

Sentien Printing Factory Co., Ltd.

Code of Corporate Governance

Chapter I: General Provisions

Article 1 In order to establish a good corporate governance system of the Company, this Code is formulated in accordance with the "Code of Practice on Corporate Governance for Listed and OTC Companies", and an effective corporate governance structure has been established to comply with it.

Article 2 In addition to complying with the provisions of laws and regulations and the articles of association, as well as the contracts and relevant regulatory matters signed with the stock exchange or the over-the-counter trading center, the following principles shall be followed:

1. Protect the rights and interests of shareholders.
2. Strengthen the functions of the board of directors.
3. Give play to the function of supervisors.
4. Respect the rights and interests of stakeholders.
5. Enhance information transparency.

Article 3 In accordance with the provisions of the Standards for the Establishment of Internal Control System for Public Companies, the Company designs and implements its internal control system based on the overall business activities of the Company, and reviews it from time to time to ensure that the design and implementation of the system continues to be effective in response to changes in the Company's internal and external environment.

The formulation or amendment of the internal control system shall be submitted to the board of directors for approval; If the independent directors have any objections or reservations, they should be stated in the minutes of the board of directors; If an audit committee has been established, it shall be approved by more than one-half of all members of the audit committee and submitted to the board of directors for resolution. In addition to the self-assessment of the internal control system, the board of directors and the management should review the self-assessment results of each department and the audit report of the audit unit on a quarterly basis at least annually, and the audit committee should pay attention to and supervise it. The Audit Committee shall meet with the internal auditors on a regular basis to review the deficiencies in the internal control system, and shall keep records, track and implement improvements, and report to the Board.

The management of the company should pay attention to the internal audit units and personnel, and give them full authority to urge them to check and evaluate the

deficiencies of the internal control system and measure the efficiency of the operation, so as to ensure the continuous and effective implementation of the system, and assist the board of directors and management to fulfill their responsibilities, so as to implement the corporate governance system.

The appointment, dismissal, evaluation, salary and remuneration of the company's internal auditors shall be submitted to the board of directors or signed by the chief audit officer and approved by the chairman of the board.

Chapter II Protecting the Rights and Interests of Shareholders

Section 1 Encourage shareholders to participate in corporate governance

Article 4 The corporate governance system should protect the rights and interests of shareholders and treat all shareholders fairly, and a corporate governance system should be established to ensure that shareholders have the right to be fully informed, participate in and make decisions on major matters of the company.

Article 5 The company shall convene a shareholders' meeting in accordance with the provisions of the Company Law and relevant laws and regulations, and formulate complete rules of procedure, and shall implement the matters that should be resolved by the shareholders' meeting in accordance with the rules of procedure.

The content of the resolution of the shareholders' meeting of the Company shall comply with the provisions of laws and regulations and the articles of association.

Article 6 The board of directors of the company shall properly arrange the agenda and procedures of the shareholders' meeting, formulate the principles and operating procedures for shareholders to nominate directors, supervisors and proposals for the shareholders' meeting, and handle the proposals submitted by shareholders in accordance with the law. The shareholders' meeting shall arrange a convenient meeting place, reserve sufficient time and appoint appropriate and competent personnel to handle the registration procedures, and shall not arbitrarily add other supporting documents to the supporting documents on which the shareholders can attend; Reasonable time should be given for discussion of each issue, and shareholders should be given appropriate opportunities to speak.

The chairman of the board of directors shall personally preside over the shareholders' meeting convened by the board of directors, and more than half of the directors of the board of directors (including at least one independent director) shall attend in person, the convener of the audit committee shall attend in person, and at least one representative of other functional committee members shall be present, and the attendance shall be recorded in the minutes of the shareholders' meeting.

Article 7 The company should encourage shareholders to participate in corporate governance, and should appoint a professional stock affairs agency to handle the affairs of the

shareholders' meeting, so that the shareholders' meeting can be held legally, effectively and safely, and at the same time, it should fully adopt the scientific and technological information disclosure method through various ways and channels, and simultaneously upload the annual report, annual financial report, notice of shareholders' meeting, meeting manual and supplementary information of the meeting, and should adopt electronic voting, so as to increase the proportion of shareholders attending the shareholders' meeting and ensure that shareholders can exercise their shareholder rights at the shareholders' meeting in accordance with the law.

The company should refrain from proposing temporary motions and amendments to the original proposals at the shareholders' meeting.

The company arranges for shareholders to vote on the shareholders' meeting on a case-by-case basis, and on the day after the shareholders' meeting, the results of shareholders' consent, opposition and abstention are entered into the public information observatory.

Article 8 The company shall record the minutes of the shareholders' meeting in accordance with the provisions of the Company Law and relevant laws and regulations, and the part of the shareholders' objection to the proposal shall be recorded and passed by the chairman after consultation by all shareholders present without objection; If shareholders have objections to the proposal and put it to a vote, the voting method and voting results shall be stated. The election of directors shall specify the method of voting and the number of elected directors to be elected.

The minutes of shareholders' meetings shall be kept properly and permanently during the existence of the company and shall be fully disclosed on the company's website.

Article 9 The chairman of the shareholders' meeting should be fully aware of and abide by the rules of procedure set by the company, and maintain a smooth agenda and shall not arbitrarily announce the adjournment of the meeting.

In order to protect the rights and interests of the majority of shareholders, if the chairman declares the adjournment of the meeting in violation of the rules of procedure, the other members of the board of directors should promptly assist the shareholders present in accordance with the procedures prescribed by law, and elect one person as the chairman with the consent of more than half of the voting rights of the shareholders present to continue the meeting.

Article 10 The company should attach importance to the right of shareholders to know, and ensure that the relevant provisions on information disclosure are complied with, and the company's finances, business, insider shareholdings and corporate governance are provided to shareholders regularly and immediately through the public information observatory or the company's website.

In order to safeguard the rights and interests of shareholders and implement equal treatment of shareholders, the company should formulate internal regulations to prohibit

insiders from using undisclosed information in the market to buy and sell securities.

The preceding regulation includes shareholder transaction control measures for insiders of the company from the date of learning of the company's financial reports or relevant results, including (but not limited to) directors are not allowed to trade their shares during the closed period of 30 days before the announcement of the annual financial report and 15 days before the announcement of the quarterly financial report.

The company shall report the remuneration received by the directors at the general meeting of shareholders, including the remuneration policy, the content and amount of individual remuneration and the relevance to the performance evaluation results.

Article 11 Shareholders shall have the right to share in the company's surplus. In order to ensure the investment rights and interests of shareholders, the shareholders' meeting may check the tables prepared by the board of directors and the report of the audit committee in accordance with Article 184 of the Company Law, and decide on the distribution of earnings or the provision of losses. When the shareholders' meeting conducts the pre-inspection inspection, the inspector may be appointed.

Shareholders may, in accordance with Article 245 of the Company Law, request the court to appoint an inspector to inspect the company's business accounts, property situation, specific matters, specific transaction documents and records.

The Board of Directors, the Audit Committee and the managers of the Company shall fully cooperate with the audit operations of the preceding two inspectors, and shall not evade, obstruct or refuse to do so.

Article 12 The company's acquisition or disposal of assets, capital loans, endorsement guarantees and other major financial business behaviors shall be handled in accordance with the relevant laws and regulations, and the relevant operating procedures shall be submitted to the shareholders' meeting for approval to safeguard the rights and interests of shareholders.

In the event of a merger or public takeover, in addition to handling it in accordance with relevant laws and regulations, the company should pay attention to the fairness and reasonableness of the merger or public acquisition plan and transaction, and pay attention to the information disclosure and the soundness of the company's financial structure thereafter.

Personnel of the Company dealing with the matters related to the preceding paragraph should be aware of conflicts of interest and recusals.

Article 13 In order to ensure the rights and interests of shareholders, the company has dedicated personnel to properly handle shareholders' suggestions, doubts and disputes.

If the resolutions of the shareholders' meeting or the board of directors of the company violate the laws and regulations or the articles of association, or the directors, supervisors and managers violate the provisions of the laws and regulations or the articles of

association when performing their duties, resulting in damage to the rights and interests of shareholders, the company shall properly handle the lawsuit filed by the shareholders in accordance with the law.

Section II Establish an interaction mechanism with shareholders

Article 13- The board of directors of the company has the responsibility to establish an interactive
1 mechanism with shareholders to enhance the common development of the company's goals

Same as understanding.

Article 13- The board of directors of the company not only communicates with shareholders through
2 shareholders' meetings and encourages shareholders to participate in shareholders' meetings, but also acts in an efficient manner

Contact with shareholders and understand the opinions and concerns of shareholders with managers and independent directors

Explain the company's policies to gain shareholder support.

Section 3 Corporate Governance Relationship between the Company and its Affiliates

Article The objectives, rights and responsibilities of the management of personnel, assets and
14 finances between the company and its affiliates should be clarified, and risk assessments should be carried out and appropriate firewalls should be established.

Article Unless otherwise provided by laws and regulations, the manager of the company shall
15 not concurrently serve with the manager of the affiliated enterprise.
If a director acts for himself or others within the scope of the company's business, he or she shall explain the important contents of his or her actions to the shareholders' meeting and obtain their permission.

Article The Company shall establish sound financial, business and accounting management
16 objectives and systems in accordance with relevant laws and regulations, and shall properly carry out comprehensive risk assessments with its affiliates on major correspondent banks, customers and suppliers, and implement necessary control mechanisms to reduce credit risks.

Article If the company has business dealings with its affiliates, it shall establish written
17 specifications for the financial operations related to each other based on the principle of fairness and reasonableness. The price conditions and payment methods should be clearly defined for the signing of the contract, and the irregular transactions should be eliminated.

Transactions or contracts between the company and related parties and their shareholders shall also be handled in accordance with the principles of the preceding paragraph, and the transfer of benefits is strictly prohibited.

- Article 18 Corporate shareholders with control over the Company shall comply with the following matters:
1. It shall have a fiduciary duty to other shareholders, and shall not directly or indirectly cause the company to operate in accordance with business practices or other unprofitable operations.
 2. The representative shall follow the relevant regulations for exercising rights and participating in resolutions set by the Company, exercise his voting rights in accordance with the principle of good faith and the best interests of all shareholders when participating in the shareholders' meeting, and be able to fulfill the duty of loyalty and care of the directors and supervisors.
 3. The nomination of directors of the company shall be handled in accordance with the relevant laws and regulations and the articles of association of the company, and shall not exceed the terms of reference of the shareholders' meeting and the board of directors.
 4. Do not interfere with the company's decision-making or hinder business activities.
 5. The company's production and operation shall not be restricted or hindered by unfair competition such as monopoly procurement or closed sales channels.
 6. The legal representative appointed by him as a director or supervisor shall meet the professional qualifications required by the company and shall not be arbitrarily reassigned.

Article 19 The company should keep abreast of the list of major shareholders who hold a large proportion of shares and who can actually control the company and the ultimate controllers of the major shareholders.

The Company shall regularly disclose the pledge, increase or decrease of the Company's shares, or other important matters that may cause changes in the shares of shareholders holding more than 10% of the Company's shares, so as to facilitate the supervision of other shareholders.

The term "major shareholder" in Paragraph 1 refers to a shareholder with an equity ratio of more than 5% or a shareholding ratio of the top 10, but the company may set a lower shareholding ratio according to the shareholding of the company under its actual control.

Chapter 3 Strengthening the functions of the board of directors

Section 1 Structure of the Board of Directors

Article 20 The Board of Directors of the Company shall guide the Company's strategy, supervise and manage the management, and be accountable to the Company and its shareholders, and shall ensure that the Board of Directors exercises its powers in accordance with the provisions of laws and regulations, the Articles of Association of the Company or the resolutions of the shareholders' meeting.

The structure of the Board of Directors of the Company shall determine the appropriate number of seats for more than five directors based on the scale of the Company's operation and development and the shareholding of its major shareholders, taking into account the needs of practical operations.

The composition of the Board of Directors shall take into account diversity, except that the number of directors who are also managers of the Company shall not exceed one-third of the number of directors, and formulate appropriate diversity policies based on their own operations, operation patterns and development needs, which shall include but are not limited to the following two major criteria:

1. Basic conditions and values: gender, age, nationality and culture, etc., of which the proportion of female directors should reach one-third of the number of directors.
2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industrial experience, etc.

Members of the Board of Directors shall generally possess the knowledge, skills and qualities necessary for the performance of their duties. In order to achieve the ideal goal of corporate governance, the overall capabilities of the Board of Directors are as follows:

1. Operational judgment ability.
2. Accounting and financial analysis skills.
3. Management ability.
- Fourth, crisis management capabilities.
5. Industrial knowledge.
- Sixth, the international market view.
7. Leadership.
8. Decision-making ability.

Article 21 The Company shall, in accordance with the principles of protecting the rights and interests of shareholders and treating shareholders fairly, formulate fair, just and open procedures for the election of directors, encourage shareholders to participate, and adopt a cumulative voting system in accordance with the provisions of the Company Law to fully reflect the opinions of shareholders.

Except for those approved by the competent authority, the directors shall have more than half of the seats and shall not have a spouse or family relationship within the second degree of kinship.

If the director is dismissed for any reason, resulting in less than five directors, the company shall hold a by-election at the latest shareholders' meeting. However, if the number of directors vacancies reaches one-third of the seats specified in the articles of

association, the company shall convene an extraordinary general meeting of shareholders to elect them within 60 days from the date of occurrence of the fact.

The total shareholding ratio of all directors of the board of directors of the company shall comply with the provisions of laws and regulations, and the restrictions on the transfer of shares of each director, the establishment or cancellation of pledges and the change of circumstances shall be handled in accordance with relevant regulations, and all information shall be fully disclosed.

Article 22 In accordance with the provisions of the laws and regulations of the competent authority, it is specified in the articles of association that the election of directors shall be elected by the nomination system of candidates, and the qualifications of the nominee shall be carefully assessed and whether there are any of the circumstances listed in Article 30 of the Company Law, and shall be handled in accordance with the provisions of Article 192-1 of the Company Law.

Article 23 The responsibilities of the chairman of the board of directors and the general manager of the company should be clearly divided.

The chairman of the board of directors and the general manager or other equivalent positions (top managers) should not be held by the same person. If the chairman of the board of directors and the general manager or other persons of equivalent rank (top manager) are the same person or each other's spouses or relatives, it is advisable to increase the number of independent directors, and more than half of the directors shall not have the status of employees or managers.

If the company has a functional committee, it shall clearly assign its responsibilities.

Section 2 Independent Director System

Article 24 The company shall appoint two or more independent directors in accordance with the provisions of the articles of association, and the number of directors shall not be less than one-third, and the term of office of independent directors shall not exceed three consecutive terms.

Independent directors should have professional knowledge, their shareholdings should be restricted, and they should not serve as directors (including independent directors) or supervisors of more than five listed companies at the same time, except in accordance with relevant laws and regulations, and should maintain independence within the scope of business execution, and should not have direct or indirect interests in the company.

Independent directors and non-independent directors are not allowed to change their status during their tenure.

The professional qualifications, shareholding and concurrent employment restrictions, determination of independence, nomination methods and other matters to be complied

with shall be handled in accordance with the Securities and Exchange Act, the Regulations on the Establishment and Matters to be Followed by Independent Directors of Public Companies, and the regulations of stock exchanges or over-the-counter trading centers.

Article 25 The company shall, in accordance with the provisions of the Securities and Exchange Act, submit the following matters to the board of directors for resolution; If an independent director has any objection or reservation, he or she shall state in the minutes of the Board of Directors:

1. The internal control system shall be established or amended in accordance with Article 14-1 of the Securities and Exchange Act.
2. In accordance with the provisions of Article 36-1 of the Securities and Exchange Act, the procedures for acquiring or disposing of assets, engaging in derivatives trading, lending funds to others, endorsing or providing guarantees to others shall be established or amended.
3. Matters involving the interests of the directors or supervisors.
4. Significant asset or derivative commodity transactions.
5. Significant capital loans, endorsements or guarantees.
6. Offering, issuing or privately placing securities of an equity nature.
7. Appointment, dismissal or remuneration of certified public accountants.
8. Appointment and dismissal of the head of finance, accounting or internal audit.
9. Other major matters stipulated by the competent authority.

Article 26 The company should clearly define the scope of duties of independent directors and the relevant human and material resources to exercise their powers. The Company or other members of the Board of Directors shall not obstruct, refuse or circumvent the independent directors in the execution of their business.

The Company shall stipulate the remuneration of directors in accordance with relevant laws and regulations, and the remuneration of directors shall fully reflect their personal performance and the company's long-term business performance, and shall comprehensively consider the company's operational risks. Independent directors may be given a reasonable remuneration that is different from that of ordinary directors.

Section 3 Functional Committees

Article 27 In order to improve the supervisory function and strengthen the management function, the board of directors of the company may consider the size of the company, the nature of the business, the number of members of the board of directors, set up audit, remuneration, nomination, remuneration, risk management or other functional committees, and may set up environmental protection, corporate social responsibility or

other committees based on the concept of corporate social responsibility and sustainable management, which shall be specified in the articles of association.

The Functional Committee shall be accountable to the Board of Directors and shall refer proposals to the Board of Directors for resolution. However, this does not apply to the case where the Audit Committee exercises the powers of the auditor in accordance with Article 14-4, Paragraph 4 of the Securities and Exchange Act.

The Functional Committee shall establish an organizational charter, which shall be approved by a resolution of the Board of Directors. The Articles of Association shall include the number of members of the committee, the term of office, matters of authority, rules of procedure, and resources to be provided by the company in the exercise of powers.

Article 28- The Company shall establish an Audit Committee in accordance with the Articles of Incorporation.

The Audit Committee shall consist of all independent directors and shall consist of at least three members, one of whom shall be the convenor and at least one of whom shall have accounting or financial expertise. The provisions of the Securities and Exchange Act, the Companies Act, and other laws and regulations regarding auditors shall be subject to the provisions of the Audit Committee.

The exercise of the powers of the Audit Committee and its independent directors and related matters shall be handled in accordance with the Securities and Exchange Act, the Regulations Governing the Exercise of Powers by the Audit Committee of Public Companies, and the regulations of the stock exchange or the over-the-counter trading center.

Article 28- 1 The company shall set up a remuneration committee, and more than half of the members shall be independent directors; The professional qualifications of its members, the exercise of their powers, the formulation of the Articles of Association and related matters shall be handled in accordance with the provisions of the "Regulations for the Establishment and Exercise of the Functions and Powers of the Remuneration Committee of Companies Listed on the Stock Market or Traded in the Business Premises of Securities Firms".

Article 28- 2 The company should set up and announce internal and external personnel reporting channels, and establish a whistleblower protection system; The receiving unit shall be independent, encrypt and protect the files provided by the whistleblower, appropriately restrict access permissions, and formulate internal operating procedures and incorporate them into the internal control system.

Article 29- In order to improve the quality of financial reports, the company should appoint an agent of the accounting supervisor.

The agent of the accountant in charge of the preceding paragraph shall continue to study annually in accordance with the supervisor of accounting, so as to strengthen the professional ability of the agent of the accountant.

Accountants involved in the preparation of financial reports should also take more than six hours of professional-related courses every year, and their training may be conducted by participating in the company's internal education and training or professional courses organized by the accounting supervisor's training organization. The company should select a professional, responsible and independent certified accountant to conduct regular audits of the company's financial status and internal control. The company should review and improve the anomalies or deficiencies discovered and disclosed by the accountants in a timely manner during the audit process, as well as the specific improvement or anti-fraud suggestions, and should establish communication channels or mechanisms between independent directors or audit committees and certified accountants, and formulate internal operating procedures and incorporate them into the internal control system.

The company should assess the independence and suitability of the accountants at least once a year. If the company has not changed its accountant for seven consecutive years or has been subject to disciplinary action or has compromised its independence, it shall assess whether there is a need to change the accountant and report the results of the assessment to the board of directors.

Article 30 It is advisable for the company to appoint professional and competent lawyers to provide appropriate legal consulting services to the company, or assist the board of directors, supervisors and management to improve their legal literacy, so as to prevent the company and related personnel from violating laws and regulations, and promote the operation of corporate governance operations within the relevant legal framework and legal procedures.

In the event that a director, supervisor or management is involved in litigation or disputes with shareholders in the execution of business in accordance with the law, the company shall appoint a lawyer to assist as appropriate.

The Audit Committee or its independent directors may appoint lawyers, accountants or other professionals on behalf of the Company to conduct audits or provide advice on matters related to the exercise of their powers as necessary at the Company's expense.

Section 4 Rules of Procedure and Decision-making Procedures of the Board of Directors

Article 31 The Board of Directors shall meet at least once a quarter and may be convened at any time in case of emergency. The convening of the Board of Directors shall specify the reason for the convening, notify the directors 7 days in advance, and provide sufficient meeting materials and send them together with the notice of convening. If there is any

shortage of meeting materials, the directors have the right to request to make up for them or postpone the review after the resolution of the board of directors.

The company shall establish the rules for the deliberations of the board of directors; The main contents, operating procedures, matters to be specified in the minutes of proceedings, announcements and other matters to be complied with shall be handled in accordance with the rules of the board of directors of a public company.

Article 32 Directors shall maintain a high degree of self-discipline, and shall explain to the Board of Directors the important contents of their interests in the proposals listed by the Board of Directors and the legal person they represent to the Board of Directors at the current meeting, and shall not participate in the discussion and voting if there is a risk that it will be harmful to the interests of the Company, and shall refrain from discussing and voting, and shall not exercise their voting rights on behalf of other directors. Directors should also be self-disciplined and have to support each other. Matters concerning the recusal of directors shall be clearly stipulated in the rules of the board of directors.

Article 33 Independent directors shall attend the Board of Directors in person for matters subject to Article 14-3 of the Securities and Exchange Act and shall not be represented by non-independent directors. If there is any objection or reservation by independent directors, it should be stated in the minutes of the board meeting; If an independent director is unable to attend the board of directors in person to express his or her objections or reservations, he or she shall issue a written opinion in advance and record it in the minutes of the board of directors unless there is a legitimate reason. In addition to being stated in the minutes of meetings, any of the following matters shall be announced and declared at the Public Information Observatory two hours before the start of trading hours on the next business day following the date of the Board of Directors:

1. The independent directors have objections or reservations and have records or written statements.
2. Matters that have not been approved by the Audit Committee shall be approved by more than two-thirds of all directors.

During the course of the meeting, the board of directors may notify the relevant departments and managers who are not directors to attend the meeting as observers, report the current business overview of the company and answer the questions raised by the directors. When necessary, accountants, lawyers or other professionals may also be invited to attend the meeting to assist the directors in understanding the current situation of the company and making appropriate resolutions, but they should leave the meeting during discussion and voting.

Article 34 The members of the Board of Directors shall record in detail the meeting report and the summary of each proposal, resolution method and result in accordance with relevant regulations.

The minutes of the board of directors shall be signed or sealed by the chairman of the meeting and the recorders, and shall be distributed to all directors within 20 days after the meeting. The production, distribution and preservation of the proceedings may be made electronically.

The Company shall keep an audio or video recording of the entire proceedings of the Board of Directors for at least five years, and the preservation of such information may be made electronically.

Before the expiration of the retention period in the preceding paragraph, in the event of litigation on matters resolved by the board of directors, the relevant audio or video evidence materials shall be retained, and the provisions of the preceding paragraph shall not apply.

Where the board of directors is convened by video conference, the audio and video recordings of the meeting shall be part of the minutes and shall be permanently kept. In the event that the resolution of the board of directors violates the laws and regulations, the articles of association or the resolution of the shareholders' meeting, causing damage to the company, the directors who have expressed dissent shall be exempted from the liability for compensation if they have a record or written notice to prove it.

Article 35 The following matters shall be brought to the Board of Directors for discussion:

1. The company's business plan.
2. Annual financial report and semi-annual financial report. However, the semi-annual financial report is not subject to the need for an accountant to verify the visa according to the law.
3. Establishing or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act, and evaluating the effectiveness of the internal control system.
4. In accordance with the provisions of Article 36-1 of the Securities and Exchange Act, the procedures for acquiring or disposing of assets, engaging in derivatives trading, lending funds to others, endorsing or providing guarantees to others shall be established or amended.
5. Offering, issuance or private placement of securities of equity nature.
6. Performance appraisal and remuneration standards for managers.
7. The remuneration structure and system of directors.
8. Appointment and dismissal of the head of finance, accounting or internal audit.

9. Donations to related parties or major donations to non-related parties. However, donations of a public welfare nature for emergency relief due to major natural disasters may be submitted to the next board of directors for recognition.
10. In accordance with Article 14-3 of the Securities and Exchange Act, other major matters that shall be resolved by the shareholders' meeting or submitted to the board of directors or prescribed by the competent authority in accordance with the law or the articles of association.

In addition to the matters that should be discussed by the board of directors in the preceding paragraph, when the board of directors is not in session, if the board of directors authorizes the exercise of the functions and powers of the board of directors in accordance with the provisions of the law or the articles of association, the level, content or matters of the authorization shall be specific and clear, and the authorization shall not be generalized.

Article 36 The company shall clearly hand over the matters to be handled by the board of directors to the appropriate implementation units or personnel, require them to be implemented according to the planned schedule and goals, and at the same time include them in the follow-up management to accurately evaluate their implementation. The Board of Directors should fully grasp the progress of implementation and report to the next meeting so that the Board's business decisions can be implemented.

Section 5 Directors' Duty of Loyalty and Responsibility

Article 37 The members of the Board of Directors shall faithfully perform their duties and fulfill the duty of care of good managers, and exercise their powers with a high degree of self-discipline and prudence, and shall act in accordance with the resolutions of the Board of Directors in the execution of the Company's business, except for matters that shall be resolved by the shareholders' meeting in accordance with the law or the Articles of Association.

The Company shall establish the performance evaluation methods and procedures of the Board of Directors, and conduct regular performance evaluation of the Board of Directors, functional committees and individual directors in accordance with the self-evaluation method every year.

The evaluation of the performance of the board of directors should include the following aspects, and appropriate evaluation indicators should be formulated taking into account the needs of the company:

1. Degree of participation in the company's operations.
2. Improve the quality of decision-making of the board of directors.
3. Composition and structure of the Board of Directors.
4. Election and continuing education of directors.

5. Internal control.

The evaluation of the performance of directors (self or peers) should include the following aspects, and be appropriately adjusted to take into account the needs of the company:

First, the company's goals and tasks to grasp.

2. Awareness of directors' responsibilities.

3. Degree of participation in the company's operations.

Fourth, the internal relationship management and communication.

5. Professional and continuing education of directors.

6. Internal control.

Conduct a performance evaluation of the functional committee, which should include the following aspects and adjust appropriately to consider the needs of the company:

1. Degree of participation in the company's operations.

2. Recognition of the responsibilities of the functional committee.

3. Improve the quality of decision-making of functional committees.

4. Composition and selection of members of the functional committee.

5. Internal control.

The Board of Directors of the Company shall submit the results of the performance evaluation to the Board of Directors and use them as a reference for the remuneration of individual directors and the nomination of re-appointments.

Article 38 If a resolution of the board of directors violates laws and regulations or the articles of association, the members of the board of directors shall promptly and appropriately handle or stop the implementation of the relevant resolution upon the request of shareholders or independent directors who have held shares for more than one year or the audit committee notifies the board of directors to stop the implementation of the resolution.

If a member of the Board of Directors discovers that the Company is at risk of substantial damage, it shall act in accordance with the provisions of the preceding paragraph and report to the Audit Committee immediately.

Article 39 During the term of office of the directors, the Company shall purchase liability insurance for the compensation liabilities of the directors in accordance with the law in the scope of their business, so as to reduce and disperse the risk of significant damage to the Company and shareholders caused by the directors' mistakes or negligence. After the Company has taken out or renewed the liability insurance for the directors, the important contents of the liability insurance, such as the insured amount, coverage and insurance rate, will be submitted to the latest directors' report.

Article 40 Board members are advised to continue to participate in the "Implementation Points for the Implementation of Refresher Education for Directors and Supervisors of OTC-

listed Companies" to organize refresher courses on finance, risk management, business, business, accounting, legal or corporate social responsibility related to corporate governance topics by the institutions designated in the "Implementation Points for Directors and Supervisors of Listed and OTC Listed Companies", and to empower employees at all levels to enhance their professional and legal knowledge.

Chapter 4 Give full play to the functions of the audit committee

Section 1 Functions of the Audit Committee

Article 41 The Company shall establish a fair, impartial and open procedure for the selection of independent directors, and unless otherwise provided in the Articles of Association, a cumulative voting system shall be adopted to fully reflect the opinions of shareholders. The Company shall consider the overall operational needs and determine the minimum number of independent directors to be appointed to the Audit Committee.

The restrictions on the transfer of shares of independent directors of the audit committee, the creation or dissolution of pledges, and the changes in them shall be handled in accordance with relevant regulations, and all information shall be fully disclosed.

Article 42 The company shall, in accordance with the provisions of the laws and regulations of the competent authority, specify in the articles of association that the nomination system shall be adopted for the election of independent directors, and the qualifications of the nominee shall be carefully assessed and whether there are any of the circumstances listed in Article 30 of the Company Law, and shall be handled in accordance with the provisions of Article 192-1 of the Company Law.

Article 43 Except for those approved by the competent authority, there shall be at least one seat between independent directors or between independent directors and directors, and there shall be no spouse or one of the relatives within the second degree of kinship. The Company is advised to appoint appropriate independent directors with reference to the requirements on independence of independent directors in public companies and the regulations on matters to be followed, so as to strengthen the company's risk management and financial and operational control. Independent directors should have a domicile in China to perform their monitoring function in real time.

Section 2 Powers and Obligations of the Audit Committee

Article 44 Independent directors should be familiar with the relevant laws and regulations, understand the rights, obligations and responsibilities of the directors of the company, as well as the division of duties and operations of each department, and attend the

board of directors to supervise their operation and make timely statements, so as to grasp or detect abnormal situations in advance.

Article 45 Independent directors should supervise the implementation of the company's business and the due diligence of directors and managers, and pay attention to the implementation of the company's internal control system, so as to reduce the company's financial crisis and operational risks.

When a director buys, sells, borrows, or otherwise engages in transactions with the Company for himself or others, the independent directors of the Audit Committee shall be the representatives of the Company.

Article 46 Independent directors may investigate the company's business and financial status at any time, and the relevant departments of the company shall cooperate in providing the necessary books and documents for inspection, transcription or reproduction.

When the independent directors inspect the company's finances and business, they may entrust a lawyer or accountant to audit on behalf of the company, but the company shall inform the relevant personnel of the confidentiality obligation.

The board of directors or managers shall submit reports at the request of the independent directors and shall not evade, hinder or refuse the inspection of the independent directors for any reason.

When independent directors perform their duties, the Company shall provide necessary assistance according to their needs, and the Company shall bear the reasonable expenses required by them.

Article 47 In order to facilitate independent directors to discover possible shortcomings of the Company in a timely manner, the Company shall establish communication channels between employees, shareholders and stakeholders and independent directors.

When independent directors discover any malpractice, they should take appropriate measures in a timely manner to prevent the malpractice from spreading, and if necessary, they should report it to the relevant competent authority or unit.

In the event of resignation or replacement of independent directors, general managers, heads of finance, accounting, R&D and internal audit departments or certified public accountants of the Company, the independent directors should have an in-depth understanding of the reasons.

If an independent director neglects his or her duties and causes damage to the company, he or she shall be liable for compensation to the company.

Article 48 When each independent director exercises his or her supervisory power separately, based on the overall consideration of the rights and interests of the company and shareholders, it may exchange views by means of an assembly if it is deemed necessary, but it shall not interfere with the independent exercise of the powers of each independent director.

- Article 49 During the term of office of the independent directors, the Company shall purchase liability insurance for the independent directors in accordance with the law for the compensation liabilities due to the scope of their business operations, so as to reduce and disperse the risk of significant damage to the Company and shareholders caused by the mistakes or negligence of the independent directors.
- After the Company has purchased or renewed liability insurance for independent directors, the Company will submit the important contents of the liability insurance such as the insured amount, coverage and insurance premium rate to the latest board report.
- Article 50 Independent directors are advised to continue to participate in the financial, risk management, business, commercial, accounting, legal or corporate social responsibility training courses related to corporate governance topics organized by the institutions designated in the "Implementation Points for the Implementation of Refresher Education for Directors and Supervisors of Listed OTC Companies" when they are new or during their tenure.

Chapter 5 Respect for the Rights and Interests of Stakeholders

- Article 51 The company shall maintain smooth communication channels with its correspondent banks and other creditors, employees, consumers, suppliers, communities or other stakeholders of the company, and respect and safeguard their legitimate rights and interests, and shall set up a special area for stakeholders on the company's website. When the legitimate rights and interests of stakeholders are infringed, the company shall handle it appropriately in good faith.
- Article 52 Banks and other creditors should be provided with sufficient information to enable them to make judgments and make decisions on the company's operation and financial situation. When its legitimate rights and interests are infringed, the company should respond positively and act responsibly so that creditors have appropriate ways to obtain compensation.
- Article 53 The Company shall establish communication channels for employees, encourage employees to communicate directly with management and directors, and appropriately reflect employees' opinions on the Company's operation and financial status or major decisions involving employees' interests.
- Article 54 While maintaining normal business development and maximizing the interests of shareholders, the Company should pay attention to consumer rights, community environmental protection and public welfare, and attach importance to the company's social responsibility.

Chapter VI: Increasing Information Transparency

Section 1: Strengthen information disclosure

Article 55 Information disclosure is an important responsibility of listed companies, and companies should faithfully perform their obligations in accordance with relevant laws and regulations, stock exchanges or over-the-counter trading centers.

The company shall establish an online reporting and operating system for public information, designate a special person to be responsible for the collection and disclosure of corporate information, and establish a spokesperson system to ensure that information that may affect the decision-making of shareholders and stakeholders can be disclosed in a timely manner.

Article 56 In order to improve the accuracy and timeliness of the disclosure of material information, the company should appoint a person who has a comprehensive understanding of the company's finances and business or can coordinate various departments to provide relevant information, and can speak independently on behalf of the company, as the company's spokesperson and acting spokesperson.

The company shall have more than one acting spokesperson, and any acting spokesperson shall be able to speak on behalf of the spokesperson when the spokesperson is unable to perform his or her speaking duties, but the order of the deputies shall be confirmed to avoid confusion.

In order to implement the spokesperson system, the company should clearly stipulate a unified speaking procedure, and require the management and employees to keep the financial business confidential, and not to arbitrarily disseminate information without authorization.

In the event of a change in the spokesperson or acting spokesperson, the information should be disclosed immediately.

Article 57 The company should use the convenience of the Internet to set up a website, establish the company's financial business related information and corporate governance information, for the reference of shareholders and stakeholders, and should provide English version of financial, corporate governance or other relevant information.

The website referred to in the preceding paragraph shall be maintained by a dedicated person, and the information listed shall be detailed and correct and updated in real time to avoid the risk of misleading.

Article 58 The company shall hold a corporate briefing in accordance with the regulations of the stock exchange or the over-the-counter trading center, and shall keep it in the form of audio or video recording. The financial and business information of the corporate information conference shall be entered into the public information observatory in accordance with the regulations of the stock exchange or the OTC center, and shall be available for inquiry through the company's website or other appropriate channels.

Section 2: Disclosure of Corporate Governance Information

Article 59 The company's website should set up a special section to disclose the following corporate governance-related information, and update it on an ongoing basis:

1. Board of Directors: such as the resumes of board members and their powers and responsibilities, and the diversity policy and implementation of board members.
2. Functional committees: such as the resumes of the members of each functional committee and their powers and responsibilities.
3. Corporate governance-related regulations: such as the articles of association, the board of directors' deliberations, and the organizational rules of functional committees.
4. Important information related to corporate governance: such as the information on the establishment of corporate governance supervisors, etc.

Depending on the actual implementation of corporate governance, the company should disclose its specific plans and measures to improve corporate governance in an appropriate manner.

Chapter VII Supplementary Provisions

Article 60 The Company shall pay attention to the development of domestic and international corporate governance systems at any time, and review and improve the corporate governance systems established by the Company accordingly to enhance the effectiveness of corporate governance.

Article 61 This Code shall be implemented upon approval by the Board of Directors and shall be amended as shall be the same.