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海通证券股份有限公司
HAITONG SECURITIES CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6837)

ANNOUNCEMENT

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The board (the “**Board**”) of directors (the “**Directors**”) of Haitong Securities Co., Ltd. (the “**Company**”) hereby announces that:

I. PROPOSED GENERAL MANDATE TO ISSUE ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

The Board has resolved to propose a resolution regard the grant of general mandate to issue onshore and offshore debt financing instruments at the shareholders’ general meeting of the Company, whereby the Company or its subsidiaries (including wholly-owned and controlling subsidiaries unless otherwise indicated) are approved to issue onshore and offshore debt financing instruments, through public or non-public offering, on a one-off or multiple issuances or multi-tranche issuances basis, including but not limited to Renminbi, offshore Renminbi or foreign currency corporate bonds, subordinated bonds, short-term corporate bonds, short-term financing bonds, ultra-short-term financing bonds, asset-backed securities (notes), income certificate, transfer of income rights, medium-term notes (including but not limited to commercial notes), loans (including but not limited to bank credit, bank loans, syndicated loans, etc.), and other onshore and offshore debt financing instruments as approved by, filed with or recognised by the CSRC and other relevant regulatory authorities (excluding the placements with banks and other financial institutions and the repurchase transactions for daily liquidity operations) (together, the “**Onshore and Offshore Debt Financing Instruments**”).

Details of the general mandate to issue onshore and offshore debt financing instruments by the Company or its subsidiaries are as follows:

1. Type

A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise the Chairman of the Board and the general manager of the Company (the “**Authorised Representatives**”) to jointly or individually determine the type of the onshore and offshore debt financing instruments and details of priorities for repayment of creditors in accordance with applicable laws, regulations and the relevant rules stipulated by securities regulatory authorities, as well as the approvals of the shareholders of the Company, after taking into account of the Company’s conditions and then prevailing market conditions at the time of issuance. The onshore and offshore debt financing instruments in this resolution do not contain any provision for conversion into shares.

2. Term

The term of the fixed-term onshore and offshore debt financing instruments shall be no longer than 15 years (inclusive). It may have a single term or hybrid type with multiple maturities; the non-fixed-term onshore and offshore debt financing instruments are not subject to the aforementioned requirement on the term. A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to determine the details including the term and size of each type of the onshore and offshore debt financing instruments in accordance with the relevant rules and then prevailing market conditions.

3. Interest Rate

A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to determine the interest rate for the issuance of the onshore and offshore debt financing instruments as well as the method of calculation and payment thereof in accordance with the then prevailing market conditions at the time of issuance of the onshore and offshore debt financing instruments and relevant rules.

4. Issuer, Issue Method and Issue Size

The Company or its subsidiaries will act as the issuer of the onshore and offshore debt financing instruments. The onshore and offshore debt financing instruments shall be issued on a one-off or multiple issuances or multi-tranche issuances basis through public offering or private placement to qualified investors onshore and offshore, upon approval by, filing with or recognition by relevant regulatory authorities in accordance with relevant rules.

The aggregate issue size of the onshore and offshore debt financing instruments shall be no more than 400% of the audited net asset value of the Company as at the end of the latest period (based on the balance outstanding on the instruments issued and, in the case of an instrument denominated in foreign currency, based on the median exchange rate published by the People's Bank of China on the date of issuance), and shall be in compliance with the requirements prescribed in the relevant laws and regulations on the maximum amount of the specific debt financing instruments to be issued.

A resolution will be proposed by the Board at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to jointly or individually determine, at its/their sole discretion, the details including the issuer, issue size, timing of issue, number of tranches, currency and issue method in accordance with relevant laws and regulations as well as the advice and recommendations of regulatory authorities, the Company's actual needs for funding and the then prevailing market conditions at the time of issuance, in order to maximise the interest of the Company, and to monitor the issuance and payment of onshore and offshore debt financing instruments.

5. Issue Price

A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to jointly or individually determine the issue price of the onshore and offshore debt financing instruments in accordance with the then prevailing market conditions at the time of issuance and relevant laws and regulations.

6. Security and Other Credit Enhancement Arrangements

According to the characteristics of the debt financing instruments issued and the needs of issuance, internal and external credit enhancement mechanisms may be adopted, including but not limited to third-party (counter) guarantee, commercial insurance, asset mortgage, pledge guarantee, support letter, etc.

A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to jointly or individually determine the detailed security and other credit enhancement agreements based on the features of the onshore and offshore debt financing instruments and the issuance needs in accordance with the laws.

7. Use of Proceeds

The proceeds raised from the issuance of onshore and offshore debt financing instruments shall be used for business operation of the Group, improvement its debt structure of the Group, replenishing working capital and/or make project investment. A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its authorised representatives to jointly or individually determine the details including the use of proceeds in accordance with the funding needs of the Company.

8. Target Subscribers and Arrangements on Placement to Shareholders of the Company

The target subscribers of the onshore and offshore debt financing instruments shall be the onshore and offshore investors which meet the conditions for subscription. A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to jointly or individually determine the details including the target subscribers in accordance with relevant laws and regulations, the prevailing market conditions and other specific matters related to the issuance. The issued debt financing instruments may be placed to the shareholders of the Company. A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to jointly or individually determine the details of the placement arrangements (including whether to make such placement and the proportion of placement, etc.) in accordance with the then prevailing market conditions and other specific matters related to the issuance and applicable laws.

9. Guarantee Measures for Repayment

A resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to authorise its Authorised Representatives to jointly or individually implement, as a minimum, the following measures in the event they expect that the Company is unable to repay the principal and interests of the onshore and offshore debt financing instruments as scheduled, or the Company fails to repay the principal and interests of the onshore and offshore debt financing instruments when they become due:

- (i) no dividend shall be distributed to the shareholders;
- (ii) suspend the implementation of projects that incur capital expenditure such as material external investments, acquisitions and mergers;
- (iii) payment of salary and bonus of the directors and senior management of the Company shall be adjusted, reduced or ceased;
- (iv) key personnel accountable for such event shall not be allowed for re-designation.

10. Validity Period of Resolution

The resolutions regarding the issuance of onshore and offshore debt financing instruments shall be valid for a period of 36 months commencing from the date of passing of such resolutions at the general meeting. Where the Board and/or its Authorised Representatives have, during the term of the authorisation, decided the issuance or partial issuance of onshore and offshore debt financing instruments, and provided that the Company has also, during the term of the authorisation, obtained the approval or license from or completed filing or registration (if applicable) with regulatory authorities on the issuance, the Company may, during the validity period of such approval, license, filing or registration, complete the issuance or relevant partial issuance of debt financing instruments.

11. Authorisation for Issuance of Onshore and Offshore Debt Financing Instruments

To ensure effective coordination of the issuance of onshore and offshore debt financing instruments and other matters in connection with the issuance, a resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to further authorise its Authorised Representatives to deal with, at its/their sole discretion, all matters in connection with the issuance of onshore and offshore debt financing instruments in accordance with the relevant laws and regulations as well as the advice and recommendations from regulatory authorities, within the framework and under the principles approved at the general meeting, in order to maximise the interest of the Company, including but not limited to:

- (i) formulation and adjustment of the details of the proposal for issuance of onshore and offshore debt financing instruments in accordance with the applicable laws, regulations and relevant provisions from regulatory authorities as well as resolutions passed at the general meeting of the Company, and based on the actual conditions of the Company and the specific conditions of the relevant debt market, including but not limited to, the determination of the suitable issuer(s), timing of issue, details of issue size and method, terms of issue, target subscribers, maturity, whether to issue on a one-off, multiple issuances, multi-tranche issuances or multiple-category issuances basis and, if on multiple issuances, multi-tranche issuances or multiple-category issuances basis, the issue size and term of each issuance, tranche and category, the methods in which the nominal value and interest rate are determined, currency (including offshore Renminbi), pricing method, issuance arrangements, credit enhancement arrangements including letter of guarantee, mortgage or pledge, rating arrangement, details of subscription method, whether to incorporate terms of repurchase or redemption, details of placement arrangements, use of proceeds, registration, listing of onshore and offshore debt financing instruments and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment (if applicable), etc. and all matters in connection with the issuance of onshore and offshore debt financing instruments;
- (ii) determining and engaging intermediary agency, signing, implementing, amending and completing all agreements and documents relating to the issuance of onshore and offshore debt financing instruments, including but not limited to, the sponsor agreement, underwriting agreement, credit enhancement agreements such as guarantee agreement, mortgage or pledge agreements, bond indenture, engagement letter with intermediary agency, trust agreement, settlement management agreement, registration and custody agreement, listing agreement and other legal documents, etc., and disclosing the relevant information in accordance with the relevant laws, regulations and the listing rules of the stock exchanges on which the Company's securities are listed (including but not limited to, the preliminary and final offering memoranda of the debt financing instruments, and all announcements and circulars, etc. in relation to the issuance of onshore and offshore debt financing instruments);
- (iii) selecting and engaging trustee manager(s) and settlement manager(s) for the issuance of onshore and offshore debt financing instruments, signing the trustee agreement(s) and settlement management agreement(s) and (if applicable), formulating rules for meetings of the holders of the debt financing instruments;
- (iv) undertaking all applications and filings as well as listing matters (if applicable) in connection with the issuance of onshore and offshore debt financing instruments, including but not limited to, preparing, revising and submitting relevant application and filing materials relating to the issuance and listing of the onshore and offshore debt financing instruments and application and filing materials in respect of credit enhancement agreements such as (reverse) guarantee, mortgage or pledge, letter of support to be provided by the Company, the issuer(s) and/or third party(ies), and signing the relevant application and filing documents and other legal documents;

- (v) making relevant adjustments to matters relating to the issuance of onshore and offshore debt financing instruments according to the advice of and changes in the policies of regulatory authorities or the changes in market conditions, or determining whether to continue with all or part of the work in respect of the issuance of onshore and offshore debt financing instruments in accordance with the actual conditions, unless re-approval by the shareholders at general meeting is otherwise required pursuant to the relevant laws, regulations and the articles of association of the Company;
- (vi) dealing with other relevant matters in connection with the issuance of onshore and offshore debt financing instruments;
- (vii) subject to approval of the above authorisation at the general meeting, a resolution will be proposed to agree the Authorised Representatives for the issuance of onshore and offshore debt financing instruments to jointly or individually deal with all matters in connection with the issuance of offshore debt financing instruments on behalf of the Company pursuant to the resolutions passed at the general meeting and the authorisation granted by the Board.

The above authorisations shall remain valid and effective on and from the date when the shareholders at the general meeting have approved and passed the resolutions until the earlier of the expiry of 36 months or the date when matters authorised above have been completed (depending on whether the issuance of all onshore and offshore debt financing instruments has been completed). However, where the Board and/or its authorised representatives have, during the term of the authorisation, decided the issuance or partial issuance of onshore and offshore debt financing instruments, and provided that the Company has also, during the term of the authorisation, obtained the approval or licence from or completed filing or registration (if applicable) with regulatory authorities on the issuance, the Company may, during the validity period of such approval, licence, filing or registration, complete the issuance or relevant partial issuance of onshore and offshore debt financing instruments. With respect to the matters of issuance or partial issuance, the above authorisation shall remain valid until the date of completion of such issuance or partial issuance.

The above resolution is subject to approved of shareholders at the general meeting and will be effective from the date of approval at such general meeting. A circular containing, among other things, details of the above resolutions, together with the notice of the shareholders' general meeting, will be despatched to the shareholders in due course.

II. PROPOSED GRANT OF GENERAL MANDATE TO AUTHORISE, ALLOT OR ISSUE A SHARES AND/OR H SHARES

The Board has resolved to propose a resolution regarding the grant of the general mandate to authorise, allot or issue A shares of the Company (the “**A Shares**”) and/or H shares of the Company (the “**H Shares**”) at the shareholders’ general meeting of the Company. Details of this general mandate are as follows:

In compliance with the regulations stipulated in the Company Law (the “**PRC Company Law**”) of the People’s Republic of China (the “**PRC**”), the Securities Law of the PRC (the “**PRC Securities Law**”) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Articles of Association, and subject to the terms and conditions set out in the following provisions (1), (2) and (3), it is proposed that the shareholders’ general meeting grant an unconditional general mandate to the Board to authorise, allot or issue A Shares and/or H Shares (including warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into shares) separately or concurrently, and to execute the necessary documents, complete the necessary formalities and take other necessary steps to complete the aforesaid matters:

- (1) the authorisation is valid for the period from the date of passing of this resolution at the shareholders’ general meeting to approve the grant of such authorisation until whichever is the earliest of:
 - (a) the conclusion of the next annual shareholders’ general meeting of the Company following the passing of this resolution at the shareholders’ general meeting;
 - (b) the expiration of the 12-month period following the passing of this resolution at the shareholders’ general meeting; or
 - (c) the date on which the authorisation set out in this resolution is revoked or varied by a resolution of the shareholders of the Company at any shareholders’ general meeting.

Should the Board, during the validity period of the authorisation, execute the necessary documents, complete the necessary formalities or take relevant steps which might be required to be performed or carried out upon or after the end of the validity period or continued until the end of the validity period, the validity period of the authorisation will be extended accordingly;

- (2) the respective number of the A Shares and/or H Shares which the Board proposes to authorise, allot or issue, or conditionally or unconditionally agrees to authorise, allot or issue (including warrants, convertible bonds and other securities that carry rights to subscribe for or are convertible into shares, which will be calculated based on the aggregate number of shares potentially convertible by them) shall not exceed 20% of the respective number of the A Shares and/or H Shares of the Company in issue as at the date of passing of this resolution at the shareholders’ general meeting;

- (3) the Board shall exercise the authorisation pursuant to the PRC Company Law, the PRC Securities Law and the Hong Kong Listing Rules and all other applicable laws, regulations and requirements of any other government or regulatory authorities and with the approval by CSRC and/or other relevant governmental authorities in the PRC.

With respect to an issue of shares pursuant to the general mandate set out in this resolution, a proposal is made to the shareholders' general meeting to authorise the Board to increase the Company's registered capital corresponding to the number of shares issued under the general mandate, to make amendments to the Articles of Association where applicable and necessary in response to the increase of the Company's registered capital, and to take any other necessary actions and complete any other necessary procedures.

After the Board has obtained the aforesaid general mandate, a proposal is made to the shareholders' general meeting to approve the Board to in turn authorise the chairman and the general manager of the Company to jointly or separately sign, execute, amend, complete and submit all agreements, contracts and documents relating to the recognition, allotment or issuance of shares under the general mandate, unless otherwise provided by laws and regulations.

A circular containing, among other things, details of the above resolutions, together with the notice of the shareholders' general meeting, will be despatched to the shareholders in due course.

III. PROPOSED INVESTMENT ASSET ALLOCATION OF EQUITY AND NON-EQUITY PRODUCTS

The Board has resolved to propose a resolution regarding the investment asset allocation of equity and non-equity products at the general meeting of the Company. Details are as follows:

With strict control of actual risk exposure, the maximum amount of investment (based on initial investment costs) in proprietary equity securities and their derivatives (including stock repurchase business, same hereinafter) and proprietary non-equity securities shall not exceed 80% and 300% of net capital of the Company (estimation based on the latest assets allocation), respectively. The maximum risk exposure position of the investment in proprietary equity securities shall not exceed RMB34.0 billion, representing 51.40% of net capital of the Company (estimation based on the latest assets allocation).

The aforementioned investments must be conducted in line with various regulatory requirements. The management of the Company shall be authorised to flexibly allocate fund scale and adjust investment direction within the limit of the maximum amount of the proprietary investment according to market opportunities and the actual conditions of the Company, subject to various regulatory requirements.

The validity period of the aforementioned investment plan and authorisation shall commence on the date of the resolution being approved at the shareholders' general meeting of the Company and shall end on the date of the resolution being revoked or revised by the shareholders at any shareholders' general meeting of the Company.

A circular containing, among other things, details of the above resolutions, together with the notice of the shareholders' general meeting, will be despatched to the shareholders in due course.

IV. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURE FOR SHAREHOLDERS' GENERAL MEETINGS, THE RULES OF PROCEDURE FOR BOARD MEETINGS AND THE RULES OF PROCEDURE FOR THE SUPERVISORY COMMITTEE

The Board has resolved to amend relevant articles in the articles of association of the Company (the “**Articles of Association**”), and to amend the corresponding articles of the Rules of Procedure for Shareholders' General Meetings, the Rules of Procedure for Board Meetings and the Rules of Procedure for the Supervisory Committee of the Company, details of which are set out in Appendix I, Appendix II, Appendix III and Appendix IV of this announcement.

Such amendments to the Articles of Association, the Rules of Procedure for Shareholders' General Meetings, the Rules of Procedure for Board Meetings and the Rules of Procedure for the Supervisory Committee will come into effect after being considered and approved at the general meeting of the Company and after obtaining approval from securities regulatory authorities. The Board has resolved to propose a resolution at the general meeting of the Company to authorise the Board in turn to authorise the management of the Company to handle the approval and filing procedures with relevant regulatory authorities involved in such amendments, and to make wording adjustments to such amendments according to opinions of regulatory authorities.

A circular containing, among other things, details of the above resolutions, together with the notice of the shareholders' general meeting, will be despatched to the shareholders in due course.

V. THE CHANGES IN ACCOUNTING POLICIES

The Board considered and approved the resolution in relation to the changes in accounting policies. The abovementioned changes in accounting policies are not subject to consideration and approval by shareholders at the general meeting of the Company.

1. Overview of the Changes in Accounting Policies

In January 2016, the International Accounting Standards Board issued the “*International Financial Reporting Standards 16 – Leases*” (《國際財務報告準則第16號－租賃》), which came into effect on 1 January 2019. In December 2018, the Ministry of Finance of the PRC revised and issued the “*Accounting Standards for Business Enterprises No. 21 – Leases*” (《企業會計準則第21號－租賃》), requiring enterprises listed domestically and overseas, as well as those enterprises listed overseas adopting International Financial Reporting Standards (“**IFRS**”) or enterprise accounting standards to prepare financial statements, to implement such standards from 1 January 2019. Other enterprises adopting enterprise accounting standards will implement such standards from 1 January 2021 (above two standards are hereinafter referred to as “**New Lease Standards**”).

2. Details of the Changes in Accounting Policies and the Impact on the Company

The New Lease Standards unifies the accounting treatment of lessees under operating leases and finance leases. Except for eligible short-term leases and low-value asset leases, the lessee is required to recognise the right-of-use asset and lease liability at the initial measurement. When dealing with subsequent measurement, for the right-of-use asset, depreciation is provided during the lease term, and the impairment is assessed and the corresponding accounting treatment is carried out; for the lease liability, the interest expense is accrued during the lease term. For short-term leases and low-value asset leases, the relevant asset costs or current profits and losses are included in a systematic and reasonable method. The disclosure of financial statements shall be adjusted accordingly in accordance with the foregoing.

According to the implementation requirements, the Company should implement the New Lease Standards from 1 January 2019. In accordance with the requirements of the standards, the Company adjusts the retained earnings at the beginning of the period and other related items in the financial statements based on the cumulative impact of the implementation of the New Lease Standards on 1 January 2019, and the Company will not adjust the information for the comparable period of 2018.

The main impacts of the implementation of the New Leases Standards on accounting and related presentations are as follows: as a lessee except for eligible short-term leases and low-value asset leases, the Company will recognise the right-of-use assets and lease liabilities, the cumulative impact of the implementation of the New Lease Standards, and will adjust the corresponding retained earnings at the beginning of the period. The changes did not have a significant impact on the total assets and net assets of the Company.

3. Conclusive Opinions of Independent Directors and the Supervisory Committee

The independent non-executive Directors were of the view that the changes in accounting policies of the Company is in accordance with the relevant regulations of the MOF and the actual situation of the Company. The changes in accounting policies can reflect the future financial status and operating results of the Company in a more objective and fair manner, and are in line with the interests of the Company and its shareholders. The decision-making procedure for the changes in accounting policy are in compliance with the requirements of relevant laws, regulations and the Articles of Association, and does not harm the rights of the Company and minority shareholders. The independent non-executive Directors agreed to the changes in accounting policy of the Company.

The Supervisory Committee of the Company (the “**Supervisory Committee**”) was of the view that the changes in accounting policies complies with relevant regulatory requirements and the actual situation of the Company’s leasing business, and the implementation of the changes in accounting policies can reflect the financial status and operating results in a more objective and fair manner; relevant decision-making procedures are in compliance with the requirements of relevant laws, regulations, the Articles of Association and internal management policies of the Company, and does not harm the rights of the Company and its shareholders; the Supervisory Committee agreed to the changes in accounting policies.

VI. PROJECTED ROUTINE RELATED PARTY TRANSACTIONS IN 2019

1. Basic Information of Projected Routine Related Party Transactions in 2019

(I) Overview of Related Party Transactions

Upon approval from the China Securities Regulatory Commission, the Company is permitted to engage in securities business and provide trading and intermediary services for securities and other financial products, the transaction counterparties and service targets also include related parties of the Company. For the purpose of sound management and information disclosure for its related party transactions, the Company, in accordance with the Company Law of the PRC, the Code of Corporate Governance for Listed Companies, the Stock Listing Rules of the Shanghai Stock Exchange (the “**Shanghai Stock Exchange Listing Rules**”), the Guidelines of the Shanghai Stock Exchange on Related Stock Party Transactions of Listed Companies, and requirements of other laws and regulations, as well as the articles of association of the Company and the Measures Concerning Related Party Transactions Management, has made projections about its routine related party transactions to be conducted in 2019 based on the need of its routine operations and business development.

(II) Implementation Status of Routine Related Party Transactions in 2018

1. Related party transactions with BNP Paribas Investment Partners BE Holding SA and its related companies

Category of Transactions	Contents of Transactions	Transaction volume in 2018 (RMB0'000)	Proportion in Same Type of Business	Remarks
Services for Securities and Financial Products	Fee and commission income	355.33	0.04%	Fund management fee and investment consulting service fees charged against related parties
	Business and management expenses	20.29	0.00%	Sales and service fees paid to related parties

Trading in Securities and Financial Products	Fee and commission income	0.59	0.00%	Trading rights commission received from related parties
	Interest expense	61.95	0.00%	Interest expense incurred from financial leasing
	Accounts receivable	52.94	0.01%	Investment consulting service fee and fund management fee due from related parties
	Accounts payable	3.23	0.00%	Sales and service fees due to related parties
	Dividend payable	3,927.64	83.47%	Dividend payable to minority shareholders by controlling subsidiaries
	Long-term borrowing	44,333.86	1.02%	Balance of loan from financial leasing
	Interest payable	61.95	0.02%	Balance of unpaid loan interest incurred from financial leasing
	Spot trading	20,000.00	-	Transactions incurred from fixed income business
	Pledged Repurchase	30,000.00	-	
	Interest rate swap	52,000.00	-	

2. *Related Party transactions with Shanghai Shengyuan Real Estate (Group) Co., Ltd. (上海盛源房地產(集團)有限公司)*

Category of Transactions	Contents of Transactions	Transaction volume in 2018 (RMB0'000)	Proportion in Same Type of Business	Remarks
Trading in Securities and Financial Products	Fee and commission income	0.02	0.00%	Securities trading fees and commission income received from related parties
	Interest income	0.06	0.00%	Interest income from margin deposits of related parties
	Account from securities agency trading	6.05	0.00%	Balance of margin deposits from clients placed by related parties
Others	Business and management expenses	8.84	0.00%	Other service fees paid to related parties

3. *Related party transactions with companies (other than the Company and its subsidiaries), where the Company's Directors, supervisors (the "Supervisors") and senior management hold positions as directors or senior management, and other related corporate legal persons*

Category of Transactions	Contents of Transactions	Transaction volume in 2018 (RMB0'000)	Proportion in Same Type of Business	Remarks
Services for Securities and Financial Products	Fees and commission income	11,133.06	1.13%	Including income from investment banking business, income from sales service and income from investment consulting service received from related parties
	Business and management expenses	2,829.05	0.30%	Sales and consulting service fees paid to related parties
Trading in Securities and Financial Products	Fees and commission income	43.07	0.00%	Securities trading fees and commissions income received from related parties
	Interest income	81.93	0.00%	Interest income received by related parties
	Account from securities agency trading	522.32	0.01%	Balance of margin deposit from clients placed by related parties
	Interest expense	9,199.51	0.70%	Interest expense incurred from financial leasing
	Financial assets held for trading	4,605.90	0.03%	Balance of bond transaction held for related parties
	Short-term financial bills payable	5,055.23	0.19%	Balance of income receipt held by related parties
	Long-term borrowing	182,539.93	4.22%	Balance of loan incurred from financial leasing
	Interest payable	271.2	-	Balance of unpaid loan interest incurred from financial leasing
	Other payable	3,918.97	1.83%	Sales and service fee payable to related parties
	Spot trading	268,000.00	-	Transactions incurred from fixed income business
	Pledged Repurchase	2,176,500.00	-	
	Bond lending	444,000.00	-	
	Interest rate swap	114,000.00	-	
	Credit lending	150,000.00	-	

(III) Projected Transaction Amount and Transaction Category of the Routine Related Party Transactions

1. Projected related party transactions with BNP Paribas Investment Partners BE Holding SA and its related companies

Category of Transactions	Contents of Transactions	Caps for and Descriptions of Projected Transactions
Services for Securities and Financial Products	Provide targeted asset management services to related parties; provide asset custody and operation outsourcing services for related parties; bank deposits and deposit interest in related parties; provide third-party fund depository services by related parties; agency sale of financial products of related parties; provide underwriting, sponsorship and financial consultation services to related parties; provide stock pledge, margin financing and securities lending services to related parties; provide investment consultation services to related parties; related parties provide banking credit, borrowing and other services to the Company; provide financial leasing to related parties; pay dividends to related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.
Trading in Securities and Financial Products	Provide securities and futures brokerage services to related parties; lease of trading rights to related parties; resale or repurchase with related parties in the interbank market; conduct bond proprietary trading with related parties in the interbank market; carry out receivables transfer with related parties; subscribe for bonds, funds, wealth management products or trust plans issued by related parties; related parties subscribe for funds, asset management plans, wealth management products, over-the-counter derivatives and non-public issuance bonds issued by the Company; conduct transfer of the listed shares in the National Equities Exchange and Quotations System with related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.

2. *Projected related party transactions with Shanghai Shengyuan Real Estate (Group) Co., Ltd. (上海盛源房地產(集團)有限公司)*

Category of Transactions	Contents of Transactions	Caps for and Descriptions of Projected Transactions
Services for Securities and Financial Products	Provide targeted asset management service to related parties; provide underwriting, sponsorship and financial consultation service to related parties; provide stock pledge, margin financing and securities lending to related parties; provide investment consultation service to related parties	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.
Trading in Securities and Financial Products	Provide securities and futures brokerage service to related parties; related parties subscribe for funds, asset management plans, wealth management products, over-the-counter derivatives and non-public issuance bonds issued by the Company; conduct transfer of the listed shares in the National Equities Exchange and Quotations System with related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.

3. *Projected related party transactions with companies (other than the Company and its subsidiaries), where the Company's directors, supervisors and senior management hold positions as directors or senior management, and other related corporate legal persons*

Category of Transactions	Contents of Transactions	Caps for and Descriptions of Projected Transactions
Services for Securities and Financial Products	Provide targeted asset management services to related parties; provide asset custody and operation outsourcing services for related parties; bank deposits and deposit interest in related parties; provide third-party fund depository services by related parties; agency sale of financial products of related parties; provide underwriting, sponsorship and financial consultation services to related parties; provide stock pledge, margin financing and securities lending services to related parties; provide investment consultation services to related parties; related parties provide banking credit, borrowing and other services to the Company; provide financial leasing to related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.
Trading in Securities and Financial Products	Provide securities and futures brokerage services to related parties; lease of trading rights to related parties; resale or repurchase with related parties in the interbank market; conduct bond proprietary trading with related parties in the interbank market; carry out receivables transfer with related parties; subscribe for bonds, funds, wealth management products or trust plans issued by related parties; related parties subscribe for funds, asset management plans, wealth management products, over-the-counter derivatives and non-public issuance bonds issued by the Company; conduct transfer of the listed shares in the National Equities Exchange and Quotations System with related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.

4. *Related party transactions with related natural persons*

In the routine operations of the Company, related natural persons will receive securities and futures brokerage services provided by the Company, or subscribe for wealth management products issued by the Company in accordance with laws, regulations and regulatory requirements. Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount. Based on the Company's calculation, applicable percentage ratios relating to the above related party transactions are expected to fall below the de minimis threshold as stipulated under Rule 14A.76(1) of the Hong Kong Listing Rules, and such transactions are therefore exempt from reporting, announcement, annual review and independent shareholders' approval requirements for connected transactions under Chapter 14A of the Hong Kong Listing Rules.

2. Related Parties Expecting to Have Related Party Transactions in 2019 and Description of Their Related Relations

For the definitions of related relationship and related party in this announcement, please refer to Chapter 10 of the Shanghai Stock Exchange Listing Rules (2014 Revision). Description of major related parties referred to in this announcement is as follows:

(1) BNP Paribas Investment Partners BE Holding SA and its related companies

As at 31 December 2018, BNP Paribas Investment Partners BE Holding SA held 49% interest in HFT Investment Management Co., Ltd., a controlled subsidiary of the Company, and held 33% interest in Haitong-Fortis Private Equity Fund Management Co., Ltd., also a controlled subsidiary of the Company, therefore, it is deemed a related legal person pursuant to Paragraph (5) of Article 8 of the Guidelines of the Shanghai Stock Exchange on Related Party Transactions of Listed Companies. BNP Paribas Investment Partners BE Holding SA is a wholly-owned subsidiary of BNPP IP. BNPP IP is a company specifically responsible for proprietary asset management business under BNPP which provides a wide range of investment management services for institutional and retail customers across the globe.

Based on the Company's calculation, HFT Investment Management Co., Ltd. and Haitong-Fortis Private Equity Fund Management Co., Ltd. are together insignificant subsidiaries of the Company and therefore BNP Paribas Investment Partners BE Holding SA does not constitute a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules. As such, the above related party transactions do not constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules.

(2) Shanghai Shengyuan Real Estate (Group) Co., Ltd.

Haitong Futures Co., Ltd. is a subsidiary of the Company, in which, the Company hold approximately 66.67% interest and Shanghai Shengyuan Real Estate (Group) Co., Ltd. approximately held 33.33% interest as at the date of this announcement. Therefore, Shanghai Shengyuan Real Estate (Group) Co., Ltd. is a connected person of the Company at subsidiary level as defined under Chapter 14A of the Hong Kong Listing Rules. Meanwhile, Shanghai Shengyuan Real Estate (Group) Co., Ltd. is also deemed a related legal person pursuant to Paragraph (5) of Article 8 of the Guidelines of the Shanghai Stock Exchange on Related Party Transactions of Listed Companies. Shanghai Shengyuan Real Estate (Group) Co., Ltd. is registered in November 2003, with a registered capital of RMB250 million, and it is formerly known as Shanghai Shengyuan Real Estate Co., Ltd. It has class two real estate development qualification, and is a member of the Shanghai Real Estate Association.

(3) *Other related companies*

Pursuant to the Shanghai Stock Exchange Listing Rules, if any director, supervisor or senior management personnel serves as a director or senior management personnel of a company other than the Company and its controlled subsidiaries, such company shall be deemed as a related party of the Company, but does not constitute a connected person under the Hong Kong Listing Rules.

3. Price Determination Principles

(1) *Securities and financial products and services*

Mainly including, but not limited to the following income generated from related business: sales and service fees of securities and financial products, management fees and performance-related bonus of trusted assets, investment consultancy service fees, underwriting fees of investment banking, financial advisory fees, accounts receivables and accounts payables, etc., which shall be determined with reference of market price level, industry practice and prices determined by the third party.

(2) *Trading in securities and financial products*

Mainly including, but not limited to the following income generated from related business: fees income from trading of securities on behalf of client, interest income from margin deposits, interest income from margin financing and security lending, stock pledge and stock repo transaction, investment income, and financial assets held for trading, etc., which shall be determined with reference of market price level, industry practice and prices determined by the third party.

The above routine related party transactions will not prejudice the interests of the Company and its shareholders, especially its minority shareholders.

4. Objectives of the Transactions and Impact on the Company

- (1) The above related party transactions are routine related party transactions occurred during the routine business operation of the Company, these transactions will generate income for the Company and are benefiting the business development of the Company, and will not have material impact on the normal operations of the Company.
- (2) The above related party transactions are fair, and the prices under these transactions have made reference to the market price, therefore did not prejudice the interest of the Company and its shareholders as a whole.
- (3) The above related party transactions did not affect the independence of the Company as the principal businesses of the Company did not rely on the related parties as a result of the above related party transactions.

5. Implications Under the Hong Kong Listing Rules

Shanghai Shengyuan Real Estate (Group) Co., Ltd. is a connected person of the Company at subsidiary level as defined under Chapter 14A of the Hong Kong Listing Rules. Therefore, such transactions entered into between the Company and Shanghai Shengyuan Real Estate (Group) Co., Ltd. constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. Based on the Company's calculation, applicable percentage ratios relating to the above connected transactions are expected to fall below the de minimis threshold as stipulated under Rule 14A.76(1) of the Hong Kong Listing Rules, and such transactions are therefore exempt from reporting, announcement, annual review and independent shareholders' approval requirements for connected transactions under Chapter 14A of the Hong Kong Listing Rules.

The Company is required by the applicable PRC laws and regulations to seek the approval of its shareholders with respect to the above related party transactions. Relevant resolutions will be proposed to the shareholders for voting at the general meeting of the Company.

If any of the above related party transactions will constitute a connected transaction under Chapter 14A of the Hong Kong Listing Rules or no longer be exempted, the Company will strictly comply with the applicable requirements under Chapter 14A of the Hong Kong Listing Rules (including without limitation, reporting, announcement, annual review and independent shareholders' approval requirements).

Note: All financial data set out in this announcement are calculated on a consolidated basis in accordance with the PRC GAAP.

VII. PROPOSED APPOINTMENT OF ACCOUNTING FIRMS FOR 2019

In accordance with the requirements under Administrative Measures of the Appointment of Accounting Firms by Financial Enterprises (Caijin No. [2016]12) 《金融企業選聘會計師事務所管理辦法》的通知(財金[2016]12 號) issued by the MOF, a financial enterprise shall not appoint the same accounting firm for 5 consecutive years in principle. For accounting firms ranked top 15 of the comprehensive assessment ranking of The Chinese Institute of Certified Public Accountants with outstanding audit quality, a financial enterprise may extend the reappointment term to no more than 8 years. The Company has appointed BDO China Shu Lun Pan Certified Public Accountants LLP (Special General Partnership) (“**BDO China**”) as its external auditor since 2011 for domestic audit services, and the appointment term will reach 8 years following the completion of its audit works in 2018. According to above requirements, BDO China will cease to be the external auditor responsible for relevant domestic audit services from 2019.

The Board has considered and agreed to propose the resolution regarding the appointment of accounting firms for 2019 to the general meeting of the Company for consideration and approval, to recommend the appointment of Deloitte Touche Tohmatsu (德勤•關黃陳方會計師行) and Deloitte Touche Tohmatsu Certified Public Accountants LLP (德勤華永會計師事務所) (Special General Partnership) (“**Deloitte & Touche**”) as the external auditors of the Company for 2019 for a term of one year, who will be jointly responsible for the provision of relevant domestic and overseas audit and review services in accordance with PRC GAAP, IFRS and others, with auditing fees (including those for internal control) amounting to RMB5.25 million for 2019. The Company believes that Deloitte & Touche has the experience and ability to provide audit services for the Company, and has the qualifications for securities and futures related business, and can provide professional services for the Company.

The Company had made prior-communications with BDO China, and there was no disagreement between the Company and BDO China. BDO China has confirmed as at the date of this announcement there were no matters in relation to the proposed ceasing of reappointment which should be brought to the attention of the Audit Committee of the Company (the “**Audit Committee**”), the Board and the shareholders of the Company. The Audit Committee is not aware of any matters in relation to such proposed ceasing of reappointment of BDO China as domestic auditor that need to be brought to the attention of the Board and the shareholders of the Company. The Board expressed sincere gratitude to BDO China for its hard work during the years of providing audit services for the Company.

The proposal is subject to submission to the general meeting of the Company for consideration and approval, as well as submission to the general meeting to authorise the Board to delegate the management of the Company to make appropriate adjustments to auditing fees based on factors such as auditing content and the change of auditing scope. A circular containing, among other things, details of the above resolution, together with the notice of the shareholders’ general meeting, will be despatched to the shareholders in due course.

VIII. ELECTION OF NEW SESSION OF THE BOARD AND THE SUPERVISORY COMMITTEE

The Board has resolved to propose a resolution regarding the election of new session of the Board and the Supervisory Committee. Details are as follows:

Proposed election of the Directors

As the term of office of the sixth session of the Board has expired, the Board has approved the following matters and proposed them to be considered at the shareholders’ general meeting:

1. re-elect Mr. Zhou Jie as executive Director of the seventh session of the Board;
2. re-elect Mr. Qu Qiuping as executive Director of the seventh session of the Board;

3. appoint Mr. Ren Peng as executive Director of the seventh session of the Board;
4. appoint Mr. Tu Xuanxuan as non-executive Director of the seventh session of the Board;
5. re-elect Ms. Yu Liping as non-executive Director of the seventh session of the Board;
6. re-elect Mr. Chen Bin as non-executive Director of the seventh session of the Board;
7. re-elect Mr. Xu Jianguo as non-executive Director of the seventh session of the Board;
8. re-elect Mr. Zhang Ming as independent non-executive Director of the seventh session of the Board;
9. re-elect Mr. Lam Lee G. as independent non-executive Director of the seventh session of the Board;
10. appoint Mr. Zhu Hongchao as independent non-executive Director of the seventh session of the Board;
11. appoint Mr. Zhou Yu as independent non-executive Director of the seventh session of the Board;

The above Director candidates meet the qualification requirements to serve as Directors as stipulated in relevant laws, regulations and the Articles of Association. The re-elected Directors will continue to perform their duties from the date of approval by the 2018 annual general meeting of the Company. The newly appointed Directors, Mr. Tu Xuanxuan, Mr. Zhu Hongchao and Mr. Zhou Yu, will begin to perform their duties upon the approval by the 2018 annual general meeting of the Company and the approval by the CSRC on their qualifications. The term of office of the above Directors will be three years. The sixth session of the Board will continue to perform their functions and duties in accordance with applicable laws, regulations and Articles of Association, till the proposed appointment of the seventh session of the Board being approved at the 2018 annual general meeting, and relevant Director candidates obtaining regulatory authorities' approvals on their qualification for appointments.

As at the date of this announcement, the Company has not entered into any service contract with the Director candidates in terms of the appointment of the seventh session of the Board. Emoluments of the executive Directors of the Company shall be determined pursuant to the "Management Measures on the Performance Appraisal Assessment of Senior Management of Haitong Securities Co., Ltd.". The non-executive Directors will not receive any remuneration from the Company. Emoluments of the independent non-executive Directors of the Company shall be determined pursuant to the "Proposal regarding the Remuneration of Independent Director".

Please refer to Appendix V for the biographical details of the proposed Directors of the seventh session of the Board. As at the date of this announcement and as far as the Board is aware, save as disclosed in this announcement, the Director candidates have not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years. As at the date of this announcement, save as disclosed in this announcement, the Director candidates do not have other relationship with any Directors, Supervisors, senior management or substantial shareholders of the Company. The Director candidates do not have any interest in the shares of the Company or its associated companies within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed in this announcement, there is no other information in relation to the appointments of the Director candidates which is required to be disclosed pursuant to the requirements set out in Rules 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities on the Hong Kong Listing Rules nor are there any matters which need to be brought to the attention of the shareholders of the Company. The Director candidates have not been penalized by the CSRC or other relevant departments or stock exchanges.

Proposed election of the Supervisors

As the term of office of the sixth session of the Supervisory Committee has expired, the Board has approved the following matters and proposed them to be considered at the shareholders' general meeting:

1. appoint Mr. Xu Renzhong as shareholder Supervisor of the seventh session of the Supervisory Committee;
2. appoint Mr. Cao Yijian as shareholder Supervisor of the seventh session of the Supervisory Committee;
3. re-elect Ms. Zheng Xiaoyun as shareholder Supervisor of the seventh session of the Supervisory Committee;
4. appoint Ms. Dai Li as shareholder Supervisor of the seventh session of the Supervisory Committee;
5. re-elect Mr. Feng Huang as shareholder Supervisor of the seventh session of the Supervisory Committee;

The employee representative Supervisors of the seventh session of the Supervisory Committee shall be elected democratically by the employee congress of the Company and is not subject to shareholders' approval.

The above Supervisor candidates meet the qualification requirements to serve as Supervisors as stipulated in relevant laws, regulations and the Articles of Association. The re-elected Supervisors will continue to perform their duties from the date of approval by the 2018 annual general meeting of the Company. The newly appointed Supervisors, Mr. Xu Renzhong, Mr. Cao Yijian and Ms. Dai Li, will begin to perform their duties upon the approval by the 2018 annual general meeting of the Company and the approval by the CSRC on their qualifications. The term of office of the above Supervisors will be three years. The sixth session of the Supervisory Committee will continue to perform their functions and duties in accordance with applicable laws, regulations and Articles of Association, till the proposed appointment of the seventh session of the Supervisory Committee being approved at the 2018 annual general meeting, and relevant Supervisor candidates obtaining regulatory authorities' approvals on their qualification for appointments.

As at the date of this announcement, the Company has not entered into any service contract with the Supervisor candidates in terms of the appointment of the seventh session of the Supervisory Committee. The shareholder representative Supervisors of the Company will not receive any remuneration from the Company.

Please refer to Appendix VI for the biographical details of the proposed Supervisors of the seventh session of the Supervisory Committee. As at the date of this announcement and as far as the Supervisory Committee is aware, save as disclosed in this announcement, the Supervisor candidates have not held any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years. As at the date of this announcement, save as disclosed in this announcement, the Supervisor candidates do not have other relationship with any Directors, Supervisors, senior management or substantial shareholders of the Company. The Supervisor candidates do not have any interest in the shares of the Company or its associated companies within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed in this announcement, there is no other information in relation to the appointments of the Supervisor candidates which is required to be disclosed pursuant to the requirements set out in Rules 13.51(2) (h) to (v) of the Hong Kong Listing Rules nor are there any matters which need to be brought to the attention of the shareholders of the Company. The Supervisor candidates have not been penalized by the CSRC or other relevant departments or stock exchanges.

A circular containing details of the above resolutions together with the notice of general meeting will be despatched to the shareholders in due course.

By order of the Board of
Haitong Securities Co., Ltd.
ZHOU Jie
Chairman

Shanghai, the PRC
27 March 2019

As at the date of this announcement, our executive directors are Mr. ZHOU Jie and Mr. QU Qiuping; our non-executive directors are Ms. YU Liping, Mr. CHEN Bin, Mr. XU Jianguo, Mr. WU Yuezhou, Ms. ZHANG Xinmei and Mr. SHEN Tiedong; and our independent non-executive directors are Mr. LIU Cheeming, Mr. XIAO Suining, Dr. LAM Lee G., Mr. ZHANG Ming and Mr. FENG Lun.

* *For identification purpose only*

APPENDIX I

Comparison Chart of Amendments to the Articles of Association

Original article	To be amended as	Basis
Chapter Three SHARES		
<p>Article 28</p> <p>The Company may, according to the provisions of the relevant laws, administrative regulations, departmental rules and regulations, and the Articles, acquire its shares under the following circumstances:</p> <p>(i) to reduce registered capital of the Company;</p> <p>(ii) to merge with another company that holds shares in the Company;</p> <p>(iii) to grant shares to employees of the Company as incentives;</p> <p>(iv) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any shareholders' general meeting on the merger or division of the Company;</p> <p>(v) other circumstances as permitted by laws and administrative regulations.</p> <p>The Company shall not engage in the trading of its shares, save for the circumstances specified above.</p>	<p>Article 28</p> <p>The Company may, according to the provisions of the relevant laws, administrative regulations, departmental rules and regulations, the Articles <i>and relevant requirements of securities regulatory authorities in the place where the Company's shares are listed</i>, acquire its shares under the following circumstances:</p> <p>(i) to reduce registered capital of the Company;</p> <p>(ii) to merge with another company that holds shares in the Company;</p> <p><i>(iii) to use the shares for employee shareholding plans or for share incentives;</i></p> <p>(iv) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any shareholders' general meeting on the merger or division of the Company;</p> <p><i>(v) to use the shares for converting the convertible bonds issued by the Company to stock;</i></p> <p><i>(vi) necessary acts by the Company to protect its value while safeguarding the interests of shareholders;</i></p> <p>(vii) other circumstances as permitted by laws, administrative regulations <i>and securities regulatory authorities in the place where the Company's shares are listed.</i></p> <p>The Company shall not engage in the trading of its shares, save for the circumstances specified above.</p>	<p>The decision on amending the "Company Law of the People's Republic of China" (adopted at the sixth meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018) and Article 142 of the "Company Law".</p>

Original article	To be amended as	Basis
<p>Article 29</p> <p>The Company may conduct the repurchase in one of the following manners:</p> <p>(i) an offer to repurchase made to all shareholders in equal proportions;</p> <p>(ii) to repurchase through open transactions in stock exchanges;</p> <p>(iii) to repurchase through off-market agreements outside a stock exchange;</p> <p>(iv) other means as permitted by laws of PRC, administrative regulations and relevant competent authorities.</p>	<p>Article 29</p> <p>The Company may conduct the repurchase in one of the following manners:</p> <p>(i) an offer to repurchase made to all shareholders in equal proportions;</p> <p>(ii) to repurchase through open transactions in stock exchanges;</p> <p>(iii) to repurchase through off-market agreements outside a stock exchange;</p> <p>(iv) other means as permitted by laws of PRC, administrative regulations and relevant competent authorities.</p> <p><i><u>If the Company repurchases its shares under the circumstances as required in items (III), (V) and (VI) of Article 28 in the Articles of Association, the transaction(s) shall be carried out in a public and centralized manner.</u></i></p> <p><i><u>Where the laws, administrative regulations, departmental rules and regulations, the Articles of Association, and securities regulatory authorities and stock exchanges in the place where the Company's shares are listed have other requirements on the relevant matters involved in the aforementioned share repurchase, the provisions shall prevail.</u></i></p>	<p>The decision on amending the “Company Law of the People’s Republic of China” (adopted at the sixth meeting of the Standing Committee of the 13th National People’s Congress on October 26, 2018)</p>

Original article	To be amended as	Basis
<p>Article 31</p> <p>Shares repurchased in accordance with the laws by the Company shall be cancelled within the period prescribed by laws and administrative regulations, and the Company shall apply to the original company registration authority for registration of the change of its registered share capital.</p> <p>The amount of the Company’s registered share capital shall be reduced by the aggregate par value of those cancelled shares.</p>	<p>Article 31</p> <p><i><u>The share repurchase of the Company for reasons specified in item (I) to (II) of Article 28 of the Articles of Association shall be resolved at shareholders’ general meetings, and the share repurchase of the Company under circumstances as required in items (III), (V) and (VI) of Article 28 of the Articles of Association shall obtain approval from Board meetings where over two-thirds of the Directors are present.</u></i></p> <p><i><u>For any share repurchase of the Company pursuant to Article 28 of the Articles of Association, shares repurchased pursuant to item (I) shall be cancelled within ten days from the date of the repurchase; for those circumstances described in items (II) and (IV), the shares shall be transferred or cancelled within six months.</u></i></p> <p><i><u>Where the Company repurchases it shares pursuant to items (III), (V), and (VI) of Article 28 of the Articles of Association, the total shares held by the Company shall not exceed 10% of the total shares issued by the Company and such shares shall be transferred or cancelled within three years.</u></i></p> <p><i><u>After the Company cancelled such shares, the Company shall apply to the original company registration authority for registration of the change of its registered share capital. The amount of the Company’s registered share capital shall be reduced by the aggregate par value of those cancelled shares.</u></i></p> <p><i><u>Where the laws, administrative regulations, departmental rules and regulations, the Articles of Association, and securities regulatory authorities and stock exchanges in the place where the Company’s shares are listed have other provisions on the relevant matters involved in the aforementioned share repurchase, the provisions shall prevail.</u></i></p>	<p>The decision on amending the “Company Law of the People’s Republic of China” (adopted at the sixth meeting of the Standing Committee of the 13th National People’s Congress on October 26, 2018)</p>

Original article	To be amended as	Basis
<p>Article 64</p> <p>The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law:</p> <p>(i) to decide on the operating policies and investment plans of the Company;</p> <p>(ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors;</p> <p>(iii) to examine and approve the reports of the Board;</p> <p>(iv) to examine and approve the reports of the Supervisory Committee;</p> <p>(v) to examine and approve the proposed annual financial budgets and final accounts of the Company;</p> <p>(vi) to examine and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(vii) to adopt resolutions on any increment or reduction of registered capital of the Company;</p> <p>(viii) to adopt resolutions on any issuance of bonds of the Company;</p> <p>(ix) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(x) to amend the Articles of Association;</p>	<p>Article 64</p> <p>The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law:</p> <p>(i) to decide on the operating policies and investment plans of the Company;</p> <p>(ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors;</p> <p>(iii) to examine and approve the reports of the Board;</p> <p>(iv) to examine and approve the reports of the Supervisory Committee;</p> <p>(v) to examine and approve the annual financial budgets and final accounts of the Company;</p> <p>(vi) to examine and approve the proposed annual financial budgets and final accounts of the Company;</p> <p>(vii) to examine and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(viii) to adopt resolutions on any increment or reduction of registered capital of the Company or issue any type of shares, warrants and other similar securities;</p> <p>(ix) to adopt resolutions on any issuance of bonds of the Company;</p> <p>(x) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(xi) to amend the Articles of Association;</p>	<ol style="list-style-type: none"> 1. The decision on amending the "Company Law of the People's Republic of China" (adopted at the sixth meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018) 2. Essential Clauses in Articles of Association of Companies Listed Overseas 3. Guidelines for Articles of Association of Listed Companies (revised in 2016)

Original article	To be amended as	Basis
(xi) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;	<u>(xii)</u> to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;	
(xii) to examine and approve matters relating to security under Article 65;	<u>(xiii)</u> to examine and approve matters relating to security under Article 65;	
(xiii) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;	<u>(xiv)</u> to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;	
(xiv) to examine and approve the change of the purpose for raising funds;	<u>(xv)</u> to examine and approve the change of the purpose for raising funds;	
(xv) to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;	<u>(xvi)</u> to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;	
(xvi) According to Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million and the connected transactions taking more than 5% of the latest audited net assets of the Company;	<u>(xvii)</u> According to Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million and the connected transactions taking more than 5% of the latest audited net assets of the Company;	

Original article	To be amended as	Basis
<p>(xvii) According to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million, (2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return ratio attributable to the connected transactions in the assets involved divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction. The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions.</p>	<p><u>(xviii)</u> According to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million, (2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return ratio attributable to the connected transactions in the assets involved divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction. The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions.</p>	

Original article	To be amended as	Basis
<p>(xviii) to examine the implementation schemes on the mechanism for long-term effective incentives;</p> <p>(xix) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p>(xx) to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at shareholders' general meeting as prescribed by laws, administrative regulations and the Articles, such matters have to be reviewed at shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles.</p>	<p>(xix) to examine the implementation schemes on the mechanism for long-term effective incentives;</p> <p>(xx) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p>(xxi) <i>to resolve on the repurchase of the Company's shares as prescribed under items (I) and (II) of Article 28 of the Articles of Association;</i></p> <p>(xxii) to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at shareholders' general meeting as prescribed by laws, administrative regulations and the Articles, such matters have to be reviewed at shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles.</p>	

Original article	To be amended as	Basis
Chapter Four SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING		
<p>Article 105</p> <p>The following matters shall be approved by special resolutions of a shareholders' general meeting:</p> <p>(i) the increment or reduction of the Company registered capital and the issue of any class of shares, warrants and other similar securities of the Company;</p> <p>(ii) the issue of corporate bonds;</p> <p>(iii) any spin-off, merger, dissolution or liquidation;</p> <p>(iv) the amendments to the Articles of Association;</p> <p>(v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets;</p> <p>(vi) repurchase of the Company's shares;</p> <p>(vii) Implementation of the Scheme for long-term incentives mechanism;</p> <p>(viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions.</p>	<p>Article 105</p> <p>The following matters shall be approved by special resolutions of a shareholders' general meeting:</p> <p>(i) the increment or reduction of the Company registered capital and the issue of any class of shares, warrants and other similar securities of the Company;</p> <p>(ii) the issue of corporate bonds;</p> <p>(iii) any spin-off, merger, dissolution or liquidation;</p> <p>(iv) the amendments to the Articles of Association;</p> <p>(v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets;</p> <p>(vi) repurchase of the Company's shares <u>under the circumstances as required in items (I), (II) of Article 28 in the Articles of Association</u>;</p> <p>(vii) Implementation of the Scheme for long-term incentives mechanism;</p> <p>(viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions.</p>	<p>The decision on amending the "Company Law of the People's Republic of China" (adopted at the sixth meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018)</p>

Original article	To be amended as	Basis
Chapter Five DIRECTORS AND THE BOARD OF DIRECTORS		
<p>Article 148</p> <p>The Independent Director shall have the following powers in addition to having those powers granted to him by the Company Law and other relevant laws and administrative regulations:</p> <p>(i) to propose to the Board to convene extraordinary shareholders' general meetings. If the Board refuses to do so, he may propose to the Supervisor Committee to convene extraordinary shareholders' general meetings;</p> <p>(ii) to propose to convene Board meetings;</p> <p>(iii) to engage external auditing firms or consultancy firms necessary for performing duties; (iv) to offer independent opinions on matters related to the remuneration plans, incentive scheme and so forth for the Company's Directors and management members;</p> <p>(v) to offer his independent opinions on the material connected transactions and where necessary report to the Shanghai Regulatory Bureau of the China Securities Regulatory Commission.</p> <p>The Independent Director shall submit his work report at the annual general meeting of shareholders.</p> <p>The Independent Director having failed to perform his duties diligently shall undertake the corresponding responsibilities.</p> <p>The Independent Director shall exercise his aforesaid powers only with the consent of more than half of all the Independent Directors.</p>	<p>Article 148</p> <p>The Independent Director shall have the following powers in addition to having those powers granted to him by the Company Law and other relevant laws and administrative regulations:</p> <p>(i) to propose to the Board to convene extraordinary shareholders' general meetings. If the Board refuses to do so, he may propose to the Supervisor Committee to convene extraordinary shareholders' general meetings;</p> <p>(ii) to propose to convene Board meetings;</p> <p>(iii) to engage external auditing firms or consultancy firms necessary for performing duties; (iv) to offer independent opinions on matters related to the remuneration plans, incentive scheme and so forth for the Company's Directors and management members;</p> <p>(v) to offer his independent opinions on the material connected transactions and where necessary report to the Shanghai Regulatory Bureau of the China Securities Regulatory Commission;</p> <p><i>(vi) In the event of any conflict between the shareholders or Directors of the listed Company and such conflict has a significant impact on the Company's operation and management, the independent Directors shall take the initiative to perform their obligations and safeguard the overall interests of the listed Company;</i></p> <p>The Independent Director shall submit his work report at the annual general meeting of shareholders.</p> <p>The Independent Director having failed to perform his duties diligently shall undertake the corresponding responsibilities.</p> <p>The Independent Director shall exercise his aforesaid powers only with the consent of more than half of all the Independent Directors.</p>	<p>Article 37 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
<p>Article 151</p> <p>The Board consists of 13 Directors, including five Independent Directors and at least one with a senior title of accounting profession or qualified as a certified public accountant. The Board shall comprise one Chairman, and may comprise a Vice Chairman.</p>	<p>Article 151</p> <p>The Board consists of <u>11</u> Directors, including <u>four</u> Independent Directors and at least one with a senior title of accounting profession or qualified as a certified public accountant. The Board shall comprise one Chairman, and may comprise a Vice Chairman.</p>	<p>Company’s actual situation</p>
<p>Article 152</p> <p>The Board exercises the following powers:</p> <p>(i) to convene shareholders’ general meetings and report its work to the shareholders’ general meeting;</p> <p>(ii) to implement the resolutions of shareholders’ general meetings; (iii) to decide on the Company’s business plans and investment plans;</p> <p>(iv) to formulate the Company’s plans on annual financial budgets and final accounts;</p> <p>(v) to formulate the Company’s profit distribution plans and plans on making up losses;</p> <p>(vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company;</p>	<p>Article 152</p> <p>The Board exercises the following powers:</p> <p>(i) to convene shareholders’ general meetings and report its work to the shareholders’ general meeting;</p> <p>(ii) to implement the resolutions of shareholders’ general meetings; (iii) to decide on the Company’s business plans and investment plans;</p> <p>(iv) to formulate the Company’s plans on annual financial budgets and final accounts;</p> <p>(v) to formulate the Company’s profit distribution plans and plans on making up losses;</p> <p>(vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company;</p>	<p>The decision on amending the “Company Law of the People’s Republic of China” (adopted at the sixth meeting of the Standing Committee of the 13th National People’s Congress on October 26, 2018)</p>

Original article	To be amended as	Basis
<p>(vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;</p> <p>(viii) to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions of the Company within the authorisation of the shareholders' general meeting;</p> <p>(ix) to formulate the implementation plan of the long-term incentives program for the management and employees;</p> <p>(x) to determine the establishment of the Company's internal management structure;</p> <p>(xi) to appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to appoint or dismiss senior management members including deputy general manager, assistants of general manager and chief financial officer, chief information officer and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p>	<p>(vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company <u>under circumstances as prescribed under items (I) and (II) of Article 28 of the Articles of Association</u>;</p> <p><u>(viii) to adopt resolutions on repurchase of the Company's shares under circumstances as prescribed under items (III), (V) and (VI) of Article 28 of the Articles of Association</u>;</p> <p><u>(ix)</u> to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions of the Company within the authorisation of the shareholders' general meeting;</p> <p><u>(x)</u> to formulate the implementation plan of the long-term incentives program for the management and employees;</p> <p><u>(xi)</u> to determine the establishment of the Company's internal management structure;</p>	

Original article	To be amended as	Basis
<p>(xii) to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system; (xiii) to formulate proposals for amendment to the Articles of Association;</p> <p>(xiv) to manage information disclosure of the Company;</p> <p>(xv) to propose at shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p>(xvi) to hear the work report and inspect the work of the general manager;</p>	<p><u>(xii)</u> to appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to appoint or dismiss senior management members including deputy general manager, assistants of general manager and chief financial officer, chief information officer and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p> <p><u>(xiii)</u> to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p><u>(xiv)</u> to formulate proposals for amendment to the Articles of Association;</p> <p><u>(xv)</u> to manage information disclosure of the Company;</p> <p><u>(xvi)</u> to propose at shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p><u>(xvii)</u> to hear the work report and inspect the work of the general manager;</p>	

Original article	To be amended as	Basis
<p>(xvii) to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p> <p>(xviii) to undertake the ultimate responsibility of comprehensive risk management;</p> <p>(xix) to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p>	<p><u>(xviii)</u> to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p> <p><u>(xix)</u> to undertake the ultimate responsibility of comprehensive risk management;</p> <p><u>(xx)</u> to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p>	

Original article	To be amended as	Basis
<p>Article 165</p> <p>A meeting of the Board shall be held only when over half of the Directors attend the meeting. Unless otherwise provided by the Articles of Association, resolutions of the Board shall be passed by more than half of all Directors. One person shall have one vote when voting on the resolution of the Board. Where the number of votes cast for and against a resolution is equal, the Chairman shall have the right to cast an additional vote.</p>	<p>Article 165</p> <p><i>Otherwise stipulated by the Articles of Association</i>, a meeting of the Board shall be held only when over half of the Directors attend the meeting. Unless otherwise provided by the Articles of Association, resolutions of the Board shall be passed by more than half of all Directors. One person shall have one vote when voting on the resolution of the Board. Where the number of votes cast for and against a resolution is equal, the Chairman shall have the right to cast an additional vote.</p>	<p>The decision on amending the “Company Law of the People’s Republic of China” (adopted at the sixth meeting of the Standing Committee of the 13th National People’s Congress on October 26, 2018)</p>
<p>Article 168</p> <p>Directors shall attend any Board meeting in person. Where a Director is unable to attend for some reasons, he or she may authorise in writing another Director to attend on his behalf. The instrument of proxy shall specify the name of the proxy, the matters to be authorised, scope of authorization and the validity period, and the proxy shall sign on or affix a chop to such instrument. The Director attending the meeting for another Director shall exercise the rights of the latter Director within the scope of authorisation. Any Director who is unable to attend a Board meeting and has not authorised a proxy to attend on his behalf shall be deemed as waiving the right to vote at that meeting.</p>	<p>Article 168</p> <p>Directors shall attend any Board meeting in person. Where a Director is unable to attend for some reasons, he or she may authorise in writing another Director to attend on his behalf. The instrument of proxy shall specify the name of the proxy, the matters to be authorised, scope of authorization and the validity period, and the proxy shall sign on or affix a chop to such instrument. <i>The independent Director shall not entrust non-independent Director to vote on his/her behalf</i>. The Director attending the meeting for another Director shall exercise the rights of the latter Director within the scope of authorisation. Any Director who is unable to attend a Board meeting and has not authorised a proxy to attend on his behalf shall be deemed as waiving the right to vote at that meeting.</p>	<p>Article 22 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
<p>Article 169</p> <p>The Board shall keep minutes of its decisions on the matters considered. Directors attending the meeting shall sign their names on the minutes of the meeting. Directors shall be responsible for the resolutions of the Board meetings. Where a resolution of the board meetings violates laws, regulations, the resolution of the shareholders' general meetings or the Articles of Association and causes losses to the Company, the Directors who took part in such a resolution shall be liable to compensate the Company. However, if a Director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, the Director may be relieved of such liability.</p> <p>The minutes of Board meeting shall be kept as archives of the Company by the secretary of the Board. The minutes of Board meeting shall be returned to the Company for filing after one year and shall be kept for 20 years.</p>	<p>Article 169</p> <p>The Board shall keep minutes of its decisions on the matters considered. Directors attending the meeting shall sign their names on the minutes of the meeting. Directors shall be responsible for the resolutions of the Board meetings. Where a resolution of the board meetings violates laws, regulations, the resolution of the shareholders' general meetings or the Articles of Association and causes <i>serious</i> losses to the Company, the Directors who took part in such a resolution shall be liable to compensate the Company. However, if a Director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, the Director may be relieved of such liability.</p> <p>The minutes of Board meeting shall be kept as archives of the Company by the secretary of the Board. The minutes of Board meeting shall be returned to the Company for filing after one year and shall be kept for 20 years.</p>	<p>Article 23 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
<p>Article 172</p> <p>The responsibilities of the secretary of the Board are to:</p> <p>(i) prepare and submit reports and documents required by the relevant authorities of PRC to be given by the Board and shareholders' general meeting;</p> <p>(ii) organize and prepare shareholders' general meetings, the Board meetings and the special Committee Board meetings, and take charge of the minutes of such meetings and keep the documents and records of such meetings in accordance with the legal procedures;</p> <p>(iii) supervise the Company to establish and implement information disclosure system and internal report system for significant information and enable the Company and the related persons to discharge the obligation of information disclosure in accordance with laws;</p> <p>(iv) ensure that the Company has maintained complete constitution documents and records;</p> <p>(v) ensure that the Company prepares and delivers in accordance with law those reports and documents required by competent authorities entitled thereto;</p> <p>(vi) ensure that the Company's registers of shareholders are properly maintained, and that persons entitled to the Company's records and documents are furnished with such records and documents without delay;</p> <p>(vii) Other duties and powers empowered by the Board.</p>	<p>Article 172</p> <p>The responsibilities of the secretary of the Board are to:</p> <p>(i) prepare and submit reports and documents required by the relevant authorities of PRC to be given by the Board and shareholders' general meeting;</p> <p>(ii) organize and prepare shareholders' general meetings, the Board meetings and the special Committee Board meetings, and take charge of the minutes of such meetings and keep the documents and records of such meetings in accordance with the legal procedures;</p> <p>(iii) supervise the Company to establish and implement information disclosure system and internal report system for significant information and enable the Company and the related persons to discharge the obligation of information disclosure in accordance with laws;</p> <p>(iv) ensure that the Company has maintained complete constitution documents and records;</p> <p>(v) ensure that the Company prepares and delivers in accordance with law those reports and documents required by competent authorities entitled thereto;</p> <p>(vi) ensure that the Company's registers of shareholders are properly maintained, and that persons entitled to the Company's records and documents are furnished with such records and documents without delay;</p> <p><i>(vii) maintain the investors relationship;</i></p> <p>(viii) Other duties and powers empowered by the Board.</p>	<p>Article 28 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
Chapter Six GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS		
<p>Article 184</p> <p>The person who holds an office other than that of a Director of the Company or a controlling shareholder or beneficial controller shall not become a senior management member of the Company.</p> <p>A senior management member of the Company may at most hold the office of Director or Supervisor concurrently in two companies where the Company has shareholding, but not an office other than those aforesaid. They shall not engage themselves concurrently in any other profit-making organizations or other operation activities.</p>	<p>Article 184</p> <p>The person who holds an office other than that of a Director <i>or a Supervisor</i> of the Company or a controlling shareholder or beneficial controller shall not become a senior management member of the Company.</p> <p>A senior management member of the Company may at most hold the office of Director or Supervisor concurrently in two companies where the Company has shareholding, but not an office other than those aforesaid. They shall not engage themselves concurrently in any other profit-making organizations or other operation activities.</p>	<p>Article 69 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
<p>Article 191</p> <p>In the execution of the Company’s duties, the senior management members shall abide by the laws, regulations, rules, regulatory documents and the Articles of Association, and perform the obligations faithfully and diligently.</p> <p>If a senior management member violates any laws, administrative rules, departmental rules and regulations and the provisions stipulated in the Articles of Association in the course of performing his duties of the Company and subsequently causes losses to the Company, he shall be liable for compensation.</p> <p>The senior management members shall abide by laws, administrative rules and the provisions stipulated in the Articles of Association, and take charge of implementing the compliance management objectives, assume the responsibility for compliance operation, and perform the following compliance management duties:</p> <p>(i) to establish and improve the organizational structure of compliance management, follow compliance management procedures, employ adequate and appropriate compliance managers, and provide sufficient human resources, material resources, financial resources and technical support and guarantee for their performance of duties;</p> <p>(ii) to report and make rectifications of the violations of relevant laws and regulations, and implement the accountability;</p> <p>(iii) other compliance management duties as stated in the Articles of Association or determined by the Board.</p>	<p>Article 191</p> <p>In the execution of the Company’s duties, the senior management members shall abide by the laws, regulations, rules, regulatory documents and the Articles of Association, and perform the obligations faithfully and diligently.</p> <p>If a senior management member violates any laws, administrative rules, departmental rules and regulations and the provisions stipulated in the Articles of Association in the course of performing his duties of the Company and subsequently causes losses to the Company, he shall be liable for compensation. <u><i>The Board of the Company shall take measures to pursue his/her liability.</i></u></p> <p>The senior management members shall abide by laws, administrative rules and the provisions stipulated in the Articles of Association, and take charge of implementing the compliance management objectives, assume the responsibility for compliance operation, and perform the following compliance management duties:</p> <p>(i) to establish and improve the organizational structure of compliance management, follow compliance management procedures, employ adequate and appropriate compliance managers, and provide sufficient human resources, material resources, financial resources and technical support and guarantee for their performance of duties;</p> <p>(ii) to report and make rectifications of the violations of relevant laws and regulations, and implement the accountability;</p> <p>(iii) other compliance management duties as stated in the Articles of Association or determined by the Board.</p>	<p>Article 45 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
Chapter Seven THE SUPERVISORY COMMITTEE		
<p>Article 200</p> <p>The Company shall have a Supervisory Committee. The Supervisory Committee shall compose of at least 11 but not more than 13 Supervisors, including representatives of shareholders and representatives of employees, of which the ratio of employees' representatives shall not be less than one-third. The Supervisory Committee shall have one Chairman and one vice Chairman. The election or removal of the Chairman of the Supervisory Committee and vice Chairman shall be determined by the affirmative votes of two-thirds or more of the members of the Supervisory Committee. Meetings of the Supervisory Committee shall be convened and presided over by the Chairman of the Supervisory Committee. Where the Chairman of the Supervisory Committee is incapable of performing or fails to perform his/her duties, the vice Chairman of the Supervisory Committee shall convene and preside over the meetings; if the vice Chairman of the Supervisory Committee is incapable of performing or fails to perform his/her duties, a Supervisor elected by not less than half of the Supervisors shall convene and preside over Supervisory Committee meetings.</p> <p>In the event that the number of Directors elected by any one of the shareholders of the Company accounts for more than half of the members of the Board, the number of Supervisors elected by him/her shall not exceed one third of the members of the Supervisory Committee.</p> <p>Employee representative Supervisor of the Supervisory Committee shall be admitted to the Supervisory Committee directly after he/she is being elected by the employee representatives assembly.</p> <p>The Supervisory Committee shall comprise a secretary. The secretary of the Supervisory Committee shall be nominated by the Chairman of the Supervisory Committee and appointed by the Supervisory Committee.</p>	<p>Article 200</p> <p>The Company shall have a Supervisory Committee. The Supervisory Committee shall compose of <u>9</u> Supervisors, including representatives of shareholders and representatives of employees, of which the ratio of employees' representatives shall not be less than one-third. The Supervisory Committee shall have one Chairman and one vice Chairman. The election or removal of the Chairman of the Supervisory Committee and vice Chairman shall be determined by the affirmative votes of two-thirds or more of the members of the Supervisory Committee. Meetings of the Supervisory Committee shall be convened and presided over by the Chairman of the Supervisory Committee. Where the Chairman of the Supervisory Committee is incapable of performing or fails to perform his/her duties, the vice Chairman of the Supervisory Committee shall convene and preside over the meetings; if the vice Chairman of the Supervisory Committee is incapable of performing or fails to perform his/her duties, a Supervisor elected by not less than half of the Supervisors shall convene and preside over Supervisory Committee meetings.</p> <p>In the event that the number of Directors elected by any one of the shareholders of the Company accounts for more than half of the members of the Board, the number of Supervisors elected by him/her shall not exceed one third of the members of the Supervisory Committee.</p> <p>Employee representative Supervisor of the Supervisory Committee shall be admitted to the Supervisory Committee directly after he/she is being elected by the employee representatives assembly.</p> <p>The Supervisory Committee shall comprise a secretary. The secretary of the Supervisory Committee shall be nominated by the Chairman of the Supervisory Committee and appointed by the Supervisory Committee.</p>	<p>Company's actual situation</p>

Original article	To be amended as	Basis
<p>Article 202</p> <p>The Supervisory Committee may require the Directors, personnel of manager level and other related personnel to attend meetings of the Supervisory Committee to answer any questions raised by the Supervisory Committee.</p> <p>When the Supervisory Committee investigate the conduct of Directors, personnel of manager level of the Company in the performance of their duties, it may understand the situation through the Directors, personnel of manager level and the other involved personnel of the Company, who should provide assistance.</p>	<p>Article 202</p> <p>The Supervisory Committee may require the Directors, personnel of manager level and other related personnel to attend meetings of the Supervisory Committee to answer any questions raised by the Supervisory Committee.</p> <p>When the Supervisory Committee investigate the conduct of Directors, personnel of manager level of the Company in the performance of their duties, it may understand the situation through the Directors, personnel of manager level and the other involved personnel of the Company, who should provide assistance.</p> <p><i><u>The Supervisory Committee found that Directors and senior management who violated laws and regulations or the Articles of Association shall perform their supervisory duties, and report to the Board or the shareholders' general meeting or report directly to the CSRC and its dispatched institutions, stock exchanges or other departments.</u></i></p>	<p>Article 50 of Code of Corporate Governance for Listed Companies</p>

APPENDIX II

Comparison Chart of Amendments to the Rules of Procedure for Shareholders' General Meetings

Original article	To be amended as	Basis
<p>Article 5</p> <p>The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law:</p> <p>(i) to decide on the operating policies and investment plans of the Company;</p> <p>(ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors;</p> <p>(iii) to examine and approve the reports of the Board;</p> <p>(iv) to examine and approve the reports of the Supervisory Committee;</p> <p>(v) to examine and approve the proposed annual financial budgets and final accounts of the Company;</p> <p>(vi) to examine and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(vii) to adopt resolutions on any increment or reduction of registered capital of the Company;</p> <p>(viii) to adopt resolutions on any issuance of bonds of the Company;</p>	<p>Article 5</p> <p>The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law:</p> <p>(i) to decide on the operating policies and investment plans of the Company;</p> <p>(ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors;</p> <p>(iii) to examine and approve the reports of the Board;</p> <p>(iv) to examine and approve the reports of the Supervisory Committee;</p> <p><i>(v) to examine and approve the annual report of the Company;</i></p> <p><i>(vi) to examine and approve the proposed annual financial budgets and final accounts of the Company;</i></p> <p><i>(vii) to examine and approve the profit distribution plans and loss recovery plans of the Company;</i></p> <p><i>(viii) to adopt resolutions on any increment or reduction of registered capital of the Company or issue any type of shares, warrants and other similar securities;</i></p>	<p>1. The decision on amending the "Company Law of the People's Republic of China" (adopted at the sixth meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018)</p> <p>2. Essential Clauses in Articles of Association of Companies Listed Overseas</p> <p>3. Guidelines for Articles of Association of Listed Companies (revised in 2016)</p>

Original article	To be amended as	Basis
<p>(ix) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(x) to amend the Articles of Association;</p> <p>(xi) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;</p> <p>(xii) to examine and approve matters relating to security under Article 6;</p> <p>(xiii) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;</p> <p>(xiv) to examine and approve the change of the purpose for raising funds;</p>	<p>(ix) to adopt resolutions on any issuance of bonds of the Company;</p> <p>(x) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(xi) to amend the Articles of Association;</p> <p>(xii) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;</p> <p>(xiii) to examine and approve matters relating to security under Article 6;</p> <p>(xiv) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;</p>	

Original article	To be amended as	Basis
<p>(xv) to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;</p> <p>(xvi) according to the Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million or the connected transactions taking more than 5% of the latest audited net assets of the Company;</p>	<p><u>(xv)</u> to examine and approve the change of the purpose for raising funds;</p> <p><u>(xvi)</u> to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;</p>	

Original article	To be amended as	Basis
<p>(xvii) according to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million, (2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return ratio attributable to the connected transactions in the assets involved divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction.</p>	<p><u>(xvii)</u> according to the Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders’ general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million or the connected transactions taking more than 5% of the latest audited net assets of the Company;</p>	

Original article	To be amended as	Basis
<p>The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions;</p> <p>(xviii) to examine the implementation schemes on the mechanism for long-term effective incentives;</p> <p>(xix) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares; and</p> <p>(xx) to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at the shareholders' general meeting as prescribed by laws, administrative regulations and the Articles of Association, such matters have to be reviewed at the shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles of Association.</p>	<p><i>(xviii)</i> according to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million, (2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return ratio attributable to the connected transactions in the assets involved divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction.</p>	

Original article	To be amended as	Basis
	<p>The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions;</p> <p><i>(xix)</i> to examine the implementation schemes on the mechanism for long-term effective incentives;</p> <p><i>(xx)</i> to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p><i>(xxi)</i> <u>to resolve on the repurchase of the Company's shares as prescribed under items (I) and (II) of Article 28 of the Articles of Association.</u></p> <p><i>(xxii)</i> to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at the shareholders' general meeting as prescribed by laws, administrative regulations and the Articles of Association, such matters have to be reviewed at the shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles of Association.</p>	

Original article	To be amended as	Basis
<p>Article 48</p> <p>The following matters shall be approved by special resolutions of a shareholders' general meeting:</p> <ul style="list-style-type: none"> (i) the increment or reduction of the Company registered capital and the issue of any class of shares, warrants and other similar securities of the Company; (ii) the issue of corporate bonds; (iii) any spin-off, merger, dissolution or liquidation; (iv) the amendments to the Articles of Association; (v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets; (vi) repurchase of the Company's shares; (vii) implementation of the Scheme for long-term incentives mechanism; and (viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions. 	<p>Article 48</p> <p>The following matters shall be approved by special resolutions of a shareholders' general meeting:</p> <ul style="list-style-type: none"> (i) the increment or reduction of the Company registered capital and the issue of any class of shares, warrants and other similar securities of the Company; (ii) the issue of corporate bonds; (iii) any spin-off, merger, dissolution or liquidation; (iv) the amendments to the Articles of Association; (v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets; <i>(vi) repurchase of the Company's shares under items (I) and (II) of Article 28 of the Articles of Association;</i> (vii) implementation of the Scheme for long-term incentives mechanism; and (viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions. 	<p>The decision on amending the "Company Law of the People's Republic of China" (adopted at the sixth meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018)</p>

Original article	To be amended as	Basis
<p>Article 49</p> <p>Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p>The Board of the company, Independent Directors and shareholders who meet the relevant requirements may collect votes from shareholders publicly.</p>	<p>Article 49</p> <p>Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p>The Board of the company, Independent Directors and shareholders who meet the relevant requirements may collect votes from shareholders publicly. <u>The collection of voting rights shall be conducted in a gratuitous manner, and the information of the specific voting intentions shall be fully disclosed to the collected persons. Shareholders' voting rights shall not be collected in a compensated or disguised compensated manner.</u></p>	<p>Article 60 of Code of Corporate Governance for Listed Companies</p>

Appendix III

Comparison Chart of Amendments to the Rules of Procedure for Board Meetings

Original article	To be amended as	Basis
<p>Article 2</p> <p>Duties of the Board</p> <p>The Board exercises the following powers:</p> <p>(i) to convene shareholders' general meetings and report its work to the shareholders' general meeting;</p> <p>(ii) to implement the resolutions of shareholders' general meetings;</p> <p>(iii) to decide on the Company's business plans and investment plans;</p> <p>(iv) to formulate the Company's plans on annual financial budgets and final accounts;</p> <p>(v) to formulate the Company's profit distribution plans and plans on making up losses;</p> <p>(vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company;</p> <p>(vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;</p> <p>(viii) to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions of the Company within the authorisation of the shareholders' general meeting;</p> <p>(ix) to formulate the implementation plan of the long-term incentives program for the management and employees;</p>	<p>Article 2</p> <p>Duties of the Board</p> <p>The Board exercises the following powers:</p> <p>(i) to convene shareholders' general meetings and report its work to the shareholders' general meeting;</p> <p>(ii) to implement the resolutions of shareholders' general meetings;</p> <p>(iii) to decide on the Company's business plans and investment plans;</p> <p>(iv) to formulate the Company's plans on annual financial budgets and final accounts;</p> <p>(v) to formulate the Company's profit distribution plans and plans on making up losses;</p> <p>(vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company;</p> <p>(vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company <u>under items (I) and (II) of Article 28 of the Articles of Association;</u></p> <p><i>(viii) to resolve on the repurchase of the Company's shares as prescribed under items (III), (V) and (VI) of Article 28 of the Articles of Association;</i></p> <p><i>(ix)</i> to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions of the Company within the authorisation of the shareholders' general meeting;</p>	<p>The decision on amending the "Company Law of the People's Republic of China" (adopted at the sixth meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018)</p>

Original article	To be amended as	Basis
<p>(x) to determine the establishment of the Company's internal management structure;</p> <p>(xi) to appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to appoint or dismiss senior management members including deputy general manager, chief financial officer, chief information officer, and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p> <p>(xii) to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p>(xiii) to formulate proposals for amendment to the Articles of Association;</p> <p>(xiv) to manage information disclosure of the Company;</p> <p>(xv) to propose at the shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p>	<p><u>(x)</u> to formulate the implementation plan of the long-term incentives program for the management and employees;</p> <p><u>(xi)</u> to determine the establishment of the Company's internal management structure;</p> <p><u>(xii)</u> to appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to appoint or dismiss senior management members including deputy general manager, chief financial officer, chief information officer, and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p> <p><u>(xiii)</u> to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p><u>(xiv)</u> to formulate proposals for amendment to the Articles of Association;</p> <p><u>(xv)</u> to manage information disclosure of the Company;</p>	

Original article	To be amended as	Basis
<p>(xvi) to hear the work report and inspect the work of the general manager;</p> <p>(xvii) to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management, including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p> <p>(xviii) to undertake the ultimate responsibility of comprehensive risk management;</p> <p>(xix) to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p> <p>When the Board is not in session, the Chairman of the Board shall supervise and examine the execution of resolutions of the Board, and listen to the report of the general manager on the execution of the resolutions of the Board.</p>	<p><u>(xvi)</u> to propose at the shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p><u>(xvii)</u> to hear the work report and inspect the work of the general manager;</p> <p><u>(xviii)</u> to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management, including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p> <p><u>(xix)</u> to undertake the ultimate responsibility of comprehensive risk management;</p> <p><u>(xx)</u> to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p> <p>When the Board is not in session, the Chairman of the Board shall supervise and examine the execution of resolutions of the Board, and listen to the report of the general manager on the execution of the resolutions of the Board.</p>	

Original article	To be amended as	Basis
<p>Article 11</p> <p>Notice of meeting</p> <p>The Board office shall send written notice of meeting bearing the seal of the Board to all the Directors, Supervisors, the general manager and the secretary to the Board by direct delivery, fax, email or other means 14 days and 2 days before a regular Board meeting and an extraordinary Board meeting respectively. Where the notice is not served by direct delivery, telephone acknowledgement and relevant records shall be made.</p> <p>Where an extraordinary Board meeting needs to be convened in emergency, the notice of meeting may be sent by telephone or by other verbal means, but the convener shall make explanations at the meeting.</p>	<p>Article 11</p> <p>Notice of meeting</p> <p>The Board office shall send written notice of meeting bearing the seal of the Board to all the Directors, Supervisors, the general manager and the secretary to the Board by direct delivery, fax, email or other means 14 days and 2 days before a regular Board meeting and an extraordinary Board meeting respectively. Where the notice is not served by direct delivery, telephone acknowledgement and relevant records shall be made. <i><u>In addition to the notice, sufficient information shall be provided. If two or more independent Directors believe that the information is incomplete or the argument is insufficient, they may jointly file a written request to the Board to ask to postpone convene the meeting or examine the matter, and the Board shall adopt it. The Company shall promptly disclose the relevant information.</u></i></p> <p>Where an extraordinary Board meeting needs to be convened in emergency, the notice of meeting may be sent by telephone or by other verbal means, but the convener shall make explanations at the meeting.</p>	<p>Article 31 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
<p>Article 15</p> <p>Attendance in person or by proxy</p> <p>In principle, the Directors shall attend Board meetings in person. Where a Director is unable to attend a meeting for any reason, he shall peruse the meeting documents in advance, form definite opinions, and appoint another Director in writing to attend the meeting on his behalf.</p> <p>The power of attorney shall specify:</p> <ul style="list-style-type: none"> (i) the names and ID No. of the principal and proxy; (ii) reasons for the principal’s failure to attend the meeting; (iii) outline opinions of the principal on respective proposals; (iv) the principal’s range of authorization and instructions about voting intent in relation to respective proposals; and (v) signature of the principal and proxy, date, etc. <p>Where any Director signs the regular reports by proxy, the said Director shall specify such authorization in the power of attorney.</p> <p>The proxy Director shall present the written power of attorney to the Chairman of the meeting, and explain proxy attendance in the attendance book.</p>	<p>Article 15</p> <p>Attendance in person or by proxy</p> <p>In principle, the Directors shall attend Board meetings in person. Where a Director is unable to attend a meeting for any reason, he shall peruse the meeting documents in advance, form definite opinions, and appoint another Director in writing to attend the meeting on his behalf. <u><i>The independent Director shall not entrust non-independent Director to vote on his/her behalf.</i></u></p> <p>The power of attorney shall specify:</p> <ul style="list-style-type: none"> (i) the names and ID No. of the principal and proxy; (ii) reasons for the principal’s failure to attend the meeting; (iii) outline opinions of the principal on respective proposals; (iv) the principal’s range of authorization and instructions about voting intent in relation to respective proposals; and (v) signature of the principal and proxy, date, etc. <p>Where any Director signs the regular reports by proxy, the said Director shall specify such authorization in the power of attorney.</p> <p>The proxy Director shall present the written power of attorney to the Chairman of the meeting, and explain proxy attendance in the attendance book.</p>	<p>Article 22 of Code of Corporate Governance for Listed Companies</p>

Original article	To be amended as	Basis
<p>Article 29</p> <p>Summary of meeting and records of resolutions</p> <p>Besides the meeting minutes, the secretary to the Board may where necessary arrange the Board office staff to make a summary of the meeting, and make separate records of the resolutions according to the voting results.</p>	<p>Article 29</p> <p>Summary of meeting and records of resolutions</p> <p><i><u>The minutes of the Board meeting shall be recorded truly, accurately and completely. The Directors, Secretary of the Board and recorder who attended the meeting shall sign the minutes of the meeting. Board meeting minutes should be kept appropriately.</u></i></p> <p>Besides the meeting minutes, the secretary to the Board may where necessary arrange the Board office staff to make a summary of the meeting, and make separate records of the resolutions according to the voting results.</p>	<p>Article 32 of Code of Corporate Governance for Listed Companies</p>
<p>Article 30</p> <p>Signatures of Directors</p> <p>The attending Directors shall sign the minutes of the meeting, summary of the meeting and records of the resolutions in person and on behalf of the Directors appointing them to attend the meeting, and shall be responsible for the resolutions of the Board meetings. Where the Directors disagree over the minutes of the meeting, summary of the meeting or the records of the resolutions, they may attach written remarks when signing the said minutes, summary or records of the resolutions. Where necessary, they shall responsively report to the regulatory authority or announce public statements.</p> <p>Where any Director neither signs as per the preceding paragraph nor provides his different opinions in writing, reports to the supervisory department or announces public statement, the said Director shall be deemed as agreeing with the minutes of the meeting, summary of the meeting and the records of the resolutions.</p> <p>Where a resolution of the Board meetings violates laws, regulations, the resolution of the shareholders' general meetings or the Articles of Association and causes losses to the Company, the Directors who took part in such a resolution shall be liable to compensate the Company. However, if a Director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, the Director may be relieved of such liability.</p>	<p>Article 30</p> <p>Signatures of Directors</p> <p>The attending Directors shall sign the minutes of the meeting, summary of the meeting and records of the resolutions in person and on behalf of the Directors appointing them to attend the meeting, and shall be responsible for the resolutions of the Board meetings. Where the Directors disagree over the minutes of the meeting, summary of the meeting or the records of the resolutions, they may attach written remarks when signing the said minutes, summary or records of the resolutions. Where necessary, they shall responsively report to the regulatory authority or announce public statements.</p> <p>Where any Director neither signs as per the preceding paragraph nor provides his different opinions in writing, reports to the supervisory department or announces public statement, the said Director shall be deemed as agreeing with the minutes of the meeting, summary of the meeting and the records of the resolutions.</p> <p>Where a resolution of the Board meetings violates laws, regulations, the resolution of the shareholders' general meetings or the Articles of Association and causes <i>serious</i> losses to the Company, the Directors who took part in such a resolution shall be liable to compensate the Company. However, if a Director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, the Director may be relieved of such liability.</p>	<p>Article 23 of Code of Corporate Governance for Listed Companies</p>

APPENDIX IV

Comparison Chart of Amendments to the Rules of Procedure for the Supervisory Committee

Original Articles	To be amended as	Basis
<p>Article 2</p> <p>Duties of the Supervisory Committee</p> <p>(i) to review the Company’s periodical reports prepared by the Board of Directors (the “Board”) and to express its comments in writing;</p> <p>(ii) to inspect the Company’s financial position. Chief Financial Officer of the Company shall regularly and truthfully report the analysis on financial statements to the Supervisory Committee;</p> <p>(iii) to supervise the establishment and implementation of internal control by the Board;</p> <p>(iv) to conduct supervision on comprehensive risk management of the Company and monitor the diligent performance of the Board and senior management in risk management and recommend their rectification;</p> <p>(v) to supervise the performance of compliance management duties performed by directors and senior management;</p>	<p>Article 2</p> <p>Duties of the Supervisory Committee</p> <p>(i) to review the Company’s periodical reports prepared by the Board of Directors (the “Board”) and to express its comments in writing;</p> <p>(ii) to inspect the Company’s financial position. Chief Financial Officer of the Company shall regularly and truthfully report the analysis on financial statements to the Supervisory Committee;</p> <p>(iii) to supervise the establishment and implementation of internal control by the Board;</p> <p>(iv) to conduct supervision on comprehensive risk management of the Company and monitor the diligent performance of the Board and senior management in risk management and recommend their rectification;</p> <p>(v) to supervise the performance of compliance management duties performed by directors and senior management;</p>	<p>Article 50 of Code of Corporate Governance for Listed Companies</p>

Original Articles	To be amended as	Basis
<p>(vi) to supervise the behaviours of the Directors and senior management members in performing their duties, and to advise on dismissal of any Directors and senior management members who are in breach of laws, administrative regulations, the Articles of Association or resolutions of the shareholders' general meetings, and assume the primary or leadership responsibility for the occurrence of major compliance risks;</p> <p>(vii) to enquire on the conduct of Directors and senior management members;</p> <p>.....</p> <p>(xv) to exercise other authorities as authorized by the Articles of Association or the shareholders' general meetings.</p> <p>The Supervisory Committee may require the Directors, personnel of manager level and other related personnel to attend meetings of the Supervisory Committee to answer any questions raised by the Supervisory Committee.</p> <p>When the Supervisory Committee investigate the conduct of Directors, personnel of manager level of the Company in the performance of their duties, it may understand the situation through the Directors, personnel of manager level and the other involved personnel of the Company, who should provide assistance.</p>	<p>(vi) to supervise the behaviours of the Directors and senior management members in performing their duties, and to advise on dismissal of any Directors and senior management members who are in breach of laws, administrative regulations, the Articles of Association or resolutions of the shareholders' general meetings, and assume the primary or leadership responsibility for the occurrence of major compliance risks;</p> <p>(vii) to enquire on the conduct of Directors and senior management members;</p> <p>.....</p> <p>(xv) to exercise other authorities as authorized by the Articles of Association or the shareholders' general meetings.</p> <p>The Supervisory Committee may require the Directors, personnel of manager level and other related personnel to attend meetings of the Supervisory Committee to answer any questions raised by the Supervisory Committee.</p> <p>When the Supervisory Committee investigate the conduct of Directors, personnel of manager level of the Company in the performance of their duties, it may understand the situation through the Directors, personnel of manager level and the other involved personnel of the Company, who should provide assistance.</p> <p><u><i>The Supervisory Committee found that Directors and senior management who violated laws and regulations or the Articles of Association shall perform their supervisory duties, and report to the Board or the Shareholders' general meeting or report directly to the CSRC and its dispatched institutions, stock exchanges or other departments.</i></u></p>	

APPENDIX V

BIOGRAPHY OF DIRECTOR CANDIDATES

Mr. Zhou Jie (周杰先生), born in 1967, a holder of master's degree of engineering. Mr. Zhou has served as the Chairman of the Board since 28 October 2016, the secretary of CPC party committee of the Company since July 2016. From February 1992 to June 1996, Mr. Zhou served in the investment banking department of Shanghai International Securities Co., Ltd. (上海萬國證券有限公司). From June 1996 to December 2001, Mr. Zhou served, successively, as the manager of investment department, the vice general manager, and the chairman of the board of directors and the general manager of Shanghai SIIC Asset Operation Co., Ltd. (上海上實資產經營有限公司). From December 2001 to April 2003, he was the director and general manager of SIIC Medical Science and Technology (Group) Limited. (上海實業醫藥科技(集團)有限公司). From January 2002 to July 2016, he acted, successively, as the executive director and the vice executive officer, the executive director and the executive vice president, the vice chairman and chief executive officer of Shanghai Industrial Holdings Limited (上海實業控股有限公司, listed on the Hong Kong Stock Exchange under the stock code of 0363). From August 2004 to July 2016, he served, successively, as the chief planning officer, the executive director and vice president, the executive director and executive vice president, and the president and secretary of CPC party committee of SIIC Shanghai (Holding) Co., Ltd. (上海上實(集團)有限公司). From March 2010 to May 2012, he was the chairman of the supervisory committee of Shanghai Pharmaceuticals Holding Co., Ltd. (上海醫藥集團股份有限公司, listed on the Shanghai Stock Exchange under the stock code of 601607; listed on the Hong Kong Stock Exchange under the stock code of 02607), of which he was the chairman of the board of directors and the secretary of CPC party committee from June 2012 to June 2013 and from May 2016 to July 2016. Mr. Zhou has been a non-executive director of Semiconductor Manufacturing International Corporation (中芯國際集成電路製造有限公司, listed on the New York Stock Exchange under the ticker symbol of "SMI"; listed on the Hong Kong Stock Exchange under the stock code of 00981) since January 2009. Mr. Zhou has been a supervisor, the chairman of the remuneration committee of Shanghai Stock Exchange, the president of Shanghai Securities Association (上海證券同業公會), and the representative of members of National Internet Finance Association of China (中國互聯網金融協會) since 2016, the vice chairman of Shanghai Financial Association (上海金融業聯合會), the president of Shanghai Association of Financial Planners (上海金融理財師協會), and an arbitrator of Shanghai Arbitration Commission (上海仲裁委員會) since 2017.

Mr. Qu Qiuping (瞿秋平先生), born in 1961, a holder of master's degree in economics, a senior accountant. Mr. Qu has served as an executive Director, the general manager and the deputy secretary of CPC party committee of the Company since 25 June 2014. He was the accountant, deputy section chief, Youth League secretary of Nanshi District Office of the People's Bank of China Shanghai (中國人民銀行上海市南市區辦事處) from September 1980 to December 1983; the deputy section chief and section chief of Nanshi District Office of the Industrial and Commercial Bank of China Shanghai (中國工商銀行上海市南市區辦事處) from January 1984 to September 1992; the vice president of Nanshi Sub-branch of the Industrial and Commercial Bank of China Shanghai Branch (中國工商銀行上海市分行南市支行) from September 1992 to November 1995; the deputy head of the accounting and cashier department of the Industrial and Commercial Bank of China Shanghai Branch (中國工商銀行上海市分行) from November 1995 to December 1996 (He was in charge of the party and political work of Shanghai Jiading Sub-branch of the Industrial and Commercial Bank of China (中國工商銀行上海市嘉定支行) from December 1995 to December 1996); the president and deputy secretary of CPC party committee of Shanghai Baoshan Sub-branch of the Industrial and Commercial Bank of China (中國工商銀行上海市寶山支行) from December 1996 to March 1999; the head of the accounting and clearing department

of the Industrial and Commercial Bank of China Shanghai Branch from March 1999 to December 1999; the assistant to the president of the Industrial and Commercial Bank of China Shanghai Branch from December 1999 to June 2000; the vice president of the Industrial and Commercial Bank of China Shanghai Branch from June 2000 to February 2005 (he was a visiting scholar at University of Pennsylvania from September 2002 to September 2003); the vice president of the Industrial and Commercial Bank of China Jiangsu Branch (中國工商銀行江蘇省分行) from February 2005 to September 2008; the deputy secretary of CPC party committee and the vice chairman of the board of directors of Bank of Shanghai (上海銀行) from September 2008 to November 2008; the president, deputy secretary of CPC party committee and the vice chairman of the board of directors of Bank of Shanghai from November 2008 to December 2010; the head of the Work Coordination Department of the Dispatched Offices of the CSRC (中國證監會派出機構工作協調部) from December 2010 to August 2012; and the head of the Department of Unlisted Public Company Supervision of the CSRC (中國證監會非上市公眾公司監管部) from August 2012 to April 2014. Mr. Qu has been the member of Expert Committee of the Finance Research Centre of Counselors' Office of the State Council(國務院參事室金融研究中心) since October 2016, the director of the Shenzhen Stock Exchange since April 2017, the member of the Chinese People's political Consultative Conference Shanghai Committee since December 2017, vice president of the Securities Association of China (中國證券業協會) since June 2017, the Chairman of the Supervisory Committee of the council of the Listed Companies Association of Shanghai (上海上市公司協會) since June 2018, and the chairman of the M&A Financing Committee of the China Association of Listed Companies (中國上市公司協會併購融資專業委員會) since October 2018. Mr. Qu has been the chairman of the board of directors of Haitong International Holdings Limited (海通國際控股有限公司), the chairman of the board of directors, a non-executive director, the chairman of the nomination committee and the strategic development committee, and a member of remuneration committee of Haitong International Securities Group Limited (海通國際證券集團有限公司), listed on the Hong Kong Exchange under the stock code of 00665) since February 2018.

Mr. Ren Peng (任澎先生), born in 1962, a holder of master's degree in business and administration, an economist, joined the Company in March 1996 and has been the Deputy General Manager since November 1997 and is mainly in charge of investment banking business. Mr. Ren served in several managerial positions in the Xihu Office of the Industrial and Commercial Bank of China (中國工商銀行) from June 1982 to February 1988 and served in various positions in Bank of Communications (中國交通銀行) (Hangzhou Branch) from March 1988 to March 1996 including head of saving business and manager of securities department. In addition, Mr. Ren was manager of Hangzhou business department of Haitong Securities Company Limited from March 1996 to November 1997. Mr. Ren was a director of Haitong Capital Investment Co., Ltd. (海通開元投資有限公司) from October 2008 to August 2011. He has been a director of China-Belgium Direct Equity Investment Fund (中國－比利時直接股權投資基金) since March 2011. Mr. Ren served as the chairman of the board of directors of Haitong UniTrust International Leasing Corporation (海通恒信國際租賃有限公司) from June 2014 to May 2017. He has been chairman of the board of Haitong UT Capital Group Co., Limited (海通恒信金融集團有限公司) since June 2014. Mr. Ren served as the chairman of board of directors of Haitong UniFortune International Leasing Co., Ltd. (海通恒運國際租賃有限公司) from July 2014 to March 2018, and the chairman of the board of directors of Haitong UniTrust Finance & Leasing Corporation (Shanghai) (海通恒信融資租賃(上海)有限公司) from November 2014 to August 2018. Mr. Ren has been served as the chairman of the board of directors of Haitong UniTrust International Leasing Co., Ltd. (海通恒信國際租賃股份有限公司) since May 2017.

Mr. Tu Xuanxuan (屠旋旋先生), born in 1973, a holder of bachelor's degree in economics, an economist, has served as a deputy general manager (in charge of operations) of the asset management division of Shanghai Guosheng Group Co., Ltd. (上海國盛(集團)有限公司) from January 2019. Mr. Tu has served as chairman of Shanghai Zhenghao Asset Management Company (上海正浩資產管理有限公司) since March 2017, the general manager of Shanghai Economy Almanac Agency (上海經濟年鑒社) since May 2018, the director of Dongxing Securities since August 2007. Mr. Tu served as an intern and office staff of Centre of Safe Deposit Box (保險箱中心) of Shanghai Trust Consultancy Corporation of the Bank of China (中國銀行上海信託諮詢公司) from July 1993 to March 1997, and office staff and clerk of the Leasing Guarantee Division of the Management Department of Separate Operation (分業管理處租賃擔保科) of Bank of China, Shanghai Branch from March 1997 to March 2001. Mr. Tu served successively as the senior employee and the director of the Second Asset Management Department of Shanghai Office of China Orient Asset Management Corporation (中國東方資產管理公司上海辦事處資產經營二部) from March 2001 to October 2004. Mr. Tu served successively as the senior manager and the deputy general manager of the Asset Management Department of Shanghai Dasheng Assets Co., Ltd. (上海大盛資產有限公司) from October 2004 to September 2009, the deputy director of the Asset Management Centre of Shanghai Guosheng Group Co., Ltd. from September 2009 to October 2012. Mr. Tu served successively as the assistant to the president, a member of CPC party committee and the vice president of Shanghai Guosheng Group Assets Co., Ltd. (上海國盛集團資產有限公司) from June 2012 to January 2019 (during which he served as the deputy director (on job position) of the Intellectual Property Department of State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government (上海市國資委產權處) from July 2014 to July 2015).

Ms. Yu Liping (余莉萍女士), born in 1962, a holder of MBA degree, a senior accountant, has served as a non-executive Director of the Company since 8 June 2015 and as the vice president of Bright Food (Group) Co., Ltd. (光明食品(集團)有限公司) since August 2010. Ms. Yu served in several positions in Shanghai Light Industry Bureau (上海輕工業局) and Shanghai Light Industry Company (Group) (上海輕工控股集團公司) from August 1996 to April 2006, including deputy chief of finance department, manager of finance department and vice chief accountant. She was a member of CPC party committee, vice president and chief financial officer of Shanghai Yimin Food Plant No.1 (Group) Co., Ltd. (上海益民食品一廠集團有限公司) from August 2006 to August 2008. Ms. Yu served as the chief financial officer of Shanghai Guangdian (Group) Co., Ltd. (上海廣電(集團)有限公司) from August 2008 to August 2010. Ms. Yu served as the chairman of supervisory committee of Shanghai Yimin Food Group (上海益民食品集團) from March 2015 to May 2017, and the chairman of supervisory committee of NGS Supermarket (Group) Co., Ltd. (農工商超市(集團)有限公司) from September 2013 to September 2018. Ms. Yu has been the legal representative of Shanghai Light Industry Company (Group) (上海輕工控股(集團)公司) since March 2014. Ms. Yu has been the chairman of supervisory committee of Bright Food Group Finance Co., Ltd. (光明食品集團財務有限公司) since September 2014.

Mr. Chen Bin (陳斌先生), born in 1981, a holder of master's degree in economics, has served as a non-executive Director of the Company since 30 December 2014. He has been the deputy general manager of Shanghai Haiyan Investment Management Company Limited (上海海煙投資管理有限公司) since February 2017. Mr. Chen served as an officer of the investment management department of Shanghai Tobacco (Group) Company (上海煙草(集團)公司) from July 2003 to January 2010. He served, successively, as assistant to section chief, section chief and assistant to head of investment management department of Shanghai Tobacco (Group) Company (上海煙草(集團)公司, now renamed as Shanghai Tobacco Group Co, Ltd., 上海煙草集團有限責任公司) during January 2010 to October 2016. He was the assistant to general manager of Shanghai Haiyan Investment Management Company Limited from April 2014 to February 2017. Mr. Chen has been a non-executive director of Orient Securities Company Limited (東方證券股份有限公司, listed on the Shanghai Stock Exchange under the stock code of 600958; listed on the Hong Kong Stock Exchange under the stock code of 03958) since October 2014.

Mr. Xu Jianguo (許建國先生), born in 1964, a holder of master of professional accountancy degree, a senior accountant, has served as a non-executive Director of the Company since 18 October 2016. He has been the head of the financial budget department of Shanghai Electric (Group) Corporation (上海電氣(集團)總公司) since April 2013. Mr. Xu worked in the finance department and audit office of Shanghai Cable Works (上海電纜廠) from July 1984 to December 2001, inspection office of Shanghai Electric (Group) Corporation from January 2002 to March 2004 and the assets and finance department of Shanghai Electric Assets Management Company Limited (上海電氣資產管理有限公司) from April 2004 to September 2005, respectively. He served as an assistant to the financial manager of the first management department of Shanghai Electric Assets Management Company Limited from September 2005 to August 2008 during which period he also served as the chief financial officer of Shanghai Li Da Heavy Industrial Manufacturing Limited (上海力達重工製造有限公司) from March 2006 to August 2008. From August 2008 to December 2009, Mr. Xu was the deputy head of the assets and finance department of Shanghai Electric Assets Management Company Limited. From December 2009 to April 2013, he served as the deputy head of the financial budget department of Shanghai Electric (Group) Corporation. Mr. Xu served as a director of Shanghai Highly (Group) Co., Ltd. (上海海立(集團)股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600619) from June 2016 to December 2017, a director of Shanghai Electric Group Finance Co., Ltd. (上海電氣集團財務有限責任公司) since April 2013. Mr. Xu has been a director of Shanghai Life Insurance Company Ltd. (上海人壽保險股份有限公司) since March 2015, the chairman of the supervisory committee of Shanghai Prime Machinery Co., Ltd. (上海集優機械股份有限公司) (listed on the Hong Kong Stock Exchange under the stock code of 02345) since May 2016. Mr. Xu also served as a director of Shanghai Micro Electronics Equipment Co., Ltd. (上海微電子裝備股份有限公司) since June 2016, and a non-executive director of Orient Securities Company Limited (東方證券股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600958; listed on the Hong Kong Stock Exchange under the stock code of 03958) since November 2016. Mr. Xu has been the chairman of the supervisory committee of Shanghai Highly (Group) Co., Ltd. (上海海立(集團)股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600619) since December 2017.

Mr. Zhang Ming (張鳴先生), born in 1958, a holder of doctor's degree in economics, a professor and senior researcher, has served as an independent non-executive Director of the Company since 12 June 2016. He currently lectures at the School of Accountancy of Shanghai University of Finance and Economics (上海財經大學會計學院). Mr. Zhang has lectured in Shanghai University of Finance and Economics since graduation from this university in 1983 and has been the director of the teaching office, the deputy director and then the deputy head of the School of Accountancy. He is now a professor and doctoral supervisor in the same university. Mr. Zhang served as an independent director of Shanghai Shenda Co., Ltd. (上海申達股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600626) from May 2010 to May 2016, an independent director of Shangong Shenbei (Group) Co., Ltd. (上工申貝(集團)股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600843) from May 2009 to April 2017. Mr. Zhang has been an independent non-executive director of Shanghai Jinqiao Export Processing Zone Development Co., Ltd. (上海金橋出口加工區開發股份有限公司, listed on Shanghai Stock Exchange under the stock code of 600639) since June 2011, an independent non-executive director of Wuxi Commercial Mansion Grand Orient Co., Ltd. (無錫商業大廈大東方股份有限公司, listed on Shanghai Stock Exchange under the stock code of 600327) since May 2015, and an independent director of Shanghai Pudong Development Bank Co., Ltd. (上海浦東發展銀行股份有限公司, listed on Shanghai Stock Exchange under the stock code of 600000) since May 2016.

Mr. Lam Lee G. (林家禮先生), born in 1959, a holder of Ph.D degree, a Solicitor (formerly a barrister-at-law) of the High Court of Hong Kong, an Honorary Fellow of CPA Australia, a Fellow of CMA Australia, a Fellow of the Hong Kong Institute of Arbitrators and the Hong Kong Institute of Directors, and an Honorary Fellow of the University of Hong Kong School of Professional and Continuing Education, has served as an independent non-executive Director of the Company since 6 April 2017, Non-Executive Chairman – Hong Kong and ASEAN Region and Chief Adviser of Macquarie Infrastructure and Real Assets Asia since May 2015. Mr. Lam has over 30 years of international experience in general management, strategy consulting, corporate governance, direct investment, investment banking and fund management across the telecommunications/media/technology, consumer/healthcare, infrastructure/real estates, energy/resources and financial services sectors. Mr. Lam previously held a number of posts including General Manager of Hong Kong Telecom, a member of the Senior Management of CP Group in Thailand and Chairman/Director/Chief Executive Officer of several companies affiliated to the group, Managing Director of BOC International and Vice Chairman and COO of Investment Banking Division of BOC International, Executive Director of Singapore Technologies Telemedia (a member of Temasek Holdings, a sovereign fund of Singapore), and Chairman – Hong Kong/Vietnam/Cambodia/Laos/Myanmar/Thailand and Senior Adviser – Asia of Macquarie Capital. Mr. Lam served as a non-executive director of the Rome Group Limited (Stock Code: 8072), Imagi International Holdings Limited (Stock Code: 0585) and an independent non-executive director of Xi'an Haitiantian Holdings Co., Ltd. (formerly known as: Xi'an Haitian Antenna Holdings Co., Ltd. under the Stock Code: 8227), the shares of all of which are listed on The Stock Exchange of Hong Kong Limited, an independent non-executive director of Rowsley Limited (Company Code: A50) whose shares are listed on the Singapore Exchange, and an independent non-executive director of Vietnam Equity Holding (Company Code: 3MS) whose shares are listed on the Stuttgart Stock Exchange. Mr. Lam is an independent non-executive director of each of CSI Properties Limited (Stock Code: 497), Glorious Sun Enterprises Limited (Stock Code: 393), Vongroup Limited (Stock Code: 318), Mei Ah Entertainment Group Limited (Stock Code: 391), Elife Holdings Limited (Stock Code: 223), Huarong Investment Stock Corporation Limited (Stock Code: 2277), Hua Long Jin Kong Company Limited (Stock Code: 1682), Kidsland International Holdings Limited (Stock Code: 2122), Hsin Chong Group Holdings Limited (Stock code: 404), Mingfa Group (International) Company Limited (Stock Code: 846) and Aurum Pacific (China) Group Limited (Stock Code: 8148), and a non-executive Director of each of Sunwah Kingsway Capital Holdings Limited (Stock Code: 188),

China LNG Group Limited (Stock Code: 931), National Arts Entertainment and Culture Group Limited (Stock Code: 8228), China Shandong Hi-Speed Financial Group Limited (Stock code: 412), and Tianda Pharmaceuticals Limited (Stock Code: 455), the shares of all of which are listed on The Stock Exchange of Hong Kong Limited. Dr. Lam is also an independent non-executive director of each of China Real Estate Grp Limited (former name Asia-Pacific Strategic Investments Limited, Stock code: 5RA), Top Global Limited (Stock code: BHO), and China Medical (International) Group Limited (Stock code: 5IB), and non-executive director of Singapore eDevelopment Limited (Stock code: 40V), the shares of all of which are listed on the Singapore Exchange. Mr. Lam is an independent non-executive director of Sunwah International Limited (Stock code: SWH) whose shares are listed on the Toronto Stock Exchange, an independent nonexecutive director of AustChina Holdings Limited (Stock code: AUH) whose shares are listed on the Australian Securities Exchange, and non-executive director of Adamas Finance Asia Limited (Stock code: ADAM) whose shares are listed on the London Securities Exchange.

Mr. Zhu Hongchao (朱洪超先生), born in 1959, a holder of master's degree in law, a senior lawyer, has served as the director and senior partner of Shanghai United Law Firm (上海市聯合律師事務所) since June 1986. Mr. Zhu currently serves as an arbitrator of China International Economic and Trade Arbitration Commission, Shanghai International Economic and Trade Arbitration Commission (Shanghai International Arbitration Centre) and Shanghai Arbitration Commission, the vice president of the Procedure Law Studies at the Shanghai Law Society, a mediator of Shanghai Commercial Mediation Centre, and a part-time professor of Shanghai University Law School, East China University of Political Science and Law and Shanghai University of Political Science and Law. Mr. Zhu was selected as one of Shanghai Leading Talents (上海市領軍人才), is entitled to the special government allowance of the State Council, and is a member of the legal experts of CPC Shanghai Committee (中共上海市委法律專家庫). Mr. Zhu served as a lawyer at Shanghai First Law Firm (上海市第一律師事務所) from July 1983 to June 1986. Mr. Zhou served as the deputy president of the third, fourth, fifth and sixth session of All China Lawyers Association, the president of the sixth session of Shanghai Bar Association and the chief supervisor of the seventh session of Shanghai Bar Association and a representative member of the 13th and 14th Shanghai Municipal People's Congress from 1994 to 2010. Mr. Zhu has served as an independent director of Wonders Information Co. Ltd. (listed on the Shenzhen Stock Exchange under the stock code of 300168(SHE)) since December 2013; an independent director of Jupai Holdings Limited (listed on NYSE under the stock code of JP (NYSE)) since June 2015; an independent director of Leju Holdings Limited (listed on NYSE under the stock code of LEJU (NYSE)) since March 2017; an independent director of E-House (China) Enterprise Holdings Limited (listed on Hong Kong Stock Exchange under the stock code of 2048 (HK)) since July 2018; an independent director of Chiho Environmental Group Limited (listed on Hong Kong Stock Exchange under the stock code of 0976 (HK)) since April 2018. Mr. Zhu served as an independent director of Sinochem International Corporation (listed on the Shanghai Stock Exchange under the stock code of 600500.SH) from February 2010 to December 2017; an independent director of Shanghai Guangdian Electric Group Co., Ltd. (listed on the Shanghai Stock Exchange under the stock code of 601616.SH) from November 2013 to December 2017; an independent director of Tengda Construction Group Co., Ltd. (listed on the Shanghai Stock Exchange under the stock code of 600521.SH) from October 2013 to November 2016, an independent director of Shanghai No.1 Pharmacy Co., Ltd. (listed on the Shanghai Stock Exchange under the stock code of 600833.SH) from September 2012 to June 2018.

Mr. Zhou Yu (周宇先生), born in 1959, a holder of doctor's degree in economics, a researcher and a doctoral supervisor in economics. He is an expert entitled to the special government allowance of the State Council and an executive director of China Association of World Economic Research (中國世界經濟學會). Mr. Zhou has served as the director of the International Finance Research Institution of the Institute of World Economy of Shanghai Academy of Social Sciences (上海社會科學院世界經濟研究所國際金融研究室), the director of the International Finance Monetary Research Centre of Shanghai Academy of Social Sciences (上海社會科學院國際金融貨幣研究中心) since October 2008, as well as the chief expert and principal of the International Finance Discipline Innovation Project of the Shanghai Academy of Social Sciences (上海社會科學院國際金融學科創新工程) since January 2015. Mr. Zhou served as a teacher of the Finance Department at Xinjiang University of Finance and Economics from August 1982 to March 1992, among which, he served as a guest research fellow at Osaka University of Commerce from April 1990 to March 1992. He pursued a master's degree and a doctor's degree at the Department of Economics of Osaka City University from April 1992 to March 2000, served as a guest research fellow at the Graduate School of Economics of Osaka City University from April 2000 to November 2000, served in various positions at the Institute of World Economy of Shanghai Academy of Social Sciences including assistant researcher, associate researcher, deputy director of the Finance Research Institution from December 2000 to October 2008, among which, he served as a post-doctoral fellow of economic theory at Shanghai Academy of Social Sciences from January 2001 to December 2002.

APPENDIX VI

BIOGRAPHY OF SUPERVISOR CANDIDATES

Mr. Xu Renzhong (徐任重先生), born in August 1972, a holder of MBA degree, a senior accountant, has served as manager of the finance department of Shenergy (Group) Company Limited since July 2016. Mr. Xu served as an employee of Shanghai Shenergy Real Estate Company (上海申能房地產公司) from July 1994 to December 1997, and served successively as clerk, deputy head, head, assistant to the manager and deputy manager (in charge of operations) at the finance department of Shenergy Company Limited (listed on the Shanghai Stock Exchange under the stock code of 600642) from January 1998 to October 2009. He served as manager of the internal control department of Shenergy Company Limited (listed on the Shanghai Stock Exchange under the stock code of 600642) from October 2009 to July 2016.

Mr. Cao Yijian (曹奕劍先生), born in 1976, a holder of master's degree in science, an economist, and has served as the general manager of the investment development department of Shanghai Jiushi (Group) Co., Ltd. (上海久事集團有限公司) since April 2018. He served as a staff member of Shanghai Huipu Technology Investment Company Limited (上海匯浦科技投資有限公司) from March 2001 to February 2003 and a staff member of Shanghai Qiangsheng Holding Co., Ltd. (上海強生控股股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600662) from February 2003 to July 2003. He served as the manager of the asset management department of Shanghai Huipu Technology Investment Company Limited from July 2003 to July 2007 and a staff member of the asset operation department at Shanghai Qiangsheng Group Co., Ltd. (上海強生集團有限公司) from August 2007 to November 2008. He also worked as an assistant to the manager of the asset operation department of Shanghai Qiangsheng Group Co., Ltd. (上海強生集團有限公司) from November 2008 to June 2009 and the deputy manager of the asset operation department of Shanghai Qiangsheng Group Co., Ltd. (上海強生集團有限公司) from June 2009 to April 2012. He then served as the manager of the asset operation department of Shanghai Qiangsheng Group Co., Ltd. (上海強生集團有限公司) from April 2012 to June 2013 and the manager of the asset operation department at Shanghai Jiushi Properties Co., Ltd. (上海久事置業有限公司) from June 2013 to May 2015. He worked at the investment development department of Shanghai Jiu Shi Company (上海久事公司) from May 2015 to October 2015, serving as the deputy general manager. He was the deputy general manager of the investment development department of Shanghai Jiushi (Group) Co., Ltd. from October 2015 to April 2018. Mr. Cao has been a director of Shanghai Public Traffic Card Co., Ltd. since April 2018 and a director of Shanghai Qiangsheng Holding Co., Ltd. since October 2018.

Ms. Zheng Xiaoyun (鄭小藝女士), born in 1962, a holder of master's degree in accounting, a senior accountant, has been serving as a Supervisor of the Company since 21 September 2015. She has been the chief financial officer of Shanghai Bailian Group Co., Ltd. (上海百聯集團股份有限公司) (listed on the Shanghai Stock Exchange under the stock code of 600827, the "Shanghai Bailian") since June 2015, and the secretary to the board of Shanghai Bailian since August 2015 and a director of Shanghai Bailian since June 2017. Ms. Zheng held various positions at Shanghai Forever Co., Ltd. (上海永久股份有限公司) where she successively served as the accountant, the assistant to manager and the deputy manager of the finance department from September 1982 to July 1999. From July 1999 to March 2002, she served as the chief financial officer of Shanghai Advertising and Decorating Company (上海廣告裝潢公司). She served as the deputy manager of the finance department of Shanghai Yibai (Group) Co., Ltd. (上海一百(集團)有限公司) from March 2002 to December 2002, served as the chief financial officer of Shanghai Quanfang Investment Management Co., Ltd. (上海全方投資管理有限公司) from December 2002 to October 2003, served as the chief financial officer of general operation department of Shanghai Bailian Group

Co., Ltd. From October 2003 to July 2005 and served as the chief financial officer of Shanghai Bailian Investment Management Co., Ltd. (上海百聯投資管理有限公司) from July 2005 to August 2010. She served as the chief financial officer of Shanghai Bailian Group Assets Management Co., Ltd. (上海百聯集團資產經營管理有限公司) from August 2010 to July 2014, served as the chief financial officer of Shanghai Bailian E-Commerce Co., Ltd. (上海百聯電子商務有限公司) from July 2014 to June 2015, and served as a director of Shanghai Baihong Trading Co., Ltd. (上海百紅商業貿易有限公司) and the chairman of the board of directors of Hualian Group Assets Custody Co., Ltd. (華聯集團資產託管有限公司) from March 2014 to July 2014.

Ms. Dai Li (戴麗女士), born in 1973, a holder of master's degree in law, a mid-level economist, has served as the head of the asset operation department of Shanghai United Media Group (上海報業集團) since June 2018. Ms. Dai worked as a teaching assistant intern at Nanyang Institute of Technology (南陽理工學院) from July 1995 to August 1996, a clerk at Nanyang Customs (南陽海關) from August 1996 to August 2000, a legal counsel, head of investment and deputy-director level propagandist of Wenhui Xinmin United Press Group (文匯新民聯合報業集團) from July 2002 to October 2013, the deputy director-level cadre and the deputy director of the asset operation department of Shanghai United Media Group from October 2013 to June 2018. Ms. Dai has served as a director of Shanghai DonJie Advertising Media Co., Ltd. (上海東傑廣告傳媒有限公司) since December 2016 and a director of Shanghai Evening News Media Co., Ltd. (上海新聞晚報傳媒有限公司董事) since November 2018.

Mr. Feng Huang (馮煌先生), born in 1971, a holder of MBA degree, an economist and an in-house legal counsel, has been serving as a Supervisor of the Company since 30 December 2014. Mr. Feng joined SIIC Investment (Shanghai) Co., Ltd. (上實投資(上海)有限公司) in January 1999 and served in various positions, including the president and director since December 2012, and concurrently the vice chairman since September 2014. Mr. Feng has been a director of Shanghai Lujiazui Finance & Trade Zone United Development Co., Ltd. (上海陸家嘴金融貿易區聯合發展有限公司) since July 2004, the chairman of SIIC Investment Co., Ltd. 上海實業投資有限公司) and Hong Kong South Pacific Hotel Co., Ltd. (南洋酒店(香港)有限公司) since April 2012, the vice chairman of Shanghai Guojin Leasing Co., Ltd. (上海國金租賃有限公司) since January 2014, a director of SIIC Group Finance Co., Ltd. (上海上實集團財務有限公司) since May 2014, the chairman of SIIC Shanghai Asset Operation Co. Ltd. (上海上實資產經營有限公司) since December 2014, the chairman and president of Shanghai SIIC Investment Management Consulting Co., Ltd. (上海上實投資管理諮詢有限公司) since December 2014, a director of SIIC Financial Services Holdings Ltd. (上海上實金融服務控股有限公司) since February 2015, a non-executive director of Shanghai International Shanghai Growth Investment Limited (滬光國際上海發展投資有限公司)(listed on the Hong Kong Exchange, under stock code of 0770) since December 2015, a director of Shanghai Invest and Asset Management Co., Ltd. (上海上投資產經營有限公司) since December 2015, and a director of SIIC Shanghai Venture Capital Co. Ltd. (上海上實創業投資有限公司) since October 2018. Mr. Feng was a Director of the Company from 16 May 2011 to 30 December 2014.