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Red Star Macalline Group Corporation Ltd.

紅星美凱龍家居集團股份有限公司

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

(Stock Code: 1528)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY AND PROPOSED AMENDMENTS TO THE PROCEDURAL RULES OF THE GENERAL MEETING, THE PROCEDURAL RULES FOR THE BOARD AND THE PROCEDURAL RULES OF THE SUPERVISORY COMMITTEE

Proposed amendments to the Articles of Association

Red Star Macalline Group Corporation Ltd. (the “**Company**”) announces that, on 1 December 2023, the board of directors (the “**Board**”) of the Company proposed to make certain amendments to the articles of association (the “**Articles of Association**”) of the Company. On 14 February 2023, the State Council issued the Decision of the State Council on Annuling Certain Administrative Regulations and Documents, pursuant to which, the Special Provisions of the State Council on the Offshore Offering and Listing of Companies Limited By Shares (the “**Special Provisions**”) was rescinded. On 17 February 2023, as approved by the State Council, the China Securities Regulatory Commission (the “**CSRC**”) issued Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, which came into effect on 31 March 2023, pursuant to which, Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “**Mandatory Provisions**”) was abolished. The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) has amended the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**HK Listing Rules**”) with effect from 1 August 2023 in accordance with the aforesaid new regulatory regulations. Based on the amendments of the aforesaid rules and the actual operational and management needs of the Company, the Company intends to amend its Articles of Association.

In light of the above, the Board proposes to amend the existing Articles of Association to ensure compliance with the core standards, remove obsolete clauses as a result of the repeal of Mandatory Provisions and Special Provisions, bring the Articles of Association in line with the Guidelines on Articles of Association of the PRC, and to incorporate other corresponding and internal management amendments (the “**Proposed Amendments to the Articles of Association**”).

The Board is of view that the proposed amendments to the Articles of Association (including the removal of the class meeting requirement from the Articles of Association following the repeal of the Mandatory Provisions) will not compromise protection of the shareholders of the Company (the “**Shareholders**”) and will not have material impact on measures relating to the Shareholders’ protection, as H shares and A shares are regarded as the same class of ordinary shares under the PRC laws, and the substantive rights attached to these two types of shares (including voting rights, dividends and asset allocation upon liquidation) are the same.

Due to the Proposed Amendments to the Articles of Association, the Board and the Supervisory Committee (the “**Supervisory Committee**”) of the Company have considered and approved the amendments to the relevant provisions of the Procedural Rules of the General Meeting, the Procedural Rules of the Board and the Procedural Rules of the Supervisory Committee (collectively referred to as the “**Procedural Rules**”), respectively. As the Procedural Rules were annexed to the Articles of Association, the Proposed Amendments to the Procedural Rules (the “**Proposed Amendments to the Procedural Rules**”) shall be proposed at the 2023 fifth Extraordinary General Meeting (the “**EGM**”), the 2023 first A shareholders’ class meeting (the “**2023 first A Shareholders’ Class Meeting**”) and the 2023 first H shareholders’ class meeting (the “**2023 first H Shareholders’ Class Meeting**”) of the Company for approval, and it is proposed at the EGM, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting by the Board for approval to authorize the Board and the Board to then authorize the operating management of the Company to handle relevant formalities such as the registration/filing of changes with relevant competent departments in respect of the proposed amendments to the Articles of Association.

The full text of the Proposed Amendments to the Articles of Association is set out in Appendix I to this announcement, and details of the Proposed Amendments to the Procedural Rules will be included in the circular to be dispatched by the Company to the Shareholders.

The Proposed Amendments to the Articles of Association and the Proposed Amendments to the Procedural Rules are subject to the approval at the 2023 fifth EGM, the 2023 first A Shareholders’ Class Meeting and the 2023 first H Shareholders’ Class Meeting of the Company respectively.

A circular containing, among others, details concerning the Proposed Amendments to the Articles of Association, the Proposed Amendments to the Procedural Rules, the notice of the EGM and the notice of the H Shareholders’ Class Meeting will be dispatched to the Shareholders of the Company as soon as practicable.

By Order of the Board
Red Star Macalline Group Corporation Ltd.
QIU Zhe
Secretary of the Board and Joint Company Secretary

Shanghai, the PRC
1 December 2023

As at the date of this announcement, the executive Directors of the Company are CHE Jianxing, SHI Yaofeng, LI Jianhong and YANG Yingwu; the non-executive Directors are ZHENG Yongda, WANG Wenhui, ZOU Shaorong, SONG Guangbin and XU Di; and the independent non-executive Directors are XUE Wei, HUANG Jianzhong, CHEN Shanang, WONG Chi Wai and CAI Qinghui.

Appendix I

Comparative Version of the Amendments to Articles of Association of Red Star Macalline

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 9 After adoption by special resolution on the general meeting of the Company and approval of the relevant authorities of the state, the Articles of Association shall take effect as from the date on which the onshore-listed domestic shares issued by the Company are listed, and shall replace the articles of association formerly registered by the Company with the competent industrial and commercial administration authority.</p>	<p>Article 9 After adoption by special resolution on the general meeting of the Company and approval of the relevant authorities of the state, the Articles of Association shall take effect as from the date on which the onshore-listed domestic shares issued by the Company are listed, and shall replace the existing articles of association formerly registered by the Company with the competent industrial and commercial administration authority.</p>
<p>Article 14 The Company shall have ordinary shares at all times; the ordinary shares issued by the Company include domestic shares and foreign shares. With the approval of the company examination and approval authority authorized by the State Council, the Company may have other forms of shares according to relevant laws and administrative regulations when needed.</p>	<p>Article 14 The Company shall have ordinary shares at all times; the ordinary shares issued by the Company include domestic shares and foreign shares. With the approval of the company examination and approval authority authorized by the State Council, the Company may have other forms of shares according to relevant laws and administrative regulations when needed.</p>
<p>Article 17 The Company may offer its shares to both domestic and foreign investors with the approval of the relevant securities regulatory authority under the State Council.</p>	<p>Article 17 <u>Upon registration or filing with the China Securities Regulatory Commission (the “CSRC”) or other relevant securities regulatory authorities,</u> The the Company may offer its shares to both domestic and foreign investors with the approval of the relevant securities regulatory authority under the State Council.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 18 Shares that the Company issues to domestic investors for subscription in RMB shall be known as domestic shares. Shares that the Company issues to foreign investors for subscription in foreign currencies shall be known as foreign shares. Foreign shares offered and listed overseas shall be called overseas listed foreign shares. Shares listed and traded on the domestic stock exchanges shall be known as onshore-listed domestic shares.</p> <p>Foreign currency referred to in the preceding paragraph refers to the statutory currency, other than RMB, of another country or region, which is recognized by the foreign exchange authority of the state and can be used to pay the Company for the shares.</p> <p>Both holders of domestic shares and holders of foreign shares are ordinary shareholders and shall have the same rights and obligations.</p> <p>Shareholders of the Company may list the unlisted shares they hold on an overseas stock exchange upon approval by the securities regulatory authority under the State Council. Listing of the aforesaid shares on an overseas stock exchange shall also comply with the regulatory procedure, regulations and requirements of the overseas securities market.</p> <p>Listing of the aforesaid shares on an overseas stock exchange does not need resolution through voting at a class general meeting.</p>	<p>Article 18 Shares that the Company issues to domestic investors for subscription in RMB shall be known as domestic shares. <u>The domestic shares listed in the PRC are called A shares.</u> Shares that the Company issues to foreign investors for subscription in foreign currencies shall be known as foreign shares. Foreign shares offered and listed overseas shall be called overseas listed foreign shares. <u>Foreign shares issued by the Company and listed in Hong Kong are referred to as H shares. H shares refer to the shares of the Company approved to be listed on the Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), the par value of which are denominated in RMB, and are subscribed for Hong Kong dollars.</u> Shares listed and traded on the domestic stock exchanges shall be known as onshore-listed domestic shares.</p> <p>Foreign currency referred to in the preceding paragraph refers to the statutory currency, other than RMB, of another country or region, which is recognized by the foreign exchange authority of the state and can be used to pay the Company for the shares.</p> <p>Both holders of domestic <u>A</u> shares and holders of <u>H</u> shares are ordinary shareholders and shall have the same rights and obligations.</p> <p>Shareholders of the Company may list the unlisted shares they hold on an overseas stock exchange upon approval by the securities regulatory authority under the State Council. Listing of the aforesaid shares on an overseas stock exchange shall also comply with the regulatory procedure, regulations and requirements of the overseas securities market.</p> <p>Listing of the aforesaid shares on an overseas stock exchange does not need resolution through voting at a class general meeting.</p> <p><u>Matters that need to be considered separately by holders of H shares or A shares in accordance with laws and regulations and the requirements of the stock exchanges or CSRC at the location where the Company’s shares are listed shall be subject to the approval procedures for separate voting in accordance with the applicable laws and regulations.</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 22 The Board of the Company may make arrangement for the Company’s separate issuance of overseas listed foreign shares and onshore-listed domestic shares according to the issue scheme approved by the securities regulatory authority under the State Council.</p> <p>According to the aforesaid scheme for separate issuance of overseas listed foreign shares and onshore-listed domestic shares, the Company may issue the shares separately within 15 months after approval of the securities regulatory authority under the State Council.</p>	Deleted
<p>Article 23 If the Company separately issues overseas listed foreign shares and onshore-listed domestic shares within the total number specified in the issue scheme, the said shares shall be issued respectively at one time; if it is impossible for the shares to be issued at one time for special reasons, the shares may be issued by several times upon approval by the securities regulatory authorities of the State Council.</p>	Deleted
Newly added article	<p><u>Article 22 The Company or its subsidiaries (including its affiliates) shall not give any financial assistance, in the form of gift, advance, guarantee, compensation or loan, to any person who purchases or proposes to purchase shares of the Company.</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 26 Pursuant to the requirements of the relevant laws, administrative regulations, rules of relevant authorities and the listing rules of the stock exchanges on which its shares are listed, the Company may increase capital based on the needs of operation and development and in accordance with the Articles of Association.</p> <p>The Company may increase its capital by:</p> <p>(I) Offer of new shares to unspecified investors;</p> <p>(II) Offer of new shares to specified investors;</p> <p>(III) Placement or offer of new shares to existing shareholders;</p> <p>(IV) Conversion of capital reserve into share capital; or</p> <p>(V) Other means stipulated by laws and administrative regulations and approved by the securities authority under the State Council.</p> <p>Issuance of new shares by the Company shall be subject to approval as specified in the Articles of Association and follow the procedure specified in the relevant laws and administrative regulations of the state and the place of listing for the shares of the Company.</p>	<p>Article 25 Pursuant to the requirements of the relevant laws, administrative regulations, rules of relevant authorities and the listing rules of the stock exchanges on which its shares are listed, the Company may increase capital based on the needs of operation and development and in accordance with the Articles of Association.</p> <p>The Company may increase its capital by:</p> <p>(I) Offer of new shares to unspecified investors <u>Public offering of shares;</u></p> <p>(II) Offer of new shares to specified investors <u>Non-public offering of shares;</u></p> <p>(III) Placement or offer of new shares to existing shareholders;</p> <p>(IV) Conversion of capital reserve into share capital; or</p> <p>(V) Other means stipulated by laws and administrative regulations and approved by the securities authority under the State Council <u>CSRC.</u></p> <p>Issuance of new shares by the Company shall be subject to approval as specified in the Articles of Association and follow the procedure specified in the relevant laws and administrative regulations of the state and the place of listing for the shares of the Company.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 29 The Company may, in the following circumstances, buy back its outstanding shares following the legal procedure specified in the Articles of Association and with approval from the regulatory authority of the state:</p> <p>(I) When cancelling shares for decrease of the registered capital of the Company...</p>	<p><u>Article 28</u> The Company may, in the following circumstances, buy back its outstanding shares following the legal procedure specified in the Articles of Association and with approval from the regulatory authority of the state <u>laws, administrative regulations, departmental rules, Articles of Association and the listing rules of the place of listing for the shares of the Company:</u></p> <p>(I) When cancelling shares for decrease Decreasing of the registered capital of the Company...</p>
<p>Article 30 The Company may buy back its shares in any of the following ways upon approval by the regulatory authority of the state:</p> <p>(I) Issuing a buyback offer to all shareholders according to an equal percentage;</p> <p>(II) Buying back through open transaction in the stock exchange;</p> <p>(III) Buying back through agreement outside the stock exchange; or</p> <p>(IV) Other circumstances stipulated by laws and administrative regulations.</p> <p>When the Company buys back its shares, it shall perform the obligation of information disclosure in accordance with the requirements of Securities Law. Buyback of the Company's shares under the circumstances as provided in (III), (V) and (VI) of Article 29 of the Articles of Association shall be conducted through open centralized trading.</p>	<p><u>Article 29</u> The Company may buy back its shares in any of the following ways upon approval by the regulatory authority of the state:</p> <p>(I) Issuing a buyback offer to all shareholders according to an equal percentage;</p> <p>(II) Buying back through open transaction in the stock exchange;</p> <p>(III) Buying back through agreement outside the stock exchange; or</p> <p>(IV) Other circumstances stipulated by laws and administrative regulations.</p> <p><u>The Company may buy back its shares through open centralized trading or other methods permitted by laws, administrative regulations and CSRC.</u></p> <p>When the Company buys back its shares, it shall perform the obligation of information disclosure in accordance with the requirements of Securities Law. Buyback of the Company's shares under the circumstances as provided in (III), (V) and (VI) of Article 2928 of the Articles of Association shall be conducted through open centralized trading.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 31 In buying back shares through agreement outside the stock exchange, the Company shall seek prior approval at a general meeting in accordance with the Articles of Association. With prior approval at the general meeting in the same way, the Company may cancel or change the contract already concluded in the aforesaid manner or waive any right under the contract.</p> <p>The share buyback contract mentioned in the preceding paragraph includes (but is not limited to) agreement to undertake share buyback obligations and obtain share buyback rights.</p> <p>The Company shall not transfer the share buyback contract or any right thereunder.</p> <p>As far as the Company's right to repurchase the redeemable shares is concerned, the price shall not exceed certain upper limit if such shares are not repurchased in the market or by bidding; whereas in the event of repurchase by bidding, relative bids must be equally issued to all its shareholders.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 32 After buying back its shares according to the laws, the Company shall cancel or transfer the said shares before the deadline specified by laws and administrative regulations, and register the change of the registered capital with the original company registration authority if the shares are cancelled.</p> <p>Buyback of the Company’s shares for reasons set out in (I), (II) or (IV) of Article 29 of the Articles of Association shall be subject to resolution at a general meeting; buyback of the Company’s shares in circumstances as provided in (III), (V) and (VI) of Article 29 of the Articles of Association shall be resolved by more than two-thirds of the directors present at the board meeting.</p> <p>After the Company has bought back its shares in accordance with Article 29 of the Articles of Association, such shares shall be cancelled within 10 days after buyback in the circumstance set out in (I), or shall be transferred or cancelled within six months under circumstances set out in (II) and (IV); total shares held by the Company shall not exceed 10% of the total issued shares of the Company under the circumstances set out in (III), (V) and (VI), and such shares shall be transferred or cancelled within 3 years.</p> <p>The Company shall register the change of registered capital or equity with the industrial and commercial administration authority and make announcement according to the Listing Rules.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company’s registered capital.</p>	<p>Article 30 After buying back its shares according to the laws, the Company shall cancel or transfer the said shares before the deadline specified by laws and administrative regulations, and register the change of the registered capital with the original company registration authority if the shares are cancelled.</p> <p>Buyback of the Company’s shares for reasons set out in (I); <u>or</u> (II) or (IV) of Article 2928 of the Articles of Association shall be subject to resolution at a general meeting; buyback of the Company’s shares in circumstances as provided in (III), (V) and (VI) of Article 2928 of the Articles of Association shall be resolved by more than two-thirds of the directors present at the board meeting.</p> <p>After the Company has bought back its shares in accordance with Article 2928 of the Articles of Association, such shares shall be cancelled within 10 days after buyback in the circumstance set out in (I), or shall be transferred or cancelled within six months under circumstances set out in (II) and (IV); total shares held by the Company shall not exceed 10% of the total issued shares of the Company under the circumstances set out in (III), (V) and (VI), and such shares shall be transferred or cancelled within 3 years.</p> <p>The Company shall register the change of registered capital or equity with the industrial and commercial administration authority and make announcement according to the Listing Rules.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company’s registered capital.</p>
<p>Article 33 Unless the Company is under liquidation, the Company shall observe the following regulations when buying back its outstanding shares: …</p>	<p>Deleted</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 34 Unless otherwise specified in the laws, administrative regulations and the Listing Rules, all fully-paid shares of the Company can be transferred without any limitation and are not subject to any lien. Transfer of the Company's shares shall be registered with the share registrar(s) designated by the Company.</p>	<p>Article 31 Unless otherwise specified in the laws, administrative regulations and the Listing Rules, all fully-paid shares of the Company can be transferred without any limitation and are not subject to any lien. Transfer of the Company's shares shall be registered with the share registrar(s) designated by the Company shares of the Company may be transferred legally.</p>
<p>CHAPTER 6 FINANCIAL ASSISTANCE TO ACQUIRE SHARES OF THE COMPANY</p> <p>Article 38 to Article 40</p>	<p>Deleted</p>
<p>Article 41 The Company's shares are all registered shares.</p> <p>Matters specified in the Company's shares shall include:</p> <p>(I) Company name;</p> <p>(II) Date of incorporation of the Company;</p> <p>(III) Type of shares, par value and number of shares represented;</p> <p>(IV) Stock number;</p> <p>(V) Other matters to be specified pursuant to the Company Law, and as required by the stock exchange on which the Company's shares are listed.</p> <p>During the period when H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure all listing documents and ownership certificates of all its shares listed on the Hong Kong Stock Exchange (including H shares) shall include the following statements, and shall instruct and promote its share registrar to reject any subscription, purchase or transfer of the shares registered in the name of any individual holder, unless and until the said individual holder has submitted to the said share registrar the signed form relating to the said shares, which form shall include the following statements:</p>	<p>Article 35 The Company's shares are all registered shares.</p> <p>Matters specified in the Company's shares shall include:</p> <p>(I) Company name;</p> <p>(II) Date of incorporation of the Company;</p> <p>(III) Type of shares, par value and number of shares represented;</p> <p>(IV) Stock number;</p> <p>(V) Other matters to be specified pursuant to the Company Law, and as required by the stock exchange on which the Company's shares are listed.</p> <p>During the period when H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure all listing documents and ownership certificates of all its shares listed on the Hong Kong Stock Exchange (including H shares) shall include the following statements, and shall instruct and promote its share registrar to reject any subscription, purchase or transfer of the shares registered in the name of any individual holder, unless and until the said individual holder has submitted to the said share registrar the signed form relating to the said shares, which form shall include the following statements:</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(I) The share buyer agrees with the Company and each of its shareholders, and the Company agrees with each shareholder to observe and comply with the Company Law, other relevant laws, administrative regulations and the Articles of Association.</p> <p>(II) The share buyer agrees with the Company and the Company's each shareholder, director, supervisor, general manager and senior executive, and the Company acting on its behalf and for each director, supervisor, general manager and senior executive agrees with each shareholder, to refer all disputes or claims arising from the Articles of Association or from the rights or obligations specified in the Company Law or other relevant laws or administrative regulations with respect to the Company's affairs to arbitration in accordance with the Articles of Association, and that any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct a public hearing in open session and to publish its arbitration award, and the arbitration award shall be final and conclusive.</p> <p>(III) The share buyer agrees with the Company and each of its shareholders that the shares of the Company can be transferred freely by the holders.</p> <p>(IV) The share buyer authorizes the Company to conclude contract on his behalf with each director and senior executive, who shall undertake to observe and fulfil duties for shareholders as specified in the Articles of Association.</p>	<p>(I) The share buyer agrees with the Company and each of its shareholders, and the Company agrees with each shareholder to observe and comply with the Company Law, other relevant laws, administrative regulations and the Articles of Association.</p> <p>(II) The share buyer agrees with the Company and the Company's each shareholder, director, supervisor, general manager and senior executive, and the Company acting on its behalf and for each director, supervisor, general manager and senior executive agrees with each shareholder, to refer all disputes or claims arising from the Articles of Association or from the rights or obligations specified in the Company Law or other relevant laws or administrative regulations with respect to the Company's affairs to arbitration in accordance with the Articles of Association, and that any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct a public hearing in open session and to publish its arbitration award, and the arbitration award shall be final and conclusive.</p> <p>(III) The share buyer agrees with the Company and each of its shareholders that the shares of the Company can be transferred freely by the holders.</p> <p>(IV) The share buyer authorizes the Company to conclude contract on his behalf with each director and senior executive, who shall undertake to observe and fulfil duties for shareholders as specified in the Articles of Association.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 43 The Company shall establish a shareholders' register recording the following matters:</p> <p>(I) Names, addresses (domiciles), occupations or features of the shareholders;</p> <p>(II) Type and number of shares held by the shareholders;</p> <p>(III) Monies paid or payable for the shares held by the shareholders;</p> <p>(IV) The serial numbers of the shares held by the shareholders;</p> <p>(V) Date on which the shareholders are registered as shareholders; and</p> <p>(VI) Date on which the shareholders terminate as shareholders.</p> <p>The shareholders' register is sufficient evidence of the shareholders' shareholdings in the Company unless there is evidence to the contrary.</p> <p>Subject to the Articles of Association and other applicable requirements, once the shares of the Company are transferred, the name of the transferee shall be listed in the shareholders' register as the holder of the said shares.</p> <p>Transfer of shares shall be recorded in the shareholders' register.</p>	<p><u>Article 37</u> The Company shall establish a shareholders' register recording the following matters:</p> <p>(I) Names, addresses (domiciles), occupations or features of the shareholders;</p> <p>(II) Type and number of shares held by the shareholders;</p> <p>(III) Monies paid or payable for the shares held by the shareholders;</p> <p>(IV) The serial numbers of the shares held by the shareholders;</p> <p>(V) Date on which the shareholders are registered as shareholders; and</p> <p>(VI) Date on which the shareholders terminate as shareholders.</p> <p>The shareholders' register is sufficient evidence of the shareholders' shareholdings in the Company unless there is evidence to the contrary.</p> <p>Subject to the Articles of Association and other applicable requirements, once the shares of the Company are transferred, the name of the transferee shall be listed in the shareholders' register as the holder of the said shares.</p> <p>Transfer of shares shall be recorded in the shareholders' register.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Where two or more persons are registered as joint shareholders of any shares, they shall be deemed as the joint holders of the said shares subject to the following restrictions:</p> <p>(I) The Company shall not need to register more than four persons as joint shareholders of any shares;</p> <p>(II) The joint shareholders of any shares shall jointly and individually assume the responsibility for amounts of fees payable for relevant shares;</p> <p>(III) In the event that any shareholder among the joint shareholders deceases, only the other remaining joint shareholders shall be deemed by the Company as the owners of the relevant shares. However, the Board may, for the purpose of modifying the shareholders' register, require the provision of a death certificate of the relevant shareholder as it deems appropriate;</p> <p>(IV) Among the joint shareholders of any shares, only the joint shareholder listed first in the shareholders' register has the right to take relevant shares from the Company and receive notices of the Company, and any notice served to the said person shall be deemed as having been served to all the joint shareholders of the relevant shares. Any joint shareholder may sign the form of proxy. If there are more than one joint shareholder present in person or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholders. For this purpose, seniority of the shareholders will be determined by the order in which the names of the joint shareholders of the relevant shares stand in the shareholders' register; and</p> <p>(V) If any of the joint shareholders sends to the Company a receipt of any dividend, bonus or capital return payable to the said joint shareholders, the said receipt shall be deemed as a valid receipt sent by the said joint shareholders to the Company.</p>	<p>Where two or more persons are registered as joint shareholders of any shares, they shall be deemed as the joint holders of the said shares subject to the following restrictions:</p> <p>(I) The Company shall not need to register more than four persons as joint shareholders of any shares;</p> <p>(II) The joint shareholders of any shares shall jointly and individually assume the responsibility for amounts of fees payable for relevant shares;</p> <p>(III) In the event that any shareholder among the joint shareholders deceases, only the other remaining joint shareholders shall be deemed by the Company as the owners of the relevant shares. However, the Board may, for the purpose of modifying the shareholders' register, require the provision of a death certificate of the relevant shareholder as it deems appropriate;</p> <p>(IV) Among the joint shareholders of any shares, only the joint shareholder listed first in the shareholders' register has the right to take relevant shares from the Company and receive notices of the Company, and any notice served to the said person shall be deemed as having been served to all the joint shareholders of the relevant shares. Any joint shareholder may sign the form of proxy. If there are more than one joint shareholder present in person or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholders. For this purpose, seniority of the shareholders will be determined by the order in which the names of the joint shareholders of the relevant shares stand in the shareholders' register; and</p> <p>(V) If any of the joint shareholders sends to the Company a receipt of any dividend, bonus or capital return payable to the said joint shareholders, the said receipt shall be deemed as a valid receipt sent by the said joint shareholders to the Company.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 44 The Company may keep the register of holders of overseas listed foreign shares overseas and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and the overseas securities regulatory authority.</p> <p>The Company shall keep in Hong Kong the original of the register of holders of shares listed on the Hong Kong Stock Exchange in the register of holders of overseas listed foreign shares and keep at its domicile copies of the said register; the entrusted overseas agency shall always ensure that the original and copies of the register of holders of overseas listed foreign shares are consistent.</p> <p>Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.</p> <p>The Hong Kong branch register of holders must be available for inspection by shareholders, but the company may be allowed to close the register of members on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</p>	<p>Article 38 The Company may keep the register of holders of overseas listed foreign shares overseas and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and the overseas securities regulatory authority.</p> <p>The Company shall keep in Hong Kong the original of the register of holders of shares listed on the Hong Kong Stock Exchange in the register of holders of overseas listed foreign shares and keep at its domicile copies of the register of holders of overseas listed foreign shares shall be kept at the domicile of the Company; the entrusted overseas agency shall always ensure that the original and copies of the register of holders of overseas listed foreign shares are consistent.</p> <p>Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.</p> <p>The Hong Kong branch register of holders must be available for inspection by shareholders, but the company may be allowed to close the register of members on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</p>
<p>Article 46 The respective parts of the shareholders' register shall not overlap each other. In the event of transfer of shares registered in a specific part of the shareholders' register, the said shares shall not be registered in any other part of the shareholders' register in the duration of the registration of the said shares.</p> <p>All H shares for which full payment has been made may be transferred freely in accordance with the Articles of Association; save under the following conditions, the Board may refuse to recognize any transfer instrument without providing any reason:</p>	<p>Article 40 The respective parts of the shareholders' register shall not overlap each other. In the event of transfer of shares registered in a specific part of the shareholders' register, the said shares shall not be registered in any other part of the shareholders' register in the duration of the registration of the said shares.</p> <p>All H shares for which full payment has been made may be transferred freely in accordance with the Articles of Association; save under the following conditions, the Board may refuse to recognize any transfer instrument without providing any reason:</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(I) The transfer instrument and other instruments relating to the ownership of any share or affecting transfer of the share ownership shall be registered, and relevant payment shall be made to the Company according to the expense standard specified in the Listing Rules of the Hong Kong Stock Exchange, but the said payment shall not exceed the maximum expense specified by the Hong Kong Stock Exchange in the Listing Rules from time to time;</p> <p>(II) The transfer instrument only involves H shares listed in Hong Kong;</p> <p>(III) Stamp tax has been paid for the transfer instrument;</p> <p>(IV) Relevant shares and other evidence reasonably required by the Board to prove that the transferor has the right to transfer the said shares have been submitted;</p> <p>(V) If the shares are intended to be transferred to joint holders, the number of the registered joint shareholders shall not exceed four;</p> <p>(VI) The relevant shares are not subject to lien of any company; and</p> <p>(VII) Any shares shall not be transferred to minors or mentally defective persons or other persons with no legal capacity.</p> <p>Should the Company refuse to register any transfer of shares, it shall, within two months from the date of the formal application for the transfer, provide the transferor and the transferee with a written notice stating its refusal of registration of such transfer.</p> <p>Any change or correction of any part of the shareholders' register shall comply with the law of the location where the said part is kept.</p>	<p>(I) The transfer instrument and other instruments relating to the ownership of any share or affecting transfer of the share ownership shall be registered, and relevant payment shall be made to the Company according to the expense standard specified in the Listing Rules of the Hong Kong Stock Exchange, but the said payment shall not exceed the maximum expense specified by the Hong Kong Stock Exchange in the Listing Rules from time to time;</p> <p>(II) The transfer instrument only involves H shares listed in Hong Kong;</p> <p>(III) Stamp tax has been paid for the transfer instrument;</p> <p>(IV) Relevant shares and other evidence reasonably required by the Board to prove that the transferor has the right to transfer the said shares have been submitted;</p> <p>(V) If the shares are intended to be transferred to joint holders, the number of the registered joint shareholders shall not exceed four;</p> <p>(VI) The relevant shares are not subject to lien of any company; and</p> <p>(VII) Any shares shall not be transferred to minors or mentally defective persons or other persons with no legal capacity.</p> <p>Should the Company refuse to register any transfer of shares, it shall, within two months from the date of the formal application for the transfer, provide the transferor and the transferee with a written notice stating its refusal of registration of such transfer.</p> <p>Any change or correction of any part of the shareholders' register shall comply with the law of the location where the said part is kept.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 47 Transfer of all overseas listed foreign shares listed in Hong Kong shall be executed with a written transfer instrument in a general or common format or any other format accepted by the Board (including the standard transfer format or transfer form specified by the Hong Kong Stock Exchange from time to time); the said transfer instrument may be signed by hand, or be stamped with the corporate seal (if the transferor or the transferee is a company). If the transferor or the transferee is a recognized clearing house as defined in relevant ordinances that take effect from time to time in accordance with Hong Kong laws (“recognized clearing house”) or proxy thereof, the transfer form can be signed by print.</p> <p>All transfer instruments shall be kept at the legal address of the Company, the address of share registrar or other place designated by the Board from time to time.</p>	<p>Article 41 Transfer of all overseas listed foreign^H shares listed in Hong Kong shall be executed with a written transfer instrument in a general or common format or any other format accepted by the Board (including the standard transfer format or transfer form specified by the Hong Kong Stock Exchange from time to time); the said transfer instrument may be signed by hand, or be stamped with the corporate seal (if the transferor or the transferee is a company). If the transferor or the transferee is a recognized clearing house as defined in relevant ordinances that take effect from time to time in accordance with Hong Kong laws (“recognized clearing house”) or proxy thereof, the transfer form can be signed by print.</p> <p>All transfer instruments shall be kept at the legal address of the Company, the address of share registrar or other place designated by the Board from time to time.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 48 Change of the shareholders' register arising from share transfer shall not be registered within 30 days before convening of a general meeting or within five days prior to the benchmark date on which the Company decides to distribute dividends. If the laws, administrative regulations, departmental rules, normative documents and the relevant stock exchange or the regulatory authority at the location where the Company's shares are listed provides otherwise during the period of closure of the register of members prior to a general meeting or before the benchmark date on which the Company decides to distribute dividends, such regulations shall prevail.</p>	<p>Deleted</p>
<p>Article 49 If the Company convenes a general meeting, distributes dividends, conducts liquidation or executes any other act requiring recognition of equity, the Board shall designate a certain date as equity determination date, at the end of which the shareholders in the register shall be shareholders of the Company.</p>	<p>Article 42 If the Company convenes a general meeting, distributes dividends, conducts liquidation or executes any other act requiring recognition of equity, the Board shall designate a certain date as equity determination date, at the end of which the shareholders in the register shall be shareholders of the Company. <u>When the Company convenes general meeting, distributes dividend, conducts liquidation or executes any other act that need to identify the shareholders, the Board of Directors or the convener of general meeting shall determine the Record Date. The shareholders included in the register of shareholders at the close of business on Record Date shall be the entitled shareholders.</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 51 If any shareholder in the shareholders' register or any person requesting to have his name recorded in the shareholders' register has lost his shares (i.e. "the original shares"), the said shareholder or person may apply to the Company to reissue new shares for the said shares (i.e. "the relevant shares").</p> <p>Application for reissuance of lost shares held by holders of domestic shares and holders of unlisted foreign shares shall be processed in accordance with the <i>Company Law</i>.</p> <p>Application for reissuance of lost shares by holders of overseas listed foreign shares may be processed pursuant to the law, regulation of the stock exchange or other relevant regulation of the place where the original of the shareholders' register of overseas listed foreign shares is kept.</p> <p>Application for reissuance of lost shares held by holders of overseas listed foreign shares listed in Hong Kong shall meet the following requirements:</p> <p>(I) The applicant shall submit an application with the standard format designated by the Company and attach a notarial deed or statutory statement. The content of the notarial deed or statutory statement shall include the reason for application, information about how the shares are lost, and a statement that no other person may request to be registered as shareholder for the relevant shares.</p> <p>(II) Before deciding to reissue new shares, the Company has not received a statement that anybody other than the applicant requests to be registered as shareholder for the said shares.</p> <p>(III) After deciding to reissue new shares to the applicant, the Company shall publish announcement of reissuance of new shares on the newspapers designated by the Board; the announcement period is 90 days, with at least one announcement in 30 days.</p>	<p>Article 44 If any shareholder in the shareholders' register or any person requesting to have his name recorded in the shareholders' register has lost his shares (i.e. "the original shares"), the said shareholder or person may apply to the Company to reissue new shares for the said shares (i.e. "the relevant shares").</p> <p>Application for reissuance of lost shares held by holders of domestic shares and holders of unlisted foreign shares shall be processed in accordance with the <i>Company Law</i>.</p> <p>Application for reissuance of lost shares by holders of overseas listed foreign shares may be processed pursuant to the law, regulation of the stock exchange or other relevant regulation of the place where the original of the shareholders' register of overseas listed foreign shares is kept.</p> <p>Application for reissuance of lost shares held by holders of overseas listed foreign H shares listed in Hong Kong shall meet the following requirements:</p> <p>(I) The applicant shall submit an application with the standard format designated by the Company and attach a notarial deed or statutory statement. The content of the notarial deed or statutory statement shall include the reason for application, information about how the shares are lost, and a statement that no other person may request to be registered as shareholder for the relevant shares.</p> <p>(H) Before deciding to reissue new shares, the Company has not received a statement that anybody other than the applicant requests to be registered as shareholder for the said shares.</p> <p>(HH) After deciding to reissue new shares to the applicant, the Company shall publish announcement of reissuance of new shares on the newspapers designated by the Board; the announcement period is 90 days, with at least one announcement in 30 days.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(IV) Before publishing the announcement of reissuance of new shares, the Company shall submit a copy of the to-be-published announcement to the stock exchange with which the Company is listed, and may publish the announcement only after receiving a reply from the said stock exchange confirming that the said announcement has been displayed in the stock exchange. The duration of display of the said announcement in the stock exchange is 90 days.</p> <p>If the application for reissuing shares is not approved by the registered holder of the relevant shares, the Company shall mail a copy of the to-be-published announcement to the said shareholder.</p> <p>(V) If, after expiry of the 90-day period of announcement and display specified in (III) and (IV) of this Article, the Company has not received any objection to reissuance of shares, the Company may reissue new shares as requested by the applicant.</p> <p>(VI) When the Company reissues new shares pursuant to this Article, the Company shall immediately deregister the original shares, and record such deregistration and reissuance in the shareholders' register.</p> <p>(VII) All the expenses for deregistering the original shares and reissuing new shares shall be borne by the applicant. The Company may refuse to take any action before the applicant provides any reasonable guarantee.</p>	<p>(IV) Before publishing the announcement of reissuance of new shares, the Company shall submit a copy of the to-be-published announcement to the stock exchange with which the Company is listed, and may publish the announcement only after receiving a reply from the said stock exchange confirming that the said announcement has been displayed in the stock exchange. The duration of display of the said announcement in the stock exchange is 90 days.</p> <p>If the application for reissuing shares is not approved by the registered holder of the relevant shares, the Company shall mail a copy of the to-be-published announcement to the said shareholder.</p> <p>(V) If, after expiry of the 90-day period of announcement and display specified in (III) and (IV) of this Article, the Company has not received any objection to reissuance of shares, the Company may reissue new shares as requested by the applicant.</p> <p>(VI) When the Company reissues new shares pursuant to this Article, the Company shall immediately deregister the original shares, and record such deregistration and reissuance in the shareholders' register.</p> <p>(VII) All the expenses for deregistering the original shares and reissuing new shares shall be borne by the applicant. The Company may refuse to take any action before the applicant provides any reasonable guarantee.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 55 The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) To receive dividends and other profit distributions in proportion to the shares they hold;</p> <p>(II) To attend general meetings either in person or by proxy and exercise the voting right (unless individual shareholders are required to abstain from voting on individual matters in accordance with applicable laws and regulations) and speak at the general meetings;</p> <p>(III) To supervise, present suggestions on or make inquiries about the business activities of the Company;</p> <p>(IV) To transfer shares in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(V) To obtain relevant information in accordance with the Articles of Association, including:</p> <ol style="list-style-type: none"> 1. Obtaining the copy of the Articles of Association after payment of production cost; 2. Being entitled to access by shareholders free of charge and copy after payment of reasonable expenses by shareholders: <p>(1) Copies of all shareholders' registers;</p> <p>(2) Minutes of the general meetings;</p> <p>(3) Copies of resolutions of the Board meetings and meetings of the Supervisory Committee;</p>	<p><u>Article 48</u> The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) To receive dividends and other profit distributions in proportion to the shares they hold;</p> <p>(II) To attend general meetings either in person or by proxy and exercise the voting right and speak at the general meetings <u>(except where a shareholder is required by the listing rules of the place where the securities of the Company are listed to abstain from voting on specific matters)</u>;</p> <p>(III) To supervise, present suggestions on or make inquiries about the business activities of the Company;</p> <p>(IV) To transfer shares in accordance with the laws, administrative regulations and the Articles of Association;</p> <p><u>(V) Review the Articles of Association, the register of shareholders, corporate bond counterfoils, minutes of shareholders' general meetings, the resolution of the Board of Directors, resolutions of the Board of Supervisors, and financial and accounting reports;</u></p> <p><u>(VI) In the event of termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company as per their shares;</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(4) Personal information of the Company’s directors, supervisors, general manager and other senior executives, including:</p> <p>(a) Present and former names and aliases;</p> <p>(b) Principal address (domicile);</p> <p>(c) Nationality;</p> <p>(d) Full-time and all part-time occupations and duties;</p> <p>(e) Identity certificates and numbers thereof.</p>	<p>(VII) For shareholders objecting to resolutions of the general meeting concerning merger or division of the Company, to require the Company to buy their shares;</p> <p>(VIII) Pursuant to the Company Law or other laws and administrative regulations, to institute legal proceedings to the People’s Court and claim related rights concerning any act infringing upon the interests of the Company or the legitimate rights and interests of the shareholders;</p> <p>(IX) To exercise other rights specified by laws, administrative regulations, departmental rule, listing rules at the location where the Company’s shares are listed and the Articles of Association.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>3. Counterfoils of corporate bonds;</p> <p>(VI) Shareholders of the Company can also inspect the resolutions of the meetings of the Board and the Supervisory Committee of the Company, as well as the counterfoils of any corporate bonds. If any shareholder requests access to the aforesaid relevant or provision of data, the said shareholder shall provide the Company with written documents bearing evidence of the type and number of shares held by the said shareholder, and the Company will provide the said information as required by the said shareholder upon authentication of the said shareholder. In the event of termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company as per their shares;</p> <p>(VII) For shareholders objecting to resolutions of the general meeting concerning merger or division of the Company, to require the Company to buy their shares;</p> <p>(VIII) Pursuant to the Company Law or other laws and administrative regulations, to institute legal proceedings to the People’s Court and claim related rights concerning any act infringing upon the interests of the Company or the legitimate rights and interests of the shareholders;</p> <p>(IX) To exercise other rights specified by laws, administrative regulations, departmental rule, listing rules at the location where the Company’s shares are listed and the Articles of Association.</p>	

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 60 Save for the obligations under the laws, administrative regulations or the listing rules of the stock exchange with which the Company’s shares are listed, the controlling shareholders (as defined in Article 61), in exercising their rights as shareholders, shall not make any decision detrimental to the interests of all or some shareholders as a result of the exercise of their voting rights on the following issues:.....</p>	<p>Deleted</p>
<p>Article 61 A controlling shareholder, as referred to in the preceding article, is a person who has any of the following conditions:.....</p>	<p>Deleted</p>
<p>Article 63 A general meeting shall exercise the following functions and powers:</p> <p>(I) To decide the business operation guideline and investment plan for the Company;</p> <p>(II) To elect and replace directors and to decide on matters relating to remuneration of the directors;</p> <p>(III) To elect and replace supervisors who are not the employee representative and to decide on matters relating to remuneration of the supervisors;</p> <p>(IV) To examine and approve reports of the Board;</p> <p>(V) To examine and approve reports of the Supervisory Committee;</p> <p>(VI) To examine and approve the annual financial budgets and final accounting plans of the Company;</p> <p>(VII) To examine and approve the Company’s profit distribution plan and loss recovery plan;</p> <p>(VIII) To resolve on increase or decrease of the registered capital of the Company;</p> <p>(IX) To resolve on the merger, division, dissolution, liquidation or transformation of the Company;</p>	<p>Article 55 A general meeting shall exercise the following functions and powers:</p> <p>(I) To decide the business operation guideline and investment plan for the Company;</p> <p>(II) To elect and replace directors and to decide on matters relating to remuneration of the directors;</p> <p>(III) To elect and replace supervisors who are not the employee representative and to decide on matters relating to remuneration of the supervisors;</p> <p>(IV) To examine and approve reports of the Board;</p> <p>(V) To examine and approve reports of the Supervisory Committee;</p> <p>(VI) To examine and approve the annual financial budgets and final accounting plans of the Company;</p> <p>(VII) To examine and approve the Company’s profit distribution plan and loss recovery plan;</p> <p>(VIII) To resolve on increase or decrease of the registered capital of the Company;</p> <p>(IX) To resolve on the merger, division, dissolution, liquidation or transformation of the Company;</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(X) To resolve on the issuance of corporate bonds and other securities and the listing of the Company;</p> <p>(XI) To resolve on the appointment, removal or non-reappointment of certified public accountants of the Company;</p> <p>(XII) To amend the Articles of Association;</p> <p>(XIII) To examine proposals made by shareholders severally or jointly representing more than 3% of the voting shares of the Company;</p> <p>(XIV) To examine and approve the guarantees under Article 64;</p> <p>(XV) To examine the Company's purchase or disposal of major assets within one year or matters with the amount guaranteed exceeding 30% of the total assets of the Company;</p> <p>(XVI) To examine and approve any changes to the use of proceeds;</p> <p>(XVII) To review share incentive plans;</p> <p>(XVIII) To resolve on other matters which, in accordance with the laws, administrative regulations, listing rules of the stock exchange with which the Company's shares are listed and the Articles of Association, shall be approved by a general meeting.</p>	<p>(X) To resolve on the issuance of corporate bonds and other securities and the listing of the Company;</p> <p>(XI) To resolve on the appointment, removal or non-reappointment of certified public accountants of the Company;</p> <p>(XII) To amend the Articles of Association;</p> <p>(XIII) To examine proposals made by shareholders severally or jointly representing more than 3% of the voting shares of the Company;</p> <p>(XIV) To examine and approve the guarantees under Article 6456;</p> <p>(XV) To examine the Company's purchase or disposal of major assets within one year or matters with the amount guaranteed exceeding 30% of the total assets of the Company;</p> <p>(XVI) To examine and approve any changes to the use of proceeds;</p> <p>(XVII) To review share incentive plans and <u>employee stock ownership scheme</u>;</p> <p>(XVIII) To resolve on other matters which, in accordance with the laws, administrative regulations, listing rules of the stock exchange with which the Company's shares are listed and the Articles of Association, shall be approved by a general meeting.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 64 The following external guarantees of the Company must be reviewed and approved at the general meeting:</p> <p>(I) Any guarantee to be provided after the total external guarantee provided by the Company and its controlled subsidiaries has exceeded 50% or more of the latest audited net assets;</p> <p>(II) Any guarantee to be provided after the total external guarantee provided by the Company has exceeded 30% or more of the latest audited total assets;</p> <p>(III) Any guarantee to be provided to an entity whose debt equity ratio exceeds 70%;</p> <p>(IV) Any single guarantee the amount of which exceeds 10% of the latest audited net assets;</p> <p>(V) Any guarantee to be provided to the shareholders, actual controller and their associates; and</p> <p>(VI) Other guarantees which are required to be approved by the Company's general meetings under the laws, regulations, rules of the stock exchanges where the Company's shares are listed or the Articles of Association.</p>	<p>Article 56 The following external guarantees of the Company must be reviewed and approved at the general meeting:</p> <p>(I) Any guarantee to be provided after the total external guarantee provided by the Company and its controlled subsidiaries has exceeded 50% or more of the latest audited net assets;</p> <p>(II) Any guarantee to be provided after the total external guarantee provided by the Company and its controlled subsidiaries has exceeded 30% or more of the latest audited total assets;</p> <p><u>(III) In accordance with the principle of cumulative calculation of the guarantee amount within 12 consecutive months, the guarantee that exceeds 30% of the Company's latest audited total assets;</u></p> <p><u>(IV)</u> Any guarantee to be provided to an entity whose debt equity ratio exceeds 70%;</p> <p><u>(V)</u> Any single guarantee the amount of which exceeds 10% of the latest audited net assets;</p> <p><u>(VI)</u> Any guarantee to be provided to the shareholders, actual controller and their associates; and</p> <p><u>(VII)</u> Other guarantees which are required to be approved by the Company's general meetings under the laws, regulations, rules of the stock exchanges where the Company's shares are listed or the Articles of Association.</p> <p><u>The Company shall be entitled to hold the relevant persons accountable for any losses to the Company in the event of violation of requirements as to approval authority and procedure of providing external guarantees.</u></p>
<p>Article 60 General meetings are classified into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board. Annual general meetings shall be convened once a year within six months after the end of the preceding fiscal year.</p> <p>...</p>	<p>Article 58 General meetings are classified into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board. Annual general meetings shall be convened once a year within six months after the end of the preceding fiscal year.</p> <p>...</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 71 The notice of a general meeting shall meet the following requirements:</p> <p>(I) Is in written form;</p> <p>(II) Specifies the venue, date and time of the meeting;</p> <p>(III) States matters to be discussed at the meeting;</p> <p>(IV) Provides such necessary information and explanations for shareholders to make an informed judgment on the matters to be considered. Without limitation to the generality of the foregoing, where a proposal is made with respect to the merger of the Company with another company, the repurchase of shares, the restructuring of share capital, or other reorganization of the Company, the terms of the proposed transaction must be provided in detail along with copies of the proposed contract (if any), and the reason(s) and effect of such proposal must be properly explained;</p> <p>(V) contains a disclosure of the nature and extent of the material interests of any director, supervisor, general manager or other senior executives in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders insofar as it is different from the effect on interests of shareholders of the same class;</p> <p>(VI) contains the full text of any special resolution to be proposed at the meeting;</p> <p>(VII) contains a clear statement that a shareholder entitled to attend and vote at such meeting is entitled to appoint one or more proxies to attend and vote at such meeting on his behalf and that such proxy need not be a shareholder of the Company;</p> <p>(VIII) Sets out the equity registration date of shareholders who are entitled to attend the general meeting, and the interval between the equity registration date and the date of the meeting shall be subject to the requirements of the relevant stock exchange or the regulatory authority at the location where the Company's shares are listed;</p>	<p>Article 63 The notice of a general meeting shall meet the following requirements:</p> <p>(I) Is in written form;</p> <p>(II) Specifies the venue, date and time of the meeting;</p> <p>(III) States matters to be discussed at the meeting;</p> <p>(IV) Provides such necessary information and explanations for shareholders to make an informed judgment on the matters to be considered. Without limitation to the generality of the foregoing, where a proposal is made with respect to the merger of the Company with another company, the repurchase of shares, the restructuring of share capital, or other reorganization of the Company, the terms of the proposed transaction must be provided in detail along with copies of the proposed contract (if any), and the reason(s) and effect of such proposal must be properly explained;</p> <p>(V) contains a disclosure of the nature and extent of the material interests of any director, supervisor, general manager or other senior executives in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders insofar as it is different from the effect on interests of shareholders of the same class;</p> <p>(VI) contains the full text of any special resolution to be proposed at the meeting;</p> <p>(VII) contains a clear statement that a shareholder entitled to attend and vote at such meeting is entitled to appoint one or more proxies to attend and vote at such meeting on his behalf and that such proxy need not be a shareholder of the Company;</p> <p>(VIII) Sets out the equity registration date of shareholders who are entitled to attend the general meeting, and the interval between the equity registration date and the date of the meeting shall be subject to the requirements of the relevant stock exchange or the regulatory authority at the location where the Company's shares are listed;</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(IX) Specifies the time and venue for serving the power of attorney for the voting proxy for the meeting; and</p> <p>(X) Lists the name(s) and telephone number(s) of the contact person(s) for the meeting.</p>	<p>(IX) Specifies the time and venue for serving the power of attorney for the voting proxy for the meeting; and</p> <p>(X) Lists the name(s) and telephone number(s) of the contact person(s) for the meeting.</p> <p><u>(I) Specifies the venue, date and time of the meeting;</u></p> <p><u>(II) Matters and motions to be considered at the meeting;</u></p> <p><u>(III) Containing a conspicuous statement that all ordinary shareholders (including preference shareholders with restored voting rights) are entitled to attend at the general meeting, and a shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and such proxy is not necessarily be a shareholder of the Company;</u></p> <p><u>(IV) Share record date for the right to attend the general meeting;</u></p> <p><u>(V) The contact person and telephone number for the meeting;</u></p> <p><u>(VI) Voting time and voting procedure of voting via internet or by other ways;</u></p> <p><u>(VII) Other requirements stipulated in the laws, administrative regulations, departmental rules, the stock exchanges where the Company's shares are listed and the Articles of Association.</u></p> <p><u>All details of all proposals shall be fully and completely disclosed in the notice of the general meeting and its supplementary notice. In the event that independent directors are required to express their opinions on the matters to be discussed, a notice of general meeting or a supplementary notice will, when given, also disclose the opinions and reasons of the independent directors.</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
	<p><u>The time to start voting via internet or by other means shall not be earlier than 3:00 p.m. of the day preceding the date of the onsite general meeting or later than 9:30 a.m. of the date of the onsite general meeting, and shall not conclude earlier than 3:00 p.m. of the date of the onsite general meeting.</u></p> <p><u>The interval between the share record date and the date of the meeting shall not be more than 7 working days. Once the share record date is confirmed, no change may be made thereto.</u></p>
<p>Article 74 The notice of general meeting shall be delivered to shareholders (whether or not they are entitled to vote at the general meeting) by personal delivery or by prepaid mail to their addresses as shown in the shareholders' register, or by announcement on the website designated by the Company and the Hong Kong Stock Exchange in accordance with applicable laws, regulations and the Listing Rules. For holders of onshore-listed domestic shares, the notice of a general meeting may be issued in the form of public announcement.</p> <p>Public announcement referred to in the preceding paragraph shall be published in one or more newspaper(s) designated by the securities authority under the State Council. Once the announcement has been published, all holders of onshore-listed domestic shares shall be deemed to have received the notice of relevant general meeting.</p>	<p><u>Article 66</u> The notice of general meeting shall be delivered to <u>H</u> shareholders (whether or not they are entitled to vote at the general meeting) by personal delivery or by prepaid mail to their addresses as shown in the shareholders' register, or by announcement on the website designated by the Company and the Hong Kong Stock Exchange in accordance with applicable laws, regulations and the Listing Rules. For holders of onshore-listed domestic shares; <u>In respect of A Shareholders,</u> the notice of a general meeting may be issued in the form of public announcement.</p> <p>Public announcement referred to in the preceding paragraph shall be published in one or more newspaper(s) designated by the securities authority under the State Council. Once the announcement has been published, all holders of onshore-listed domestic shares shall be deemed to have received the notice of relevant general meeting. <u>The aforesaid announcement refers to the information published on the website of Shanghai Stock Exchange and the media meeting the requirements of the CSRC, once the announcement is made, all A Shareholders shall be deemed to have received the notice of the relevant shareholders' general meetings.</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 77 All shareholders recorded in the share register on the relevant share registration date shall have the right to attend the general meeting and exercise the voting rights in accordance with the relevant laws, regulations, the rules of the stock exchanges on which the shares are listed and the Articles of Association.</p> <p>Any shareholder entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one or more persons (whether a shareholder or otherwise) as his proxy/proxies to attend and vote on his behalf. The said proxy may exercise the following rights as granted by the said shareholder:</p> <p>(I) The shareholder’s right to speak at the general meeting;</p> <p>(II) To severally or jointly request to vote by ballot; and</p> <p>(III) Unless otherwise stated in applicable rules governing the listing of securities or other laws and regulations on securities, to exercise the right to vote by a show of hand or ballot. Where there is more than one proxy, the said proxy shall only vote by ballot.</p>	<p>Article 69 All shareholders recorded in the share register on the relevant share registration date shall have the right to attend the general meeting and exercise the voting rights in accordance with the relevant laws, regulations, the rules of the stock exchanges on which the shares are listed and the Articles of Association.</p> <p>Any shareholder entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one or more persons (whether a shareholder or otherwise) as his proxy/proxies to attend and vote on his behalf.</p> <p><u>Each share shall be entitled to appoint a proxy, who need not be a member of the issuer. Every shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of the issuer and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorized officer.</u> The said proxy may exercise the following rights as granted by the said shareholder:</p> <p>(I) The shareholder’s right to speak at the general meeting;</p> <p>(II) To severally or jointly request to vote by ballot; and</p> <p>(III) Unless otherwise stated in applicable rules governing the listing of securities or other laws and regulations on securities, to exercise the right to vote by a show of hand or ballot. Where there is more than one proxy, the said proxy shall only vote by ballot.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>In the event that a shareholder is a recognized clearing house (or proxy thereof), it may, as it sees fit, appoint one or more persons as its proxy to attend and vote at any general meeting or class general meeting. However, in the event that more than one person is so appointed, the power of attorney shall specify the number and class of the shares relating to each such proxy. The power of attorney shall be subject to the signature of the appointer of the recognized clearing house. The persons thus appointed may attend meetings (without certifying their due authorization by show of shareholding certificate, notarized power of attorney and/or further evidence) and exercise rights on behalf of the recognised clearing house (or proxy thereof) as if the said persons were the individual shareholders of the Company.</p>	<p>In the event that a shareholder is a recognized clearing house (or proxy thereof), it may, as it sees fit, appoint one or more persons as its proxy to attend and vote at any general meeting or class general meeting. However, in the event that more than one person is so appointed, the power of attorney shall specify the number and class of the shares relating to each such proxy. The power of attorney shall be subject to the signature of the appointer of the recognized clearing house. The persons thus appointed may attend meetings (without certifying their due authorization by show of shareholding certificate, notarized power of attorney and/or further evidence) and exercise rights on behalf of the recognised clearing house (or proxy thereof) as if the said persons were the individual shareholders of the Company.</p>
<p>Article 87 Shareholders (including proxies thereof) who vote at a general meeting shall exercise their voting rights as per the number of voting shares they represent. Each share carries the right to one vote.</p> <p>When material issues affecting the interests of small and medium investors are being considered at the general meeting, the votes of such investors shall be counted separately. The separate counting results shall be promptly and publicly disclosed.</p> <p>Shares held by the Company have no voting rights, and such shares will not be included in the total number of shares with voting rights at the general meeting.</p> <p>.....</p>	<p>Article 79 Shareholders (including proxies thereof) who vote at a general meeting shall exercise their voting rights as per the number of voting shares they represent. Each share carries the right to one vote.</p> <p>When material issues affecting the interests of small and medium investors are being considered at the general meeting, the votes of such investors shall be counted separately. The separate counting results shall be promptly and publicly disclosed.</p> <p>Shares held by the Company have no voting rights, and such shares will not be included in the total number of shares with voting rights at the general meeting.</p> <p><u>Shareholders, who purchase the voting shares of the Company in violation of provisions of the first clause and the second clause of Article 63 of the Securities Law, shall not exercise the voting rights of the shares that exceed the prescribed ratio within 36 months after purchasing them, and such shares shall not be included in the total number of shares with voting rights at a general meeting.</u></p> <p>...</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 90 At a poll taken at a meeting, a shareholder (including the proxy thereof) entitled to two or more votes need not cast all his votes in the same manner.</p> <p>The general meetings shall resolve on all motions separately.</p>	Deleted
<p>Article 91 If pros and cons are equal, either by show of hands or by ballot, the presider shall be entitled to an additional vote.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 93 The following issues shall be approved by special resolutions at a general meeting:</p> <p>(I) Increase or reduction in share capital of the Company and the issue of shares of any class, warrants and other similar securities;</p> <p>(II) Division, merger, dissolution, liquidation or transformation of the Company;</p> <p>(III) Revision of the Articles of Association;</p> <p>(IV) Any other is sue confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by a special resolution;</p> <p>(V) The Company’s acquisition or disposal of major assets within one year with the transaction amount exceeding 30% of the total assets of the Company; and</p> <p>(VI) Other issues requiring adoption by special resolution pursuant to the Articles of Association and the Listing Rules.</p>	<p>Article 83 The following issues shall be approved by special resolutions at a general meeting:</p> <p>(I) Increase or reduction in share capital <u>Increase or decrease in the registered capital</u> of the Company and the issue of shares of any class, warrants and other similar securities;</p> <p>(II) Division, <u>spin-off</u>, merger, dissolution, liquidation or transformation of the Company;</p> <p>(III) Revision of the Articles of Association;</p> <p>Any other is sue confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by a special resolution;</p> <p>(IV) <u>Purchase or disposal of material assets or any guarantee made within a year, and the amount of which exceeds 30% of the latest audited total assets of the Company;</u> The Company’s acquisition or disposal of major assets within one year with the transaction amount exceeding 30% of the total assets of the Company; and</p> <p>(V) <u>Share incentive plans;</u></p> <p>(VI) <u>Any other matters prescribed by the laws, administrative regulations; the stock exchanges where the Company’s shares are listed or the Articles of Association, and those matters approved by ordinary resolution at a general meeting as having a material impact on the Company and are required to be approved by a special resolution.</u> Other issues requiring adoption by special resolution pursuant to the Articles of Association and the Listing Rules.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 94 Shareholder(s) individually or collectively holding more than 10% of the Company’s total voting shares may request convening an extraordinary general meeting or class meeting, and shall follow the procedures below:</p> <p>(I) Shareholder(s) individually or collectively holding more than 10% of the Company’s total voting shares may sign one or several written requests with the same format and content and propose that the Board convene an extraordinary general meeting or class meeting, and specify the topics of the meeting. The Board shall provide a written feedback on whether to agree to convene an extraordinary or class meeting within ten days upon receipt of the aforesaid written request. If the Board agrees to convene an extraordinary or class meeting, it will issue a notice about convening the meeting within five days after passing the resolution. If the notice modifies the original request, consent shall be obtained from the relevant shareholder. The aforesaid amount of shareholding is calculated as of the day when the relevant shareholder makes the written request.</p> <p>(II) If the Board fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the requesting shareholder may itself convene a meeting within four months after the Board receives the said request, and the meeting convening procedure shall to the extent possible be the same as the procedure by which the Board convenes a general meeting.</p> <p>(III) If the Board does not agree to convening an extraordinary general meeting or provides no feedback within 10 days after receiving the request, the shareholder who individually or collectively holds more than 10% of the Company’s shares has the right to propose convening an extraordinary general meeting and shall make a written request to the Supervisory Committee.</p>	<p>Article 84 Shareholder(s) individually or collectively holding more than 10% of the Company’s total voting shares may request convening an extraordinary general meeting or class meeting, and shall follow the procedures below:</p> <p>(I) Shareholder(s) individually or collectively holding more than 10% of the Company’s total voting shares may sign one or several written requests with the same format and content and propose that the Board convene an extraordinary general meeting or class meeting, and specify the topics of the meeting. The Board shall provide a written feedback on whether to agree to convene an extraordinary or class meeting within ten days upon receipt of the aforesaid written request. If the Board agrees to convene an extraordinary or class meeting, it will issue a notice about convening the meeting within five days after passing the resolution. If the notice modifies the original request, consent shall be obtained from the relevant shareholder. The aforesaid amount of shareholding is calculated as of the day when the relevant shareholder makes the written request.</p> <p>(II) If the Board fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the requesting shareholder may itself convene a meeting within four months after the Board receives the said request, and the meeting convening procedure shall to the extent possible be the same as the procedure by which the Board convenes a general meeting.</p> <p>(III) If the Board does not agree to convening an extraordinary general meeting or provides no feedback within 10 days after receiving the request, the shareholder who individually or collectively holds more than 10% of the Company’s shares has the right to propose convening an extraordinary general meeting and shall make a written request to the Supervisory Committee.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>If the Supervisory Committee approves the request, it will issue a notice about convening the meeting within five days of receiving the request. If the notice modifies the proposed resolution in the original request, consent must be obtained from the relevant shareholder.</p> <p>If the Supervisory Committee fails to issue a notice of the general meeting, it will be deemed that the Supervisory Committee will not convene or preside over the meeting. Therefore, the shareholders who individually or collectively hold more than 10% of the total shares of the Company for over 90 consecutive days can convene and preside over the meeting by themselves.</p> <p>If any general meeting or class meeting is called by the shareholders themselves, the shares held by those shareholders shall not be less than 10% of the total shares of the Company, before announcing the resolutions of the meeting.</p> <p>If the independent non-executive directors or the Supervisory Committee requests to convene an extraordinary general meeting, the following procedures are required to be followed:</p> <p>(I) Sign one or more written requests with the same format and contents, which request the Board to hold the extraordinary general meeting and explain the topic of the meeting. Within ten days after receiving the above-mentioned written request, the Board must provide written feedback regarding approval or rejection of the request.</p> <p>(II) If the Board approves the request, it shall provide a notice about convening the meeting within five days after passing the resolution. If the notice modifies the original request, consent shall be obtained from the original requester.</p> <p>(III) If the Board rejects the request from the independent non-executive directors, it shall explain and make a public announcement of the relevant reasons.</p>	<p>If the Supervisory Committee approves the request, it will issue a notice about convening the meeting within five days of receiving the request. If the notice modifies the proposed resolution in the original request, consent must be obtained from the relevant shareholder.</p> <p>If the Supervisory Committee fails to issue a notice of the general meeting, it will be deemed that the Supervisory Committee will not convene or preside over the meeting. Therefore, the shareholders who individually or collectively hold more than 10% of the total shares of the Company for over 90 consecutive days can convene and preside over the meeting by themselves.</p> <p>If any general meeting or class meeting is called by the shareholders themselves, the shares held by those shareholders shall not be less than 10% of the total shares of the Company, before announcing the resolutions of the meeting.</p> <p>If the independent non-executive directors or the Supervisory Committee requests to convene an extraordinary general meeting, the following procedures are required to be followed:</p> <p>(I) Sign one or more written requests with the same format and contents, which request the Board to hold the extraordinary general meeting and explain the topic of the meeting. Within ten days after receiving the above-mentioned written request, the Board must provide written feedback regarding approval or rejection of the request.</p> <p>(II) If the Board approves the request, it shall provide a notice about convening the meeting within five days after passing the resolution. If the notice modifies the original request, consent shall be obtained from the original requester.</p> <p>(III) If the Board rejects the request from the independent non-executive directors, it shall explain and make a public announcement of the relevant reasons.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(IV) If the Board rejects the request from the Supervisory Committee, or provides no feedback within ten days after receiving the request, the Board shall be deemed to be unable to or will not fulfill the obligations of convening the meeting and the Supervisory Committee can convene and preside over the meeting itself.</p> <p>If the meeting is convened by the Supervisory Committee or the shareholders themselves, a written notice shall be sent to the Board and kept on file in the branch office of the CSRC where the Company is situated and in the relevant stock exchange(s). The Supervisory Committee and the meeting convener shall submit relevant supporting documents to the branch office of the CSRC where the Company is situated and the relevant stock exchange(s) when issuing the notice regarding convening the meeting, as well as an announcement about the resolution of the meeting.</p> <p>Where the Supervisory Committee or the shareholders convene a general meeting, the Board and secretary to the Board shall provide necessary assistance. The Board shall provide the register of the shareholders as recorded on the relevant registration date. The Company shall assume the necessary costs of the meeting where it is convened by the Supervisory Committee or the shareholders.</p>	<p>(IV) If the Board rejects the request from the Supervisory Committee, or provides no feedback within ten days after receiving the request, the Board shall be deemed to be unable to or will not fulfill the obligations of convening the meeting and the Supervisory Committee can convene and preside over the meeting itself.</p> <p>If the meeting is convened by the Supervisory Committee or the shareholders themselves, a written notice shall be sent to the Board and kept on file in the branch office of the CSRC where the Company is situated and in the relevant stock exchange(s). The Supervisory Committee and the meeting convener shall submit relevant supporting documents to the branch office of the CSRC where the Company is situated and the relevant stock exchange(s) when issuing the notice regarding convening the meeting, as well as an announcement about the resolution of the meeting.</p> <p>Where the Supervisory Committee or the shareholders convene a general meeting, the Board and secretary to the Board shall provide necessary assistance. The Board shall provide the register of the shareholders as recorded on the relevant registration date. The Company shall assume the necessary costs of the meeting where it is convened by the Supervisory Committee or the shareholders.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>CHAPTER 10 SPECIAL VOTING PROCEDURES FOR CLASS SHAREHOLDERS</p> <p>Article 107 to Article 114</p>	<p>Deleted</p>
<p>Article 124 A director may resign prior to the expiration of his term by tendering a written resignation to the Board. The Board shall disclose the relevant information within two days.</p> <p>If the number of directors of the Board falls below the quorum as a result of any resignation, such resignation shall not become effective until the vacancy resulting from such resignation is filled up by a succeeding director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a director to fill the vacancy caused by the said resignation. Any person appointed by the Board as a director to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting of the issuer after his appointment, and shall then be eligible for re-election.</p>	<p>Article 106 A director may resign prior to the expiration of his term by tendering a written resignation to the Board. The Board shall disclose the relevant information within two days.</p> <p>If the number of directors of the Board falls below the quorum as a result of any resignation, such resignation shall not become effective until the vacancy resulting from such resignation is filled up by a succeeding director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a director to fill the vacancy caused by the said resignation. Any person appointed by the Board as a director to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting of the issuer after his appointment, and shall then be eligible for re-election.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 137 The Board shall be accountable to the general meeting and exercise the following functions and powers:</p> <p>(I) To be responsible for convening general meetings and reporting its work to the general meetings;</p> <p>(II) To execute resolutions of general meetings;</p> <p>(III) To resolve on the Company's business plans and investment plans;</p> <p>(IV) To prepare the Company's annual financial budgets and final accounting plans;</p> <p>(V) To prepare the Company's profit distribution plans and loss recovery plans;</p> <p>(VI) To formulate the plan for increase or reduction of the Company's registered capital, and the plan for issue of the Company's bonds;</p> <p>(VII) To prepare plans for the Company's merger, division, dissolution or transformation;</p> <p>(VIII) To resolve on the buyback of the Company's shares under the circumstances as provided in (III), (V) and (VI) of Article 29 of the Articles of Association;</p> <p>(IX) To decide on the internal management structure of the Company;</p>	<p>Article 119 The Board shall be accountable to the general meeting and exercise the following functions and powers:</p> <p>(I) To be responsible for convening general meetings and reporting its work to the general meetings;</p> <p>(II) To execute resolutions of general meetings;</p> <p>(III) To resolve on the Company's business plans and investment plans;</p> <p>(IV) To prepare the Company's annual financial budgets and final accounting plans;</p> <p>(V) To prepare the Company's profit distribution plans and loss recovery plans;</p> <p>(VI) To formulate the plan for increase or reduction of the Company's registered capital, and the plan for issue of the Company's bonds <u>issue of bonds or other securities;</u></p> <p>(VII) To prepare <u>plans for the Company's material acquisition, repurchase of the Company's share, merger, division, dissolution and transformation;</u> plans for the Company's merger, division, dissolution or transformation;</p> <p>(VIII) To resolve on the buyback of the Company's shares under the circumstances as provided in (III), (V) and (VI) of Article 29 of the Articles of Association;</p> <p><u>(VIII) To determine matters relating to the Company's external investment, asset acquisition and disposal, asset pledge, external guarantee matters, asset management mandate, related party transactions and external donation within the authorisation of the general meeting;</u></p> <p>(IX) To decide on the internal management structure of the Company;</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(X) To appoint or dismiss the Company's general manager; to appoint or dismiss the Company's vice president, chief financial officer and other senior executives as nominated by the general manager and determine their remunerations;</p> <p>(XI) To work out the basic management system of the Company;</p> <p>(XII) To formulate the plan for any amendment to the Articles of Association;</p> <p>(XIII) Manage information disclosure of the Company;</p> <p>(XIV) Propose to the general meeting to appoint or replace the accounting firm which conduct auditing for the Company;</p> <p>(XV) Listen to the work report of the company managers and inspect the tasks managed by the managers;</p> <p>(XVI) To exercise other functions and powers as stipulated by laws, regulations and the listing rules of the stock exchange with which the Company is listed or conferred by the general meetings and the Articles of Association.</p> <p>The Board may resolve on the issues specified in the preceding paragraph by approval of more than half of the directors save for the issues specified in (VI), (VII) and (XII), of which approval of more than two-thirds of the directors is required. The directors shall perform their duties in accordance with laws and administrative regulations of the state, the Listing Rules, the Articles of Association and resolutions of general meetings.</p>	<p><u>(X) To determine the appointment or dismissal of the Company's general manager, the secretary of the Board and other senior officers and decide on their remunerations, rewards and penalties; and pursuant to the president's nominations to determine the appointment or dismissal of the deputy general managers, the senior officers including chief financial officer of the Company and decide on their remuneration rewards and penalties;</u> To appoint or dismiss the Company's general manager; to appoint or dismiss the Company's vice president, chief financial officer and other senior executives as nominated by the general manager and determine their remunerations;</p> <p>(XI) To work out the basic management system of the Company;</p> <p>(XII) To formulate the plan for any amendment to the Articles of Association;</p> <p>(XIII) Manage information disclosure of the Company;</p> <p>(XIV) Propose to the general meeting to appoint or replace the accounting firm which conduct auditing for the Company;</p> <p>(XV) Listen to the work report of the company general managers and inspect the tasks managed by the managers;</p> <p>(XVI) To exercise other functions and powers as stipulated by laws, regulations and the listing rules of the stock exchange with which the Company is listed or conferred by the general meetings and the Articles of Association.</p> <p>The Board may resolve on the issues specified in the preceding paragraph by approval of more than half of the directors save for the issues specified in (VI), (VII) and (XII), of which approval of more than two-thirds of the directors is required. The directors shall perform their duties in accordance with laws and administrative regulations of the state, the Listing Rules, the Articles of Association and resolutions of general meetings.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 141 The Board shall not dispose of or agree to dispose of any fixed assets without approval by the general meeting if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within four months before such proposal to dispose of the fixed assets exceeds 33% of the value of the fixed assets as shown on the latest audited balance sheet considered and approved by the general meeting.</p> <p>Disposals of the fixed assets mentioned herein include transfer of certain asset interests, but do not include guarantee provided by pledge of fixed assets.</p> <p>The effectiveness of the Company's disposal of the fixed assets shall not be affected by any breach of the foregoing provisions in Paragraph 1 herein.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 143 Board meetings include regular meetings and provisional meetings. The Board shall hold at least four meetings per year, which shall be convened by the chairman. Notice of the regular meeting of the Board shall be given at least 14 days in advance and that of a provisional meeting shall be given at least 3 days in advance. Notice deadlines of the said meetings may be exempted upon the consent of directors of the Company. Where a provisional 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>An extraordinary board meeting may be held, if:</p> <p>(I) Proposed by shareholders representing more than 10% of the voting rights;</p> <p>(II) Jointly proposed by more than one-third of the directors;</p> <p>(III) Proposed by the Supervisory Committee;</p> <p>(IV) Deemed necessary by the chairman of the Board.</p> <p>The chairman shall convene and preside over a board meeting within 10 days after receipt of the resolution.</p>	<p>Article 124 Board meetings include regular meetings and provisional meetings. The Board shall hold at least four regular meetings per year, which shall be convened by the chairman. Notice of the regular meeting of the Board shall be given at least 14 days in advance and that of a provisional meeting shall be given at least 3 days in advance. Notice deadlines of the said meetings may be exempted upon the consent of directors of the Company. Where a provisional 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>An extraordinary board meeting may be held, if:</p> <p>(I) Proposed by shareholders representing more than 10% of the voting rights;</p> <p>(II) Jointly proposed by more than one-third of the directors;</p> <p>(III) <u>Proposed by more than half of the independent directors;</u></p> <p><u>(IV)</u> Proposed by the Supervisory Committee;</p> <p><u>(V)</u> Deemed necessary by the chairman of the Board.</p> <p>The chairman shall convene and preside over a board meeting within 10 days after receipt of the resolution.</p>
<p>Article 145 Unless otherwise provided herein, board meetings shall be held only if more than half of the directors (including directors attending the meeting on behalf of others pursuant to Article 146 of the Articles of Association) are present.</p> <p>Every director shall have the right to one vote. Unless otherwise provided in the Articles of Association, a resolution of the Board must be passed by the majority of the directors of the Company. If pros and cons are equal, the chairman shall be entitled to an additional vote.</p>	<p>Article 126 Unless otherwise provided herein, board meetings shall be held only if more than half of the directors (including directors attending the meeting on behalf of others pursuant to Article 127146 of the Articles of Association) are present.</p> <p>Every director shall have the right to one vote. Unless otherwise provided in the Articles of Association, a resolution of the Board must be passed by the majority of the directors of the Company. If pros and cons are equal, the chairman shall be entitled to an additional vote.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 149 The secretary to the Company’s Board shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed or removed by the Board. The major duties of the secretary shall be:</p> <p>(I) To ensure that the Company has complete organization documents and records;</p> <p>(II) To ensure that the Company legally prepares and submits reports and documents as required by relevant authorities as well as to accept and organize the implementation of any assignment from the regulatory authorities;</p> <p>(III) To ensure that the shareholders’ register of the Company is established appropriately and that the persons who have the right of access to the relevant documents and records of the Company obtain the same in due time; and</p> <p>(IV) To exercise other functions and powers as conferred by the Board as well as other functions and powers as required by the stock exchange with which the Company is listed.</p>	<p><u>Article 129 The secretary to the Company’s Board shall be responsible for preparing general meetings and board meetings, keeping documents and managing shareholders’ information, and handling information disclosure matters.</u></p> <p><u>The secretary to the board of directors shall abide by the relevant provisions of laws, administrative regulations, departmental rules and the Articles of Association.</u></p> <p>The secretary to the Company’s Board shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed or removed by the Board. The major duties of the secretary shall be:</p> <p>(I) To ensure that the Company has complete organization documents and records;</p> <p>(II) To ensure that the Company legally prepares and submits reports and documents as required by relevant authorities as well as to accept and organize the implementation of any assignment from the regulatory authorities;</p> <p>(III) To ensure that the shareholders’ register of the Company is established appropriately and that the persons who have the right of access to the relevant documents and records of the Company obtain the same in due time; and</p> <p>(IV) To exercise other functions and powers as conferred by the Board as well as other functions and powers as required by the stock exchange with which the Company is listed.</p>
<p>Article 150 A director or other senior executives of the Company may serve concurrently as secretary to the Board of Directors. Any accountant of the certified public accountants engaged by the Company shall not act in the capacity of the secretary to the Board of Directors.</p> <p>In the event a director also acts in the capacity of the secretary to the Board, where any act requires to be made by the director and the secretary to the Board separately, such director who also acts in the capacity of the secretary to the Board shall not make such actions in both capacities.</p>	<p>Deleted</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 156 The Supervisory Committee shall comprise four members, including one chairman. The term of office of a supervisor shall be three years, and is renewable upon re-election.</p> <p>The chairman shall be appointed or removed by the votes of more than two-thirds of the members of the Supervisory Committee.</p>	<p>Article 135 The Supervisory Committee shall comprise four members, including one chairman. The term of office of a supervisor shall be three years, and is renewable upon re-election.</p> <p>The chairman shall be appointed or removed by the votes of more than two-thirds of the members of the Supervisory Committee.</p>
<p>Article 160 The Supervisory Committee shall be accountable to the general meeting and shall exercise the following powers according to laws:</p> <p>(I) To review the financial operations of the Company;</p> <p>(II) To supervise the performance of directors and senior executives of their duties to the Company, and propose dismissal of directors and senior executives who have violated laws, administrative regulations, the Listing Rules, the Articles of Association or the resolutions of general meetings;</p> <p>(III) To demand redress from the Company’s directors and senior executives should their acts be deemed harmful to the Company’s interests;</p> <p>(IV) To examine financial information such as financial reports, business reports and profit distribution plans as proposed by the Board to the general meeting, and if there are any queries, to engage certified public accountants or practicing auditors in the name of the Company to assist in the examination;</p> <p>(V) To propose the convening of extraordinary general meetings and, in case the Board does not perform the obligations to convene and preside over the general meetings, to convene and preside over the general meetings;</p> <p>(VI) To propose motions to the general meeting;</p> <p>(VII) To negotiate with directors on behalf of the Company or pursue legal actions against the directors and senior executives according to laws and the Articles of Association; and</p> <p>(VIII) Other issues specified in the Articles of Association.</p>	<p>Article 139 The Supervisory Committee shall be accountable to the general meeting and shall exercise the following powers according to laws:</p> <p>(I) To review the financial operations of the Company;</p> <p>(II) To supervise the performance of directors and senior executives of their duties to the Company, and propose dismissal of directors and senior executives who have violated laws, administrative regulations, the Listing Rules, the Articles of Association or the resolutions of general meetings;</p> <p>(III) To demand redress from the Company’s directors and senior executives should their acts be deemed harmful to the Company’s interests;</p> <p>(IV) To examine financial information such as financial reports, business reports and profit distribution plans as proposed by the Board to the general meeting, and if there are any queries, to engage certified public accountants or practicing auditors in the name of the Company to assist in the examination;</p> <p>(V) To propose the convening of extraordinary general meetings and, in case the Board does not perform the obligations to convene and preside over the general meetings, to convene and preside over the general meetings;</p> <p>(VI) To propose motions to the general meeting;</p> <p>(VII) To negotiate with directors on behalf of the Company or pursue legal actions against the directors and senior executives according to laws and the Articles of Association; and</p> <p>(VIII) Other issues specified in the Articles of Association.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>The supervisor may attend board meetings and make inquiries or suggestions in relation to the resolutions of board meetings.</p> <p>The Supervisory Committee may directly report to CSRC and other relevant authorities.</p> <p>If there are any unusual circumstances in the Company’s operations, the Supervisory Committee shall conduct investigation, and if necessary, engage an accounting firm to assist in its work at the expense of the Company.</p>	<p>The supervisor may attend board meetings and make inquiries or suggestions in relation to the resolutions of board meetings.</p> <p><u>The supervisors shall ensure the information disclosed by the Company is true, accurate and complete, and sign written confirmations of the regular reports.</u></p> <p>The Supervisory Committee may directly report to CSRC and other relevant authorities.</p> <p>If there are any unusual circumstances in the Company’s operations, the Supervisory Committee shall conduct investigation, and if necessary, engage an accounting firm to assist in its work at the expense of the Company.</p>
<p>Article 161 Meetings of the Supervisory Committee shall not be held unless more than two-thirds of supervisors are present. The resolutions of the Supervisory Committee shall be adopted by open ballot, and each supervisor shall have one vote. Supervisors shall attend meetings of the Supervisory Committee in person. Where any supervisor cannot attend the meeting for any reason, he may appoint another supervisor to attend the meeting on his behalf, with the power of attorney in writing specifying the scope of authorization.</p> <p>Resolutions of the meeting of the Supervisory Committee shall be approved by more than two-thirds of the members of the Supervisory Committee.</p>	<p>Article 140 Meetings of the Supervisory Committee shall not be held unless more than two-thirds half of supervisors are present. The resolutions of the Supervisory Committee shall be adopted by open ballot, and each supervisor shall have one vote. Supervisors shall attend meetings of the Supervisory Committee in person. Where any supervisor cannot attend the meeting for any reason, he may appoint another supervisor to attend the meeting on his behalf, with the power of attorney in writing specifying the scope of authorization.</p> <p><u>Resolutions of the meeting of the Supervisory Committee shall be approved by more than half of the supervisors.</u></p> <p>Resolutions of the meeting of the Supervisory Committee shall be approved by more than two-thirds of the members of the Supervisory Committee.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 165 A person shall not serve as director, supervisor, general manager or other senior executives of the Company if the said person:</p> <p>(I) Is without capacity or with limited capacity for civil conduct;</p> <p>(II) Was imposed criminal penalty due to taking graft or committing bribery, infringing upon property, embezzling property or disrupting socialism market economic order and it is less than five years since the completion of enforcement of the criminal penalty; or is deprived of political rights due to criminal offence and it is less than five years since the completion of enforcement of the penalty;</p> <p>(III) Was once the director or factory manager, the manager of any company or enterprise which was bankrupted due to bad operation and was responsible for the bankruptcy of the said company or enterprise, and it is less than three years since the completion of liquidation for the bankruptcy of the said company or enterprise;</p> <p>(IV) Ever was the legal representative of any company or enterprise which was revoked business license or ordered to close down due to illegal activities and was responsible for such illegal activities, and it is less than three years since the revocation of the business license;</p> <p>(V) Has large outstanding personal debts;</p> <p>(VI) Is under investigation by the judiciary institution for suspected violation of the criminal law, and the result is still pending;</p> <p>(VII) Is disqualified as corporate leader in laws and administrative regulations;</p>	<p>Article 144 A person shall not serve as director, supervisor, general manager or other senior executives of the Company if the said person:</p> <p>(I) Is without capacity or with limited capacity for civil conduct;</p> <p>(II) Was imposed criminal penalty due to taking graft or committing bribery, infringing upon property, embezzling property or disrupting socialism market economic order and it is less than five years since the completion of enforcement of the criminal penalty; or is deprived of political rights due to criminal offence and it is less than five years since the completion of enforcement of the penalty;</p> <p>(III) Was once the director or factory manager, the manager of any company or enterprise which was bankrupted due to bad operation and was responsible for the bankruptcy of the said company or enterprise, and it is less than three years since the completion of liquidation for the bankruptcy of the said company or enterprise;</p> <p>(IV) Ever was the legal representative of any company or enterprise which was revoked business license or ordered to close down due to illegal activities and was responsible for such illegal activities, and it is less than three years since the revocation of the business license;</p> <p>(V) Has large outstanding personal debts;</p> <p>(VI) Is under investigation by the judiciary institution for suspected violation of the criminal law, and the result is still pending;</p> <p>(VI) Is disqualified as corporate leader in laws and administrative regulations;</p> <p>(VII) Is not a natural person;</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(VIII) Is not a natural person;</p> <p>(IX) Was ruled by the relevant regulatory authority that he has violated the relevant securities regulations and committed any fraudulent or dishonest act, and such ruling was made less than five years ago;</p> <p>(X) Is such a person as specified in the Listing Rules or the laws and rules of the places in which the Company's shares are listed.</p> <p>Any election, appointment or employment of directors, supervisors or other senior executives in violation of the above provisions shall be invalid.</p> <p>The Company shall dismiss the director, supervisor and senior executive if he is involved in the said circumstances set out in Paragraph 1 herein during his term of office.</p>	<p>(IX) Was ruled by the relevant regulatory authority that he has violated the relevant securities regulations and committed any fraudulent or dishonest act, and such ruling was made less than five years ago;</p> <p><u>(VIII) Has been prohibited from participating in securities market by the CSRC and such duration has not expired.</u></p> <p>(IX) Is such a person as specified in the Listing Rules or the laws and rules of the places in which the Company's shares are listed.</p> <p><u>Other circumstances as permitted by laws, administrative regulations and Listing Rules of the place in which the Company's shares are listed.</u></p> <p>Any election, appointment or employment of directors, supervisors or other senior executives in violation of the above provisions shall be invalid.</p> <p>The Company shall dismiss the director, supervisor and senior executive if he is involved in the said circumstances set out in Paragraph 1 herein during his term of office.</p>
<p>Article 166 The validity of an act of a director, the general manager or other senior executives on behalf of the Company for a goodwill third person is not affected by any incompliance in the appointment, election or qualification thereof.</p>	<p>Deleted</p>
<p>Article 169 In fulfilling duties, the directors, supervisors, the general manager and other senior executives of the Company shall observe the principle of honesty and shall not set themselves in a position where their own interests may conflict with their obligations. The principle includes (but is not limited to) the following obligations:.....</p>	<p>Deleted</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 170 Directors, supervisors, general manager and other senior executives of the Company shall not tell the following persons or institutions (“connected persons”) to do anything that the directors, supervisors, general manager and other senior executives cannot do:</p> <p>(I) Spouses or minor offspring of directors, supervisors, general manager and other senior executives of the Company;</p> <p>(II) Trustees of directors, supervisors, general manager and other senior executives of the Company or persons set out in (I) herein;</p> <p>(III) Partners of directors, supervisors, general manager and other senior executives of the Company or persons set out in (I) and (II) herein;</p> <p>(IV) Companies effectively and independently controlled by directors, supervisors, general manager and other senior executives of the Company or companies effectively and jointly controlled by the persons set out in (I), (II) and (III) herein or other directors, supervisors, general manager and other senior executives of the Company; and</p> <p>(V) Directors, supervisors, general manager and other senior executives of the companies as set out in (IV) herein.</p>	<p>Deleted</p>
<p>Article 171 The honesty obligation of the directors, supervisors, general manager and other senior executives of the Company shall not necessarily end with the expiry of their terms of office, and their confidentiality obligation to the Company in respect of commercial secrets shall continue after expiry of their terms of office. Other obligations may continue for such period as the principle of fairness may require depending on the amount of time which has lapsed between the termination and the act concerned and the specific circumstances under which the relationship between the Company and them was terminated.</p>	<p>Article 147 The honesty obligation of the Directors, supervisors, general manager and other senior executives of the Company shall not necessarily end with the expiry of their terms of office, and their confidentiality obligation to the Company in respect of commercial secrets shall continue after expiry of their terms of office. Other obligations may continue for such period as the principle of fairness may require depending on the amount of time which has lapsed between the termination and the act concerned and the specific circumstances under which the relationship between the Company and them was terminated. <u>duty of loyalty owed to the Company and the shareholders shall not be relieved absolutely after the tenure expires and shall remain valid for a reasonable period of time as set forth in the Articles of Association.</u></p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 172 The liability of directors, supervisors, general manager and other senior executives of the Company for breaching a given obligation may be waived by the shareholders' general meeting which has knowledge of the circumstances, save for the circumstances specified in Article 60 of the Articles of Association.</p>	Deleted
<p>Article 174 If, before the Company concludes relevant contract, transaction or arrangement for the first time, the directors, supervisors, general manager and other senior executives of the Company have notified the Board in writing that they will have interests in the contract, transaction or arrangement concluded by the Company in the future because of the reasons set out in the notice, they shall be deemed as having executed disclosure as specified in the preceding paragraph of this chapter to the extent specified in the notice.</p>	Deleted
<p>Article 175 The Company shall not pay taxes in any form for its directors, supervisors, general manager and other senior executives.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 176 The Company shall not directly or indirectly provide loan or loan guarantee to the directors, supervisors, general manager and other senior executives of the Company or its parent company, or to the connected persons of the aforesaid persons.</p> <p>The preceding paragraph does not apply to the following circumstances:</p> <p>(I) The Company provides loan or loan guarantee for its subsidiaries;</p> <p>(II) The Company, in accordance with the engagement contracts approved at the general meeting, provides loan, loan guarantee or other monies to the directors, supervisors, general manager and other senior executives of the Company so that they may pay the expenses incurred for the Company or for fulfilling their duties for the Company; and</p> <p>(III) If the normal business scope of the Company includes provision of loan and loan guarantee, the Company may provide loan and loan guarantee to relevant directors, supervisors, general manager and other senior executives and their connected persons, but the conditions for providing loan or loan guarantee shall be normal business conditions.</p>	Deleted
<p>Article 177 If the Company provides loan in violation of the preceding article, the recipient of the loan shall return the same immediately to the Company regardless of the loan conditions.</p>	Deleted
<p>Article 178 The Company shall not be forced to execute loan guarantee provided in violation of Paragraph 1 of Article 176 except in the following circumstances:</p> <p>(I) The loan provider does not know that it has provided loan to the connected persons of the directors, supervisors, general manager and other senior executives of the Company or its parent company;</p> <p>(II) The guarantee provided by the Company has been sold by the loan provider lawfully to a goodwill buyer.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 179 The guarantee as referred to in the preceding articles includes the act of the guarantor to undertake the responsibility or provide property to ensure that the obligor fulfils the obligations.</p>	<p>Deleted</p>
<p>Article 181 The Company shall conclude written contracts with every director, supervisor and senior executive, covering at least the following matters:</p> <p>(I) Directors, supervisors or senior executives shall undertake to the Company to observe Company Law, the Articles of Association, and Code on Takeovers and Mergers and Code on Share Repurchase approved (revised from time to time) by the Securities and Futures Commission of Hong Kong and other provisions of the Hong Kong Stock Exchange, and agree that the Company is entitled to remedial measures under the Articles of Association and that the said contracts and their positions as director, supervisor or senior executive shall not be transferred;</p> <p>(II) Directors, supervisors or senior executives shall undertake to the Company representing respective shareholders to fulfil their due duties for the shareholders as specified in the Articles of Association;</p> <p>(III) Arbitration clauses specified in Article 221 of the Articles of Association.</p>	<p>Article 150 The Company shall conclude written contracts with every director, supervisor and senior executive., covering at least the following matters:</p> <p>(I) Directors, supervisors or senior executives shall undertake to the Company to observe Company Law, the Articles of Association, and Code on Takeovers and Mergers and Code on Share Repurchase approved (revised from time to time) by the Securities and Futures Commission of Hong Kong and other provisions of the Hong Kong Stock Exchange, and agree that the Company is entitled to remedial measures under the Articles of Association and that the said contracts and their positions as director, supervisor or senior executive shall not be transferred;</p> <p>(II) Directors, supervisors or senior executives shall undertake to the Company representing respective shareholders to fulfil their due duties for the shareholders as specified in the Articles of Association;</p> <p>(III) Arbitration clauses specified in Article 221 of the Articles of Association.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 182 The Company shall conclude written contracts with its directors and supervisors in relation to their remunerations, subject to prior approval at a general meeting. The aforesaid remunerations include:</p> <p>(I) Remunerations as directors, supervisors or senior executives of the Company;</p> <p>(II) Remunerations as directors, supervisors or senior executives of subsidiaries of the Company;</p> <p>(III) Remunerations for providing other services for the management of the Company and subsidiaries thereof; and</p> <p>(IV) Compensations for the said directors or supervisors for losing their positions or for retirement.</p> <p>Save as specified in the aforesaid contracts, the directors or supervisors shall not pursue legal action against the Company for the aforesaid interests.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 183 The Company shall specify in the contracts concluded with the directors or supervisors in relation to remunerations that if the Company is acquired, the directors or supervisors of the Company have the right to seek compensations or other monies for losing their positions or for retirement under the conditions approved at the general meeting.</p> <p>The acquisition in the preceding paragraph refers to any of the following circumstances:</p> <p>(I) Tender offer of any person to all the shareholders; or</p> <p>(II) Tender offer of any person to become a controlling shareholder of the Company. The definition of a controlling shareholder is the same as that in Article 61 of the Articles of Association.</p> <p>Any monies received by the relevant directors or supervisors in violation of the provisions herein shall belong to those who sell their shares in response to the aforesaid tender offer, and the said directors or supervisors shall bear the expenses for distributing the said monies in proportion, which shall not be deducted from the said monies.</p>	Deleted
<p>Article 184 The Company shall formulate its financial accounting system in accordance with relevant laws, administrative regulations and the PRC accounting standards formulated by the competent financial authority of the State Council.</p>	<p>Article 151 The Company shall formulate its financial accounting system in accordance with relevant laws, administrative regulations and the PRC accounting standards requirements formulated by the competent financial authority of the State Council <u>the relevant authorities of the state.</u></p>
<p>Article 186 The Board of the Company shall, at each annual general meeting, submit to the shareholders the financial reports prepared by the Company in accordance with the relevant laws, administrative regulations, normative documents issued by local governments and competent authorities and the Listing Rules.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 187 The financial reports of the Company shall be kept in the Company and accessible to the shareholders 20 days before convening of the annual general meeting. Every shareholder of the Company shall have the right to access the aforesaid financial reports.</p> <p>The Company shall, at least 21 days before convening of the annual general meeting, send by prepaid mail to all holders of overseas listed foreign shares the aforesaid reports or directors' reports and the balance sheet (including each document required by laws and regulations to be attached to the balance sheet) and income statement or income and expenditure statement; and the addresses of addressees shall be those recorded in the shareholders' register.</p>	Deleted
<p>Article 188 The financial statements of the Company shall be prepared in accordance with the PRC accounting standards and regulations as well as the accounting standards required under the rules of the places in which the Company's shares are listed. If the financial statements prepared under the two accounting standards are discrepant significantly, such discrepancy shall be explained in the notes to the financial statements. The Company shall distribute the after-tax profit of the relevant fiscal year as per the less of the after-tax profits in the aforesaid two financial statements.</p>	Deleted
<p>Article 192 Capital reserve includes the following:</p> <p>(I) Premium arising from issue above the par value of shares;</p> <p>(II) Other revenues required by the competent financial authority under the State Council to be stated as capital reserve.</p>	Deleted

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 196 The Company shall appoint collection agents for holders of overseas listed foreign shares. The collection agents shall, on behalf of the related shareholders, collect dividends distributed by the Company for the overseas listed foreign shares and other payables.</p> <p>The collection agents appointed by the Company shall meet the requirements of the laws or the stock exchange of the listing place.</p> <p>The collection agents appointed by the Company for holders of foreign shares listed on the Hong Kong Stock Exchange shall be trust companies registered pursuant to Trustee Ordinance of Hong Kong.</p> <p>The Company shall have the right to stop sending dividend coupons by post to a holder of overseas listed foreign shares when the dividend coupons are not cashed for two consecutive times. However, the Company may also exercise such a right when the dividend coupons are returned after they are sent to the addressee for the first time.</p> <p>Regarding exercise of right to issue warrants to anonymous holders, the Company shall not issue any new warrant to replace the lost one, unless it is sure beyond reasonable doubt that the original warrant has been destroyed.</p> <p>The Company shall have the right to sell the shares of the holders of overseas listed foreign shares who cannot be reached in a manner deemed as appropriate by the Board, but it shall comply with the following conditions:</p>	<p>Article 159 The Company shall appoint collection agents for holders of overseas listed foreign shares. The collection agents shall, on behalf of the related shareholders, collect dividends distributed by the Company for the overseas listed foreign shares and other payables.</p> <p><u>The Company shall appoint one or more collection agents in Hong Kong in charge of receiving dividends and other payables distributed by the Company in respect of its H Shares listed on the Hong Kong Stock Exchange, who shall hold such monies in trust for the holders of such securities pending payment to such holders.</u></p> <p>The collection agents appointed by the Company shall meet the requirements of the laws or the stock exchange of the listing place.</p> <p>The collection agents appointed by the Company for holders of foreign shares listed on the Hong Kong Stock Exchange shall be trust companies registered pursuant to Trustee Ordinance of Hong Kong.</p> <p>The Company shall have the right to stop sending dividend coupons by post to a holder of overseas listed foreign shares when the dividend coupons are not cashed for two consecutive times. However, the Company may also exercise such a right when the dividend coupons are returned after they are sent to the addressee for the first time.</p> <p>Regarding exercise of right to issue warrants to anonymous holders, the Company shall not issue any new warrant to replace the lost one, unless it is sure beyond reasonable doubt that the original warrant has been destroyed.</p> <p>The Company shall have the right to sell the shares of the holders of overseas listed foreign shares who cannot be reached in a manner deemed as appropriate by the Board, but it shall comply with the following conditions:</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(I) Dividends have been distributed for the said shares for at least three times in 12 years, but are not claimed in the said period; and</p> <p>(II) Upon expiry of the 12-year period, the Company shall announce its intent to sell the shares in one or more newspapers at the listing place of the Company, and notify the stock exchange on which the said shares are listed.</p> <p>Provided that the relevant PRC laws and regulations are observed, the Company may exercise the right to seize dividends not collected, but the said right shall not be exercised before expiry of the applicable validity period.</p> <p>Monies paid for any shares before dunning shall have dividends, but the holders of shares are not entitled to dividends announced later for the said monies.</p>	<p>(I) Dividends have been distributed for the said shares for at least three times in 12 years, but are not claimed in the said period; and</p> <p>(II) Upon expiry of the 12-year period, the Company shall announce its intent to sell the shares in one or more newspapers at the listing place of the Company, and notify the stock exchange on which the said shares are listed.</p> <p>Provided that the relevant PRC laws and regulations are observed, the Company may exercise the right to seize dividends not collected, but the said right shall not be exercised before expiry of the applicable validity period.</p> <p>Monies paid for any shares before dunning shall have dividends, but the holders of shares are not entitled to dividends announced later for the said monies.</p>
<p>Article 197 The Company shall appoint qualified the relevant state requirements, independent certified public accountants to audit the annual financial reports and other financial reports of the Company.</p>	<p>Article 160 The Company shall appoint qualified the relevant state Securities Law; independent certified public accountants to audit the annual financial reports and other financial reports of the Company <u>to perform audits of accounting statements, verification of net assets and other related advisory services for a term of one year, which may be renewed.</u></p>
<p>Article 198 The term of appointment of certified public accountants for the Company shall be from conclusion of one annual general meeting to conclusion of the next annual general meeting. The appointment may be extended upon expiry of the period of appointment.</p>	<p>Deleted</p>
<p>Article 200 In the event of vacancy of certified public accountants, the Board may appoint certified public accountants to fill the said vacancy before convening of a general meeting. During duration of the said vacancy, if the Company has any incumbent certified public accountants, the said certified public accountants may still fulfil their duties.</p>	<p>Deleted</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 202 The remunerations of the certified public accountants or the method for determining the same shall be subject to the decision of the general meeting. The remunerations of the certified public accountants appointed by the Board shall be determined by the Board.</p>	<p>Article 163 The remunerations of the certified public accountants or the method for determining the same shall be subject to the decision of the general meeting. <u>The audit fees of the certified public accountants shall be subject to the decision of the general meeting.</u></p>
<p>Article 203 Appointment, dismissal or non-appointment of certified public accountants by the Company shall be subject to decision at the general meeting and shall be filed with the securities regulatory authority under the State Council.</p> <p>The general meeting shall comply with the following provisions in passing a resolution to appoint non-incumbent certified public accountants to fill any vacancy of certified public accountants or continue appointing certified public accountants appointed by the Board to fill the vacancy or dismiss incumbent certified public accountants before the expiry of its term:</p> <p>(I) The proposal for appointment or dismissal shall, before the notice of general meeting is sent, be served to certified public accountants to be appointed or to terminate service or having terminated service in the relevant fiscal year.</p> <p>Termination of service shall include dismissal, resignation or retirement.</p> <p>(II) If the certified public accountants about to terminate service make a written statement and request the Company to notify the shareholders of the said statement, the Company shall take the following actions unless the statement is received too late:</p> <ol style="list-style-type: none"> 1. Describe in the notice issued for the resolution that the certified public accountants about to terminate service have made a statement; and 2. Send to the shareholders entitled to receive the notice of general meetings a copy of the statement as an attachment to the notice in the form specified in the Articles of Association. 	<p>Article 164 Appointment, dismissal or non-appointment of certified public accountants by the Company shall be subject to decision at the general meeting and shall be filed with the securities regulatory authority under the State Council.</p> <p>The general meeting shall comply with the following provisions in passing a resolution to appoint non-incumbent certified public accountants to fill any vacancy of certified public accountants or continue appointing certified public accountants appointed by the Board to fill the vacancy or dismiss incumbent certified public accountants before the expiry of its term:</p> <p>(I) The proposal for appointment or dismissal shall, before the notice of general meeting is sent, be served to certified public accountants to be appointed or to terminate service or having terminated service in the relevant fiscal year.</p> <p>Termination of service shall include dismissal, resignation or retirement.</p> <p>(II) If the certified public accountants about to terminate service make a written statement and request the Company to notify the shareholders of the said statement, the Company shall take the following actions unless the statement is received too late:</p> <ol style="list-style-type: none"> 1. Describe in the notice issued for the resolution that the certified public accountants about to terminate service have made a statement; and 2. Send to the shareholders entitled to receive the notice of general meetings a copy of the statement as an attachment to the notice in the form specified in the Articles of Association.

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>(III) If the Company fails to send out the statement of the certified public accountants as per (II) herein, the relevant certified public accountants may require that the said statement be read at the general meeting and may further lodge a complaint.</p> <p>(IV) Certified public accountants about to terminate service have the right to attend the following meetings:</p> <ol style="list-style-type: none"> 1. The general meeting at which their term of appointment expires; 2. The general meeting for filling vacancy because of their termination of service; and 3. The general meeting held because of their resignation. <p>The certified public accountants about to terminate service have the right to receive all the notices of the aforesaid meetings or other information relating to the meetings, and deliver speeches at the meetings in relation to the matters concerning the certified public accountant.</p>	<p>(III) If the Company fails to send out the statement of the certified public accountants as per (II) herein, the relevant certified public accountants may require that the said statement be read at the general meeting and may further lodge a complaint.</p> <p>(IV) Certified public accountants about to terminate service have the right to attend the following meetings:</p> <ol style="list-style-type: none"> 1. The general meeting at which their term of appointment expires; 2. The general meeting for filling vacancy because of their termination of service; and 3. The general meeting held because of their resignation. <p>The certified public accountants about to terminate service have the right to receive all the notices of the aforesaid meetings or other information relating to the meetings, and deliver speeches at the meetings in relation to the matters concerning the certified public accountant.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 204 Where the Company dismisses or does not continue appointing the certified public accountants, prior notice shall be given to the certified public accountants, and the certified public accountants shall have the right to state their opinions to the general meeting. Where the certified public accountants tender their resignation, they shall state to the general meeting whether the Company has anything inappropriate.</p> <p>The certified public accountants may resign by placing a written notice of resignation at the legal address of the Company. The said notice shall take effect on the date of delivery to the legal address of the Company or on a later date specified in the notice. The said notice shall include the following statements:</p> <p>(I) A statement that their resignation does not involve any information to be disclosed to the shareholders or creditors of the Company; or</p> <p>(II) statement of any such information to be disclosed.</p> <p>The Company shall send a copy of the written notice mentioned in the preceding paragraph to relevant competent authority within 14 days after receipt of the said notice. If the notice contains the statement mentioned in (II) of the preceding paragraph, the Company shall keep a copy of the said statement in the Company for reference by the shareholders. The Company shall also send a copy of the aforesaid statement to every shareholder who has the right to obtain the financial reports of the Company, as per the addresses in the shareholders' register.</p> <p>If the notice of resignation of the certified public accountants contains the statement mentioned in (II) of Paragraph 2 herein, the certified public accountants may require the Board to convene an extraordinary general meeting to listen to their explanation about the resignation.</p>	<p>Article 165 Where the Company dismisses or does not continue appointing the certified public accountants, prior notice shall be given to the certified public accountants, and the certified public accountants shall have the right to state their opinions to the general meeting. Where the certified public accountants tender their resignation, they shall state to the general meeting whether the Company has anything inappropriate. <u>Where the Company dismisses or does not continue appointing the certified public accountants, it shall notify the certified public accountants five days in advance, and the certified public accountants shall be allowed to present its opinion when the general meeting of the Company votes on the termination of the appointment of the certified public accountants.</u></p> <p>The certified public accountants may resign by placing a written notice of resignation at the legal address of the Company. The said notice shall take effect on the date of delivery to the legal address of the Company or on a later date specified in the notice. The said notice shall include the following statements:</p> <p>(I) A statement that their resignation does not involve any information to be disclosed to the shareholders or creditors of the Company; or</p> <p>(II) A statement of any such information to be disclosed.</p> <p>The Company shall send a copy of the written notice mentioned in the preceding paragraph to relevant competent authority within 14 days after receipt of the said notice. If the notice contains the statement mentioned in (II) of the preceding paragraph, the Company shall keep a copy of the said statement in the Company for reference by the shareholders. The Company shall also send a copy of the aforesaid statement to every shareholder who has the right to obtain the financial reports of the Company, as per the addresses in the shareholders' register.</p> <p>If the notice of resignation of the certified public accountants contains the statement mentioned in (II) of Paragraph 2 herein, the certified public accountants may require the Board to convene an extraordinary general meeting to listen to their explanation about the resignation.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 205 In respect of the merger or division of the Company, the Board shall propose a plan and have it adopted following the procedure specified in the Articles of Association, and go through relevant examination and approval formalities pursuant to law. Any shareholder objecting to merger or division of the Company shall have the right to require the Company or the shareholders approving merger or division of the Company to buy his shares at a fair price. Resolution on merger or division of the Company shall be archived as special document for reference by the shareholders.</p> <p>The aforesaid document shall also be served by post to holders of overseas listed foreign shares, as per the addresses in the shareholders' register.</p>	<p>Article 166 In respect of the merger or division of the Company, the Board shall propose a plan and have it adopted following the procedure specified in the Articles of Association, and go through relevant examination and approval formalities pursuant to law. Any shareholder objecting to merger or division of the Company shall have the right to require the Company or the shareholders approving merger or division of the Company to buy his shares at a fair price. Resolution on merger or division of the Company shall be archived as special document for reference by the shareholders.</p> <p>The aforesaid document shall also be served by post to holders of overseas listed foreign shares, as per the addresses in the shareholders' register.</p>
<p>Article 211 If the Board decides to liquidate the Company (save for liquidation when the Company is declared bankrupt), the notice of general meeting to be held therefor shall contain a statement that the Board has made a thorough investigation on the conditions of the Company and that the Company may repay all its debts within 12 months after commencement of liquidation.</p> <p>After the resolution on liquidation is adopted at the general meeting, the functions and powers of the Board shall terminate immediately.</p> <p>The liquidation group shall, as per the instructions of the general meeting, report to the general meeting at least once a year about the revenues and expenses of the liquidation group, the businesses of the Company and the progress of liquidation, and deliver a final report to the general meeting at the end of liquidation.</p>	<p>Deleted</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>Article 216 After completion of liquidation of the Company, the liquidation group shall prepare a liquidation report and income and expenditure statements and account books in respect of the liquidation period and, after verification of the Chinese certified public accountants, shall submit the same to the general meeting or the relevant competent authority for confirmation.</p> <p>The liquidation group shall, within 30 days after obtaining confirmation from the general meeting or the relevant competent authority, submit the aforesaid documentation to the company registration authority, and apply to cancel registration of the Company and announce termination of the Company.</p>	<p><u>Article 176</u> After completion of liquidation of the Company, the liquidation group shall prepare a liquidation report and income and expenditure statements and account books in respect of the liquidation period and, after verification of the Chinese certified public accountants, <u>shall submit the same to the general meeting or the relevant competent authority for confirmation, and submit it to the company's registration authority to apply to cancel registration of the Company and announce termination of the Company.</u></p> <p>The liquidation group shall, within 30 days after obtaining confirmation from the general meeting or the relevant competent authority, submit the aforesaid documentation to the company registration authority, and apply to cancel registration of the Company and announce termination of the Company.</p>

Existing Terms of Articles of Association	Proposed Amendments to Articles of Association
<p>CHAPTER 23 SETTLEMENT OF DISPUTES</p> <p>Article 221</p>	Deleted
<p>Article 222 The phrases “more than”, “within” and “less than” as mentioned in the Articles of Association are inclusive while “exceeding” and “beyond” are exclusive.</p>	<p>Article 181 The phrases “more than”, “within”, “less than” and “no more than” as mentioned in the Articles of Association are inclusive while “exceeding” and “beyond” are exclusive.</p>
<p>Article 224 The term “accounting firm” as used in the Articles of Association has the same meaning as “auditor”.</p> <p>All the circulars or other documents that the Company shall submit to the Hong Kong Stock Exchange shall be compiled in English or attached with a signed and certified English version.</p> <p>The Articles of Association shall be executed in Chinese. In the event of any conflict between the Chinese version and other language versions, the Chinese version shall prevail.</p> <p>Should there be any inconsistency between the Articles of Association and relevant laws, regulations, normative documents and the listing rules of the stock exchange on which the Company’s shares are listed in respect of the issue, the latter shall prevail.</p> <p>Any matters not covered herein shall be handled in accordance with the relevant laws, regulations, normative documents, the listing rules of the stock exchange on which the Company’s shares are listed.</p>	<p>Article 182 The term “accounting firm” as used in the Articles of Association has the same meaning as “auditor”.</p> <p>All the circulars or other documents that the Company shall submit to the Hong Kong Stock Exchange shall be compiled in English or attached with a signed and certified English version.</p> <p>The Articles of Association shall be executed in Chinese. In the event of any conflict between the Chinese version and other language versions, the Chinese version shall prevail.</p> <p>Should there be any inconsistency between the Articles of Association and relevant laws, regulations, normative documents and the listing rules of the stock exchange on which the Company’s shares are listed in respect of the issue, the latter shall prevail.</p> <p>Any matters not covered herein shall be handled in accordance with the relevant laws, regulations, normative documents, the listing rules of the stock exchange on which the Company’s shares are listed.</p>

The article numbers, text, and punctuation marks to the Articles of Association have been optimized and adjusted, which does not constitute a substantive revision. Save as disclosed in this announcement, no amendment to the Articles of Association have been made.