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## **DONGJIANG ENVIRONMENTAL COMPANY LIMITED\***

### **東江環保股份有限公司**

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

**(Stock code: 00895)**

## **(1) RESIGNATION OF NON-EXECUTIVE DIRECTORS (2) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR AND (3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

### **RESIGNATION OF NON-EXECUTIVE DIRECTORS**

The Board announces that Mr. Tang Yi and Ms. Shan Xiaomin have tendered their resignations as non-executive Directors of the seventh session of the Board due to their other work arrangements.

### **PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

After review by the nomination committee of the Board, Mr. Huang Honggang has been proposed to be appointed as a non-executive Director at the 36th meeting of the seventh session of the Board. The Proposed Appointment is subject to consideration and approval at an extraordinary general meeting to be convened and held by the Company on 5 December 2023.

### **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In view of (1) following the completion of the proposed non-public issuance of A Shares, the number of total issued Shares of the Company has changed to 1,105,255,802 Shares and the registered capital has changed to RMB1,105,255,802; (2) the amendments to the Listing Rules made by the Stock Exchange; (3) the Working Rules for Grass-roots Organisations of State-owned

Enterprises of the Communist Party of China (Trial) (《中國共產黨國有企業基層組織工作條例(試行)》) and other relevant requirements; (4) the Company's decision to align the preparation of its financial statements and disclose relevant financial information in accordance with CASBE commencing from the financial year ending 31 December 2023; (5) the renaming of the Audit Committee as the Audit and Risk Management Committee; and (6) the Company's intention to strengthen compliance management, promote enterprise development according to law and clarify the authority of the Board on investment in non-principal business or non-productive fixed assets and intangible assets; the Board proposes to amend the Articles of Association.

The proposed amendments to the Articles of Association are subject to approval by the Shareholders by way of a special resolution at the EGM.

## **RESIGNATION OF NON-EXECUTIVE DIRECTORS**

The board (the “**Board**”) of directors (the “**Director(s)**”) of Dongjiang Environmental Company Limited (the “**Company**”) announces that Mr. Tang Yi (“**Mr. Tang**”) and Ms. Shan Xiaomin (“**Ms. Shan**”) have tendered their resignations as non-executive Directors of the seventh session of the Board due to their other work arrangements.

In accordance with the relevant provisions of the Company Law of the People's Republic of China and the articles of association of the Company (the “**Articles of Association**”), the resignations of Mr. Tang and Ms. Shan took effect from the date on which their resignation letters were delivered to the Board (i.e. 15 November 2023). Mr. Tang and Ms. Shan do not hold any positions in the Company after their resignations becoming effective. The resignations of Mr. Tang and Ms. Shan will not lead to the number of Board members falling below the statutory minimum number, nor affect the normal operations of the Board.

Mr. Tang and Ms. Shan have confirmed that they have no disagreement with the Board and there is no matter relating to their resignations that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board wishes to express its sincere gratitude to Mr. Tang and Ms. Shan for their contributions to the Company during their tenure of office.

## **PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

The Company received relevant document(s) from Guangdong Rising Holdings Group Co., Ltd.\* (廣東省廣晟控股集團有限公司) (“**Guangdong Rising Holdings Group**”), a substantial

shareholder of the Company, in which Mr. Huang Honggang (“**Mr. Huang**”) was nominated as a candidate for non-independent Director of the seventh session of the Board. After review by the nomination committee of the Board, Mr. Huang has been nominated as a candidate of non-independent Director at the 36th meeting of the seventh session of the Board and is proposed to be appointed as a non-executive Director (the “**Proposed Appointment**”). The Proposed Appointment is subject to consideration and approval at an extraordinary general meeting to be convened and held by the Company on 5 December 2023 (the “**EGM**”).

If the Proposed Appointment is approved, the term of office of Mr. Huang as a non-executive Director will be effective from the date of the EGM until the expiry of the term of the seventh session of the Board.

Upon the approval of the Proposed Appointment by the Shareholders, Mr. Huang will enter into an appointment agreement with the Company. Mr. Huang, as a non-executive Director, will not receive remuneration from the Company.

The biographical details of Mr. Huang are set out below:

**Huang Honggang**, male, aged 49, born in April 1974, member of the Communist Party of China, holds a Bachelor’s degree. He served as deputy minister, minister of legal affairs department and minister of general legal affairs department of Guangdong Rising Hotel Group Co., Ltd.\* (廣東省廣晟酒店集團有限公司), senior director and deputy minister of legal affairs department, deputy director of the office of the board (legal affairs center), and deputy minister of legal and risk control affairs department of Guangdong Rising Holdings Group (formerly known as Guangdong Rising Asset Management Co., Ltd.\* (廣東省廣晟資產經營有限公司)). From December 2021 to October 2023, he also served as a director of Guangdong Rare Earth Industry Group Co., Ltd. \* (廣東省稀土產業集團有限公司) and Guangdong Rising Real Estate Group Co., Ltd. \* (廣東省廣晟置業集團有限公司). He is currently a designated director assigned to listed companies of Guangdong Rising Holdings Group.

Save as the disclosed in this announcement, as at the date of this announcement, Mr. Huang (i) has not held any directorships in any other public company whose securities are listed in Hong Kong or any overseas stock market in the past three years; (ii) does not have any relationship with any Directors, supervisors, senior management and substantial or controlling shareholders of the Company; and (iii) does not hold any other position with the Company and other members of the Group.

As at the date of this announcement, Mr. Huang does not have interest in the Shares of the Company ( “**Shares**”) or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), save for his positions in Guangdong

Rising Holdings Group, a substantial shareholder of the Company, he has no relationship with the Company's other Directors, supervisors, senior management and Shareholders holding more than 5% of the shares, nor has he been subject to any punishment by the China Securities Regulatory Commission (the "CSRC") and other competent authorities or disciplined by any stock exchanges. He has not been publicly disclosed by the CSRC on the public inquiry platform for illegal and dishonest information in the securities and futures market and is not a dishonest person subject to enforcement action. His qualifications for appointment are in compliance with the qualifications for appointment required under the Company Law of China, Rules Governing the Listing of Shares on the Shenzhen Stock Exchange, other relevant laws and regulations and the Articles of Association.

Save as disclosed above, there is no other information of Mr. Huang required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), and the Company is not aware of any other matter that needs to be brought to the attention of the Shareholders.

The Proposed Appointment is subject to approval by the Shareholders by way of ordinary resolution at the EGM.

Pursuant to the Articles of Association, the Board shall consist of nine Directors. In light of the resignations of Mr. Tang and Ms. Shan, the number of Board members would still fall below nine after the appointment of Mr. Huang as a non-executive Director at the EGM. The Board will identify candidate for appointment as new Director as soon as practicable.

## **PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

References are made to (1) the announcement of the Company dated 30 March 2023 in relation to, amongst others, the renaming of the Audit Committee as the Audit and Risk Management Committee; (2) the announcement of the Company dated 15 May 2023 in relation to, amongst others, the completion of the proposed non-public issuance of A Shares; and (3) the announcements of the Company dated 25 July 2023 and 9 August 2023 in relation to, amongst others, the Company's decision to align the preparation of its financial statements and disclose relevant financial information in accordance with China Accounting Standards for Business Enterprises (the "**CASBE**").

In view of (1) following the completion of the proposed non-public issuance of A shares, the number of total issued shares of the Company has changed to 1,105,255,802 Shares and the registered capital has changed to RMB1,105,255,802; (2) the amendments to the Listing Rules made by the Stock Exchange; (3) the Working Rules for Grass-roots Organisations of State-owned Enterprises of the Communist Party of China (Trial) (《中國共產黨國有企業基層組織工作條例(試行)》) and other relevant requirements; (4) the Company's decision to align the preparation of its financial

statements and disclose relevant financial information in accordance with CASBE commencing from the financial year ending 31 December 2023; (5) the renaming of the Audit Committee as the Audit and Risk Management Committee; and (6) the Company's intention to strengthen compliance management, promote enterprise development according to law and clarify the authority of the Board on investment in non-principal business or non-productive fixed assets and intangible assets; the Board proposes to amend the Articles of Association of the Company.

The full text of the proposed amendments to the Articles of Association is set out in Appendix I to this announcement.

The proposed amendments to the Articles of Association are subject to approval by the Shareholders by way of a special resolution at the EGM.

## **GENERAL**

A circular containing details of the proposed appointment of non-executive Director and proposed amendments to the Articles of Association will be despatched to the Shareholders in due course.

By order of the Board  
**Dongjiang Environmental Company Limited\***  
**Tan Kan**  
*Chairman*

Shenzhen, the PRC  
15 November 2023

*As at the date of this announcement, the Board of Directors of the Company comprises three executive Directors, being Mr. Tan Kan, Mr. Yu Zhongmin and Mr. Lin Peifeng; one non-executive Director, being Mr. Jin Yongfu; and three independent non-executive Directors, being Mr. Li Jinhui, Mr. Siu Chi Hung and Ms. Guo Suyi.*

*\* For identification purposes only*

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

**COMPARISON TABLE OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

<b>No.</b>	<b>Existing Articles</b>	<b>Proposed Revised Articles</b>
1	ARTICLE 21 The share capital of the Company currently is <u>879,267,102</u> ordinary shares, with a par value of RMB 1 per share, including <u>679,129,602</u> A shares, representing <u>77.24%</u> of the total share capital of the Company, and 200,137,500 H shares, representing <u>22.76%</u> of the total share capital of the Company.	ARTICLE 21 The share capital of the Company currently is <u>1,105,255,802</u> ordinary shares, with a par value of RMB1 per share, including <u>905,118,302</u> A shares, representing <u>81.89%</u> of the total share capital of the Company, and 200,137,500 H shares, representing <u>18.11%</u> of the total share capital of the Company.
2	ARTICLE 24 The registered capital of the Company currently is RMB <u>879,267,102</u> .	ARTICLE 24 The registered capital of the Company currently is RMB <u>1,105,255,802</u> .
3	ARTICLE 43 The Company may, in accordance with the understanding or agreement reached by the securities supervision and management authority of the State Council and the overseas supervision authority, store its register of shareholders of foreign shares for overseas listing overseas and entrust a foreign agency to manage it. The original of the register of shareholders of foreign shares listed in Hong Kong shall be stored in Hong Kong and in the charge of an entrusted Hong Kong agency.	ARTICLE 43 The Company may, in accordance with the understanding or agreement reached by the securities supervision and management authority of the State Council and the overseas supervision authority, store its register of shareholders of foreign shares for overseas listing overseas and entrust a foreign agency to manage it. The original of the register of shareholders of foreign shares listed in Hong Kong shall be stored in Hong Kong and in the charge of an entrusted Hong Kong agency. <b><u>The register of shareholders of foreign shares can be inspected by shareholders.</u></b>
4	ARTICLE 55 The shareholders of ordinary shares of the Company shall be entitled to:  1. receive dividend and distribution of other forms of benefit according to the amount of their shares held by them;  2. attend or appoint proxies to attend and exercise voting right at the general meetings of the shareholders;  .....	ARTICLE 55 The shareholders of ordinary shares of the Company shall be entitled to:  3. receive dividend and distribution of other forms of benefit according to the amount of their shares held by them;  4. attend or appoint proxies to attend and exercise <b><u>the right to speak and vote</u></b> at the general meetings of the shareholders <b><u>(unless individual shareholders are required to abstain from voting on individual matters in accordance with the listing rules of the place where the Company's shares are listed)</u></b> ;  .....

No.	Existing Articles	Proposed Revised Articles
5	<p>ARTICLE 84 Any shareholder entitled to attend and vote at a general meeting of shareholders shall be entitled to appoint one or more persons (such persons need not be shareholders) as his/ her proxies to attend and vote on his/ her behalf, and such proxies appointed, in accordance with the appointment of such shareholder, may exercise the following rights:</p> <p>.....</p> <p>Should the shareholder concerned be an authorized clearing house under the definition of the Hong Kong laws (hereinafter referred to as the “authorized clearing house”) (or its agent), such shareholder may authorize any one or more persons deemed suitable as his/her proxy at any general meeting of shareholders or any class meeting for the relevant class of shareholders; however, should there be more than one persons being so authorized, the power of attorney must specify the number and the class of shares in respect of which each person is so authorized. Such authorized persons shall be entitled to exercise the same power on behalf of the authorized clearing house (or its agents), as if these persons were individual shareholders of the Company.</p>	<p>ARTICLE 84 Any shareholder entitled to attend and vote at a general meeting of shareholders shall be entitled to appoint one or more persons (such persons need not be shareholders) as his/ her proxies to attend and vote on his/ her behalf, and such proxies appointed, in accordance with the appointment of such shareholder, may exercise the following rights:</p> <p>.....</p> <p>Should the shareholder concerned be an authorized clearing house under the definition of the Hong Kong laws (hereinafter referred to as the “authorized clearing house”) (or its agent), such shareholder may authorize <b><u>a corporate representative or</u></b> any one or more persons deemed suitable as his/her proxy at any general meeting of shareholders or any class meeting for the relevant class of shareholders, <b><u>and such representatives shall be entitled to statutory rights equivalent to other shareholders, including the rights to speak and vote</u></b>; however, should there be more than one persons being so authorized, the power of attorney must specify the number and the class of shares in respect of which each person is so authorized. Such authorized persons shall be entitled to exercise the same power on behalf of the authorized clearing house (or its agents), as if these persons were individual shareholders of the Company.</p>

<b>No.</b>	<b>Existing Articles</b>	<b>Proposed Revised Articles</b>
6	<p>ARTICLE 135 <u>the core leadership role, holding correct directions, managing overall situations and ensuring the implementations of the government’s proposals. The working units of the Party shall be established and certain number of staff shall be assigned in charge of Party-related work. The institution and staffing of the Party Organization shall be included into the Company’s management organizations and staffing. The working fund of the Party Organization shall be included into the Company’s budget and shall be disbursed from the management fees.</u></p>	<p>ARTICLE 135 <u>The Company shall set up an organization of the Communist Party of China in accordance with the requirements of the Constitution of the Communist Party of China and the Regulations on the Work of Communist Party Grassroots Organizations of the State-owned Enterprises of the Communist Party of China (Trial), carry out the activities of the Party, set up working bodies for the Party and allocate sufficient competent staff to deal with Party affairs. The institution and staffing of the Party Organization shall be included into the Company’s management organizations and staffing. The working fund of the Party Organization shall be included into the Company’s budget and shall be disbursed from the management fees.</u></p>



No.	Existing Articles	Proposed Revised Articles
7	<p>ARTICLE 136 <u>The Party Committee of the Company (the “Party Committee”)</u> shall be established by the upper-level Party organization pursuant to relevant administration authorities. It shall play a core role in respect of leadership and political matters of the Company, undertake the responsibility to strengthen Party self-discipline and governance and implement as a principal the cleansing-Party work, conduct pre-study of major corporate matters, exercise the principle of placing cadres and talents under Party’s supervision, adhere to and improve the leadership mechanism of cross-appointment, strengthen supervision over the leaders of enterprises, and provide leadership for ideological and political work, spirit civilization construction and mass organizations such as the labour union and the Communist Youth League. The Company shall establish a discipline inspection committee to supervise the cleansing-Party construction and perform the Party’s discipline inspection and supervision duties. Secretary and other members of the Party Committee shall be appointed and removed in accordance with relevant regulations of the Party.</p>	<p>ARTICLE 136 <u>In accordance with the Constitution of the Communist Party of China and the Regulations on the Work of Communist Party Grassroots Organizations of the State-owned Enterprises of the Communist Party of China (Trial) and the management license right and with approval of higher-level Party organizations, the Company has established the Committee of the Communist Party of China of Dongjiang Environmental Company Limited (the “Party Committee”). Meanwhile, the Company has also established the Commission for Discipline Inspection of the Communist Party of China of Dongjiang Environmental Company Limited (the “Discipline Inspection Commission”) according to the relevant requirements.</u></p>

No.	Existing Articles	Proposed Revised Articles
8	<p>ARTICLE 137 <u>The Party Committee shall function on collective leadership system and follow the following working principles:</u></p> <ol style="list-style-type: none"> <li data-bbox="264 442 799 625">1. <u>to adhere to the Party’s leadership, ensuring the theory and routes, guidelines and policies of the Party to be observed and implemented in the Company;</u></li> <li data-bbox="264 668 799 970">2. <u>to comprehensively strengthen Party discipline, carrying out work in conformity with the Part Constitution and other regulations developed among the Party, fulfilling its responsibilities of Party governing and administration;</u></li> <li data-bbox="264 1012 799 1161">3. <u>to realize democratic centralism, ensuring the vitality of the Party Committee and the unity of the Party;</u></li> </ol> <p><u>The Party Committee shall perform the core role in respect of leadership and political matters of the Company, which shall be aligned with the due discharging of duties by the board of directors and management’s according to laws and the Articles of Associations, translating the proposals of the Party into the decisions of the board of directors or management through legal and democratic process.</u></p>	<p>ARTICLE 137 <u>The Party Committee of the Company shall be elected from the Party member congress or the Party representative congress; each term of office is generally five (5) years. Regular re-election shall be conducted upon the expiration of its term of office. Each term of office of the Discipline Inspection Commission shall be the same as the Party Committee.</u></p>

<b>No.</b>	<b>Existing Articles</b>	<b>Proposed Revised Articles</b>
9	A new article shall be added, the other article numbers of the Articles of Association are moved backward accordingly	<p><b><u>ARTICLE 138 The Party Committee of the Company consist of 1 party committee secretary, 1 to 2 deputy secretaries and a certain number of members. The Discipline Inspection Commission consists of 1 secretary and a certain number of deputy secretaries and members. The secretary of the Discipline Inspection Commission shall be present at meetings of the board of directors and meetings of the management team. The deputy secretary of the Discipline Inspection Commission shall be present at meetings of the Party Committee, meetings of the board of directors and meetings of the management team.</u></b></p>

No.	Existing Articles	Proposed Revised Articles
10	<p><b><u>ARTICLE 138 The Party Committee shall discuss and decides on the following issues:</u></b></p> <ol style="list-style-type: none"> <li><b><u>1. to study the routes, principles and policies of the Party and the laws and regulations of the State, the important meetings, documents, decisions, resolutions and directives issued by the superior Party committees and government, and research relevant measures to follow and implement the aforesaid;</u></b></li> <li><b><u>2. to strengthen and improve the relevant works such as the Party’s thoughts, organization, style, anti-corruption and system building;</u></b></li> <li><b><u>3.to implement principle of placing cadres and talents under Party’s supervision; improve the mechanism of selection and employment of persons adaptable to the requirements of modern corporate system and the needs of market; determine the standards, standardize the procedures, participate in the investigation and recommend the candidates, so as to construct a high-quality management team the talent pool;</u></b></li> </ol>	<p><b><u>ARTICLE 139 The Party Committee of the Company shall play a leading role, supervising the Company’s direction of development, monitoring the whole picture and ensuring implementation, discussing and making decisions on significant matters of the Company in accordance with the regulations. The main responsibilities are:</u></b></p> <ol style="list-style-type: none"> <li><b><u>1. to enhance the building of politics of the Party in the Company, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as the core in the political stance, political direction, political principles and political path;</u></b></li> <li><b><u>2. to thoroughly study and implement Xi Jinping’s Socialism Ideology with Chinese characteristics in the new era, learn and propagate the Party’s theory, thoroughly implement the Party’s line, principles and policies as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee as well as the resolutions of the Party organisation at a higher level in the Company;</u></b></li> </ol>

No.	Existing Articles	Proposed Revised Articles
	<p data-bbox="244 238 783 502">4. <u>to deploy the important work, important documents and important requests in the name of the Party Committee, and review the important matters submitted by the party organizations of the subordinate enterprises;</u></p> <p data-bbox="244 549 783 774">5. <u>to determine the important matters of the Party Committee such as its annual work projection, work plan, grass-roots Party organization and Party members' team construction;</u></p> <p data-bbox="244 821 783 1008">6. <u>to determine cleansing-Party construction and anti-corruption work, and carries out the principal responsibility of cleansing-Party construction;</u></p> <p data-bbox="244 1055 783 1281">7. <u>to determine the significant matters of the Company including the construction of personnel team, spiritual civilization, corporate culture, the maintenance of harmony and stability;</u></p> <p data-bbox="244 1327 783 1434">8. <u>Other matters that shall be studied and determined by the Party Committee.</u></p>	<p data-bbox="833 238 1431 540">3. <u>to investigate and discuss the significant operation and management matters of the Company and support the shareholders' general meeting, the board of directors and the management to exercise their rights and perform their duties in accordance with the laws;</u></p> <p data-bbox="833 587 1431 812">4. <u>to strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre and talents team of the Company;</u></p> <p data-bbox="833 859 1431 1281">5. <u>to undertake the main responsibility in improving Party conduct and upholding integrity, lead and support discipline inspection institutions to fulfil their supervisory and disciplining responsibilities as well as exercise strict administrative discipline and political rules and promote Party self-governance exercised fully and with rigor into the grassroots level;</u></p> <p data-bbox="833 1327 1431 1553">6. <u>to strengthen the building of grass-root Party organisations and the Party member service, unit and lead officials and employees to devote themselves into the reform and development of the Company;</u></p> <p data-bbox="833 1600 1431 1864">7. <u>to lead the Company's ideological and political work, the spirit and civilization progress, the United Front work and lead mass organisations such as the Labour Union, Communist Youth League and Women's Organisation of the Company.</u></p>

No.	Existing Articles	Proposed Revised Articles
11	<p><b><u>ARTICLE 139 The Party Committee shall conduct pre-study of the following matters:</u></b></p> <ol style="list-style-type: none"> <li><b><u>1. Development strategies and medium-term and long-term development plans of the Company;</u></b></li> <li><b><u>2. The business plans and operation plans;</u></b></li> <li><b><u>3. Principal and directional issues relating to substantial investments and financing, loan guarantee, financial restructuring, assets transfer, substantial assets disposal and capital operation;</u></b></li> <li><b><u>4. Development and modification of significant reform plans;</u></b></li> <li><b><u>5. The merger, division, change of control and dissolution of the Company and the set up and adjustment of internal administration organization, the establishment and deregistration of subsidiaries;</u></b></li> <li><b><u>6. Draft Articles of Association and modification proposal to Articles of Association;</u></b></li> </ol>	<p><b><u>ARTICLE 140 The Company's major operation and management matters must first be studied and discussed by the Party Committee of the Company, and then be decided by the board of directors or the management. The matters to be studied and discussed mainly include:</u></b></p> <ol style="list-style-type: none"> <li><b><u>1. the implementation of the Party Central Committee's decisions and major measures to implement the national development strategy;</u></b></li> <li><b><u>2. the Company's development strategies, medium and long-term development plans, and important reform programs;</u></b></li> <li><b><u>3. principle and directional issues in the reorganization of the Company's assets, transfer of property rights, capital operations and large investments;</u></b></li> <li><b><u>4. setting up and adjustments of the Company's organizational structure, the enactment and modification of important rules and regulations;</u></b></li> <li><b><u>5. major issues related to the Company's safety production, stability maintenance, labour rights and interests, social responsibility, etc.;</u></b></li> <li><b><u>6. other important matters that should be studied and discussed by the Party Committee.</u></b></li> </ol>

No.	Existing Articles	Proposed Revised Articles
	<p data-bbox="264 236 799 427"><u>7. Issues relating the appointment, performance appraisals, remuneration, administration and supervision of the medium to senior management team;</u></p> <p data-bbox="264 470 799 661"><u>8. Substantial and principal issue relating to the interests of the employees and need to be brought to the employee representative meeting;</u></p> <p data-bbox="264 704 799 970"><u>9. Substantial and principal arrangements relating to the Company's political responsibility and social responsibility, such as extremely significant safety in production and stability maintenance;</u></p> <p data-bbox="264 1012 799 1247"><u>10. Other significant matters ( 三重一大 ) that, in the opinion of the board of directors and management, need to be submitted to the Party Committee for discussion.</u></p>	<p data-bbox="836 236 1442 491"><u>The Party Committee shall formulate a list of matters to be studied and discussed in the light of the actual situation of the Company and divide clearly the rights and responsibilities of the Party Committee and other governance bodies such as the board of directors and the management.</u></p>

No.	Existing Articles	Proposed Revised Articles
12	<p><b><u>ARTICLE 140 As for the significant matters relating to the corporate reform, development and stability (三重一大), the board of directors shall, before making a decision, first submit the same to the Party Committee for study. The Party Committee shall hold a meeting for discussion and study and provide opinions and advices, and then submit the same to the board of directors for decision-making in accordance with relevant rules of procedure.</u></b></p> <p>The special rules of procedure and relevant supporting working rules shall be formulated for the Party Committee to ensure its scientific decision-making, efficient operation and sufficient discharging of duties.</p>	<p><b><u>ARTICLE 141 By insisting on and improving the leadership mechanism of “Dual Entry and Cross Appointment”, eligible members of the Party Committee may join the board of directors, the Supervisory Committee and the management through statutory procedures, while eligible members of the board of directors, the Supervisory Committee and the management who are also Party members may join the Party Committee in accordance with relevant regulations and procedures.</u></b></p> <p><b><u>Party secretary and chairman of the board of directors shall be served by one single person, and the general manager who is a Party member shall serve as deputy secretary of the Party Committee. The Party Committee can be equipped with full-time deputy secretary responsible for the Party building works. The fulltime deputy secretary shall serve as a member of the board of directors and shall not be serving in the management level.</u></b></p> <p><b><u>The Party Committee of the Company implements the system of combining collective leadership with individual division of responsibilities. Members of the leadership team of the Party Committee who are members of the board of directors and the management must implement the decisions of the Party Committee.</u></b></p> <p>The special rules of procedure and relevant supporting working rules shall be formulated for the Party Committee to ensure its scientific decision-making, efficient operation and sufficient discharging of duties.</p>



<b>No.</b>	<b>Existing Articles</b>	<b>Proposed Revised Articles</b>
13	<p><b>ARTICLE 142</b> Directors shall be nominated by the board of directors or the shareholders holding over 3 % (including 3 %) of the Company’s shares (Candidates for Independent Director can be nominated by the Supervisory Committee and shareholders holding over 1% of shares in issue) and shall be elected or replaced by the general meeting of shareholders, and could be removed by general meeting of shareholders before the expiration of the term of office. Each term of office of directors shall be three years. Upon completion of their terms of office, the directors may be re-appointed by election.</p>	<p><b>ARTICLE 143</b> Directors shall be nominated by the board of directors or the shareholders holding over 3% (including 3%) of the Company’s shares (Candidates for Independent Director can be nominated by the Supervisory Committee and shareholders holding over 1% of shares in issue) and shall be elected or replaced by the general meeting of shareholders, and could be removed by <b><u>ordinary resolution at the</u></b> general meeting of shareholders before the expiration of the term of office <b><u>(but such removal shall be without prejudice to any claim which may be made under any contract).</u></b> Each term of office of directors shall be three years. Upon completion of their terms of office, the directors may be re-appointed by election.</p>

<b>No.</b>	<b>Existing Articles</b>	<b>Proposed Revised Articles</b>
14	<p><b>ARTICLE 162</b> The board of directors shall be accountable to the general meeting of shareholders and perform the following functions and exercise the following powers:</p> <p>.....</p> <p>17. To consider and approve the following transactions (the transaction has the same meaning as defined under the listing rules of the stock exchanges where the company is listed):</p> <p>(1) Total amount of the assets involved in the transaction represents 10% or more of the Company’s audited total assets for the latest period; if total amount of the assets involved in the transaction represents 50% or more of the Company’s audited total assets for the latest period, such transaction should be submitted to the Shareholders’ meeting for approval; in case total assets involved in the transaction have carry value and appraised value simultaneously, the higher will be used in calculation.</p> <p>.....</p>	<p><b>ARTICLE 163</b> The board of directors shall be accountable to the general meeting of shareholders and perform the following functions and exercise the following powers:</p> <p>.....</p> <p>18. To consider and approve the following transactions (the transaction has the same meaning as defined under the listing rules of the stock exchanges where the company is listed):</p> <p>(1) Total amount of the assets involved in the transaction represents 10% or more of the Company’s audited total assets for the latest period; if total amount of the assets involved in the transaction represents 50% or more of the Company’s audited total assets for the latest period, such transaction should be submitted to the Shareholders’ meeting for approval; in case total assets involved in the transaction have carry value and appraised value simultaneously, the higher will be used in calculation.</p> <p>.....</p> <p><b><u>(7) Investment or acquisition of non-principal business or non-productive fixed assets and intangible assets of RMB 30 million or above.</u></b></p>

No.	Existing Articles	Proposed Revised Articles
15	<p>ARTICLE 180 Special committees including strategic development committee, nomination committee, <u>audit committee</u>, and remuneration and assessment committee shall be established by the board of directors. Each of the special committee shall be accountable to the board of directors. All members of such special committees shall be the directors and shall comprise of at least three members in each committee. Independent directors shall act as the conveners and represent majority of the members in the <u>audit committee</u>, remuneration and assessment committee and nomination committee. At least one of the independent directors in the <u>audit committee</u> shall be from an accounting professional, and the convener of the <u>audit committee</u> is the accounting professional. The board of directors is responsible for formulating the work procedures of the special committees and standardizing the operation of the special committees.</p>	<p><b><u>ARTICLE 181</u></b> Special committees including strategic development committee, nomination committee, <b><u>audit and risk management committee</u></b>, and remuneration and assessment committee shall be established by the board of directors. Each of the special committee shall be accountable to the board of directors. All members of such special committees shall be the directors and shall comprise of at least three members in each committee. Independent directors shall act as the conveners and represent majority of the members in the <b><u>audit and risk management committee</u></b>, remuneration and assessment committee and nomination committee. At least one of the independent directors in the <b><u>audit and risk management committee</u></b> shall be from an accounting professional, and the convener of the <b><u>audit and risk management committee</u></b> is the accounting professional. The board of directors is responsible for formulating the work procedures of the special committees and standardizing the operation of the special committees.</p>
16	<p><b><u>ARTICLE 182</u></b> The main duties of the <b><u>audit committee</u></b> of the board of directors shall be:</p> <p>.....</p>	<p><b><u>ARTICLE 183</u></b> The main duties of the <b><u>audit and risk management committee</u></b> of the board of directors shall be:</p> <p>.....</p>
17	<p>A new article shall be added, the other article numbers of the Articles of Association are moved backward accordingly</p>	<p><b><u>ARTICLE 242</u></b> <b><u>The Company and its directors, supervisors, Chief Executive Officer, vice president and other senior management personnel should continuously promote the work of enterprise management in accordance with the law, strengthen compliance management, ensure that the Company operates in accordance with the law and in a compliant manner, and promote the sustainable development of the Company.</u></b></p>

No.	Existing Articles	Proposed Revised Articles
18	<p><b>ARTICLE 247</b> The financial statements of the Company <b>shall be</b> prepared in accordance with the accounting standards and laws and regulations of PRC <b>as well</b> international accounting standards or accounting standards <b>required by</b> the foreign location where the Company’s shares are listed. Significant discrepancies between the two standards in preparing the financial statements shall be specifically explained in the notes to the financial statements. The distribution of profit after-tax in the relevant financial year shall be calculated according to the financial statement resulted from one of the following two standards, whichever produces a lesser amount of profit after-tax: (1) the accounting standard and regulations of PRC, or (2) international accounting standards or accounting standard required by the foreign location where the Company’s shares are listed.</p>	<p><b>ARTICLE 249</b> The financial statements of the Company <b>may, in addition to being</b> prepared in accordance with accounting standards and laws and regulations of PRC, <b>be prepared in accordance with either</b> international accounting standards or <b>such</b> accounting standards <b>as permitted in</b> the foreign location where the Company’s shares are listed. Significant discrepancies between the two standards in preparing the financial statements shall be specifically explained in the notes to the financial statements. The distribution of profit after-tax in the relevant financial year shall be calculated according to the financial statement resulted from one of the following two standards, whichever produces a lesser amount of profit after-tax: (1) the accounting standard and regulations of PRC, or (2) international accounting standards or accounting standard required by the foreign location where the Company’s shares are listed.</p>
19	<p><b>ARTICLE 248</b> The interim results or financial information published or disclosed by the Company shall be prepared <b>according to</b> the accounting standards and laws and regulations of the PRC as well as the accounting standards of the international or overseas listing place.</p>	<p><b>ARTICLE 250</b> The interim results or financial information published or disclosed by the Company shall be prepared <b>in accordance with</b> accounting standards and laws and regulations of the PRC as well as <b>the international accounting standards or such accounting standards as permitted in the place overseas where the Company’s shares listed.</b></p>
20	<p><b>ARTICLE 260</b> The Company shall engage independent accounting firm as stipulated by relevant regulations of the State to audit the Company’s annual financial report and audit other financial reports of the Company.</p>	<p><b>ARTICLE 262</b> The Company shall engage independent accounting firm as stipulated by relevant regulations of the State <b>and the listing rules of the place where the Company is listed</b> to audit the Company’s annual financial report and audit other financial reports of the Company.</p>

<b>No.</b>	<b>Existing Articles</b>	<b>Proposed Revised Articles</b>
21	<b>ARTICLE 264</b> Notwithstanding the terms and conditions in the contract entered into by the accounting firm and the Company, the general meeting may, before the expiration of the term of the accounting firm, dismiss the accounting firm by passing an ordinary resolution. Any right of the accounting firm to make a claim due to being dismissed from the Company shall not be affected thereby.	<b>ARTICLE 266</b> Notwithstanding the terms and conditions in the contract entered into by the accounting firm and the Company, the general meeting may, before the expiration of the term of the accounting firm, dismiss <b>or remove</b> the accounting firm by passing an ordinary resolution. Any right of the accounting firm to make a claim due to being dismissed from the Company shall not be affected thereby.
22	<b>ARTICLE 265</b> The remuneration or the method of confirming remunerations for the accounting firm shall be determined at the general meeting of shareholders. In the case of appointment of an accounting firm by the board of directors to fill up a vacancy, the board of directors shall determine the remuneration.	<b>ARTICLE 267</b> The remuneration or the method of confirming remunerations for the accounting firm shall be determined <b>by an ordinary resolution</b> at the general meeting of shareholders. In the case of appointment of an accounting firm by the board of directors to fill up a vacancy, the board of directors shall determine the remuneration.

After the proposed amendments aforesaid, the subsequent articles will be renumbered accordingly and the relevant numbering of such articles referred to in the Articles of Association shall be adjusted accordingly.

Save for the aforementioned revised articles, other articles in the original Articles of Association remain unchanged.

The English version of the proposed amendments to the Articles of Association is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.