- ix. Method of underwriting: The Issue of A Shares will be underwritten by the lead underwriter(s) by way of standby commitment.
- x. Schedule of issuance: The Company will proceed with the Issue within 12 months after the Shanghai Stock Exchange issues the approval opinion and CSRC approves the Issue. The Board and the lead underwriter(s) will determine the listing date for the A Shares after the CSRC agrees to the registration of the A Shares and after completion of the offering.
- xi. Use of proceeds: After deducting the listing expenses, the proceeds raised by the Company from the Proposed Issue of A Shares will be used for (i) the medical device industrialization and incubation base project*, (ii) the structural heart disease medical device research and development project*, (iii) the marketing network construction project* and (iv) as supplementary working capital.

*Note: Final names of the projects shall be based upon names approved by or filed with (if required) the government authorities.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

- xii. Expenses in relation to the Issue of A Shares: The Company will bear all underwriting and sponsoring fees and other expenses in relation to the Issue of A Shares, such expenses include fees of legal counsels, fees of auditors, expenses in relation to capital verification, valuation expenses, expenses arising out of information disclosure in relation to the Issue of A Shares, share registration fees, handling fees and other expenses.
 - xiii. Validity period of the resolutions: The resolutions will be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.
2. To consider and approve the authorization to the Board of Directors to fully handle matters in connection with the Issue of A Shares and the listing on the STAR Market.

The authorization proposed to be granted to the Board shall include without limitation:

- i. The formulation and implementation of the specific proposals for this issuance, including but not limited to specific matters such as issue size, target subscribers, method of issuance, timing of issuance, pricing methodology, issue price and method of subscription in accordance with laws and regulations, the relevant requirements of securities regulatory authorities and the securities market conditions, and within the framework and in accordance with the principles adopted by the Shareholders at the EGM and the Class Meetings.
- ii. The performance of all procedures relating to the Proposed Issue of A Shares and listing on the STAR Market, including the procedures relating to registration, approval, review, filing with the relevant regulatory authorities, and to sign, execute, amend and complete all necessary documents to be submitted to the government, authority and organization.
- iii. The preparation, amendment, signing, submission, publication, disclosure, implementation, suspension and termination of all agreements, contracts, announcement or other documents relating to this issuance and listing (including but not limited to the prospectus for the Issue of A Shares and listing on the STAR Market, relevant agreements for related transactions, sponsoring agreement, underwriting agreement, strategic placement agreements, listing agreement, engagement agreements of intermediaries), the engagement of sponsor(s), underwriter(s), legal adviser(s), auditing firm(s), asset valuer(s), receiving bank(s) and other involved intermediaries this issuance and listing, and the determination and payment of all expenses relating to this issuance and listing.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

- iv. The necessary supplement and amendment to the Articles (draft) and the internal management policies of the Company, the “Three-Year Plan for Stabilization of Price of Shares after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, the “Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, the “Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the Immediate Return of Jenscare Scientific Co., Ltd.”, and other application documents and undertakings by the Company according to the applicable laws and regulations, requirements and suggestions of the relevant securities regulatory authorities or according to the actual conditions of this issuance.
- v. The appropriate adjustments to be made to the relevant matters of the investment projects funded by the proceeds raised according to the implementation process of this issuance and listing, market conditions, policy adjustments and comments of the relevant securities regulatory authorities, including but not limited to the confirmation of the process of the investment projects, the allocation of funds when applying the proceeds raised, the confirmation of a special deposit account for the proceeds raised, etc., so long as such adjustments comply with applicable laws.
- vi. According to the implementation process of this issuance, handling the matters of registration and filing of change in registered capital with the Administration for Market Regulation (市場監督管理局) and relevant regulatory authorities, handling the matters of listing of the A Shares on the Shanghai Stock Exchange and settlement of shareholdings at the China Securities Depository and Clearing Co., Ltd. (including but not limited to the registration, circulation and lock-up of shares).

Upon approval of the above authorization, (i) the Board of Directors may authorize the Chairman of the Board of Directors and the chief financial officer of the Company to execute all legal documents related to this issuance and listing, including but not limited to the listing documents, prospectus, undertakings, agreements with sponsor(s), underwriting agreements and listing agreements, etc.; and (ii) the Board of Directors may authorize relevant staff for the execution of the matters within the scope of the above authorization.

- vii. To the extent permitted by relevant laws, regulations and regulatory documents, the handling of other matters considered to be necessary, desirable or appropriate for this issuance and listing.

The above authorization, if approved, shall be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

3. To consider and approve the investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis. The proceeds raised by the Company from the proposed Issue of A Shares will be used for the following projects after deducting the issuance expenses:

No.	Project name ⁽¹⁾	Total investment amount <i>(in millions)</i> <i>(RMB)</i>	Proposed amount from proceeds raised <i>(in millions)</i> <i>(RMB)</i>
1.	Medical device industrialization and incubation base project ⁽²⁾	567.86	500.10
2.	Structural heart disease medical device research and development project ⁽³⁾	448.51	448.51
3.	Marketing network construction project ⁽⁴⁾	204.34	204.34
4.	Supplementary working capital	350.00	350.00
	Total	1,570.71	1,502.95

Note:

- (1) Final names of the Projects shall be based upon names approved by or filed with (if required) the government authorities.
- (2) The proceeds will be used to fund the construction of a new production base for the industrialized and large-scale production of heart disease interventional therapy devices in Hangzhou Bay New District, Ningbo (the “**Project Facility**”). The Project Facility is designed to support the acceleration of the commercialization of the Company’s products, realize the Company’s profit as soon as possible and ensure the Company’s sustainable development.

So far, the Company has obtained the environmental impact assessment (環境評估) approval for the project issued by the Ecological Environment Bureau of Ningbo Qianwan New District (寧波前灣新區生態環境局), and the Project Facility has preliminarily begun construction using the Company’s own funds, which did not involve the proceeds received from the Global Offering. The project commenced in September 2022 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (3) The proceeds will be used to fund the research and development of products for the treatment of tricuspid valve disease, aortic valve disease, mitral valve disease and heart failure. The research and development will be conducted mainly by clinical trials and animal trials in the PRC and in the European Union, with the aim of completing the formal clinical trials and obtaining domestic registration certificates and CE certification and accelerating commercialization of the related products. The proceeds will also be used to fund the technical development of polymer valves and other structural heart diseases devices, to provide technical support for the research and development and upgrade of related products for the treatment of tricuspid valve disease and aortic valve disease. The results of the research will accelerate the process of product launch and commercialization and help the Company to build a full range of differentiated product pipelines. It will also improve the Company’s independent innovation capabilities, strengthen its technical capabilities and help the Company to achieve performance growth and sustainable development.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

The project will commence in May 2023 and the duration is around four years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (4) The proceeds will be used to fund the construction of around 10 marketing outlets in various regions in the PRC by relying on domestic partnered hospitals, the construction of four marketing outlets in key overseas cities, conduct market education and establish a market image through academic conferences and other methods. The project is designed to expand the Company's market influence, promote the sales of the Company's products, and improve product accessibility.

The project will commence in January 2024 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

Before the proceeds raised from the Issue of A Shares are in place, the Company may make an initial investment with its own funds according to the needs of the projects. After the proceeds raised are in place, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

After the proceeds raised from the Issue of A Shares are in place, if the proceeds raised from this issuance cannot meet the capital requirements of the above proposed projects, the Company will adjust and finalize the priority of the Projects and the specific investment amount of each Project based on the actual net proceeds raised from the Issue of A Shares, and the shortfall shall be covered by the Company with its own raised funds, bank borrowings and secondary placings. If the proceeds raised from this issuance exceeds the capital requirements of the above projects, the surplus amount will be mainly used to supplement working capital and other projects relating to the main business.

The Company believes that there are good prospects for abovementioned projects which are complementary to the current businesses of the Company. The abovementioned projects are also in line with the relevant national policies, environmental policies and other relevant laws and regulations. The projects and amounts of proceeds are appropriate for the current business size, financial status, technology standard and management capability of the Company. The proposed use of proceeds are in the interests of the Company and the Shareholders as a whole and are feasible.

4. To consider and approve the proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares and the listing on the STAR Market:

As at the Latest Practicable Date, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit or unrecovered losses before the Issue of A Shares and listing on the STAR Market, then it is proposed that the new and existing Shareholders shall share such profit or bear such losses in proportion to their respective shareholdings after the Issue of A Shares and listing on the STAR Market.

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

5. To consider and approve the Company's three-year share price stabilization plan after the Company's initial public offering of A Shares and listing on the STAR Market.
6. To consider and approve the Company's three-year dividend return plan for Shareholders after the Company's initial public offering of A Shares and listing on the STAR Market.
7. To consider and approve the analysis on the impact of dilution on immediate return by the Company's initial public offering of A Shares and adoption of remedial measures.
8. To consider and approve the undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the STAR Market, and to authorize the Board to make appropriate undertakings for the purpose of the Issue of A Shares in accordance with the laws, regulations and regulatory documents of the PRC, the relevant regulations and policies of the securities regulatory departments, and combining the review for listing on the STAR Market in practice and the actual situation of the Company.
9. To consider and approve the proposed amendments to the Articles pursuant to the Trial Measures.
10. To consider and approve the proposed amendments to the Articles ancillary to the Proposed Issue of A Shares.

ORDINARY RESOLUTIONS

11. To consider and approve the appointment of the following professional parties in connection with the Issue of A Shares and listing on the STAR Market:
 - (a) Huatai United Securities Co., Ltd as the sponsor (lead underwriter) of the Issue of A Shares and listing on the STAR Market;
 - (b) Commerce & Finance Law Offices as the legal advisers to the Company as to PRC law; and
 - (c) Ernst & Young as the auditors of the Company.
12. To consider and approve the amendments to or adoption of each of the following internal management policies ancillary to the Proposed Issue of A Shares:
 - (a) the "Rules of Procedures for the Meeting of Shareholders";
 - (b) the "Rules of Procedures for the Board of Directors";

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

- (c) the “Rules of Procedures for the Supervisory Committee”;
 - (d) the “Management Policies for Related/Connected Transactions”;
 - (e) the “Management Policies for External Guarantees”;
 - (f) the “Management Policies for External Investment”;
 - (g) the “Terms for Reference for the Independent Directors”;
 - (h) the “Management Policies for Raised Proceeds”;
 - (i) the “Management Policies for Financial Dealings with Related Parties”;
and
 - (j) the “Implementation Rules of Cumulative Voting System”.
13. To consider and approve the amendments to each of the following internal management policies pursuant to the Trial Measures:
- (a) the “Rules of Procedures for the Meeting of Shareholders”;
 - (b) the “Rules of Procedures for the Board of Directors”;
 - (c) the “Rules of Procedures for the Supervisory Committee”;
 - (d) the “Management Policies for External Guarantees”; and
 - (e) the “Management Policies for External Investment”.
14. To consider and approve the status of major transactions with related parties during the Track Record Period (i.e. the three years ended December 31, 2020, 2021 and 2022).
15. To consider and approve the use of proceeds report of the Company for the year ended December 31, 2022.

By Order of the Board
Jenscare Scientific Co., Ltd.
LV Shiwen
Chairman of the Board

Hong Kong, April 14, 2023

NOTICE OF THE 2023 FIRST EXTRAORDINARY GENERAL MEETING

Notes:

1. The register of members of the Company will be closed for the following period: The holders of the Company's H shares are reminded that pursuant to the Articles of Association and for determining the right of shareholders to attend and vote at the EGM, the register of members of H shares of the Company will be closed from Friday, April 14, 2023 to Monday, May 15, 2023 (both days inclusive), during which period, no transfer of shares will be registered. In order to be qualified for attending and voting at the EGM, all the share transfer documents should be lodged for registration with Computershare Hong Kong Investor Services Limited, the Company's H share registrar and transfer office in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, April 13, 2023.
2. Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy needs not be a shareholder of the Company. Where a shareholder of the Company appoints more than one proxy, his/her/its proxies can only vote in a poll.
3. To be valid, the proxy form enclosed with this circular ("**Proxy Form**") shall be used by shareholders of the Company wishing to appoint a proxy and, if such Proxy Form is signed by a person authorized by a shareholder pursuant to a power of attorney or other authority, a notarized copy of that power of attorney or other authority must be delivered together with the Proxy Form to (i) the Company's headquarters in the PRC at Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC (for holders of Unlisted Shares); or (ii) the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time designated for the commencement of the EGM or any adjournment thereof. The Proxy Form can also be downloaded from the Company's website at www.jenscare.com or the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.
4. A shareholder or his/her/its proxy shall produce proof of identity when attending the EGM. If a corporate shareholder appoints its representative to attend the meeting, such representative shall produce proof of identity and a copy of the resolution of the board of directors or governing body of such shareholder.
5. In accordance with the articles of association of the Company, where there are joint registered shareholders, only the first named shareholder in the register of members is entitled to receive this notice, attend the EGM and exercise voting rights.
6. The EGM is expected to last for about half a day. Shareholders of the Company or their proxies attending the EGM shall be responsible for their own transportation, food and lodging.

As at the date of this notice, the executive directors of the Company are Mr. LV Shiwen and Mr. PAN Fei; the non-executive directors are Mr. TAN Ching, Mr. ZHENG Jiaqi, Ms. XIE Youpei and Mr. CHEN Xinxing; and the independent non-executive directors are Dr. LIN Shoukang, Ms. DU Jiliu and Dr. MEI Lehe.



Jenscare
健世科技

Jenscare Scientific Co., Ltd.
寧波健世科技股份有限公司

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

(Stock code: 9877)

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 2023 first class meeting of H Shareholders (the “**Class Meeting of H Shareholders**”) of Jenscare Scientific Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at 2:00 p.m. on Monday, May 15, 2023 at Meeting Room, 3/F, Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC for the purposes of considering, and if thought fit, approving the following resolutions. Unless otherwise stated, the capitalized terms used herein shall have the same meanings as defined in the circular of the Company dated April 14, 2023 (the “**Circular**”), for which this notice convening the Class Meeting of H Shareholders shall form part of.

SPECIAL RESOLUTIONS

1. To consider and approve the Proposed Issue of A Shares as follows (each and every item as a separate resolution):
 - i. Class of new Shares to be issued: Ordinary Shares (A Shares).
 - ii. Place of listing: All A Shares will be listed and traded on the STAR Market.
 - iii. Nominal value of new Shares to be issued: RMB1.00 each.
 - iv. Issue size: The Company proposes to issue not more than 73,617,757 new A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option), representing approximately 17.65% of the issued share capital of the Company as of the Latest Practicable Date, and approximately 15.00% of the enlarged share capital upon completion of the Issue of A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option). The Issue of A Shares only involves issue of new Shares, and will not involve sale of Shares by existing shareholders. The total number of A Shares to be issued under the over-allotment option shall not exceed 15% of the Shares initially available under the Issue of A Shares. The final issue size will be determined by the Board after consultation with the lead underwriter(s) according to the authorization (if granted at the EGM and the Class Meetings), and be subject to final number of A Shares registered by the CSRC.

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

- v. Target subscribers: Investors who fulfill the relevant rules and requirements relating to the STAR Market published by the Shanghai Stock Exchange and the CSRC (excluding those in respect of which subscription has been prohibited by laws, regulations and regulatory documents of the PRC).
- vi. Method of issuance: The Issue of A Shares will be conducted through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors, or other methods of issuance approved by the securities regulatory authorities (including but not limited to offering to strategic investors).
- vii. Pricing methodology: The issue price for the A Shares will be determined by the Company according to the authorization (if granted at the EGM and the Class Meetings) and the lead underwriter(s) in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange.
- viii. Strategic placing: The A Shares may be placed to strategic investors as part of the Issue of A Shares. The specific strategic placing plan will be determined by the Board or persons authorized by the Board according to the authorization (if granted at the EGM and the Class Meetings), the approvals by the CSRC and Shanghai Stock Exchange and the then market conditions.
- ix. Method of underwriting: The Issue of A Shares will be underwritten by the lead underwriter(s) by way of standby commitment.
- x. Schedule of issuance: The Company will proceed with the Issue within 12 months after the Shanghai Stock Exchange issues the approval opinion and CSRC approves the Issue. The Board and the lead underwriter(s) will determine the listing date for the A Shares after the CSRC agrees to the registration of the A Shares and after completion of the offering.
- xi. Use of proceeds: After deducting the listing expenses, the proceeds raised by the Company from the Proposed Issue of A Shares will be used for (i) the medical device industrialization and incubation base project*, (ii) the structural heart disease medical device research and development project*, (iii) the marketing network construction project* and (iv) as supplementary working capital.

*Note: Final names of the projects shall be based upon names approved by or filed with (if required) the government authorities.

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

- xii. Expenses in relation to the Issue of A Shares: The Company will bear all underwriting and sponsoring fees and other expenses in relation to the Issue of A Shares, such expenses include fees of legal counsels, fees of auditors, expenses in relation to capital verification, valuation expenses, expenses arising out of information disclosure in relation to the Issue of A Shares, share registration fees, handling fees and other expenses.
 - xiii. Validity period of the resolutions: The resolutions will be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.
2. To consider and approve the authorization to the Board of Directors to fully handle matters in connection with the Issue of A Shares and the listing on the STAR Market.

The authorization proposed to be granted to the Board shall include without limitation:

- i. The formulation and implementation of the specific proposals for this issuance, including but not limited to specific matters such as issue size, target subscribers, method of issuance, timing of issuance, pricing methodology, issue price and method of subscription in accordance with laws and regulations, the relevant requirements of securities regulatory authorities and the securities market conditions, and within the framework and in accordance with the principles adopted by the Shareholders at the EGM and the Class Meetings.
- ii. The performance of all procedures relating to the Proposed Issue of A Shares and listing on the STAR Market, including the procedures relating to registration, approval, review, filing with the relevant regulatory authorities, and to sign, execute, amend and complete all necessary documents to be submitted to the government, authority and organization.
- iii. The preparation, amendment, signing, submission, publication, disclosure, implementation, suspension and termination of all agreements, contracts, announcement or other documents relating to this issuance and listing (including but not limited to the prospectus for the Issue of A Shares and listing on the STAR Market, relevant agreements for related transactions, sponsoring agreement, underwriting agreement, strategic placement agreements, listing agreement, engagement agreements of intermediaries), the engagement of sponsor(s), underwriter(s), legal adviser(s), auditing firm(s), asset valuer(s), receiving bank(s) and other involved intermediaries this issuance and listing, and the determination and payment of all expenses relating to this issuance and listing.

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

- iv. The necessary supplement and amendment to the Articles (draft) and the internal management policies of the Company, the “Three-Year Plan for Stabilization of Price of Shares after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, the “Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, the “Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the Immediate Return of Jenscare Scientific Co., Ltd.”, and other application documents and undertakings by the Company according to the applicable laws and regulations, requirements and suggestions of the relevant securities regulatory authorities or according to the actual conditions of this issuance.
- v. The appropriate adjustments to be made to the relevant matters of the investment projects funded by the proceeds raised according to the implementation process of this issuance and listing, market conditions, policy adjustments and comments of the relevant securities regulatory authorities, including but not limited to the confirmation of the process of the investment projects, the allocation of funds when applying the proceeds raised, the confirmation of a special deposit account for the proceeds raised, etc., so long as such adjustments comply with applicable laws.
- vi. According to the implementation process of this issuance, handling the matters of registration and filing of change in registered capital with the Administration for Market Regulation (市場監督管理局) and relevant regulatory authorities, handling the matters of listing of the A Shares on the Shanghai Stock Exchange and settlement of shareholdings at the China Securities Depository and Clearing Co., Ltd. (including but not limited to the registration, circulation and lock-up of shares).
- vii. To the extent permitted by relevant laws, regulations and regulatory documents, the handling of other matters considered to be necessary, desirable or appropriate for this issuance and listing.

Upon approval of the above authorization, (i) the Board of Directors may authorize the Chairman of the Board of Directors and the chief financial officer of the Company to execute all legal documents related to this issuance and listing, including but not limited to the listing documents, prospectus, undertakings, agreements with sponsor(s), underwriting agreements and listing agreements, etc.; and (ii) the Board of Directors may authorize relevant staff for the execution of the matters within the scope of the above authorization.

The above authorization, if approved, shall be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

3. To consider and approve the investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis. The proceeds raised by the Company from the proposed Issue of A Shares will be used for the following projects after deducting the issuance expenses:

No.	Project name ⁽¹⁾	Total investment amount <i>(in millions)</i> <i>(RMB)</i>	Proposed amount from proceeds raised <i>(in millions)</i> <i>(RMB)</i>
1.	Medical device industrialization and incubation base project ⁽²⁾	567.86	500.10
2.	Structural heart disease medical device research and development project ⁽³⁾	448.51	448.51
3.	Marketing network construction project ⁽⁴⁾	204.34	204.34
4.	Supplementary working capital	350.00	350.00
	Total	1,570.71	1,502.95

Note:

- (1) Final names of the Projects shall be based upon names approved by or filed with (if required) the government authorities.
- (2) The proceeds will be used to fund the construction of a new production base for the industrialized and large-scale production of heart disease interventional therapy devices in Hangzhou Bay New District, Ningbo (the “**Project Facility**”). The Project Facility is designed to support the acceleration of the commercialization of the Company’s products, realize the Company’s profit as soon as possible and ensure the Company’s sustainable development.

So far, the Company has obtained the environmental impact assessment (環境評估) approval for the project issued by the Ecological Environment Bureau of Ningbo Qianwan New District (寧波前灣新區生態環境局), and the Project Facility has preliminarily begun construction using the Company’s own funds, which did not involve the proceeds received from the Global Offering. The project commenced in September 2022 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (3) The proceeds will be used to fund the research and development of products for the treatment of tricuspid valve disease, aortic valve disease, mitral valve disease and heart failure. The research and development will be conducted mainly by clinical trials and animal trials in the PRC and in the European Union, with the aim of completing the formal clinical trials and obtaining domestic registration certificates and CE certification and accelerating commercialization of the related products. The proceeds will also be used to fund the technical development of polymer valves and other structural heart diseases devices, to provide technical support for the research and development and upgrade of

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

related products for the treatment of tricuspid valve disease and aortic valve disease. The results of the research will accelerate the process of product launch and commercialization and help the Company to build a full range of differentiated product pipelines. It will also improve the Company's independent innovation capabilities, strengthen its technical capabilities and help the Company to achieve performance growth and sustainable development.

The project will commence in May 2023 and the duration is around four years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (4) The proceeds will be used to fund the construction of around 10 marketing outlets in various regions in the PRC by relying on domestic partnered hospitals, the construction of four marketing outlets in key overseas cities, conduct market education and establish a market image through academic conferences and other methods. The project is designed to expand the Company's market influence, promote the sales of the Company's products, and improve product accessibility.

The project will commence in January 2024 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

Before the proceeds raised from the Issue of A Shares are in place, the Company may make an initial investment with its own funds according to the needs of the projects. After the proceeds raised are in place, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

After the proceeds raised from the Issue of A Shares are in place, if the proceeds raised from this issuance cannot meet the capital requirements of the above proposed projects, the Company will adjust and finalize the priority of the Projects and the specific investment amount of each Project based on the actual net proceeds raised from the Issue of A Shares, and the shortfall shall be covered by the Company with its own raised funds, bank borrowings and secondary placings. If the proceeds raised from this issuance exceeds the capital requirements of the above projects, the surplus amount will be mainly used to supplement working capital and other projects relating to the main business.

The Company believes that there are good prospects for abovementioned projects which are complementary to the current businesses of the Company. The abovementioned projects are also in line with the relevant national policies, environmental policies and other relevant laws and regulations. The projects and amounts of proceeds are appropriate for the current business size, financial status, technology standard and management capability of the Company. The proposed use of proceeds are in the interests of the Company and the Shareholders as a whole and are feasible.

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

4. To consider and approve the proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares and the listing on the STAR Market:

As at the Latest Practicable Date, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit or unrecovered losses before the Issue of A Shares and listing on the STAR Market, then it is proposed that the new and existing Shareholders shall share such profit or bear such losses in proportion to their respective shareholdings after the Issue of A Shares and listing on the STAR Market.

5. To consider and approve the Company's three-year share price stabilization plan after the Company's initial public offering of A Shares and listing on the STAR Market.
6. To consider and approve the Company's three-year dividend return plan for Shareholders after the Company's initial public offering of A Shares and listing on the STAR Market.
7. To consider and approve the analysis on the impact of dilution on immediate return by the Company's initial public offering of A Shares and adoption of remedial measures.
8. To consider and approve the undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the STAR Market, and to authorize the Board to make appropriate undertakings for the purpose of the Issue of A Shares in accordance with the laws, regulations and regulatory documents of the PRC, the relevant regulations and policies of the securities regulatory departments, and combining the review for listing on the STAR Market in practice and the actual situation of the Company.
9. To consider and approve the proposed amendments to the Articles pursuant to the Trial Measures.
10. To consider and approve the proposed amendments to the Articles ancillary to the Proposed Issue of A Shares.

By Order of the Board
Jenscare Scientific Co., Ltd.
LV Shiwen
Chairman of the Board

Hong Kong, April 14, 2023

NOTICE OF THE 2023 FIRST CLASS MEETING OF H SHAREHOLDERS

Notes:

1. The register of members of the Company will be closed for the following period: The holders of the Company's H shares are reminded that pursuant to the Articles of Association and for determining the right of shareholders to attend and vote at the Class Meeting of H Shareholders, the register of members of H shares of the Company will be closed from Friday, April 14, 2023 to Monday, May 15, 2023 (both days inclusive), during which period, no transfer of shares will be registered. In order to be qualified for attending and voting at the Class Meeting of H Shareholders, all the share transfer documents should be lodged for registration with Computershare Hong Kong Investor Services Limited, the Company's H share registrar and transfer office in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, April 13, 2023.
2. Any shareholder of the Company entitled to attend and vote at the Class Meeting of H Shareholders is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy needs not be a shareholder of the Company. Where a shareholder of the Company appoints more than one proxy, his/her/its proxies can only vote in a poll.
3. To be valid, the proxy form enclosed with this circular ("**Proxy Form**") shall be used by shareholders of the Company wishing to appoint a proxy and, if such Proxy Form is signed by a person authorized by a shareholder pursuant to a power of attorney or other authority, a notarized copy of that power of attorney or other authority must be delivered together with the Proxy Form to (i) the Company's headquarters in the PRC at Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC (for holders of Unlisted Shares); or (ii) the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time designated for the commencement of the Class Meeting of H Shareholders or any adjournment thereof. The Proxy Form can also be downloaded from the Company's website at www.jenscare.com or the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.
4. A shareholder or his/her/its proxy shall produce proof of identity when attending the Class Meeting of H Shareholders. If a corporate shareholder appoints its representative to attend the meeting, such representative shall produce proof of identity and a copy of the resolution of the board of directors or governing body of such shareholder.
5. In accordance with the articles of association of the Company, where there are joint registered shareholders, only the first named shareholder in the register of members is entitled to receive this notice, attend the Class Meeting of H Shareholders and exercise voting rights.
6. The Class Meeting of H Shareholders is expected to last for about half a day. Shareholders of the Company or their proxies attending the Class Meeting of H Shareholders shall be responsible for their own transportation, food and lodging.

As at the date of this notice, the executive directors of the Company are Mr. LV Shiwen and Mr. PAN Fei; the non-executive directors are Mr. TAN Ching, Mr. ZHENG Jiaqi, Ms. XIE Youpei and Mr. CHEN Xinxing; and the independent non-executive directors are Dr. LIN Shoukang, Ms. DU Jiliu and Dr. MEI Lehe.

NOTICE OF THE 2023 FIRST CLASS MEETING OF DOMESTIC
SHAREHOLDERS AND UNLISTED FOREIGN SHAREHOLDERS



Jenscare Scientific Co., Ltd.
寧波健世科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 9877)

**NOTICE OF THE 2023 FIRST CLASS MEETING OF DOMESTIC
SHAREHOLDERS AND UNLISTED FOREIGN SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the 2023 first class meeting of domestic shareholders and unlisted foreign shareholders (the “**Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders**”) of Jenscare Scientific Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at 2:00 p.m. on Monday, May 15, 2023 at Meeting Room, 3/F, Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC for the purposes of considering, and if thought fit, approving the following resolutions. Unless otherwise stated, the capitalized terms used herein shall have the same meanings as defined in the circular of the Company dated April 14, 2023 (the “**Circular**”), for which this notice convening the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders shall form part of.

SPECIAL RESOLUTIONS

1. To consider and approve the Proposed Issue of A Shares as follows (each and every item as a separate resolution):
 - i. Class of new Shares to be issued: Ordinary Shares (A Shares).
 - ii. Place of listing: All A Shares will be listed and traded on the STAR Market.
 - iii. Nominal value of new Shares to be issued: RMB1.00 each.
 - iv. Issue size: The Company proposes to issue not more than 73,617,757 new A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option), representing approximately 17.65% of the issued share capital of the Company as of the Latest Practicable Date, and approximately 15.00% of the enlarged share capital upon completion of the Issue of A Shares (excluding the number of A Shares to be issued pursuant to the over-allotment option). The Issue of A Shares only involves issue of new Shares, and will not involve sale of Shares by

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existing shareholders. The total number of A Shares to be issued under the over-allotment option shall not exceed 15% of the Shares initially available under the Issue of A Shares. The final issue size will be determined by the Board after consultation with the lead underwriter(s) according to the authorization (if granted at the EGM and the Class Meetings), and be subject to final number of A Shares registered by the CSRC.

- v. Target subscribers: Investors who fulfill the relevant rules and requirements relating to the STAR Market published by the Shanghai Stock Exchange and the CSRC (excluding those in respect of which subscription has been prohibited by laws, regulations and regulatory documents of the PRC).
- vi. Method of issuance: The Issue of A Shares will be conducted through a combination of off-line placement to the price consultation participants and offering by way of on-line subscription by public investors, or other methods of issuance approved by the securities regulatory authorities (including but not limited to offering to strategic investors).
- vii. Pricing methodology: The issue price for the A Shares will be determined by the Company according to the authorization (if granted at the EGM and the Class Meetings) and the lead underwriter(s) in accordance with applicable laws and regulations, or by other pricing methods recognized by the CSRC and the Shanghai Stock Exchange.
- viii. Strategic placing: The A Shares may be placed to strategic investors as part of the Issue of A Shares. The specific strategic placing plan will be determined by the Board or persons authorized by the Board according to the authorization (if granted at the EGM and the Class Meetings), the approvals by the CSRC and Shanghai Stock Exchange and the then market conditions.
- ix. Method of underwriting: The Issue of A Shares will be underwritten by the lead underwriter(s) by way of standby commitment.
- x. Schedule of issuance: The Company will proceed with the Issue within 12 months after the Shanghai Stock Exchange issues the approval opinion and CSRC approves the Issue. The Board and the lead underwriter(s) will determine the listing date for the A Shares after the CSRC agrees to the registration of the A Shares and after completion of the offering.
- xi. Use of proceeds: After deducting the listing expenses, the proceeds raised by the Company from the Proposed Issue of A Shares will be used

**NOTICE OF THE 2023 FIRST CLASS MEETING OF DOMESTIC
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for (i) the medical device industrialization and incubation base project*, (ii) the structural heart disease medical device research and development project*, (iii) the marketing network construction project* and (iv) as supplementary working capital.

- xii. Expenses in relation to the Issue of A Shares: The Company will bear all underwriting and sponsoring fees and other expenses in relation to the Issue of A Shares, such expenses include fees of legal counsels, fees of auditors, expenses in relation to capital verification, valuation expenses, expenses arising out of information disclosure in relation to the Issue of A Shares, share registration fees, handling fees and other expenses.
 - xiii. Validity period of the resolutions: The resolutions will be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.
2. To consider and approve the authorization to the Board of Directors to fully handle matters in connection with the Issue of A Shares and the listing on the STAR Market.

The authorization proposed to be granted to the Board shall include without limitation:

- i. The formulation and implementation of the specific proposals for this issuance, including but not limited to specific matters such as issue size, target subscribers, method of issuance, timing of issuance, pricing methodology, issue price and method of subscription in accordance with laws and regulations, the relevant requirements of securities regulatory authorities and the securities market conditions, and within the framework and in accordance with the principles adopted by the Shareholders at the EGM and the Class Meetings.
- ii. The performance of all procedures relating to the Proposed Issue of A Shares and listing on the STAR Market, including the procedures relating to registration, approval, review, filing with the relevant regulatory authorities, and to sign, execute, amend and complete all necessary documents to be submitted to the government, authority and organization.
- iii. The preparation, amendment, signing, submission, publication, disclosure, implementation, suspension and termination of all agreements, contracts, announcement or other documents relating to this issuance and listing (including but not limited to the prospectus for

**Note:* Final names of the projects shall be based upon names approved by or filed with (if required) the government authorities.

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the Issue of A Shares and listing on the STAR Market, relevant agreements for related transactions, sponsoring agreement, underwriting agreement, strategic placement agreements, listing agreement, engagement agreements of intermediaries), the engagement of sponsor(s), underwriter(s), legal adviser(s), auditing firm(s), asset valuer(s), receiving bank(s) and other involved intermediaries this issuance and listing, and the determination and payment of all expenses relating to this issuance and listing.

- iv. The necessary supplement and amendment to the Articles (draft) and the internal management policies of the Company, the “Three-Year Plan for Stabilization of Price of Shares after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, the “Three-Year Dividend Return Plan for Shareholders after the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board of Jenscare Scientific Co., Ltd.”, the “Analysis on the impact of Dilution on Immediate Return by the Initial Public Offering of RMB Denominated Ordinary Shares (A-Shares) and the Listing on the Science and Technology Innovation Board and Remedial Measures for the Immediate Return of Jenscare Scientific Co., Ltd.”, and other application documents and undertakings by the Company according to the applicable laws and regulations, requirements and suggestions of the relevant securities regulatory authorities or according to the actual conditions of this issuance.
- v. The appropriate adjustments to be made to the relevant matters of the investment projects funded by the proceeds raised according to the implementation process of this issuance and listing, market conditions, policy adjustments and comments of the relevant securities regulatory authorities, including but not limited to the confirmation of the process of the investment projects, the allocation of funds when applying the proceeds raised, the confirmation of a special deposit account for the proceeds raised, etc., so long as such adjustments comply with applicable laws.
- vi. According to the implementation process of this issuance, handling the matters of registration and filing of change in registered capital with the Administration for Market Regulation (市場監督管理局) and relevant regulatory authorities, handling the matters of listing of the A Shares on the Shanghai Stock Exchange and settlement of shareholdings at the China Securities Depository and Clearing Co., Ltd. (including but not limited to the registration, circulation and lock-up of shares).
- vii. To the extent permitted by relevant laws, regulations and regulatory documents, the handling of other matters considered to be necessary, desirable or appropriate for this issuance and listing.

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Upon approval of the above authorization, (i) the Board of Directors may authorize the Chairman of the Board of Directors and the chief financial officer of the Company to execute all legal documents related to this issuance and listing, including but not limited to the listing documents, prospectus, undertakings, agreements with sponsor(s), underwriting agreements and listing agreements, etc.; and (ii) the Board of Directors may authorize relevant staff for the execution of the matters within the scope of the above authorization.

The above authorization, if approved, shall be valid for a period of 12 months from the date of approval at the EGM and the Class Meetings.

3. To consider and approve the investment projects to be funded by the proceeds raised from the Issue of A Shares and the feasibility analysis. The proceeds raised by the Company from the proposed Issue of A Shares will be used for the following projects after deducting the issuance expenses:

No.	Project name ⁽¹⁾	Total investment amount <i>(in millions)</i> <i>(RMB)</i>	Proposed amount from proceeds raised <i>(in millions)</i> <i>(RMB)</i>
1.	Medical device industrialization and incubation base project ⁽²⁾	567.86	500.10
2.	Structural heart disease medical device research and development project ⁽³⁾	448.51	448.51
3.	Marketing network construction project ⁽⁴⁾	204.34	204.34
4.	Supplementary working capital	350.00	350.00
	Total	1,570.71	1,502.95

Note:

- (1) Final names of the Projects shall be based upon names approved by or filed with (if required) the government authorities.
- (2) The proceeds will be used to fund the construction of a new production base for the industrialized and large-scale production of heart disease interventional therapy devices in Hangzhou Bay New District, Ningbo (the “Project Facility”). The Project Facility is designed to support the acceleration of the commercialization of the Company’s products, realize the Company’s profit as soon as possible and ensure the Company’s sustainable development.

So far, the Company has obtained the environmental impact assessment (環境評估) approval for the project issued by the Ecological Environment Bureau of Ningbo Qianwan New District (寧波前灣新區生態環境局), and the Project Facility has preliminarily begun construction using the Company’s own funds, which did not involve the proceeds received from the Global Offering. The project commenced in September 2022 and the

NOTICE OF THE 2023 FIRST CLASS MEETING OF DOMESTIC SHAREHOLDERS AND UNLISTED FOREIGN SHAREHOLDERS

duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (3) The proceeds will be used to fund the research and development of products for the treatment of tricuspid valve disease, aortic valve disease, mitral valve disease and heart failure. The research and development will be conducted mainly by clinical trials and animal trials in the PRC and in the European Union, with the aim of completing the formal clinical trials and obtaining domestic registration certificates and CE certification and accelerating commercialization of the related products. The proceeds will also be used to fund the technical development of polymer valves and other structural heart diseases devices, to provide technical support for the research and development and upgrade of related products for the treatment of tricuspid valve disease and aortic valve disease. The results of the research will accelerate the process of product launch and commercialization and help the Company to build a full range of differentiated product pipelines. It will also improve the Company's independent innovation capabilities, strengthen its technical capabilities and help the Company to achieve performance growth and sustainable development.

The project will commence in May 2023 and the duration is around four years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

- (4) The proceeds will be used to fund the construction of around 10 marketing outlets in various regions in the PRC by relying on domestic partnered hospitals, the construction of four marketing outlets in key overseas cities, conduct market education and establish a market image through academic conferences and other methods. The project is designed to expand the Company's market influence, promote the sales of the Company's products, and improve product accessibility.

The project will commence in January 2024 and the duration is around three years. After the completion of the Proposed Issue, the Company plans to use the proceeds from the Proposed Issue of A Shares to fund the project. With the approval from the Board, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

Before the proceeds raised from the Issue of A Shares are in place, the Company may make an initial investment with its own funds according to the needs of the projects. After the proceeds raised are in place, the Company can replace the initial investment funds with the proceeds raised from the Issue of A Shares.

After the proceeds raised from the Issue of A Shares are in place, if the proceeds raised from this issuance cannot meet the capital requirements of the above proposed projects, the Company will adjust and finalize the priority of the Projects and the specific investment amount of each Project based on the actual net proceeds raised from the Issue of A Shares, and the shortfall shall be covered by the Company with its own raised funds, bank borrowings and secondary placings. If the proceeds raised from this issuance exceeds the capital requirements of the above projects, the surplus amount will be mainly used to supplement working capital and other projects relating to the main business.

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The Company believes that there are good prospects for abovementioned projects which are complementary to the current businesses of the Company. The abovementioned projects are also in line with the relevant national policies, environmental policies and other relevant laws and regulations. The projects and amounts of proceeds are appropriate for the current business size, financial status, technology standard and management capability of the Company. The proposed use of proceeds are in the interests of the Company and the Shareholders as a whole and are feasible.

4. To consider and approve the proposal for accumulated profit distribution or the plan for undertaking unrecovered losses prior to the Issue of A Shares and the listing on the STAR Market:

As at the Latest Practicable Date, the Company has no undistributed accumulated profit. If the Company has undistributed accumulated profit or unrecovered losses before the Issue of A Shares and listing on the STAR Market, then it is proposed that the new and existing Shareholders shall share such profit or bear such losses in proportion to their respective shareholdings after the Issue of A Shares and listing on the STAR Market.

5. To consider and approve the Company's three-year share price stabilization plan after the Company's initial public offering of A Shares and listing on the STAR Market.
6. To consider and approve the Company's three-year dividend return plan for Shareholders after the Company's initial public offering of A Shares and listing on the STAR Market.
7. To consider and approve the analysis on the impact of dilution on immediate return by the Company's initial public offering of A Shares and adoption of remedial measures.
8. To consider and approve the undertakings and restraining measures relating to the Company's Issue of A Shares and listing on the STAR Market, and to authorize the Board to make appropriate undertakings for the purpose of the Issue of A Shares in accordance with the laws, regulations and regulatory documents of the PRC, the relevant regulations and policies of the securities regulatory departments, and combining the review for listing on the STAR Market in practice and the actual situation of the Company.
9. To consider and approve the proposed amendments to the Articles pursuant to the Trial Measures.

**NOTICE OF THE 2023 FIRST CLASS MEETING OF DOMESTIC
SHAREHOLDERS AND UNLISTED FOREIGN SHAREHOLDERS**

10. To consider and approve the proposed amendments to the Articles ancillary to the Proposed Issue of A Shares.

By Order of the Board
Jenscare Scientific Co., Ltd.
LV Shiwen
Chairman of the Board

Hong Kong, April 14, 2023

Notes:

1. Any shareholder of the Company entitled to attend and vote at the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy needs not be a shareholder of the Company. Where a shareholder of the Company appoints more than one proxy, his/her/its proxies can only vote in a poll.
2. To be valid, the proxy form enclosed with this circular ("**Proxy Form**") shall be used by shareholders of the Company wishing to appoint a proxy and, if such Proxy Form is signed by a person authorized by a shareholder pursuant to a power of attorney or other authority, a notarized copy of that power of attorney or other authority must be delivered together with the Proxy Form to (i) the Company's headquarters in the PRC at Block 5, B Area, No. 777 Binhai 4th Road, Hangzhou Bay New Area, Ningbo, Zhejiang Province, PRC (for holders of Unlisted Shares); or (ii) the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time designated for the commencement of the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders or any adjournment thereof. The Proxy Form can also be downloaded from the Company's website at www.jenscare.com or the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.
3. A shareholder or his/her/its proxy shall produce proof of identity when attending the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders. If a corporate shareholder appoints its representative to attend the meeting, such representative shall produce proof of identity and a copy of the resolution of the board of directors or governing body of such shareholder.
4. In accordance with the articles of association of the Company, where there are joint registered shareholders, only the first named shareholder in the register of members is entitled to receive this notice, attend the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders and exercise voting rights.
5. The Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders is expected to last for about half a day. Shareholders of the Company or their proxies attending the Class Meeting of Domestic Shareholders and Unlisted Foreign Shareholders shall be responsible for their own transportation, food and lodging.

As at the date of this notice, the executive directors of the Company are Mr. LV Shiwen and Mr. PAN Fei; the non-executive directors are Mr. TAN Ching, Mr. ZHENG Jiaqi, Ms. XIE Youpei and Mr. CHEN Xinxing; and the independent non-executive directors are Dr. LIN Shoukang, Ms. DU Jiliu and Dr. MEI Lehe.