
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Mao Geping Cosmetics Co., Ltd.**, you should at once hand this circular together with the enclosed proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was affected for transmission to the purchaser or transferee.

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MAOGEPING

BEAUTY

MAO GEPING COSMETICS CO., LTD.

毛戈平化妝品股份有限公司

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

(Stock Code: 1318)

**2025 ANNUAL REPORT
2025 PROFIT DISTRIBUTION PLAN
RE-APPOINTMENT OF OVERSEAS AUDITOR
FOR THE YEAR 2026
REMUNERATION FOR THE DIRECTORS
FOR THE YEAR 2026
REMUNERATION MANAGEMENT SYSTEM
FOR DIRECTORS AND SENIOR MANAGEMENT
GRANT OF A GENERAL MANDATE TO THE BOARD
TO ISSUE H SHARES
GRANT OF A GENERAL MANDATE TO THE BOARD
TO REPURCHASE H SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF THE 2025 ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 12 of this circular.

A notice convening the AGM to be held at Conference Room 1, 10th Floor, Wanyin Building, Shangcheng District, Hangzhou City, Zhejiang Province, the PRC on Friday, April 24, 2026 at 2:30 p.m. is set out on pages AGM-1 to AGM-3 of this circular. A proxy form for use at the AGM is enclosed with this circular and was also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.maogeping.com).

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM and to complete and return the enclosed proxy form in accordance with the instructions printed thereon to (in respect of holders of H Shares) the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 24 hours before the time fixed for holding the AGM (i.e., no later than 2:30 p.m. on Thursday, April 23, 2026) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the AGM should you so wish.

References to time and dates in this circular are to Hong Kong time and dates.

April 2, 2026

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DEFINITIONS

In this Circular, the following expressions have the meanings set out below unless the context requires otherwise:

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| “AGM” | the 2025 annual general meeting of the Company to be held at Conference Room 1, 10th Floor, Wanyin Building, Shangcheng District, Hangzhou City, Zhejiang Province, the PRC on Friday, April 24, 2026 at 2:30 p.m. |
| “Articles of Association” | the articles of association of the Company, as amended from time to time |
| “Audit Committee” | the audit committee of the Board |
| “Board” | the board of Directors |
| “Company” | Mao Geping Cosmetics Co., Ltd. (毛戈平化妝品股份有限公司), a limited liability company established in the PRC on July 28, 2000, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 1318) |
| “Director(s)” | the director(s) of the Company |
| “Unlisted Share(s)” | ordinary share(s) issued by the Company, with a nominal value of RMB0.50 each, which were subscribed for or credited as paid in Renminbi and held by domestic Shareholders |
| “H Share(s)” | overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB0.50 each, which are subscribed for and traded in Hong Kong dollars |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “HK\$” or “Hong Kong dollars” or “HK dollars” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Company Law” | the Company Law of the People’s Republic of China |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended, modified or otherwise supplemented from time to time |
| “RMB” or “Renminbi” | the lawful currency of the PRC |

DEFINITIONS

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|---------------------------|--|
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary shares in the capital of our Company with a nominal value of RMB0.50 each, comprising Unlisted Share(s) and H Share(s) |
| “Shareholder(s)” | the holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Treasury Share(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Latest Practicable Date” | March 31, 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein |
| “%” | per cent |

LETTER FROM THE BOARD

MAOGEPING

BEAUTY

MAO GEPING COSMETICS CO., LTD.

毛戈平化妝品股份有限公司

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

(Stock Code: 1318)

Executive Directors

Mr. MAO Geping (*Chairman of the Board*)

Ms. WANG Liquan

Ms. MAO Niping

Ms. MAO Huiping

Mr. WANG Lihua

Ms. SONG Hongquan

Registered Office and Head Office in the PRC

Room 1001, Wanyin Building

Shangcheng District

Hangzhou, Zhejiang

PRC

Principal Place of Business in Hong Kong

40/F, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

Independent Non-executive Directors

Mr. GU Jiong

Mr. HUANG Hui

Mr. LI Hailong

April 2, 2026

To the Shareholders

Dear Sir/Madam,

**2025 ANNUAL REPORT
2025 PROFIT DISTRIBUTION PLAN
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FOR THE YEAR 2026
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LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information regarding, among others, (i) 2025 annual report; (ii) 2025 profit distribution plan; (iii) re-appointment of overseas auditor for the year 2026; (iv) remuneration for the directors for the year 2026; (v) Remuneration Management System for Directors and Senior Management; (vi) grant of a General Mandate to the Board to issue H Shares; (vii) grant of a general mandate to the Board to repurchase H Shares; (viii) amendments to the Articles of Association and notice of the AGM, in order to allow you to make an informed decision on voting in respect of the resolutions to be proposed at the AGM.

2025 ANNUAL REPORT

For details of the 2025 annual report of the Company, please refer to the 2025 annual report published by the Company on the website of the Hong Kong Exchanges and Clearing Limited (<https://www.hkexnews.hk>) and the Company's website (<https://www.maogeping.com>) on April 1, 2026.

This proposal was duly considered and approved by the Board, and is now submitted as an ordinary resolution for approval by the AGM.

2025 PROFIT DISTRIBUTION PLAN

The Company recorded a net profit of RMB1,170.1 million for 2025 on a single entity basis. As the accumulated amount of the Company's statutory surplus reserve had exceeded 50% of its registered capital, no further appropriation to the statutory surplus reserve was made for the current year pursuant to the relevant provisions of the Company Law. As of December 31, 2025, the total amount of profits actually available for distribution to Shareholders was RMB1,626.7 million.

In accordance with the Company Law and the relevant provisions of the Company's Articles of Association, and after giving comprehensive consideration to the Company's long-term development and Shareholder interests, the Board proposes to pay a final dividend of RMB1.00 per Share (tax inclusive) for the year ended December 31, 2025 on May 26, 2026, totalling approximately RMB490 million (tax inclusive).

Proposal for dividend payment is subject to consideration and approval by the Shareholders at the AGM, and, if approved, such dividend will be payable to Shareholders whose names appeared on the register of members of the Company on Tuesday, May 5, 2026. Such dividend will be denominated and declared in Renminbi, will be paid to the Shareholders holding H Shares of the Company through Hong Kong Stock Connect and H Share "Full Circulation" in Renminbi, and will be paid to the other H Shareholders in Hong Kong dollars. The exchange rate for dividend to be paid in Hong Kong dollars shall be the average middle rate of Renminbi against Hong Kong dollars for the five working days preceding the date of declaration of such dividend at the AGM (that is, Friday, April 24, 2026) as announced by the People's Bank of China. The H Share register will be closed from Thursday, April 30, 2026 to Tuesday, May 5, 2026 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to 2025 final dividend distribution, H Shareholders who have not registered the related

LETTER FROM THE BOARD

transfer documents are required to lodge all transfer documents together with relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Wednesday, April 29, 2026.

For details of withholding of income tax, please refer to the part headed “Withholding and Payment of Dividends Income Tax” of the 2025 annual report of the Company.

This proposal was duly considered and approved by the Board, and is now submitted as an ordinary resolution for approval by the AGM.

PROPOSED RE-APPOINTMENT OF OVERSEAS AUDITOR FOR THE YEAR 2026

Ernst & Young (“EY”), an approved auditing firm qualified to act as the auditor for PRC-incorporated companies with H-shares listed on the Stock Exchange, has served as the reporting accountant for the Company’s initial public offering and the financial auditor since 2024. EY has diligently fulfilled its duties and timely issued its auditor’s reports in compliance with the accounting principles. To ensure the continuity of the Company’s audit work, and in consideration of the Company’s good working relationship with EY and its recognition of their professional capabilities, the Company proposes to re-appoint EY as the Company’s overseas auditor for 2026, with the term commencing from the date of approval at the AGM until the conclusion of the next annual general meeting. At the same time, it is proposed to the general meeting to authorize the Board and/or its authorized person(s) to determine its remuneration.

This proposal has been considered and approved by the Board, and is now submitted as an ordinary resolution for approval by the AGM.

REMUNERATION FOR THE DIRECTORS FOR THE YEAR 2026

Pursuant to the Company Law, the Code of Corporate Governance for Listed Companies, the Articles of Association, and other relevant regulations, and in light of the Company’s actual operating conditions, the remuneration for the Directors of the Company for the year 2026 is proposed to the general meeting for approval as follows:

1. Remuneration of Independent Non-executive Directors

The Company provides fixed allowances to its independent non-executive directors in accordance with Remuneration Management System for Directors and Senior Management and the remuneration standards approved by the 2024 AGM.

LETTER FROM THE BOARD

2. Remuneration of Executive Directors

The executive directors do not receive any separate remuneration or allowances solely for serving as directors. Executive directors (including employee representative directors) receive remuneration in accordance with the specific positions they hold or the responsibilities they undertake, pursuant to the Company's Remuneration Management System for Directors and Senior Management and its compensation and benefits policies.

This proposal has been considered and approved by the Board, and is now submitted as an ordinary resolution for approval by the AGM.

Remuneration Management System for Directors and Senior Management

In order to further improve the remuneration management system for the Company's Directors and senior management, establish a scientific and effective incentive and restraint mechanism, and fully mobilize the enthusiasm, initiative and creativity of the Company's Directors and senior management in performing their duties, the Company has formulated the Remuneration Management System for Directors and Senior Management of Mao Geping Cosmetics Co., Ltd. in accordance with the relevant provisions of the Company Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies and the Articles of Association, and in light of the Company's actual circumstances. For details, please refer to Appendix II to this circular.

This proposal has been considered and approved by the Board, and is now submitted as an ordinary resolution for approval by the AGM.

PROPOSED GRANT OF A GENERAL MANDATE TO THE BOARD TO ISSUE H SHARES

According to the relevant provisions of the Listing Rules, it is proposed that the general meeting authorize the Board and/or its authorized persons to separately or concurrently issue, allot and/or dispose H Shares within the relevant period (as defined below), and determine the terms and conditions of the issuance, allotment and/or disposal of the H Shares (the "**General Mandate for Issuance**").

The aforesaid General Mandate for Issuance shall mainly include:

1. Depending on the actual market conditions, the Board is authorised to determine the terms and conditions of the issuance, allotment and/or disposal of H Shares within the relevant period, which shall include:
 - (1) the class and number of shares to be issued, allotted and/or disposed of;
 - (2) the pricing method of shares and/or the issue price (including price range);
 - (3) the opening and closing time of such issuance;

LETTER FROM THE BOARD

- (4) the class and number of shares to be issued to existing shareholders; and/or
 - (5) to make or grant relevant offers and agreements in respect of selling shares or share options and conversion rights which may involve the exercise of the powers mentioned above.
2. The total number of H Shares separately or concurrently issued, allotted and/or disposed of by the Board and/or its authorised persons (whether or not by way of the exercise of share options, conversion rights or by any other means) in accordance with the mandate as mentioned in paragraph 1 above shall not exceed 3% new shares of the total issued share capital of the Company (excluding treasury shares, if any) as at the date of consideration and approval of this proposal at the AGM.
3. During the relevant period, the Board and/or its authorised persons may make or grant relevant offers or agreements in respect of selling shares or share options and conversion rights which need or may need to involve the exercise of the powers mentioned above, after the expiry of the relevant period.
4. The Board and/or its authorised persons be and are hereby authorised to increase registered capital accordingly by reference to the method, class and number of shares of the Company issued and allotted, as well as the actual share capital structure of the Company upon completion of such issuance and allotment, and to make such amendments to the Articles of Association as they think necessary so as to reflect the new share capital structure and registered capital.
5. The Board and/or its authorised persons are authorised to execute and do all such things as they may consider necessary in connection with the General Mandate for Issuance so long as the same does not contravene laws, regulations, the regulatory rules of the place where the Company is listed and the Articles of Association.
6. In order to take forward in a timely and effective manner the implementation of the General Mandate for Issuance by the Company in accordance with the foregoing provisions, upon obtaining the approval and authorizing that the Board and/or its authorized persons are approved of the matters mentioned in the above items 1–5 at the AGM within the above relevant period:
 - (1) to determine the method of issuance, the targets for issuance as well as the amount and proportion of issuance to each target, pricing method and/or issue price (including price range), the opening and closing time of the issuance, the listing time, use of proceeds and others, depending on the actual market timing;
 - (2) to engage necessary professional agencies and sign relevant agreements or contracts;

LETTER FROM THE BOARD

- (3) to sign the underwriting agreement, sponsor's agreement, listing agreement and other documents as considered necessary for executing the General Mandate for Issuance on behalf of the Company;
 - (4) to handle the matters on registration of changes in registered capital and shareholding of the Company in a timely manner in accordance with the method, class and number of issued shares of the Company and the actual share capital structure of the Company upon completion of the share issuance and allotment;
 - (5) to apply for approval, registration, filing and other procedures in connection with the share issuance and listing of such shares from the relevant authorities on behalf of the Company;
 - (6) to determine and pay issuance and listing fees or application fees;
 - (7) to amend correspondingly the Articles of Association in a timely manner according to the method, class and number of the issued shares of the Company and the actual capital structure of the Company upon completion of the share issuance and arranging necessary registration and filing procedures;
 - (8) to handle all other necessary matters in connection with the General Mandate for Issuance.
7. For the purpose of this proposal, the "relevant period" means the period from the date of approval of this proposal at the general meeting until the earlier of: (1) the conclusion of the 2026 AGM of the Company; (2) the date on which the mandate set out in this proposal is revoked or varied by a special resolution of the shareholders of the Company in a general meeting.
8. The Board and/or its authorised persons will only exercise their respective powers if such issuances and related matters are in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and the regulatory rules of the place where the Company is listed (as amended from time to time) and only if all approvals (if necessary), filings and/or registrations are obtained with the China Securities Regulatory Commission and other relevant authorities and the Board and/or its authorised persons shall only handle the relevant matters under such mandate in accordance with the scope of power granted by the shareholders to the Board at the AGM.

This proposal was duly considered and approved by the Board, and is now submitted as a special resolution for approval by the AGM.

LETTER FROM THE BOARD

THE GRANT OF A GENERAL MANDATE TO THE BOARD TO REPURCHASE H SHARES

To safeguard the long-term interests of investors, promote the maximisation of the shareholders' value, and to further strengthen and improve the long-term incentive and restraint mechanism of the Company, ensuring the stable, healthy, and sustainable development of the Group's operations, it is proposed that the general meeting grant the general mandate to the Board and/or its authorised persons to repurchase shares in accordance with the Listing Rules and the relevant provisions of the Articles of Association, including:

I. Repurchase Mandate

The Board proposed that the general meeting approve and authorise the Board of the Company and/or its authorised persons to handle all matters related to the share repurchase within the scope authorised at the general meeting, including:

(I) Circumstances for Repurchase of Shares

As required to safeguard the value of the Company and the interests of all Shareholders, and taking into account the Company's long-term development needs, the Board and/or its authorised persons are granted a general mandate to repurchase the H Shares of the Company at its discretion and in a timely manner, according to relevant laws and regulations and the volatility and changes in the capital market and the stock price of the Company during the authorisation period.

(II) Total number and source of funds for the repurchased shares

The total number of H Shares of the Company that the Board and/or its authorised persons shall have the authority to determine to be repurchased pursuant to the authorization granted by the general meeting shall not exceed 3% of the Company's total issued share capital (excluding treasury shares, if any) as of the date this proposal is approved by the AGM.

The above funds for repurchase shall include the self-owned funds of the Company and funds that meet the requirements of laws and regulations.

LETTER FROM THE BOARD

- (III) To determine or adjust the specific plan for H Share repurchase according to the provisions of laws, regulations, rules and normative documents and in line with the actual conditions of the Company and the market, including but not limited to: the specific use of the repurchased shares, the total funds for repurchase, the price of the repurchased shares, the number of the repurchased shares and the method of implementation of the repurchase, or to determine whether the repurchase plan should be continued or terminated at their discretion and other matters.
- (IV) To handle matters relating to the share repurchase, including but not limited to: repurchasing shares during the repurchase period; deciding to engage relevant intermediaries; creating special securities accounts for the repurchase or other relevant securities accounts; preparing, executing, reporting and implementing all agreements, contracts and documents in relation to the share repurchase; amending contents of the Articles of Association in relation to registered capital, total share capital, share capital structure, etc. after the completion of share repurchase, and handling the procedures for cancelling repurchased shares (if necessary); and other necessary matters in relation to the repurchase which are not listed above.

II. Validity of the General Mandate

The general mandate to repurchase shares will remain in effect from the date of approval at the general meeting by special resolution until whichever is the earlier of:

1. the conclusion of the Company's 2026 AGM;
2. the date on which the general mandate to repurchase shares is revoked or amended by a special resolution passed at any general meeting of the Company.

This proposal was duly considered and approved by the Board, and is now submitted as a special resolution for consideration and approval by the AGM.

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company has completed the conversion of 228,344,600 domestic shares into fully tradable H Shares. Following the completion of the conversion and listing, the Company's total number of issued shares stands at 490,186,900, all of which are H Shares. Accordingly, the relevant provisions of the Articles of Association are hereby amended in light of this matter, in accordance with the Company Law of the People's Republic of China (2023 Revision), the Guidelines for Articles of Association of Listed Companies of the China Securities Regulatory Commission (2025 Revision), and other relevant regulations. The proposed amendments are set out in Appendix III of this circular.

The Company has received a written confirmation from its Hong Kong legal advisers, confirming that the proposed amendments conform with the requirements of the Listing Rules (including Appendix A1 to the Listing Rules). The Company has also received a written confirmation from its legal advisers as to the laws of the PRC, confirming that the proposed amendments conform with the laws of the PRC.

The Company confirms that there is nothing unusual in the proposed amendments from the perspective of a Chinese company listed on the Stock Exchange.

This proposal was duly considered and approved by the Board, and is now submitted as a special resolution for approval by the AGM.

THE AGM

A notice convening the AGM to be held at Conference Room 1, 10th Floor, Wanyin Building, Shangcheng District, Hangzhou City, Zhejiang Province, the PRC on Friday, April 24, 2026 at 2:30 p.m. is set out on pages AGM-1 to AGM-3 of this circular. A proxy form for use at the AGM is enclosed with this circular and was also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.maogeping.com).

For holders of H Shares, the proxy form together with the power of attorney or other authorization document (if any) must be lodged with the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 24 hours before the time fixed for holding the AGM (i.e. no later than 2:30 p.m. on Thursday, April 23, 2026) or any adjournment thereof (as the case may be) in order to be valid. Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM and to complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending the AGM and voting in person if you so wish.

LETTER FROM THE BOARD

Closure of Register of Members

For the purpose of determining the entitlement of the holders of H Shares to attend and vote at the AGM, the register of holders of H Shares will be closed from Tuesday, April 21, 2026 to Friday, April 24, 2026 (both days inclusive), during which period no transfer of H Shares will be registered. Shareholders whose names appear on the register of members of the Company on Friday, April 24, 2026 will be entitled to attend and vote at the AGM. Holders of H Shares who intend to attend the AGM must deliver their transfer documents together with the relevant share certificates to Computershare Hong Kong Investor Services Limited, the registrar of H Shares, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Monday, April 20, 2026.

VOTES BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the AGM will be voted by poll.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder is required to abstain from voting in respect of the resolutions to be proposed at the AGM pursuant to the Listing Rules and/or the Articles of Association.

RECOMMENDATION

The Board is of the view that all the resolutions set out in this circular are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM.

By order of the Board
Mao Geping Cosmetics Co., Ltd.
MAO Geping
Chairman of the Board and Executive Director

This appendix serves as an explanatory statement, as required by the Listing Rules, to enable the Shareholders to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate.

I. LISTING RULES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below. The Company is empowered by the Articles of Association to repurchase its own securities.

II. SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares issued by the Company was 490,186,900 H Shares. Subject to the passing of the special resolution granting the Repurchase Mandate and on the basis that the number of Shares remains unchanged as at the date of the passing of the special resolution, the Company may repurchase pursuant to the Repurchase Mandate a maximum of 14,705,607 H Shares, being up to 3% of the total H Shares (excluding treasury shares) in issue as at the date of the passing of the resolution.

III. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders.

IV. FUNDING OF REPURCHASES

In repurchasing its H Shares, the Company may only apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC, including but not limited to surplus funds and undistributed profits of the Company. The Company may not repurchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange as amended from time to time.

V. IMPACT ON WORKING CAPITAL

Subject to the compliance with the Listing Rules and all applicable laws and regulations, the Company may cancel any H Shares it repurchased and/or hold them as treasury shares subject to, for example, market conditions and its capital management needs at the relevant time of the repurchases.

There will not be a material adverse impact on the working capital or gearing levels of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended December 31, 2025 in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, if the Board determines that exercising the share repurchase authorization would have a material adverse impact on the Company's required working capital or gearing levels, it will not exercise the share repurchase authorization in such circumstances. The Board and/or its authorised persons will determine the number of H Shares to be repurchased, as well as the price and other terms of H Shares to be repurchased, in accordance with the relevant laws and regulations and having regard to the fluctuations and changes in the capital markets and the price of the Company's Shares, and in the best interests of the Company and all Shareholders.

VI. GENERAL

None of the Directors and, to the best of knowledge of the Directors having made all reasonable enquiries, their close associates (as defined in the Listing Rules) have any present intention to sell to the Company any of the H Shares in the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

As at the Latest Practicable Date, no core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any H Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is granted to the Company.

Once the H Shares are repurchased by the Company, the Shareholders' rights attached to the repurchased H Shares will be suspended. The Company will, upon completion of the share repurchase, give clear written instruction to the Company's H Share Registrar in Hong Kong and the relevant broker to update the record to clearly identify the repurchased H Shares held in CCASS as treasury shares.

The Directors have undertaken to exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the PRC and the Articles of Association.

VII. IMPLICATIONS UNDER THE TAKEOVERS CODE

If as a result of a repurchase of Shares by the Company pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. MAO Geping and Ms. WANG Liqun control or are entitled to control the voting rights of 227,255,200 H Shares, which account for approximately 46.36% of the Company's total issued share capital. If the Repurchase Mandate is fully exercised and assuming that no further issuance or repurchase of Shares is made prior to such full exercise, the proportion of the interest of the voting rights held by them in the Company to the total share capital of the Company will therefore increase to approximately 47.79%. The Directors are not aware of any consequence which would arise under the Takeovers Code or any similarly applicable laws as a result of any repurchases to be made under the Repurchase Mandate. Moreover, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would result in the aggregate number of Shares held by public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

VIII. REPURCHASE OF SHARES BY THE COMPANY

The Company had not repurchased any H Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date.

IX. H SHARE PRICES

The highest and lowest prices at which the H Shares have traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

| | Highest <i>(HK\$)</i> | Lowest <i>(HK\$)</i> |
|---|---------------------------------|--------------------------------|
| 2025 | | |
| March | 118.00 | 75.35 |
| April | 115.10 | 87.60 |
| May | 121.80 | 96.65 |
| June | 130.60 | 97.10 |
| July | 112.00 | 97.70 |
| August | 108.90 | 90.35 |
| September | 112.00 | 94.40 |
| October | 111.90 | 87.60 |
| November | 96.55 | 79.35 |
| December | 92.90 | 80.65 |
| 2026 | | |
| January | 92.55 | 81.10 |
| February | 93.30 | 77.80 |
| March (up to the Latest Practicable Date) | 84.90 | 68.10 |

X. CONFIRMATION

The Company confirms that neither this explanatory statement nor the Repurchase Mandate has any unusual features.

Mao Geping Cosmetics Co., Ltd.**Remuneration Management System for Directors and Senior Management****CHAPTER I GENERAL PROVISIONS**

Article 1 To further improve the remuneration management of the directors and senior management of Mao Geping Cosmetics Co., Ltd. (hereinafter referred to as the “**Company**”), and to establish a scientific and effective incentive and restraint mechanism, this system is formulated with reference to the actual situation of the Company in accordance with the relevant national laws and regulations and the Articles of Association of the Company.

Article 2 This system applies to all directors of the Company and senior management as specified in the Articles of Association.

Article 3 The remuneration system of the Company shall adhere to the following principles:

- (1) Adhere to the principle of combining distribution according to work with the integration of responsibilities, authority, and benefits, ensuring that remuneration levels align with the value of the position and the responsibilities assumed, thereby reflecting the unity of “responsibilities, authority, and benefits”;
- (2) Remuneration levels should be closely aligned with the Company’s performance and work objectives, and should be competitive compared to the income levels for similar positions in the local market;
- (3) Principle of serving the Company’s long-term interests, and ensure that the remuneration plan is in line with the Company’s goals for sustainable and healthy development;
- (4) Principle of equal emphasis on incentives and restraints, remuneration payment shall be linked to performance appraisal and rewards and penalties.

Article 4 Based on the recommendations of the Remuneration Committee of the Board of Directors of the Company regarding the remuneration of the directors and senior management of the Company, the Board of Directors of the Company is responsible for approving the remuneration of the Company’s senior management; the general meeting of the Company shall be responsible for approving the remuneration of the directors.

Article 5 The Remuneration Committee of the Board of Directors of the Company is responsible for studying the assessment criteria for directors and senior management, and for considering and reviewing the remuneration policies and schemes for directors and senior management, as well as making recommendations thereon; reviewing the performance of duties by the directors and senior management of the Company; and supervising the implementation of the Company’s remuneration system.

Article 6 The Human Resources Center and Finance Center of the Company are responsible for the specific implementation of the remuneration plan and shall cooperate with the Remuneration Committee of the Board of Directors in conducting performance evaluations and managing the day-to-day administration of remuneration payments.

CHAPTER II REMUNERATION STRUCTURE AND STANDARDS

Article 7 The Company shall pay each independent non-executive director a fixed annual allowance, and shall bear the reasonable expenses incurred by the independent non-executive director in the performance of his or her duties and the exercise of his or her powers.

Article 8 The executive directors of the Company (including employee representative directors) shall receive remuneration based on the positions they hold and the responsibilities they assume at the Company and its subsidiaries, and shall not receive separate director's remuneration.

Article 9 The remuneration for senior management of the Company consists of basic remuneration, semi-annual/annual performance-based remuneration, and mid-term and long-term incentive compensation. Basic remuneration is determined based on industry remuneration levels, job responsibilities, and job performance; annual performance-based remuneration is linked to annual business performance and is paid out based on the results of the annual performance evaluation; subject to applicable conditions and legal procedures, the Company may explore the implementation of mid-term and long-term incentive mechanisms, such as equity incentives and share options to provide long-term returns and rewards to senior management who make sustained and significant contributions.

Article 10 If the directors or senior management of the Company hold another position within the Company, the remuneration standard shall be determined based on the principle of the higher remuneration, and such individual shall not receive duplicate remuneration.

Article 11 The Company may adjust remuneration standards from time to time based on operating performance, changes in industry remuneration levels, and the strategic development or organizational restructuring of the Company.

CHAPTER III REMUNERATION MANAGEMENT

Article 12 The timing and method of remuneration payments to the directors and senior management of the Company shall be determined and implemented in accordance with this system and other relevant systems of the Company.

Article 13 If the directors or senior management of the Company change their positions during an accounting year (due to a change in term, resignation, transfer out, or transfer in, etc.), the basic remuneration and performance-based remuneration for that year shall be paid based on the period of service. For accounting purposes, the standards applicable to the new position shall take effect from the month in which the position change occurs.

Article 14 The following taxes and fees shall be deducted directly from basic salary and performance bonuses in accordance with relevant national regulations:

- (1) Individual income tax;
- (2) Social insurance premiums and housing provident fund contributions that individuals are required to pay in accordance with regulations;
- (3) Other fees that must be paid or withheld in accordance with the law.

Article 15 During their tenure, if any of the following circumstances arise with respect to the directors or senior management of the Company, the Company may cancel and reclaim the relevant incentive-based remuneration (including bonuses, stock options, and restricted stock) of such individuals:

- (1) They have been publicly reprimanded by a securities exchange;
- (2) Serious dereliction of duty or abuse of power;
- (3) Operational decision-making errors cause the Company to suffer serious losses;
- (4) Other serious violations of laws, regulations, or the Company's relevant policies or rules.

CHAPTER IV SUPPLEMENTARY PROVISIONS

Article 16 Matters not covered in this system shall be implemented in accordance with the provisions of relevant laws, administrative regulations, normative documents and the Articles of Association. If there are any discrepancies between this system and newly enacted laws, regulations, or relevant provisions, the new laws and regulations shall prevail, and this system shall be revised as appropriate.

Article 17 The Board of Directors of the Company shall be responsible for the formulation, interpretation and revision of this system.

Article 18 This system shall come into effect from the date of consideration and approval at the general meeting of the Company, and the same shall apply to any amendments thereto.

March 2026

Mao Geping Cosmetics Co., Ltd.

Comparison Table of Amendments to the Articles of Association

| | Before amendments | After amendments |
|-----------|---|--|
| Article 2 | <p>Article 2 The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations.</p> <p>The Company was established by means of promotion based on the change of Hangzhou Huidu Cosmetics Co., Ltd. (杭州匯都化妝品有限公司) as a whole; it was registered with the Administration for Market Regulation of Zhejiang Province and obtained its business license with unified social credit code of 913301007245002892.</p> | <p>Article 2 The Company is a joint stock limited company established in accordance with the Company Law and other relevant regulations.</p> <p>The Company was established by means of promotion based on the change of Hangzhou Huidu Cosmetics Co., Ltd. (杭州匯都化妝品有限公司) as a whole; it was registered with the Administration for Market Regulation of Zhejiang Province and obtained its business license with unified social credit code of 913301007245002892.</p> |

| | Before amendments | After amendments |
|-----------|--|---|
| Article 8 | <p>Article 8 The legal representative of the Company shall be a director designated by the general meeting to manage the Company’s affairs . If a director serving as the legal representative resigns, the position of legal representative shall be deemed resigned simultaneously. In the event that the legal representative resigns, the Company shall determine a new legal representative within 30 days from the date of the resignation of the legal representative, and complete registration for the changing the legal representative.</p> | <p>Article 8 The legal representative of the Company shall be a director designated by the general meeting to manage the Company’s affairs . If a director serving as the legal representative resigns, the position of legal representative shall be deemed resigned simultaneously. In the event that the legal representative resigns, the Company shall determine a new legal representative within 30 days from the date of the resignation of the legal representative, and complete registration for changing the legal representative.</p> <p>The legal consequences of civil activities performed by the legal representative in the name of the Company shall be borne by the Company. Any restrictions on the powers of the legal representative under the Articles of Association or the general meeting shall not be asserted against a bona fide counterparty. Where the legal representative causes damage to others in the performance of his/her duties, the Company shall bear civil liability. After the Company has borne civil liability, it may seek compensation from the at-fault legal representative in accordance with the laws or the provisions of the Articles of Association.</p> |

| | Before amendments | After amendments |
|------------|--|---|
| Article 15 | <p>Article 15 The shares of the Company shall take the form of registered share certificates. Where the shares of the Company include shares which do not carry voting rights, the word “non-voting” must appear in the designation of such shares. Where the shares of the Company include shares with different voting rights, the designation of each class of shares, other than those with the most favorable voting rights, must include the word “restricted voting right” or “limited voting right”.</p> | <p>Article 15 The shares of the Company shall take the form of registered share certificates.</p> |
| Article 16 | <p>Article 16 The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights.</p> <p>Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares that it/he/she subscribes for.</p> <p>Domestic Unlisted Shares and overseas listed foreign shares issued by the Company shall rank pari passu in respect of any distribution by way of dividend (including distributions in cash and in kind) or any distributions in any other forms. No rights shall be exercised to freeze or otherwise impair any of the rights attached to any share by reason only that the person or persons who is/are interested directly or indirectly therein has/have failed to disclose his/her/their interests to the Company.</p> | <p>Article 16 The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights.</p> <p>Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares that it/he/she subscribes for.</p> |

| | Before amendments | After amendments |
|------------|--|--|
| Article 19 | <p>Article 19 The share capital of the Company was RMB60,000,000 upon establishment. The total number of shares of the Company was 60,000,000 shares, and the nominal value of the shares upon establishment was RMB1 per share, all of which were ordinary shares. The names of the promoters of the Company, number of shares subscribed and means of capital contributions upon its establishment are as follows in the table:</p> | <p>Article 19 The total number of shares issued at the time of the change of establishment of the Company as a whole was 60,000,000, and the nominal value of the shares upon establishment was RMB1 per share, all of which were ordinary shares. The names of the promoters of the Company, number of shares subscribed and means of capital contributions upon its establishment are as follows in the table:</p> <p>The promoters fully paid their capital contributions on 16 December 2015.</p> |
| Article 20 | <p>Article 20 The Company may issue not more than 115,000,000 overseas listed foreign shares to investors and convert 171,655,400 domestic shares it held into overseas listed foreign shares upon filing with the CSRC and approval by the Hong Kong Stock Exchange.</p> <p>After the abovementioned issuance of overseas listed foreign shares and the conversion of domestic Unlisted Shares into overseas listed foreign shares, the share capital structure of the Company is: 490,186,900 ordinary shares, including 228,344,600 domestic Unlisted Shares and 261,842,300 overseas listed foreign shares.</p> | <p>Article 20 The Company issued 90,186,900 overseas listed foreign shares to investors and converted 400,000,000 domestic shares held by shareholders of the Company prior to the listing into overseas listed foreign shares upon filing with the CSRC and approval by the Hong Kong Stock Exchange.</p> <p>After the abovementioned issuance of overseas listed foreign shares and the conversion of domestic Unlisted Shares into overseas listed shares, the share capital structure of the Company is: 490,186,900 ordinary shares, all of which are overseas listed shares.</p> |

| | Before amendments | After amendments |
|------------|---|--|
| Article 21 | Article 21 The total number of shares of the Company upon the completion of the issuance of H Shares and the listing is 490,186,900 (assuming the Over-Allotment Option is fully exercised) . all of which are ordinary shares. The Company or its subsidiaries (including affiliates of the Company) may not provide any assistance to a person who is acquiring or is proposing to acquire shares of the Company by way of gift, advancement, guarantee, indemnity or loans or other means. | Article 21 The total number of shares of the Company issued is 490,186,900. all of which are ordinary shares. The Company or its subsidiaries (including affiliates of the Company) may not provide any assistance to a person who is acquiring or is proposing to acquire shares of the Company by way of gift, advancement, guarantee, indemnity or loans or other means, except for the implementation of share incentive schemes or employee stock ownership plans by the Company. |

| | Before amendments | After amendments |
|------------|--|---|
| Article 29 | <p>Article 29 The shares of the Company held by the promoters thereof shall not be transferred within one year of the date of establishment of the Company. Shares already issued by the Company before the public offering shall not be transferred within one year of the date on which the shares of the Company are listed and traded on the stock exchange.</p> <p>The directors and senior management of the Company shall declare, to the Company, the information on their holdings of the shares of the Company (including preferred shares, if any) and the changes thereto. The shares transferable by them during each year of their term of office shall not exceed 25% of the total shares of the same class they hold in the Company. The shares that they hold in the Company shall not be transferred within one year of the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer their shares of the Company within half a year from the date of their resignation.</p> <p>Where relevant requirements of the securities regulatory authorities in the place where the Company’s shares are listed contain any other provisions on the transfer restrictions of H Shares, such provisions shall prevail.</p> | <p>Article 29 The shares of the Company held by the promoters thereof shall not be transferred within one year of the date of establishment of the Company. Shares already issued by the Company before the public offering shall not be transferred within one year of the date on which the shares of the Company are listed and traded on the stock exchange.</p> <p>The directors and senior management of the Company shall declare, to the Company, the information on their holdings of the shares of the Company and the changes thereto. The shares transferable by them during each year of their term of office determined at the time of taking office shall not exceed 25% of the total shares of the same class they hold in the Company. The shares that they hold in the Company shall not be transferred within one year of the date on which the shares of the Company are listed and traded. The aforesaid persons shall not transfer their shares of the Company within half a year from the date of their resignation.</p> <p>Where relevant requirements of the securities regulatory authorities in the place where the Company’s shares are listed contain any other provisions on the transfer restrictions of H Shares, such provisions shall prevail.</p> |

| | Before amendments | After amendments |
|------------|---|--|
| Article 31 | <p>Article 31 The Company shall establish a register of shareholders in accordance with certificates from the share registrar. The register of shareholders shall be ample evidence of holding of the Company's shares by a shareholder. Shareholders shall enjoy rights and assume obligations according to the class of shares held by him/her; shareholders who hold existing shares of the same class shall enjoy the equal rights and assume the equal obligations.</p> <p>Any shareholder who is registered on, or any person who requests to have his/her name registered on the register of shareholders may, if his/her share certificate is lost, apply to the Company for a replacement share certificate in respect of such shares. Holders of domestic shares who have lost their share certificates and apply for the issuance of replacement shall be dealt with in accordance with the relevant provisions of the Company Law. Holders of overseas listed foreign shares who have lost their share certificates and apply for replacement may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of shareholders of overseas listed foreign shares is kept.</p> <p>If any of the laws and regulations enacted by the securities regulatory authorities of the place where the Company's shares are listed and stock exchanges provide for the suspension of the registration of share transfers, such regulations shall prevail.</p> | <p>Article 31 The Company shall establish a register of shareholders in accordance with certificates from the share registrar. The register of shareholders shall be ample evidence of holding of the Company's shares by a shareholder. Shareholders shall enjoy rights and assume obligations according to the class of shares held by him/her; shareholders who hold existing shares of the same class shall enjoy the equal rights and assume the equal obligations.</p> <p>Any shareholder who is registered on, or any person who requests to have his/her name registered on the register of shareholders may, if his/her share certificate is lost, apply to the Company for a replacement share certificate in respect of such shares. Holders who have lost their share certificates and apply for replacement may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of shareholders is kept.</p> <p>If any of the laws and regulations enacted by the securities regulatory authorities of the place where the Company's shares are listed and stock exchanges provide for the suspension of the registration of share transfers, such regulations shall prevail.</p> |

| | Before amendments | After amendments |
|------------|--|--|
| Article 33 | <p>Article 33 Shareholders of the Company shall enjoy the following rights:</p> <p>(I) the right to receive dividends and other distributions in proportion to the number of shares held;</p> <p>(II) the right to request, convene, preside over, attend or appoint proxy(ies) to attend the general meeting and to exercise the corresponding right to vote according to law;</p> <p>(III) the right to supervise, present proposals or raise enquiries in respect of the Company’s operations;</p> <p>(IV) the right to transfer, give as a gift or pledge the shares it holds in accordance with laws, administrative regulations and the Articles of Association;</p> <p>(V) the right to inspect the Articles of Association, register of shareholders, corporate bond stubs, minutes of general meetings, resolutions of the Board of Directors, resolutions of the Audit Committee of the Board and financial and accounting reports;</p> <p>(VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;</p> | <p>Article 33 Shareholders of the Company shall enjoy the following rights:</p> <p>(I) the right to receive dividends and other distributions in proportion to the number of shares held;</p> <p>(II) the right to request the convening of, convene, preside over, attend or appoint proxy(ies) to attend the general meeting and to exercise the corresponding right to vote according to law;</p> <p>(III) the right to supervise, present proposals or raise enquiries in respect of the Company’s operations;</p> <p>(IV) the right to transfer, give as a gift or pledge the shares it holds in accordance with laws, administrative regulations and the Articles of Association;</p> <p>(V) the right to inspect and duplicate the Articles of Association, register of shareholders, corporate bond stubs, minutes of general meetings, resolutions of the Board of Directors, resolutions of the Audit Committee of the Board and financial and accounting reports; shareholders who meet the requirements may inspect the accounting books and accounting vouchers of the Company;</p> <p>(VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;</p> |

| | Before amendments | After amendments |
|------------|--|--|
| | <p>(VII) shareholders who object to resolutions of merger or division made by the general meeting may request the Company to purchase the shares they hold;</p> <p>(VIII) other rights provided for by laws, administrative regulations, departmental rules, the securities regulatory rules in the place where the Company’s shares are listed or the Articles of Association.</p> | <p>(VII) shareholders who object to resolutions of merger or division made by the general meeting may request the Company to purchase the shares they hold;</p> <p>(VIII) other rights provided for by laws, administrative regulations, departmental rules, the securities regulatory rules in the place where the Company’s shares are listed or the Articles of Association.</p> |
| Article 34 | <p>Article 34 When a shareholder requests to have access to the information mentioned in the preceding article, he or she shall present evidence to prove the class and amount of shareholdings in writing. The Company shall comply with the shareholder’s request after verifying his/her identity.</p> | <p>Article 34 When a shareholder requests to have access to and duplicate the information mentioned in the preceding article, he or she shall present evidence to prove the class and amount of shareholdings in writing. The Company shall comply with the shareholder’s request after verifying his/her identity.</p> |
| Article 35 | <p>Article 35 A resolution of the Company’s general meeting or Board meeting may be declared void by the people’s court upon application from shareholders if the content contravenes the law or administrative regulations.</p> <p>If the convening procedure or voting method of a general meeting or Board meeting contravenes the law, administrative regulations or the Articles of Association, or if the contents of the resolutions of such meetings contravene the Articles of Association, the shareholders can request the people’s court to revoke the resolution within sixty days of the resolution.</p> | <p>Article 35 A resolution of the Company’s general meeting or Board meeting may be declared void by the people’s court upon application from shareholders if the content contravenes the law or administrative regulations.</p> <p>If the convening procedure or voting method of a general meeting or Board meeting contravenes the law, administrative regulations or the Articles of Association, or if the contents of the resolutions of such meetings contravene the Articles of Association, the shareholders can request the people’s court to revoke the resolution within sixty days of the resolution. However, this does not apply if there is only a minor defect in the procedures for convening the general meeting or the Board meeting or in the voting method, which does not substantially affect the resolution.</p> |

| | Before amendments | After amendments |
|--|--------------------------|--|
| | | <p>Where the Board of Directors, shareholders and other stakeholders dispute the validity of a resolution of the general meeting, they shall promptly file a lawsuit with the people’s court. Before the people’s court makes a judgement or ruling such as a revocation of the resolution, the stakeholders shall execute the resolution of the general meeting. The Company, directors and senior management shall perform their duties diligently to ensure the normal operation of the Company.</p> <p>Where the people’s court makes a judgement or ruling on a relevant matter, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, requirements of the CSRC and the stock exchange, fully explain the impact, and actively co-operate with the enforcement of the judgement or ruling after it has come into effect. Where corrections to prior events are involved, such corrections shall be handled in a timely manner and the corresponding information disclosure obligations shall be fulfilled.</p> |

| | Before amendments | After amendments |
|---|--------------------------|--|
| / | / | <p>Article 36 In any of the following circumstances, a resolution of the general meeting or the Board of Directors of the Company shall not be established:</p> <p>(I) a resolution is adopted without holding a general meeting or the meeting of the Board of Directors;</p> <p>(II) the matters to be resolved are not voted upon at the general meeting or the meeting of the Board of Directors;</p> <p>(III) the number of attendees or the number of voting rights held fails to reach the quorum or the number of voting rights as stipulated in the Company Law or the Articles of Association;</p> <p>(IV) the number of people or the number of voting rights in favor of the matters to be resolved fails to reach the quorum or the number of voting rights as stipulated in the Company Law or the Articles of Association.</p> |

| | Before amendments | After amendments |
|------------|---|---|
| Article 36 | <p>Article 36 If a director or senior management contravenes the law, administrative regulations or the Articles of Association when carrying out his/her duties resulting in losses to the Company, shareholders individually or together holding 1% or more of the shares for 180 or more consecutive days may request the Audit Committee of the Board in writing to commence litigation in the people’s court. If the Audit Committee of the Board contravenes the law, administrative regulations or the Articles of Association when carrying out its duties and results in losses to the Company, the shareholders may request the Board of Directors in writing to commence litigation at the people’s court.</p> <p>If the Audit Committee of the Board or the Board of Directors refuses to commence litigation upon receipt of the shareholder’s written request under the preceding paragraph, or does not commence litigation within 30 days upon receipt of the request, or the situation is so urgent that without an immediate litigation it will cause irreparable losses to the Company, the shareholders so entitled under the previous paragraph may commence litigation directly at the people’s court under their own names for the interest of the Company.</p> <p>If any person intervenes with the lawful interests of the Company and result in losses suffered by the Company, the shareholder so entitled under the first paragraph of this article may commence litigation at the people’s court in accordance with the two preceding paragraphs.</p> | <p>Article 37 If a director other than a member of the Audit Committee of the Board or senior management contravenes the law, administrative regulations or the Articles of Association when carrying out his/her duties resulting in losses to the Company, shareholders individually or together holding 1% or more of the shares for 180 or more consecutive days may request the Audit Committee of the Board in writing to commence litigation in the people’s court. If the member of the Audit Committee of the Board contravenes the law, administrative regulations or the Articles of Association when carrying out his/her duties and results in losses to the Company, the shareholders may request the Board of Directors in writing to commence litigation at the people’s court.</p> <p>If the Audit Committee of the Board or the Board of Directors refuses to commence litigation upon receipt of the shareholder’s written request under the preceding paragraph, or does not commence litigation within 30 days upon receipt of the request, or the situation is so urgent that without an immediate litigation it will cause irreparable losses to the Company, the shareholders so entitled under the previous paragraph may commence litigation directly at the people’s court under their own names in the interest of the Company.</p> <p>If any person infringes upon the lawful interests of the Company and results in losses suffered by the Company, the shareholder so entitled under the first paragraph of this article may commence litigation at the people’s court in accordance with the two preceding paragraphs.</p> |

| | Before amendments | After amendments |
|------------|---|--|
| | | Where a director, supervisor or senior management of a wholly-owned subsidiary of the Company violates the provisions of laws, administrative regulations or the Articles of Association when performing duties and causes losses to the Company, or where others infringe upon the lawful rights and interests of a wholly-owned subsidiary of the Company and cause losses, shareholders who individually or jointly hold 1% or more of the shares of the Company for more than 180 consecutive days may, in accordance with the provisions of the first three paragraphs of Article 189 of the Company Law, request the board of supervisors or the board of directors of the wholly-owned subsidiary in writing to file a lawsuit with the people’s court, or directly file a lawsuit with the people’s court in their own names. |
| Article 41 | <p>Article 41 The general meeting is the organ of authority of the Company and shall exercise the following functions and powers according to law:</p> <p>(I) to decide the operational policies and investment plans of the Company;</p> <p>(II) to elect and replace the directors who are not employee representatives and to decide on the matters relating to the remuneration of directors;</p> <p>(III) to consider and approve the reports of the Board of Directors;</p> <p>(IV) to consider and approve the annual financial budgets and final accounts of the Company;</p> | <p>Article 42 The general meeting is the organ of authority of the Company and shall exercise the following functions and powers according to law:</p> <p>(I) to decide the operational policies and investment plans of the Company;</p> <p>(II) to elect and replace the directors who are not employee representatives and to decide on the matters relating to the remuneration of directors;</p> <p>(III) to consider and approve the reports of the Board of Directors;</p> <p>(IV) to consider and approve the annual financial budgets and final accounts of the Company;</p> |

| | Before amendments | After amendments |
|--|--|---|
| | <p>(V) to consider and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(VI) to make a resolution on the increase or decrease of the registered capital of the Company;</p> <p>(VII) to make a resolution on the issuance of corporate bonds or other securities and listing plans;</p> <p>(VIII) to make a resolution on the merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(IX) to amend the Articles of Association;</p> <p>(X) to make a resolution on the Company's engagement, dismissal or discontinuance of engagement of an accounting firm;</p> <p>(XI) to consider and approve the guarantees prescribed in Article 42 hereof;</p> <p>(XII) to consider the purchase or sale of major assets of the Company in excess of 30% of the Company's latest audited total assets within one year;</p> <p>(XIII) to consider and approve changes in the use of proceeds;</p> <p>(XIV) to consider the equity incentive plans and employee shareholding schemes;</p> | <p>(V) to consider and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(VI) to make a resolution on the increase or decrease of the registered capital of the Company;</p> <p>(VII) to make a resolution on the issuance of corporate bonds or other securities and listing plans;</p> <p>(VIII) to make a resolution on the merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(IX) to amend the Articles of Association;</p> <p>(X) to make a resolution on the Company's engagement, dismissal or discontinuance of engagement of an accounting firm undertaking the audit business of the Company;</p> <p>(XI) to consider and approve the guarantees prescribed in Article 43 hereof;</p> <p>(XII) to consider the purchase or sale of major assets of the Company in excess of 30% of the Company's latest audited total assets within one year;</p> <p>(XIII) to consider and approve changes in the use of proceeds;</p> <p>(XIV) to consider the equity incentive plans and employee shareholding schemes;</p> |

| | Before amendments | After amendments |
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| | <p>(XV) to consider other matters on which decisions shall be made by the general meeting as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.</p> <p>The aforesaid functions and powers of the general meeting shall not be exercised by the Board of Directors or other bodies and individuals through any form of authorization.</p> | <p>(XV) to consider other matters on which decisions shall be made by the general meeting as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.</p> <p>The aforesaid functions and powers of the general meeting shall not be exercised by the Board of Directors or other bodies and individuals through any form of authorization.</p> |
| Article 44 | <p>Article 44 In any of the following circumstances, the Board of Directors shall convene an extraordinary general meeting within two months from the date of the occurrence of the circumstance:</p> <p>(I) when the number of directors falls short of the number specified in the Company Law or is less than two-thirds of the number specified in the Articles of Association;</p> <p>(II) when the unrecovered losses of the Company amount to one-third of the total paid-up share capital;</p> <p>(III) when shareholders individually or jointly holding 10% or more of the outstanding shares of the Company with voting rights request in writing to convene an extraordinary general meeting (the number of the shares held is calculated based on the date that shareholders made such written request);</p> | <p>Article 45 In any of the following circumstances, the Board of Directors shall convene an extraordinary general meeting within two months from the date of the occurrence of the circumstance:</p> <p>(I) when the number of directors falls short of the number specified in the Company Law or is less than two-thirds of the number (i.e. 6 persons) specified in the Articles of Association;</p> <p>(II) when the unrecovered losses of the Company amount to one-third of the total paid-up share capital;</p> <p>(III) when shareholders individually or jointly holding 10% or more of the outstanding shares of the Company with voting rights request in writing to convene an extraordinary general meeting (the number of the shares held is calculated based on the date that shareholders made such written request);</p> |

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| | <p>(IV) when the Board of Directors deems it necessary;</p> <p>(V) when the Audit Committee proposes to hold such a meeting;</p> <p>(VI) other circumstances as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.</p> | <p>(IV) when the Board of Directors deems it necessary;</p> <p>(V) when the Audit Committee proposes to hold such a meeting;</p> <p>(VI) other circumstances as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, the securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.</p> |
| Article 47 | <p>Article 47 Independent directors shall be entitled to submit a proposal to the Board of Directors on holding an extraordinary general meeting. For such a proposal, the Board of Directors shall give a written reply as to whether it agrees or disagrees to hold an extraordinary general meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold an extraordinary general meeting, a notice of the general meeting shall be given within five days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given and an announcement shall be made.</p> | <p>Article 48 Subject to the consent of more than half of all independent directors, independent directors shall be entitled to submit a proposal to the Board of Directors on holding an extraordinary general meeting. For such a proposal, the Board of Directors shall give a written reply as to whether it agrees or disagrees to hold an extraordinary general meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold an extraordinary general meeting, a notice of the general meeting shall be given within five days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given and an announcement shall be made.</p> |

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| Article 53 | <p>Article 53 When the Company convenes a general meeting, the Board of Directors, the Audit Committee and shareholders who individually or together hold 1% or more of the shares of the Company are entitled to put forward a proposal to the Company.</p> <p>Shareholders individually or together holding 1% or more of the shares of the Company can put forward a temporary proposal 10 days before the general meeting is held and submit the proposal to the convener of the meeting in writing.</p> <p>The convener shall issue a supplemental notice within two days upon receiving such proposal and notify shareholders of the content of such proposal.</p> <p>Except for the circumstances prescribed in the preceding paragraph, the convener shall not change the proposals specified in the notice of the general meeting or add new proposals after sending the notice of the general meeting. The general meeting shall not vote or resolve on proposals not contained in the notice of the general meeting or not in compliance with the Articles of Association.</p> | <p>Article 54 When the Company convenes a general meeting, the Board of Directors, the Audit Committee and shareholders who individually or together hold 1% or more of the shares of the Company are entitled to put forward a proposal to the Company.</p> <p>Shareholders individually or together holding 1% or more of the shares of the Company can put forward a temporary proposal 10 days before the general meeting is held and submit the proposal to the convener of the meeting in writing. The convener shall issue a supplemental notice within two days upon receiving such proposal and notify shareholders of the content of such proposal, and submit the same to the general meeting for consideration, except where the temporary proposal violates the provisions of laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the shares of the Company are listed or the Articles of Association, or does not fall within the terms of reference of the general meeting.</p> <p>Except for the circumstances prescribed in the preceding paragraph, the convener shall not change the proposals specified in the notice of the general meeting or add new proposals after sending the notice of the general meeting. The general meeting shall not vote or resolve on proposals not contained in the notice of the general meeting or not in compliance with the Articles of Association.</p> |

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| Article 60 | <p>Article 60 An individual shareholder who attends the meeting in person shall produce his/her own identification card or other valid documents or proof evidencing his/her identity. If a shareholder appoints a proxy to attend the meeting on his/her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder.</p> <p>A corporate shareholder or other institutional shareholder shall attend the meeting by its legal representative/executive partner or proxy appointed by the legal representative/executive partner. Where the legal representative/executive partner attends the meeting, he/she shall produce his/her own identification card, valid certificates evidencing his/her capacity as the legal representative/executive partner. Where a proxy is appointed to attend the meeting, he/she shall produce his/her own identification card, the written power of attorney issued by the legal representative/executive partner of the corporate or institutional shareholder according to law.</p> | <p>Article 61 An individual shareholder who attends the meeting in person shall produce his/her own identification card or other valid documents or proof evidencing his/her identity. If a proxy attends the meeting on his/her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder.</p> <p>A corporate shareholder or other institutional shareholder shall attend the meeting by its legal representative/executive partner or proxy appointed by the legal representative/executive partner. Where the legal representative/executive partner attends the meeting, he/she shall produce his/her own identification card, valid certificates evidencing his/her capacity as the legal representative/executive partner. Where a proxy is appointed to attend the meeting, he/she shall produce his/her own identification card, the written power of attorney issued by the legal representative/executive partner of the corporate or institutional shareholder according to law.</p> |

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| | <p>If the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time, such shareholder may authorize one or more persons as he/she deems appropriate to act on his/her behalf at any general meetings; however, if more than one persons are thus authorized, the power of attorney shall specify the numbers and classes of shares in respect of which such persons are authorized, and signed by the authorized person of the recognized clearing house. The person(s) so authorized may attend the meeting and exercise the rights on behalf of the recognized clearing house (or its nominee) without producing certificates of shareholding, the notarized power of attorney and/or further evidence to prove that he/she has been duly authorized as if such person is an individual shareholder of the Company.</p> | <p>If the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances enacted in Hong Kong from time to time, such shareholder may authorize one or more persons as it deems appropriate to act on its behalf at any general meetings; however, if more than one persons are thus authorized, the power of attorney shall specify the numbers and classes of shares in respect of which such persons are authorized, and signed by the authorized person of the recognized clearing house. The person(s) so authorized may attend the meeting and exercise the rights on behalf of the recognized clearing house (or its nominee) without producing certificates of shareholding, the notarized power of attorney and/or further evidence to prove that he/she has been duly authorized as if such person is an individual shareholder of the Company.</p> |
| Article 61 | <p>Article 61 A proxy of attorney issued by a shareholder to entrust another person as his/her proxy to attend the general meeting shall contain the following:</p> <p>(I) the name of the proxy;</p> <p>(II) whether the proxy has voting right or not;</p> | <p>Article 62 A proxy of attorney issued by a shareholder to entrust another person as his/her proxy to attend the general meeting shall contain the following:</p> <p>(I) the name of the principal and the class and number of shares of the Company held by him/her;</p> <p>(II) the name of the proxy;</p> |

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| | <p>(III) separate instructions as to whether to cast affirmative, negative or abstention votes on each and every matter under consideration listed on the agenda of the general meeting, whether the proxy has the right to vote on the interim proposal that may be added to the agenda of the meeting and the specific instructions as to what vote to cast if he or she has such right to vote;</p> <p>(IV) the issuing date and validity period of the power of attorney;</p> <p>(V) signature (or seal) of the principal. If the principal is a legal person shareholder/ institutional shareholder, the power of attorney shall be affixed with the seal of the legal person/institution.</p> | <p>(III) the specific instructions from the shareholder, including instructions as to whether to cast affirmative, negative or abstention votes on each and every matter under consideration listed on the agenda of the general meeting, whether the proxy has the right to vote on the interim proposal that may be added to the agenda of the meeting and the specific instructions as to what vote to cast if he or she has such right to vote, etc.;</p> <p>(IV) the issuing date and validity period of the power of attorney;</p> <p>(V) signature (or seal) of the principal. If the principal is a legal person shareholder/ institutional shareholder, the power of attorney shall be affixed with the seal of the legal person/institution.</p> |
| Article 62 | Article 62 The power of attorney shall indicate whether the proxy can vote as he/she thinks fit or not if the shareholder does not make specific instructions. | / |

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| Article 63 | <p>Article 63 The power of attorney shall be lodged at the domicile of the Company or other places as specified in the notice of the 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 power of attorney is signed by a person authorized by the principal, the power of attorney or other authorization instruments authorized to be signed shall be notarized. The notarized power of attorney or other authorization instruments, together with the power of attorney, shall be lodged at the domicile of the Company or other places as specified in the notice of the meeting.</p> <p>Where the principal is a legal person, its legal representative or the person authorized by the resolutions of its board of directors or other decision-making body shall be entitled to attend the general meeting of shareholders of the Company as a representative of the principal.</p> | <p>Article 63 The power of attorney shall be lodged at the domicile of the Company or other places as specified in the notice of the 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 power of attorney is signed by a person authorized by the principal, the power of attorney or other authorization documents evidencing such authority shall be notarized. The notarized power of attorney or other authorization instruments, together with the power of attorney, shall be lodged at the domicile of the Company or other places as specified in the notice of the meeting.</p> |
| Article 66 | <p>Article 66 When the general meeting is held, all directors and secretary to the Board of Directors of the Company shall attend the meeting, and the general manager and other senior management shall attend the meeting as non-voting participants.</p> | <p>Article 66 Where the general meeting requires directors and senior management to attend the meeting as non-voting participants, the directors and senior management shall attend as non-voting participants and answer the inquiries of shareholders.</p> |

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| Article 68 | Article 68 The Company shall stipulate the rules of procedures for the general meeting and specify in detail the procedure for convening and voting at the general meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, public announcements as well as principles of authorization to the Board of Directors by the general meeting. The rules of procedures for the general meeting shall be appended to the Articles of Association. They shall be stipulated by the Board of Directors and approved by the general meeting. | Article 68 The Company shall stipulate the rules of procedures for the general meeting and specify in detail the procedure for holding , convening and voting at the general meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, public announcements as well as principles of authorization to the Board of Directors by the general meeting. The rules of procedures for the general meeting shall be included or be appended to the Articles of Association. They shall be stipulated by the Board of Directors and approved by the general meeting. |
| Article 73 | Article 73 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, secretaries to the Board of Directors, conveners and their representatives and the chairman of the meeting shall sign on the minutes. The minutes shall be kept together with the registration record of attending shareholders, the power of attorney for proxy attendance, the valid documents relating to the voting over network and other means of voting, for a period of no less than ten years. | Article 73 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, secretaries to the Board of Directors, conveners and their representatives and the chairman of the meeting attending or presenting the meeting shall sign on the minutes. The minutes shall be kept together with the registration record of attending shareholders, the power of attorney for proxy attendance, the valid documents relating to the voting over network and other means of voting, for a period of no less than ten years. |
| Article 81 | Article 81 The list of candidates for directors shall be submitted to the general meeting in the form of a proposal for voting. | Article 81 The list of candidates for directors who are not employee representatives shall be submitted to the general meeting in the form of a proposal for voting. |

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| | <p>When voting in respect of the election of directors at the general meeting is conducted, a cumulative voting system shall be implemented in accordance with the Articles of Association or resolutions at the general meeting.</p> <p>The “cumulative voting system” mentioned in the previous paragraph refers to: in electing directors at the general meeting, the voting right(s) carried by each share shall be the same as the number of directors to be elected. The voting right(s) of the shareholders can be exercised in a concentrated manner. The Board of Directors shall provide the brief biographies and basic information of the candidates for directors to the shareholders.</p> <p>The nomination of directors shall be in accordance with the following method and procedures:</p> <p>(I) The Board of Directors, and shareholders who individually or collectively hold 1% or above shares shall be entitled to submit proposals to the general meeting for the election of directors. The Board of Directors, and shareholders who individually or collectively hold 1% or above shares shall be entitled to submit proposals to the general meeting for the election of independent non-executive directors. The Board of Directors shall examine the qualifications of the candidates and propose them to the general meeting for election.</p> | <p>When voting in respect of the election of directors at the general meeting is conducted, a cumulative voting system shall be implemented in accordance with the Articles of Association or resolutions at the general meeting.</p> <p>When the general meeting elects two or more independent directors, the cumulative voting system shall be implemented.</p> <p>The “cumulative voting system” mentioned in the previous paragraph refers to: in electing directors at the general meeting, the voting right(s) carried by each share shall be the same as the number of directors to be elected. The voting right(s) of the shareholders can be exercised in a concentrated manner. The Board of Directors shall provide the brief biographies and basic information of the candidates for directors to the shareholders.</p> <p>The nomination of directors shall be in accordance with the following method and procedures:</p> <p>(I) The Board of Directors, and shareholders who individually or collectively hold 1% or above shares shall be entitled to submit proposals to the general meeting for the election of directors who are not employee representatives. The Board of Directors shall examine the qualifications of the candidates and propose them to the general meeting for election.</p> |

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| | <p>(II) The employee representatives directors shall be elected at the employee representatives’ meeting, employee meeting or otherwise democratically.</p> <p>In adopting the cumulative voting system for the election of directors, the general meeting shall comply with the following rules:</p> <p>(I) The total cumulative voting rights held by the shareholders (including shareholders’ proxies) attending the meeting shall be the number of shares of the Company held by such shareholders multiplied by the number of directors to be elected at the general meeting.</p> <p>(II) The shareholders (including the shareholders’ proxies) present at the meeting shall be entitled to freely allocate the total voting rights calculated on a cumulative basis for the election of each candidate. The smallest unit of voting rights to be allocated to each candidate by each shareholder (including shareholders’ proxies) present at the meeting shall be the number of shares held by him/her. The total number of voting rights allocated to all candidates by each shareholder shall not exceed the total number of voting rights calculated on a cumulative basis but may be less than the total number of voting rights calculated on a cumulative basis, and the difference shall be deemed as the shareholder giving up that part of the voting rights.</p> | <p>(II) The employee representatives directors shall be elected at the employee representatives’ meeting, employee meeting or otherwise democratically.</p> <p>In adopting the cumulative voting system for the election of directors, the general meeting shall comply with the following rules:</p> <p>(I) The total cumulative voting rights held by the shareholders (including shareholders’ proxies) attending the meeting shall be the number of shares of the Company held by such shareholders multiplied by the number of directors to be elected at the general meeting.</p> <p>(II) The shareholders (including the shareholders’ proxies) present at the meeting shall be entitled to freely allocate the total voting rights calculated on a cumulative basis for the election of each candidate. The smallest unit of voting rights to be allocated to each candidate by each shareholder (including shareholders’ proxies) present at the meeting shall be the number of shares held by him/her. The total number of voting rights allocated to all candidates by each shareholder shall not exceed the total number of voting rights calculated on a cumulative basis but may be less than the total number of voting rights calculated on a cumulative basis, and the difference shall be deemed as the shareholder giving up that part of the voting rights.</p> |

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| | <p>(III) If the number of candidates exceeds the number of positions to be elected, i.e. when differential election is held, any candidate will be elected in order from the most votes to the least. In the event of a tie, the candidates whose names are listed at the end of the list of candidates with the same number of votes shall be elected by all shareholders present at the general meeting by way of differential election as a director.</p> <p>(IV) If the number of candidates is equal to the number of directors to be elected, all candidates shall be elected in the order of the number of votes received. However, the cumulative number of votes received by each candidate shall be at least 1% of the total number of shares held by the shareholders (including shareholders' proxies) present at the general meeting. If not all the directors are elected, a separate election shall be held at a future general meeting.</p> | <p>(III) If the number of candidates exceeds the number of positions to be elected, i.e. when differential election is held, any candidate will be elected in order from the most votes to the least. In the event of a tie, the candidates whose names are listed at the end of the list of candidates with the same number of votes shall be elected by all shareholders present at the general meeting by way of differential election as a director.</p> <p>(IV) If the number of candidates is equal to the number of directors to be elected, all candidates shall be elected in the order of the number of votes received. However, the cumulative number of votes received by each candidate shall be at least 1% of the total number of shares held by the shareholders (including shareholders' proxies) present at the general meeting. If not all the directors are elected, a separate election shall be held at a future general meeting.</p> |
| Article 83 | Article 83 No amendment shall be made on the proposals when it is considered at the general meeting, otherwise the relevant amendment shall be deemed as a new proposal and shall not be voted on at the general meeting. | Article 83 No amendment shall be made on the proposals when it is considered at the general meeting, if any amendment is made, it shall be deemed as a new proposal and shall not be voted on at the general meeting. |

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| Article 87 | <p>Article 87 A on-site general meeting shall not conclude earlier than that held on-line or otherwise (if any), and the chairman of the meeting shall announce the voting result of every proposal and announce whether the proposal is passed based on the voting result.</p> <p>Before the voting result is announced, the relevant parties including the companies, counting officer, supervising officer, substantial shareholders and network service provider (if any) involved in relation to the on-site voting, on-line or otherwise shall have the confidentiality obligation.</p> | <p>Article 87 A on-site general meeting shall not conclude earlier than that held on-line or otherwise (if any), and the chairman of the meeting shall announce the voting result of every proposal and announce whether the proposal is passed based on the voting result.</p> <p>Before the voting result is announced, the relevant parties including the companies, counting officer, supervising officer, shareholders and network service provider (if any) involved in relation to the on-site voting, on-line or otherwise shall have the confidentiality obligation.</p> |

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| Article 94 | <p>Article 94 Directors of the Company are natural persons. The following person shall not serve as a director of the Company:</p> <p>(I) person without capacity or with limited capacity of civil conduct;</p> <p>(II) person who has committed offences relating to corruption, bribery, misappropriation of fund, misappropriation of property or disruption of social economic order and has been sentenced to criminal punishment, where less than five years has elapsed since the date of completion of the sentence, or who has been deprived of his/her political rights due to a criminal offense, where less than five years has elapsed since the date of restoring his/her political rights;</p> <p>(III) person who was a former director, factory manager or manager of a company or enterprise which was declared bankrupt and was liquidated and who was personally liable for the bankruptcy of such company or enterprise, where less than three years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p> | <p>Article 94 Directors of the Company are natural persons. The following person shall not serve as a director of the Company:</p> <p>(I) person without capacity or with limited capacity for civil conduct;</p> <p>(II) person who has committed offences relating to corruption, bribery, misappropriation of funds, misappropriation of property or disruption of social economic order and has been sentenced to criminal punishment, where less than five years has elapsed since the date of completion of the sentence, or who has been deprived of his/her political rights due to a criminal offense, where less than five years has elapsed since the date of restoring his/her political rights, or in the case of a suspended sentence, where less than two years have elapsed since the end of the probation period;</p> <p>(III) person who was a former director, factory manager or manager of a company or enterprise which was declared bankrupt and was liquidated and who was personally liable for the bankruptcy of such company or enterprise, where less than three years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p> |

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| | <p>(IV) person who was a legal representative of a company or enterprise which had its business license revoked and was ordered to close down due to violation of the law and who was personally liable, where less than three years has elapsed since the date of the revocation;</p> <p>(V) person who has a substantial number of debts due and outstanding;</p> <p>(VI) person who is subject to the CSRC’s punishment which prohibits him/her from entering into the securities market for a period which has not yet expired;</p> <p>(VII) other circumstances specified by the laws, administrative regulations, departmental rules, other normative documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company’s shares are listed.</p> <p>Any election, designation or appointment of directors in violation of this article shall be void and null. Where a director falls into any of the aforesaid circumstances in his/her term of office, the director shall be removed from office.</p> | <p>(IV) person who was a legal representative of a company or enterprise which had its business license revoked and was ordered to close down due to violation of the law and who was personally liable, where less than three years has elapsed since the date of the revocation or ordered closure;</p> <p>(V) person who has a substantial number of debts due and outstanding and has been listed by a people’s court as a discredited debtor;</p> <p>(VI) person who is subject to the CSRC’s punishment which prohibits him/her from entering into the securities market for a period which has not yet expired;</p> <p>(VII) person who is publicly identified by a stock exchange as unsuitable to serve as a director or senior management member of a listed company, and such period has not expired;</p> <p>(VIII) other circumstances specified by the laws, administrative regulations, departmental rules, other normative documents, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company’s shares are listed.</p> <p>Any election, designation or appointment of directors in violation of this article shall be void and null. Where a director falls into any of the aforesaid circumstances in his/her term of office, the director shall be removed from office and cease to perform his/her duties.</p> |

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| Article 95 | <p>Article 95 Non-employee representative directors shall be elected or replaced by the general meeting and may further be removed from their office prior to the conclusion of the term thereof by the general meeting. Each session shall serve a term of three years and shall be eligible for re-election and re-appointment upon the expiration of his/her term. Directors need not hold any shares of the Company.</p> <p>Employee representative directors shall be elected or replaced by the employee representatives' meeting, and may further be removed from their office prior to the conclusion of the term thereof by the employee representatives' meeting. Directors shall serve a term of three years for each session. A director shall be eligible for re-election and re-appointment upon the expiration of his/her term.</p> <p>The term of office of a director shall commence from the date on which the said director assumes office until the expiry of the term of office of the current session of the Board of Directors. A director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office.</p> <p>A director may serve concurrently as manager or other senior management, but the total number of directors serving concurrently as manager or other senior management and employee representative directors shall not be more than half of the directors of the Company.</p> | <p>Article 95 Non-employee representative directors shall be elected or replaced by the general meeting and may further be removed from their office prior to the conclusion of the term thereof by the general meeting. Each session shall serve a term of three years and shall be eligible for re-election and re-appointment upon the expiration of his/her term. Directors need not hold any shares of the Company.</p> <p>Employee representative directors shall be elected or replaced by the employee representatives' meeting, and may further be removed from their office prior to the conclusion of the term thereof by the employee representatives' meeting. Directors shall serve a term of three years for each session. A director shall be eligible for re-election and re-appointment upon the expiration of his/her term.</p> <p>The term of office of a director shall commence from the date on which the said director assumes office until the expiry of the term of office of the current session of the Board of Directors. A director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office.</p> <p>A director may serve concurrently as general manager or other senior management, but the total number of directors serving concurrently as general manager or other senior management and employee representative directors shall not be more than half of the directors of the Company.</p> |

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| | <p>There are employee representative directors on the Board of Directors. The candidates for employee representative directors shall also meet the following conditions:</p> <p>(I) have an employment relationship with the Company;</p> <p>(II) be capable to represent and reflect the reasonable demands of employees, safeguard the legitimate rights and interests of both employees and the Company, and be trusted and supported by the employee group;</p> <p>(III) be familiar with the Company's operation and management or have relevant work experience, be well-acquainted with labor laws and regulations, and possess strong coordination and communication capabilities;</p> <p>(IV) abide by disciplines and laws, have good moral character, handle affairs impartially, and maintain integrity and self-discipline;</p> <p>(V) fulfilling other conditions stipulated by laws and regulations and the Hong Kong Listing Rules.</p> | <p>There are employee representative directors on the Board of Directors. The candidates for employee representative directors shall also meet the following conditions:</p> <p>(I) have an employment relationship with the Company;</p> <p>(II) be capable to represent and reflect the reasonable demands of employees, safeguard the legitimate rights and interests of both employees and the Company, and be trusted and supported by the employee group;</p> <p>(III) be familiar with the Company's operation and management or have relevant work experience, be well-acquainted with labor laws and regulations, and possess strong coordination and communication capabilities;</p> <p>(IV) abide by disciplines and laws, have good moral character, handle affairs impartially, and maintain integrity and self-discipline;</p> <p>(V) fulfilling other conditions stipulated by laws and regulations and the Hong Kong Listing Rules.</p> |

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| Article 96 | <p>Article 96 The directors shall comply with the laws, administrative regulations and the Articles of Association and shall faithfully perform their following obligations to the Company:</p> <p>(I) not to abuse their rights to accept bribes or other illegal income and not to misappropriate the properties of the Company;</p> <p>(II) not to misappropriate the money of the Company;</p> <p>(III) not to deposit any assets or money of the Company in any accounts under their names or in the names of other persons;</p> <p>(IV) not to violate the Articles of Association and lend the money of the Company to others or provide guarantee to others by charging the Company's assets without approval of the general meetings or the Board of Directors;</p> <p>(V) not to enter into contracts or transactions with the Company in violation of the Articles of Association or without approval of the general meeting;</p> | <p>Article 96 The directors shall comply with the laws, administrative regulations and the provisions of the Articles of Association and shall faithfully perform their obligations to the Company. They shall take measures to avoid conflicts between their personal interests and the interests of the Company, and shall not abuse their authority to obtain improper benefits.</p> <p>Directors shall faithfully perform their following obligations to the Company:</p> <p>(I) not to misappropriate the properties of the Company, and not to misappropriate the money of the Company;</p> <p>(II) not to deposit any money of the Company in any accounts under their names or in the names of other persons;</p> <p>(III) not to abuse their rights to accept bribes or other illegal income;</p> |

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| | <p>(VI) not to use their position to obtain business opportunities which should be available to the Company for themselves or others, or to run his/her own or others' business which is similar to the Company's business without approval of the general meeting;</p> <p>(VII) not to accept commissions from transactions with the Company for their own benefits;</p> <p>(VIII) not to disclose the secrets of the Company without consent;</p> <p>(IX) not to use their connected relationship to harm the interests of the Company;</p> <p>(X) to be bound by other duties of loyalty stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of places where the Company's shares are listed and the Articles of Association.</p> <p>The Company shall be entitled to the income gained by the directors in violation of this article; the director shall be liable for compensation if any loss is caused to the Company.</p> | <p>(IV) not to conclude any contract or enter into any transaction with the Company directly or indirectly, without reporting to the Board of Directors or the general meeting, and without being approved by a resolution of the Board of Directors or the general meeting in accordance with the provisions of the Articles of Association;</p> <p>(V) not to take advantage of their positions to seek business opportunities for themselves or others that should have otherwise been available to the Company, except where such opportunities are reported to the Board of Directors or the general meeting and approved by a resolution of the general meeting, or where the Company is unable to make use of such business opportunities according to laws, administrative regulations, or the Articles of Association;</p> <p>(VI) not to run his/her own or others' business which is similar to the Company's business without reporting to the Board of Directors or the general meeting and approved by a resolution of the general meeting;</p> <p>(VII) not to accept commissions from transactions between others and the Company for their own benefits;</p> <p>(VIII) not to disclose the secrets of the Company without consent;</p> <p>(IX) not to use their connected relationship to harm the interests of the Company;</p> |

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| | | <p>(X) to be bound by other duties of loyalty stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of places where the Company's shares are listed and the Articles of Association.</p> <p>The Company shall be entitled to the income gained by the directors in violation of this article; the director shall be liable for compensation if any loss is caused to the Company.</p> <p>The close family members of the directors and senior management members, enterprises directly or indirectly controlled by the directors and senior management members or their close family members, as well as other connected person who have other connected relationships with directors and senior management members, shall be subject to the provisions of item (IV) of paragraph 2 of this Article when entering into contracts or conducting transactions with the Company.</p> |

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| Article 97 | <p>Article 97 The directors shall comply with the laws, administrative regulations and the Articles of Association and shall diligently perform their following obligations to the Company:</p> <p>(I) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company's commercial activities are in compliance with the laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business license;</p> <p>(II) to treat all shareholders fairly;</p> <p>(III) to understand the operation and management of the Company in a timely manner;</p> <p>(IV) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;</p> <p>(V) to provide all relevant information and materials required by the Audit Committee and shall not intervene the performance of duties of the Audit Committee;</p> <p>(VI) to perform other obligations of diligence stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of places where the Company's shares are listed and the Articles of Association.</p> | <p>Article 97 The directors shall comply with the laws, administrative regulations and the provisions of the Articles of Association and shall diligently perform their obligations to the Company. They shall exercise their duties with the reasonable care ordinarily expected of a prudent manager, acting in the best interests of the Company.</p> <p>The directors shall diligently perform their following obligations to the Company:</p> <p>(I) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company's commercial activities are in compliance with the laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business license;</p> <p>(II) to treat all shareholders fairly;</p> <p>(III) to understand the operation and management of the Company in a timely manner;</p> <p>(IV) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;</p> <p>(V) to provide all relevant information and materials required by the Audit Committee and shall not intervene the performance of duties of the Audit Committee;</p> |

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| | | (VI) to perform other obligations of diligence stipulated by the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of places where the Company’s shares are listed and the Articles of Association. |
| Article 101 | Article 101 When a director’s resignation takes effect or his/her term of service expires, the director shall complete all transfer procedures with the Board of Directors. His/her duty of loyalty towards the Company and the shareholders do not necessarily cease after the end of his/her term of service. The duty of confidentiality in respect of trade secrets of the Company shall still be in effect after the end of his/her term of office, until such secrets become publicly available information. The specific period for directors to fulfill the duty of loyalty shall be one year from the date when his/her resignation takes effect, or his/her term of service expires. Duration of other obligations shall be determined following the principle of fairness, taking into full account the nature of the matter, its importance to the Company, the length of time it has affected the Company and the Company’s relationship with the director comprehensively. | Article 101 The Company shall establish a management system for director resignation, clarifying the security measures for accountability and claims on unfulfilled public commitments and other outstanding issues. When a director’s resignation takes effect or his/her term of service expires, the director shall complete all transfer procedures with the Board of Directors. His/her duty of loyalty towards the Company and the shareholders does not necessarily cease after the end of his/her term of service. The duty of confidentiality in respect of trade secrets of the Company shall still be in effect after the end of his/her term of office, until such secrets become publicly available information. The responsibilities that a director shall bear during his/her term of office due to his/her execution of duties shall not be exempted or terminated due to resignation from office. The specific period for directors to fulfill the duty of loyalty shall be one year from the date when his/her resignation takes effect, or his/her term of service expires. Duration of other obligations shall be determined following the principle of fairness, taking into full account the nature of the matter, its importance to the Company, the length of time it has affected the Company and the Company’s relationship with the director comprehensively. |

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| / | / | Article 102 The general meeting may resolve to dismiss a director who is not an employee representative director, and such dismissal shall take effect on the date the resolution is passed. If a director is removed before the expiration of their term without just cause, the director may seek compensation from the Company. |

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| Article 104 | <p>Article 104 The Company shall have independent directors (equivalent to the independent non-executive directors referred to in the Hong Kong Listing Rules), whose qualification requirements, nomination and selection procedures, term of office, resignation, and function and power shall be implemented in accordance with the relevant provisions of laws, administrative regulations, departmental rules and regulatory rules of the place where the Company's shares are listed. Unless otherwise stipulated in this Chapter, the provisions of the Articles of Association concerning the qualifications and duties of directors shall apply to independent directors.</p> <p>Independent directors shall faithfully perform their duties and safeguard the interests of the Company; in particular, they shall see to it that the legitimate rights and interests of public shareholders are not harmed, so as to ensure that the interests of all shareholders are fully represented. The function and power and related matters of independent directors shall be carried out in accordance with laws, administrative regulations, departmental rules and the securities regulatory rules in the place where the Company's shares are listed.</p> | / |

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| Article 106 | <p>Article 106 The Board of Directors shall consist of nine directors, including three independent non-executive directors. The board of directors shall have one chairman, two vice chairmen and one employee representative director. At all times, the Board of Directors shall have more than one-third independent non-executive directors, and the total number of independent non-executive directors shall not be less than three. At least one independent non-executive director shall have appropriate professional qualifications in line with regulatory requirements or be equipped with appropriate accounting or relevant financial management expertise. The term of office of an independent non-executive director shall not exceed nine years.</p> | <p>Article 106 The Board of Directors shall consist of nine directors, including three independent non-executive directors. The board of directors shall have one chairman, two vice chairmen and one employee representative director. At all times, the Board of Directors shall have more than one-third independent non-executive directors, and the total number of independent non-executive directors shall not be less than three. At least one independent non-executive director shall have appropriate professional qualifications in line with regulatory requirements or be equipped with appropriate accounting or relevant financial management expertise.</p> |
| Article 107 | <p>Article 107 The Board of Directors shall be accountable to the general meeting and exercise the following functions and powers:</p> <p>(I) to convene the general meeting and report to the general meeting;</p> <p>(II) to implement resolutions of the general meeting;</p> <p>(III) to decide on the Company’s business plans (covering the Company and the subsidiaries controlled by it (hereinafter referred to as the “Group Companies”)) and investment plans;</p> <p>(IV) to formulate the annual financial budgets (covering all Group Companies) and final accounts of the Company;</p> <p>(V) to formulate the Company’s profit distribution plans and plans on making up losses;</p> | <p>Article 107 The Board of Directors shall be accountable to the general meeting and exercise the following functions and powers:</p> <p>(I) to convene the general meeting and report to the general meeting;</p> <p>(II) to implement resolutions of the general meeting;</p> <p>(III) to decide on the Company’s business plans (covering the Company and the subsidiaries controlled by it) and investment plans;</p> <p>(IV) to formulate the annual financial budgets (covering the Company and the subsidiaries controlled by it) and final accounts of the Company;</p> <p>(V) to formulate the Company’s profit distribution plans and plans on making up losses;</p> |

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| | <p>(VI) to formulate proposals for the increase or reduction of the registered capital, the issuance of shares, debentures or other securities of the Company and the listing plan of the Company;</p> <p>(VII) to formulate plans for the Company's major acquisition, repurchase of the shares of the Company, or merger, division, dissolution or change of corporate form of the Company;</p> <p>(VIII) to decide on matters such as investments, purchase and sale of assets, pledge of assets, external guarantee, entrustment of financial management, connected transactions and donations of the Company within the scope of authorization by the general meeting;</p> <p>(IX) to decide on establishment of internal management organs of the Company;</p> <p>(X) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board of Directors and other members of the senior management and decide on matters of their remuneration and rewards and punishments; according to the nomination of the general manager, decide to appoint or dismiss the Company's chief financial officer and other senior management, and decide on matters of their remuneration, rewards and punishments;</p> <p>(XI) to formulate the basic management system of the Company;</p> | <p>(VI) to formulate proposals for the increase or reduction of the registered capital, the issuance of shares, debentures or other securities of the Company and the listing plan of the Company;</p> <p>(VII) to formulate plans for the Company's major acquisition, repurchase of the shares of the Company, or merger, division, dissolution or change of corporate form of the Company;</p> <p>(VIII) to decide on matters such as investments, purchase and sale of assets, pledge of assets, external guarantee, entrustment of financial management, connected transactions and donations of the Company within the scope of authorization by the general meeting;</p> <p>(IX) to decide on establishment of internal management organs of the Company;</p> <p>(X) to decide on the appointment or dismissal of the Company's general manager, secretary to the Board of Directors and other members of the senior management and decide on matters of their remuneration and rewards and punishments; according to the nomination of the general manager, decide to appoint or dismiss the Company's chief financial officer and other senior management, and decide on matters of their remuneration, rewards and punishments;</p> <p>(XI) to formulate the basic management system of the Company;</p> |

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| | <p>(XII) to formulate proposals to amend the Articles of Association;</p> <p>(XIII) to manage the Company’s information disclosures;</p> <p>(XIV) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;</p> <p>(XV) to listen to the work report of the general manager of the Company and to inspect the work of the general manager;</p> <p>(XVI) to consider and approve the handling of the shares held by the domestic shareholders of the Company transferred to overseas investors, or the domestic shareholders of the Company are allowed to transfer their shares to overseas listed shares and list the said shares on overseas stock exchanges; and</p> <p>(XVII) other functions and powers provided for in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.</p> <p>Matters beyond the scope of authorization of the general meeting shall be submitted to the general meeting for deliberation.</p> | <p>(XII) to formulate proposals to amend the Articles of Association;</p> <p>(XIII) to manage the Company’s information disclosures;</p> <p>(XIV) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;</p> <p>(XV) to listen to the work report of the general manager of the Company and to inspect the work of the general manager; and</p> <p>(XVI) other functions and powers provided for in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company’s shares are listed or the Articles of Association.</p> <p>Matters beyond the scope of authorization of the general meeting shall be submitted to the general meeting for deliberation.</p> |

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| Article 108 | <p>Article 108 The Board of Directors of the Company has established the Audit Committee, and shall establish the relevant special committees such as the Nomination Committee and Remuneration Committee as necessary. The special committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and approval. Each special committee shall be comprised of at least three members, who are all directors, in which the independent directors shall account for more than half of the members of Nomination Committee and Remuneration Committee, in which an independent director shall serve as the chairman (convener) of the Remuneration Committee, and an independent director shall serve as the chairman (convener) of the Nomination Committee. All members of the Audit Committee shall be the non-executive directors (including independent directors), of which at least one independent director shall possess the appropriate professional qualifications required by the Hong Kong Listing Rules, or have appropriate accounting or related expertise in financial management. The person in charge of each special committee shall be appointed by the Board of Directors.</p> <p>The Board of Directors is responsible for the compilation of the rules of procedure and regulation of operation of each special committee, which regulate the formation, terms of reference and procedure of special committees, and regulate the operation of the special committees.</p> | <p>Article 108 The Board of Directors of the Company has established the Audit Committee, and shall establish the relevant special committees such as the Nomination Committee and Remuneration Committee as necessary. The special committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and approval. Each special committee shall be comprised of at least three members, who are all directors, in which the independent directors shall account for more than half of the members of Nomination Committee and Remuneration Committee, in which an independent director shall serve as the convener of the Remuneration Committee, and an independent director shall serve as the convener of the Nomination Committee. All members of the Audit Committee shall be independent directors, of which at least one independent director shall possess the appropriate professional qualifications required by the Hong Kong Listing Rules, or have appropriate accounting or related expertise in financial management. Members and convener of each special committee shall be elected by the Board of Directors.</p> <p>The Board of Directors is responsible for the compilation of the rules of procedure and regulation of operation of each special committee, which regulate the formation, terms of reference and procedure of special committees, and regulate the operation of the special committees.</p> |

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| | <p>Special committees of the Board of Directors are designated organizations under the Board of Directors, which provide suggestions or consulting opinions to the Board of Directors on material decision-making. Special committees shall not make any decision in the name of the Board of Directors, but can exercise the right of decision-making on authorized matters in accordance with the special authorization from the Board of Directors.</p> <p>Each special committee could engage an intermediary to provide professional opinion in accordance with the actual needs at the expense of the Company.</p> <p>Each special committee shall be accountable to the Board of Directors and report its work to the same.</p> | <p>Special committees of the Board of Directors are designated organizations under the Board of Directors, which provide suggestions or consulting opinions to the Board of Directors on material decision-making. Special committees shall not make any decision in the name of the Board of Directors, but can exercise the right of decision-making on authorized matters in accordance with the special authorization from the Board of Directors.</p> <p>Each special committee could engage an intermediary to provide professional opinion in accordance with the actual needs at the expense of the Company.</p> <p>Each special committee shall be accountable to the Board of Directors and report its work to the same.</p> |
| Article 112 | <p>Article 112 The Board of Directors has one chairman and two vice chairmen who shall be elected and removed by the Board of Directors with more than half of all directors. The terms of the chairman and vice chairmen is three years and they may be re-elected for successive reappointments.</p> | <p>Article 112 The Board of Directors has one chairman and two vice chairmen who shall be elected and removed by the Board of Directors with more than half of all directors. Each term of the chairman and vice chairmen is three years and they may be re-elected for successive reappointments.</p> |

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| Article 113 | <p>Article 113 The chairman of the Board of Directors shall exercise the following functions and powers:</p> <p>(I) to preside over general meetings, and convene and preside over meetings of the Board of Directors;</p> <p>(II) to supervise and review the implementation of resolutions passed by the Board of Directors;</p> <p>(III) to sign the share certificates, corporate bonds and other marketable securities issued by the Company;</p> <p>(IV) to sign the important documents of the Board of Directors;</p> <p>(V) in the event of emergency of force majeure such as catastrophic natural disaster, to enforce special discretion on the affairs of the Company in accordance with provisions of laws and the interests of the Company and to report to the Board of Directors of the Company and the general meeting afterwards;</p> <p>(VI) to exercise other functions and powers conferred by the Board of Directors or laws, administrative regulations and regulatory rules of the place where the Company’s shares are listed.</p> | <p>Article 113 The chairman of the Board of Directors shall exercise the following functions and powers:</p> <p>(I) to preside over general meetings, and convene and preside over meetings of the Board of Directors;</p> <p>(II) to supervise and review the implementation of resolutions passed by the Board of Directors;</p> <p>(III) to sign the important documents of the Board of Directors;</p> <p>(IV) in the event of emergency of force majeure such as catastrophic natural disaster, to enforce special discretion on the affairs of the Company in accordance with provisions of laws and the interests of the Company and to report to the Board of Directors of the Company and the general meeting afterwards;</p> <p>(V) to exercise other functions and powers conferred by the Board of Directors or laws, administrative regulations and regulatory rules of the place where the Company’s shares are listed.</p> |

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| | The authorization to the chairman of the Board of Directors by the Board of Directors shall be granted clearly in the way of resolution passed by Board of Directors, which shall specify the particulars of authorization matters, content and authority. Matters that involve material interest of the Company shall be decided by the Board of Directors collectively, and the chairman of the Board of Directors or individual directors shall not be authorized to decide on his/her own. | The authorization to the chairman of the Board of Directors by the Board of Directors shall be granted clearly in the way of resolution passed by Board of Directors, which shall specify the particulars of authorization matters, content and authority. Matters that involve material interest of the Company shall be decided by the Board of Directors collectively, and the chairman of the Board of Directors or individual directors shall not be authorized to decide on his/her own. |
| Article 116 | Article 116 Interim Board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the directors. The chairman of the Board of Directors shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting. | Article 116 Interim Board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the directors or the Audit Committee . The chairman of the Board of Directors shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting. |
| Article 117 | Article 117 Notices of interim Board meetings shall be served to all the directors 3 days before the meetings are convened. In case of urgency, which the interim Board meetings shall be convened as soon as possible, notice of the meeting could be given without being subject to the restriction listed in the preceding article. | Article 117 Notices of interim Board meetings shall be served to all the directors 3 days before the meetings are convened. In case of urgency, which the interim Board meetings shall be convened as soon as possible, notice of the meeting, with the consent of all directors , could be given, without being subject to the restriction listed in the preceding article. |

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| Article 120 | <p>Article 120 If a director is associated with the enterprises that are involved in the matters to be resolved at a Board meeting, he/she shall not exercise his/her voting rights for such matters, nor shall exercise voting rights on behalf of other directors. Such Board meeting can be held if more than one half of the non-connected directors attend and the resolutions made by the Board meeting shall be passed by more than half of the non-connected directors. If less than three non-connected directors present at such meeting, relevant resolutions shall be submitted to the general meeting for consideration.</p> | <p>Article 120 If a director is associated with the enterprises or individuals that are involved in the matters to be resolved at a Board meeting, such director shall promptly report to the Board of Directors in writing. A connected director shall not exercise his/her voting rights for such matters, nor shall exercise voting rights on behalf of other directors. Such Board meeting can be held if more than one half of the non-connected directors attend and the resolutions made by the Board meeting shall be passed by more than half of the non-connected directors. If less than three non-connected directors present at such meeting, relevant resolutions shall be submitted to the general meeting for consideration.</p> |
| / | / | <p>Section 3 Independent Directors</p> <p>Article 125 Independent directors shall conscientiously perform their duties in accordance with laws, administrative regulations, the regulations of CSRC, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the provisions of the Articles of Association. They shall play an active role in decision-making, oversight and checks and balances, and the provision of professional advice within the Board of Directors, with a view to safeguarding the Company's overall interests and protecting the legitimate rights and interests of minority shareholders.</p> |

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| / | / | <p>Article 126 Independent directors must maintain their independence. The following persons shall not serve as independent directors:</p> <p>(I) person who holds an office in the Company or its affiliates, as well as their spouses, parents, children and principal social relations;</p> <p>(II) natural person shareholder who directly or indirectly holds more than 1% of the Company’s issued shares, or a natural person shareholder who is among the top ten shareholders of the Company, as well as their spouses, parents and children;</p> <p>(III) person who holds an office in shareholders that directly or indirectly hold more than 5% of the Company’s issued shares, or in the top five shareholders of the Company, as well as their spouses, parents and children;</p> <p>(IV) person who holds an office in affiliates of the Company’s controlling shareholders or actual controllers, as well as their spouses, parents and children;</p> <p>(V) person who has significant business relations with the Company, its controlling shareholders, actual controllers or their respective affiliates, or a person who serves in an entity that has significant business relations with the Company, or in the controlling shareholders or actual controllers of such entity;</p> |

| | Before amendments | After amendments |
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| | | <p>(VI) persons who provides financial, legal, advisory, sponsorship or other services to the Company, its controlling shareholders, actual controllers or their respective affiliates, including but not limited to all members of the project team of the intermediary providing such services, reviewers at all levels, persons who sign off on reports, partners, directors, senior management and principal officers;</p> <p>(VII) persons who had any of the circumstances set forth in items (I) to (VI) above within the last twelve months;</p> <p>(VIII) other persons who are not independent as stipulated by laws, administrative regulations, provisions of the CSRC, business rules of the stock exchange and the Articles of Association. The affiliates of the Company’s controlling shareholders and actual controllers referred to in items (IV) to (VI) above shall not include enterprises that are controlled by the same state-owned asset management authority as the Company and which, in accordance with relevant provisions, do not constitute a connected relationship with the Company.</p> <p>Independent directors shall conduct an annual self-assessment of their independence and submit the results of such assessment to the Board of Directors. The Board of Directors shall assess the independence of serving independent directors on an annual basis and issue a specific opinion thereon, which shall be disclosed alongside the annual report.</p> |

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| / | / | <p>Article 127 To serve as an independent director of the Company, he/she shall meet the following requirements:</p> <p>(I) to be qualified to serve as a director of a listed company in accordance with laws, administrative regulations and other relevant provisions;</p> <p>(II) to meet the independence requirements set out in the Articles of Association;</p> <p>(III) to possess basic knowledge of the operations of a listed company and be familiar with relevant laws, regulations and rules;</p> <p>(IV) to have no less than five years of work experience in law, accounting or economics necessary for the performance of the duties of an independent director;</p> <p>(V) to have good personal integrity and no adverse records such as material dishonesty;</p> <p>(VI) to meet other conditions stipulated by laws, administrative regulations, the CSRC, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.</p> |

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| / | / | <p>Article 128 As a member of the Board of Directors, an independent director owes the duty of loyalty and the duty of care to the Company and all shareholders, and shall prudently perform the following duties:</p> <p>(I) to participate in the decision-making of the Board of Directors and express clear views on matters under discussion;</p> <p>(II) to monitor potential material conflicts of interest between the Company and its controlling shareholders, actual controllers, directors and senior management, and to protect the legitimate rights and interests of minority shareholders;</p> <p>(III) to provide professional and objective advice on the Company’s business operations and development, thereby enhancing the quality of the decision-making of the Board of Directors;</p> <p>(IV) to perform other duties as prescribed by laws, administrative regulations, the CSRC, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company’s shares are listed, and the Articles of Association.</p> |

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| / | / | <p>Article 129 Independent directors shall exercise the following special functions and powers:</p> <p>(I) to independently engage an intermediary to conduct audits, provide consultancy or carry out due diligence on specific matters relating to the Company;</p> <p>(II) to propose to the Board of Directors to convene an extraordinary general meeting;</p> <p>(III) to propose the convening of a meeting of the Board of Directors;</p> <p>(IV) to publicly solicit shareholder rights from shareholders in accordance with the laws;</p> <p>(V) to express independent opinions on matters that may prejudice the interests of the Company or minority shareholders;</p> <p>(VI) other functions and powers as prescribed by laws, administrative regulations, the CSRC, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.</p> <p>The exercise of the functions and powers listed in items (I) to (III) above by independent directors shall require the approval of more than half of all independent directors.</p> |

| | Before amendments | After amendments |
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| | | Where independent directors exercise the functions and powers listed in the first paragraph, the Company shall disclose such information in a timely manner. Where the aforementioned functions and powers are unable to be exercised normally, the Company shall disclose the specific circumstances and reasons. |
| / | / | <p>Article 130 The following matters shall be submitted to the Board of Directors for consideration only after obtaining the consent of more than half of all independent directors of the Company:</p> <p>(I) connected transactions that are subject to disclosure;</p> <p>(II) proposals by the Company and relevant parties to amend or waive commitments;</p> <p>(III) decisions made and measures taken by the board of directors of the listed company being acquired in response to a takeover offer;</p> <p>(IV) other matters prescribed by laws, administrative regulations, the CSRC, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.</p> |

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| / | / | <p>Article 131 The Company has established a special meeting mechanism attended exclusively by independent directors. For matters such as connected transactions to be deliberated by the Board of Directors, prior approval shall be obtained from the special meeting of independent directors.</p> <p>The Company shall hold special meetings of independent directors on a regular or irregular basis. The matters set forth in items (I) to (III) of the first paragraph of Article 129 and Article 130 of the Articles of Association shall be deliberated at the special meetings of independent directors.</p> <p>The special meetings of independent directors may study and discuss other matters of the Company as necessary.</p> <p>A special meeting of independent directors shall be convened and presided over by an independent director jointly recommended by more than half of all independent directors. If the convener fails to perform or is unable to perform such duties, two or more independent directors may convene the meeting on their own and recommend a representative to preside over it.</p> <p>Minutes of the special meetings of independent directors shall be prepared in accordance with relevant provisions, and the opinions of independent directors shall be clearly stated therein. Independent directors shall sign and confirm the meeting minutes.</p> |

| | Before amendments | After amendments |
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| | | The Company shall provide conveniences and support for the holding of special meetings of independent directors. |
| Article 125 | <p>Article 125 The Company shall have one general manager, and three deputy general managers, who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company shall have a persons-in-charge of finance and a secretary to the Board of Directors. The general manager, deputy general manager, persons-in-charge of finance and secretary to the Board of Directors are the senior management of the Company.</p> | <p>Article 132 The Company shall have one general manager, and three deputy general managers, who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company shall have a persons-in-charge of finance and a secretary to the Board of Directors who shall be appointed or dismissed by the Board of Directors. The general manager, deputy general manager, persons-in-charge of finance and secretary to the Board of Directors are the senior management of the Company.</p> |
| Article 129 | <p>Article 129 The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:</p> <p>(I) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report his/her works to the Board of Directors;</p> <p>(II) to organize the implementation of the Company’s annual business plans and investment plans;</p> <p>(III) to draft plans for the establishment of the Company’s internal management organization;</p> <p>(IV) to draft the Company’s basic management system;</p> <p>(V) to formulate the specific rules and regulations of the Company;</p> | <p>Article 136 The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:</p> <p>(I) to be in charge of the production, operation and management of the Company, to organize the implementation of the resolutions of the Board of Directors, and to report his/her works to the Board of Directors;</p> <p>(II) to organize the implementation of the Company’s annual business plans and investment plans;</p> <p>(III) to draft plans for the establishment of the Company’s internal management organization;</p> <p>(IV) to draft the Company’s basic management system;</p> <p>(V) to formulate the specific rules and regulations of the Company;</p> |

| | Before amendments | After amendments |
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| | <p>(VI) to propose to the Board of Directors on the appointment or dismissal of chief financial officer of the Company;</p> <p>(VII) to decide on appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board of Directors;</p> <p>(VIII) other functions and powers conferred by the Articles of Association or the Board of Directors.</p> <p>The general manager may attend the meetings of the Board of Directors, but has no voting rights at the meetings if he/she is not a director of the Company.</p> | <p>(VI) to propose to the Board of Directors on the appointment or dismissal of deputy general manager(s), chief financial officer of the Company;</p> <p>(VII) to decide on appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board of Directors;</p> <p>(VIII) other functions and powers conferred by the Articles of Association or the Board of Directors.</p> <p>The general manager may attend the meetings of the Board of Directors, but has no voting rights at the meetings if he/she is not a director of the Company.</p> |
| CHAPTER VII | CHAPTER VII THE AUDIT COMMITTEE OF THE BOARD | CHAPTER VII SPECIAL COMMITTEES OF THE BOARD OF DIRECTORS |
| Article 137 | <p>Article 137 The Company shall not establish the Supervisory Committee, or a supervisor, but shall establish the Audit Committee within the Board of Directors to exercise the functions and powers of Supervisory Committee as prescribed by the Company Law, and perform its duties in accordance with the provisions of the Hong Kong Listing Rules and the Terms of Reference of the Audit Committee. The Audit Committee shall be composed of three members consisting of non-executive Directors only and a majority of whom must be independent non-executive Directors. The Committee shall have one convener.</p> | <p>Article 144 The Company shall not establish the Supervisory Committee, or a supervisor, but shall establish the Audit Committee within the Board of Directors to exercise the functions and powers of Supervisory Committee as prescribed by the Company Law, and perform its duties in accordance with the provisions of the Hong Kong Listing Rules and the Terms of Reference of the Audit Committee. The Audit Committee shall be composed of three members consisting of independent Directors. The Committee shall have one convener. Members and the convener of the Audit Committee shall be elected by the Board of Directors.</p> |

| | Before amendments | After amendments |
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| / | / | <p>Article 145 The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external auditing work as well as internal control. The following matters shall be approved by more than half of all members of the Audit Committee before being submitted to the Board of Directors for consideration:</p> <p>(I) disclosure of financial information in the financial accounting reports and periodic reports as well as the internal control assessment reports;</p> <p>(II) appointment or dismissal of the accounting firm that undertakes the auditing services of the Company;</p> <p>(III) appointment or dismissal of the chief financial officer of the Company;</p> <p>(IV) changes in accounting policies, accounting estimates or corrections to major accounting errors due to reasons other than changes in accounting standards;</p> <p>(V) other matters stipulated by the laws, administrative regulations, the China Securities Regulatory Commission, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, as well as the Articles of Association.</p> |

| | Before amendments | After amendments |
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| Article 138 | Article 138 Meetings of the Audit Committee of the Board of Directors shall be held at least once each quarter. An interim meeting may be convened upon the proposal of two or more committee members , or when the convener deems it necessary. A meeting of the Audit Committee of the Board of Directors shall be convened only when more than two-thirds of its members are present. | Article 146 Meetings of the Audit Committee of the Board of Directors shall be held at least once each quarter. An interim meeting may be convened upon the proposal of two or more members , or when the convener deems it necessary. A meeting of the Audit Committee of the Board of Directors shall be convened only when more than two-thirds of its members are present. |
| Article 142 | Article 142 The Audit Committee of the Board of Directors shall record the matters discussed at the meeting in the minutes and the committee members present at the meeting shall sign the minutes. Committee members have the right to request certain explanatory record be included in the minutes regarding their statements made. The minutes of meetings of the Audit Committee of the Board of Directors shall be kept as the Company’s record for a period of not less than 10 years. | Article 150 The Audit Committee of the Board of Directors shall record the matters discussed at the meeting in the minutes and the members present at the meeting shall sign the minutes. Members have the right to request certain explanatory record be included in the minutes regarding their statements made. The minutes of meetings of the Audit Committee of the Board of Directors shall be kept as the Company’s record for a period of not less than 10 years. |
| / | / | Article 151 The Board of Directors shall establish a Nomination Committee and a Remuneration and Appraisal Committee, which shall perform their duties in accordance with the Articles of Association and the authorizations granted by the Board of Directors. Proposals from the special committees shall be submitted to the Board of Directors for consideration and approval. The Board of Directors shall be responsible for formulating the working procedures of the special committees. |

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| / | / | <p>Article 152 The Nomination Committee shall be responsible for formulating the selection criteria and procedures for directors and senior management, and selecting and reviewing the qualifications of candidates for directors and senior management, and making recommendations to the Board on the following matters:</p> <p>(I) nomination or appointment or dismissal of directors;</p> <p>(II) appointment or dismissal of senior management members;</p> <p>(III) other matters stipulated by laws, administrative regulations, the China Securities Regulatory Commission, and the Articles of Association.</p> <p>If the Board of Directors does not adopt or does not fully adopt the recommendations of the Nomination Committee, it shall record the opinions of the Nomination Committee and the specific reasons for not adopting such recommendations in the resolution of the Board of Directors and disclose accordingly.</p> |

| | Before amendments | After amendments |
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| / | / | <p>Article 153 The Remuneration and Appraisal Committee shall be responsible for studying the appraisal criteria for Directors and senior management and conducting such appraisals, studying and reviewing remuneration policies and plans such as the remuneration decision mechanism, decision-making process, payment, and claw-back arrangements for directors and senior management, and making recommendations to the Board of Directors on the following matters:</p> <p>(I) remuneration of directors and senior management;</p> <p>(II) formulation or amendment of equity incentive plans, employee shareholding schemes, and the grant of rights to incentive participants and the satisfaction of conditions for the exercise of such rights;</p> <p>(III) arrangements for Directors and senior management members to hold shares in subsidiaries proposed for spin-off;</p> <p>(IV) other matters stipulated by laws, administrative regulations, the China Securities Regulatory Commission, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company’s shares are listed, as well as the Articles of Association.</p> <p>If the Board of Directors does not adopt or does not fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the opinions of the Remuneration and Appraisal Committee and the specific reasons for not adopting such recommendations in the resolution of the Board of Directors and disclose accordingly.</p> |

| | Before amendments | After amendments |
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| Article 146 | <p>Article 146 When distributing profits after taxation of the year, the Company shall set aside 10% of its profits for the Company’s statutory reserve until the fund has reached 50% or more of the Company’s registered capital.</p> <p>When the Company’s statutory reserve is not sufficient to make up for the Company’s losses for the previous years, the profits of the current year shall first be used to cover the losses before any allocation is set aside for the statutory reserve pursuant to the preceding provision.</p> <p>After making allocations to the statutory reserve from its profits after taxation, the Company may, upon passing a resolution at a general meeting, make further allocations from its profits after taxation to the discretionary reserve.</p> <p>After the Company covers its losses and makes allocations to its reserve, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders, except for those which are not distributed in a proportionate manner as provided by the Articles of Association.</p> <p>Profits distributed to shareholders by a general meeting before losses are covered and allocations are made to the statutory reserve in violation of the preceding requirements must be returned to the Company.</p> | <p>Article 157 When distributing profits after taxation of the year, the Company shall set aside 10% of its profits for the Company’s statutory reserve until the fund has reached 50% or more of the Company’s registered capital.</p> <p>When the Company’s statutory reserve is not sufficient to make up for the Company’s losses for the previous years, the profits of the current year shall first be used to cover the losses before any allocation is set aside for the statutory reserve pursuant to the preceding provision.</p> <p>After making allocations to the statutory reserve from its profits after taxation, the Company may, upon passing a resolution at a general meeting, make further allocations from its profits after taxation to the discretionary reserve.</p> <p>After the Company covers its losses and makes allocations to its reserve, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders.</p> <p>Where a general meeting distributes profits to shareholders in breach of the Company Law, the shareholders shall return the profits distributed in breach of the regulations to the Company; where such breach causes loss to the Company, the shareholders and the directors and senior management members responsible shall be liable for compensation.</p> |

| | Before amendments | After amendments |
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| | The Company shall not distribute any profits in respect of the shares held by it. | The Company shall not distribute any profits in respect of the shares held by it. |
| Article 147 | <p>Article 147 The reserve of the Company shall be applied to making up for the Company’s losses, expanding its business operations or increasing its capital. The capital reserve, however, shall not be used to make up for the Company’s losses.</p> <p>Upon the conversion of statutory reserve into capital, the balance of the statutory reserve shall not be less than 25% of the registered capital of the Company before such conversion.</p> | <p>Article 158 The reserve of the Company shall be applied to making up for the Company’s losses, expanding its business operations or increasing its capital.</p> <p>To make up for the Company’s losses with reserve, the discretionary reserve and the statutory reserve shall be used first; if the losses still cannot be covered, the capital reserve may be used in accordance with regulations.</p> <p>Upon the conversion of statutory reserve into additional registered capital, the balance of the statutory reserve shall not be less than 25% of the registered capital of the Company before such conversion.</p> |
| Article 150 | <p>Section 2 Internal Audit</p> <p>Article 150 The Company shall implement an internal audit system, where dedicated auditing staffs carry out the internal audit and supervision over the revenue and expenditure and the economic activities of the Company.</p> | <p>Article 161 The Company shall implement an internal audit system, which specifies the leadership structure, responsibilities and authorities, staffing, funding guarantee, application of audit results, and accountability of internal audit work. The Company’s internal audit system shall be implemented following approval by the Board of Directors and shall be disclosed to the public.</p> |
| Article 151 | <p>Article 151 The internal audit system of the Company and the duties of the auditing staffs shall be subject to the approval of the Board of Directors. The officer in charge of audit shall be accountable to the Board of Directors and report his/her work to the same.</p> | / |

| | Before amendments | After amendments |
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| / | / | Article 162 The Company’s internal audit department shall conduct supervision and inspection of the Company’s business activities, risk management, internal controls, financial information and other matters. |
| / | / | Article 163 The internal audit department shall be accountable to the Board of Directors. In the course of supervising and inspecting the Company’s business activities, risk management, internal controls and financial information, the internal audit department shall accept the supervision and guidance of the Audit Committee. Should the internal audit department discover any material issues or leads, it shall report them directly to the Audit Committee without delay. |
| / | / | Article 164 The internal audit department shall be responsible for the specific organization and implementation of the Company’s internal control assessment. The Company shall issue an annual internal control assessment report based on the assessment report and relevant materials prepared by the internal audit department and reviewed by the Audit Committee. |
| / | / | Article 165 When the Audit Committee communicates with external audit bodies such as accounting firms and national audit institutions, the internal audit department shall actively cooperate and provide necessary support and assistance. |

| | Before amendments | After amendments |
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| / | / | Article 166 The Audit Committee shall participate in the appraisal of the head of internal audit. |
| Article 153 | Article 153 The engagement of an accounting firm by the Company shall be determined at the general meeting, and the Board of Directors shall not engage an accounting firm before any decision is made at the general meeting. | Article 168 The engagement and dismissal of an accounting firm by the Company shall be determined at the general meeting, and the Board of Directors shall not engage an accounting firm before any decision is made at the general meeting. |
| Article 159 | Article 159 Any notice convening a general meeting shall be given by personal delivery, mail, email, fax, announcement or other means specified in the Articles of Association. | Article 174 Any notice convening a general meeting shall be given by an announcement. |
| Article 163 | Article 163 The Company shall make announcements and disclosures to shareholders of domestic unlisted shares through newspapers and websites designated by the laws, administrative regulations or the relevant regulatory authorities in China. Where an announcement is required to be made to the H shareholders in accordance with the Articles of Association, such announcement shall at the same time be published on the designated newspapers, websites and/or the Company's website in accordance with the methods stipulated in the Hong Kong Listing Rules. All notices or other documents required to be sent by the Company to the Hong Kong Stock Exchange pursuant to Chapter 13 of the Hong Kong Listing Rules shall be in English or be accompanied by signed and certified translations in English. | Article 178 The Company shall make disclosures to shareholders through newspapers and websites designated by the laws, administrative regulations or the relevant regulatory authorities in China. Such announcement shall at the same time be published on the designated newspapers, websites and/or the Company's website in accordance with the methods stipulated in the Hong Kong Listing Rules. All notices or other documents required to be sent by the Company to the Hong Kong Stock Exchange pursuant to Chapter 13 of the Hong Kong Listing Rules shall be in English or be accompanied by signed and certified translations in English. |

| | Before amendments | After amendments |
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| / | / | <p>Article 180 Where the consideration paid in connection with a merger does not exceed 10% of the Company’s net assets, a resolution of the general meeting is not required.</p> <p>For mergers not subject to approval by the general meeting under the preceding paragraph, a resolution of the Board of Directors shall be required.</p> |
| Article 165 | <p>Article 165 In the case of a merger, a merger agreement shall be signed by all parties, and they shall prepare their balance sheets and inventory of assets.</p> <p>The Company shall notify its creditors within 10 days upon the date of passing of the resolution which approves the merger, and announce the merger within 30 days. A creditor may request the Company to settle any outstanding debts or provide guarantees accordingly within 30 days upon receipt of the notification, or within 45 days of the date of the announcement if he/she/it have not received any notification.</p> | <p>Article 181 In the case of a merger, a merger agreement shall be signed by all parties, and they shall prepare their balance sheets and inventory of assets.</p> <p>The Company shall notify its creditors within 10 days upon the date of passing of the resolution which approves the merger, and announce the merger within 30 days in a newspaper or on the National Enterprise Credit Information Publicity System. A creditor may request the Company to settle any outstanding debts or provide guarantees accordingly within 30 days upon receipt of the notification, or within 45 days of the date of the announcement if he/she/it have not received any notification.</p> |
| Article 166 | <p>Article 166 Where companies merge, the credits and debts of the merging parties shall be assumed by the surviving company or the new company upon merging.</p> | <p>Article 182 Where companies merge, the credits and debts of the merging parties shall be assumed by the surviving company or the new company upon merging.</p> |

| | Before amendments | After amendments |
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| Article 167 | <p>Article 167 In case of a division, the Company's assets shall be divided accordingly.</p> <p>In the case of a division, the parties shall prepare their balance sheets and inventory of assets. The Company shall notify its creditors within 10 days upon the date of passing of the resolution which approves the division, and announce the division within 30 days.</p> | <p>Article 183 In case of a division, the Company's assets shall be divided accordingly.</p> <p>In the case of a division, the parties shall prepare their balance sheets and inventory of assets. The Company shall notify its creditors within 10 days upon the date of passing of the resolution which approves the division, and announce the division within 30 days in a newspaper or on the National Enterprise Credit Information Publicity System.</p> |
| Article 169 | <p>Article 169 A balance sheet and an inventory of assets shall be prepared by the Company if it needs to reduce its registered capital.</p> <p>The Company shall notify its creditors within 10 days upon the date of passing of the resolution which approves the reduction of registered capital, and announce the reduction on a newspaper within 30 days. A creditor may request the Company to settle any outstanding debts or provide guarantees accordingly within 30 days upon receipt of the notification, or within 45 days of the date of the announcement if he/she/it have not received any notification.</p> <p>The registered capital of the Company after reduction shall not be less than the statutory minimum amount.</p> | <p>Article 185 A balance sheet and an inventory of assets shall be prepared by the Company if it needs to reduce its registered capital.</p> <p>The Company shall notify its creditors within 10 days upon the date of passing of the resolution which approves the reduction of registered capital, and announce the reduction on a newspaper or the National Enterprise Credit Information Publicity System within 30 days. A creditor may request the Company to settle any outstanding debts or provide guarantees accordingly within 30 days upon receipt of the notification, or within 45 days of the date of the announcement if he/she/it have not received any notification.</p> <p>Where the Company reduces its registered capital, the capital contributions or shares may be reduced without reducing them in proportion to the shareholdings of the shareholders.</p> |

| | Before amendments | After amendments |
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| / | / | <p>Article 186 Where the Company still incurs losses after making up such loss in accordance with the provisions of the second paragraph of Article 158 of the Articles of Association, it may reduce its registered capital to make up the loss. Where the registered capital is reduced to make up a loss, the Company shall not make any distribution to shareholders, nor shall it exempt shareholders from their obligation to contribute capital or pay for shares.</p> <p>Where the registered capital is reduced in accordance with the preceding paragraph, the provisions of the second paragraph of Article 185 of the Articles of Association shall not apply; however, an announcement shall be made in a newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the general meeting passes the resolution to reduce the registered capital.</p> <p>After the Company has reduced its registered capital in accordance with the preceding two paragraphs, it may not distribute profits until the aggregate amount of the statutory reserve and the discretionary reserve reaches 50% of the Company's registered capital.</p> |

| | Before amendments | After amendments |
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| / | / | Article 187 Where the registered capital is reduced in contravention of the Company Law or other relevant provisions, the shareholders shall return the funds they have received, and any reduction in shareholders' capital contributions shall be restored to its original state; where such actions cause loss to the Company, the shareholders and the directors and senior management members who are responsible shall be liable for compensation. |
| / | / | Article 188 Where the Company issues new shares to increase its registered capital, shareholders shall not have a pre-emptive right, unless a resolution of the general meeting grants such a right to the shareholders. |

| | Before amendments | After amendments |
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| Article 171 | <p>Article 171 The Company may be dissolved for the following reasons:</p> <p>(I) the term of business operation as stipulated by the Articles of Association expires or other circumstances for dissolution as stipulated by the Articles of Association arise;</p> <p>(II) the general meeting resolves to dissolve the Company;</p> <p>(III) dissolution is necessary as a result of the merger or division of the Company;</p> <p>(IV) the business license is revoked or it is ordered to close down or it is deregistered according to law;</p> <p>(V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding 10% or more of all shareholders' voting rights of the Company may petition a people's court to dissolve the Company.</p> | <p>Article 190 The Company may be dissolved for the following reasons:</p> <p>(I) the term of business operation as stipulated by the Articles of Association expires or other circumstances for dissolution as stipulated by the Articles of Association arise;</p> <p>(II) the general meeting resolves to dissolve the Company;</p> <p>(III) dissolution is necessary as a result of the merger or division of the Company;</p> <p>(IV) the business license is revoked or it is ordered to close down or it is deregistered according to law;</p> <p>(V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding 10% or more of all shareholders' voting rights of the Company may petition a people's court to dissolve the Company.</p> <p>Where the Company is subject to the grounds for dissolution specified in the preceding paragraph, it shall, within 10 days, publish the grounds for dissolution via the National Enterprise Credit Information Publicity System.</p> |

| | Before amendments | After amendments |
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| Article 172 | <p>Article 172 In the event of the circumstance described in (I) above, the Company may carry on its existence by amending the Articles of Association.</p> <p>Amendments to the Articles of Association in accordance with the provisions set out above shall be passed by more than two-thirds of the shareholders with voting rights who attend the general meeting.</p> | <p>Article 191 In the event of the circumstance described in (I) and (II) above and has not yet distributed assets to shareholders, the Company may carry on its existence by amending the Articles of Association or by resolution of the general meeting.</p> <p>Amendments to the Articles of Association in accordance with the provisions set out above shall be passed by more than two-thirds of the shareholders with voting rights who attend the general meeting.</p> |
| Article 173 | <p>Article 173 Where the Company is to be dissolved pursuant to items (I), (II), (IV) and (V) of Article 171 hereof, a liquidation committee shall be established within 15 days from the date when the event of dissolution occurs and commence the liquidation process. The liquidation committee shall be composed of directors or members determined by the general meeting. Where the Company fails to form a liquidation committee to liquidate the Company within the prescribed period of time, its creditors may petition the people’s court to appoint the relevant persons to establish a liquidation committee and liquidate the Company.</p> | <p>Article 192 Where the Company is to be dissolved pursuant to items (I), (II), (IV) and (V) of Article 190 hereof, a liquidation committee shall be established within 15 days from the date when the event of dissolution occurs and commence the liquidation process. The liquidation committee shall be composed of directors or members determined by the general meeting. Where the Company fails to form a liquidation committee to liquidate the Company within the prescribed period of time, its creditors may petition the people’s court to appoint the relevant persons to establish a liquidation committee and liquidate the Company.</p> |

| | Before amendments | After amendments |
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| Article 176 | <p>Article 176 The liquidation committee shall notify the Company's creditors within 10 days upon its establishment and publish an announcement on newspapers within 60 days. A creditor shall file his/her/its claim with the liquidation committee within 30 days upon receipt of the notification, or within 45 days of the date of the announcement if he/she/it has not received any notification.</p> <p>A creditor shall state all matters related to his/her/its creditor rights in making his/her/its claim and furnish evidence. The liquidation committee shall register such creditor's claims.</p> <p>The liquidation committee shall not make any debt settlement with the creditors during the period of the claim.</p> | <p>Article 195 The liquidation committee shall notify the Company's creditors within 10 days upon its establishment and publish an announcement in a newspaper or on the National Enterprise Credit Information Publicity System within 60 days. A creditor shall file his/her/its claim with the liquidation committee within 30 days upon receipt of the notification, or within 45 days of the date of the announcement if he/she/it has not received any notification.</p> <p>A creditor shall state all matters related to his/her/its creditor rights in making his/her/its claim and furnish evidence. The liquidation committee shall register such creditor's claims.</p> <p>The liquidation committee shall not make any debt settlement with the creditors during the period of the claim.</p> |
| Article 178 | <p>Article 178 If the liquidation committee, having sorted out the Company's assets and preparing the balance sheet and an inventory of assets, is of the opinion that there are insufficient assets in the Company to pay off its debts according to the order of repayment, it shall apply to the people's court for a declaration of bankruptcy of the Company. Upon the declaration of bankruptcy of the Company by the people's court, the liquidation committee shall hand over the liquidation matters to the people's court.</p> | <p>Article 197 If the liquidation committee, having sorted out the Company's assets and preparing the balance sheet and an inventory of assets, finds that the Company's assets are insufficient to settle its debts, it shall apply to the people's court for bankruptcy liquidation in accordance with the law. Upon acceptance of the bankruptcy application by the people's court, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator appointed by the people's court.</p> |

| | Before amendments | After amendments |
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| Article 180 | <p>Article 180 The members of the liquidation committee shall devote themselves to their duties and fulfill their obligations of liquidation according to laws.</p> <p>None of the members of the liquidation committee may take any bribe or any other illegal proceeds by taking advantage of his/her position, nor may he/she misappropriate any of the assets of the Company. Where any member of the liquidation committee causes any loss to the Company or any creditor with intention or due to gross negligence, such member shall be liable for compensation.</p> | <p>Article 199 The members of the liquidation committee shall fulfill their liquidation duties with fidelity and due diligence.</p> <p>Where any member of the liquidation committee fails to perform his/her liquidation duties and thereby causes loss to the Company, such member shall be liable for compensation; where any loss is caused to the Company or any creditor with intention or due to gross negligence, such member shall be liable for compensation.</p> |

| | Before amendments | After amendments |
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| Article 186 | <p>Article 186 Definitions</p> <p>(I) controlling shareholder means a person who meets one of the following conditions: (1) when acting alone or in concert with others, the person may elect more than half of the directors; (2) when acting alone or in concert with others, the person may exercise, or control the exercise of, more than 30% of the voting rights of the Company; (3) when acting alone or in concert with others, the person holds more than 30% of the issued shares of the Company; (4) when acting alone or in concert with others, the person actually controls the Company by other ways.</p> <p>(II) actual controller means a person who, though not a shareholder, through investment relationships, agreements, or other arrangements, may actually control the activities of the Company.</p> <p>(III) connected transaction or connected relationship shall have the meaning ascribed to it in accordance with the Hong Kong Listing Rules.</p> | <p>Article 205 Definitions</p> <p>(I) controlling shareholder means a shareholder who holds more than 50% of the total share capital of a joint-stock company; or a shareholder who, although holding no more than 50% of the shares, holds voting rights sufficient to exert a significant influence on the resolutions of the general meeting, in accordance with the relevant provisions of the Company Law of the People's Republic of China.</p> <p>(II) actual controller means a natural person, legal entity or other organization who, though not a shareholder, through investment relationships, agreements, or other arrangements, may actually control the activities of the Company.</p> <p>(III) connected transaction or connected relationship shall have the meaning ascribed to it in accordance with the Hong Kong Listing Rules.</p> |
| Article 188 | <p>Article 188 The Articles of Association are written in Chinese. In case of any inconsistency between the Articles of Association in any other language or of different version and the Articles of Association, the Chinese version of the Articles of Association last registered with the company registration authority shall prevail.</p> | <p>Article 207 The Articles of Association are written in Chinese. In case of any inconsistency between the Articles of Association in any other language or of different version and the Articles of Association, the Chinese version of the Articles of Association last registered with the Zhejiang Provincial Administration for Market Regulation shall prevail.</p> |

| | Before amendments | After amendments |
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| / | / | Article 212 Matters not covered in these Articles of Association shall be implemented in accordance with the provisions of relevant laws, regulations and normative documents of the state, as well as the securities regulatory rules of the place where the Company’s shares are listed. In the event of any inconsistency between these Articles of Association and the provisions of laws, regulations, or the securities regulatory rules of the place where the Company’s shares are listed, the relevant provisions thereof shall prevail. |

NOTICE OF THE AGM

MAOGEPING

BEAUTY

MAO GEPING COSMETICS CO., LTD.

毛戈平化妆品股份有限公司

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

(Stock Code: 1318)

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 annual general meeting (the “AGM”) of Mao Geping Cosmetics Co., Ltd. (the “Company”) will be held at 2:30 p.m. on Friday, April 24, 2026 at Conference Room 1, 10th Floor, Wanyin Building, Shangcheng District, Hangzhou City, Zhejiang Province, PRC for the purposes of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the 2025 annual report;
2. To consider and approve the 2025 profit distribution plan;
3. To consider and approve the re-appointment of overseas auditor for the year 2026;
4. To consider and approve the remuneration of the Directors for 2026;
5. To consider and approve remuneration management system for Directors and senior management;

SPECIAL RESOLUTIONS

6. To consider and approve the grant of a general mandate to the Board to issue H Shares;
7. To consider and approve the grant of a general mandate to the Board to repurchase H Shares;
8. To consider and approve the amendments to the Articles of Association.

By order of the Board

Mao Geping Cosmetics Co., Ltd.

MAO Geping

Chairman of the Board and Executive Director

Hong Kong, April 2, 2026

NOTICE OF THE AGM

As of the date of this notice, the board of directors of the Company comprises: (i) Mr. MAO Geping, Ms. WANG Liqun, Ms. MAO Niping, Ms. MAO Huiping, Mr. WANG Lihua and Ms. SONG Hongquan as executive directors; and (ii) Mr. GU Jiong, Mr. HUANG Hui and Mr. LI Hailong as independent non-executive directors.

Notes: Details of the resolutions are set out in the circular of the Company dated April 2, 2026 (the “Circular”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Circular.

1. Closure of the Register of Members for H Shares and eligibility for attending and voting at the AGM

For the purpose of determining the entitlement of the holders of H Shares to attend and vote at the AGM, the register of holders of H Shares of the Company will be closed from Tuesday, April 21, 2026 to Friday, April 24, 2026 (both days inclusive), during which period no transfer of H Shares of the Company will be registered. Shareholders of the Company whose names appear on the register of members of the Company on Friday, April 24, 2026 will be entitled to attend and vote at the AGM. Holders of H Shares of the Company who intend to attend the AGM must deliver their transfer documents together with the relevant share certificates to Computershare Hong Kong Investor Services Limited, the registrar of H Shares of the Company, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Monday, April 20, 2026.

2. Proxy

Shareholders entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalf. A proxy needs not be a Shareholder.

The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporate body, the proxy form must be either executed under its common seal or under the hand of its director(s) or duly authorized attorney(s). If the proxy form is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarized.

For holders of H Shares, the proxy form together with the power of attorney or other authorization document (if any) must be lodged with the Company’s H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong; and for holders of Unlisted Shares, the form of proxy should be returned to the Company’s head office and principal place of business in the PRC at Room 1001, Wanyin Building, Shangcheng District, Hangzhou, Zhejiang, by personal delivery or by post, but in any event not later than 24 hours before the time fixed for holding the AGM (i.e. no later than 2:30 p.m. on Thursday, April 23, 2026) or any adjournment thereof (as the case may be) in order to be valid. Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM and to complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending the AGM and voting in person if you so wish.

3. Address and telephone number of the Company’s head office and principal place of business in the PRC

Address: 10th Floor
Wanyin Building
Shangcheng District
Hangzhou
Zhejiang Province
PRC

Telephone: +86 0571-8792 6998

NOTICE OF THE AGM

4. Procedures for voting at the AGM

Any vote of the Shareholders at the AGM must be taken by poll.

5. Other business

Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity documents.

6. References to time and dates in this notice are to Hong Kong time and dates.