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

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

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*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 6661)

**CONTINUING CONNECTED TRANSACTIONS  
IN RELATION TO  
2024-2026 NATURAL GAS FRAMEWORK AGREEMENT,  
PROPOSED ELECTION OF NON-EXECUTIVE DIRECTOR,  
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,  
NOTICE OF EXTRAORDINARY GENERAL MEETING,  
NOTICE OF H SHAREHOLDERS' CLASS MEETING  
AND  
NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING**

**Independent Financial Adviser to  
Independent Board Committee and Independent Shareholders**



The EGM will be held at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC on Tuesday, 16 January 2024 at 2:00 p.m., and the H Shareholders' Class Meeting will be held immediately after the conclusion of the EGM or any adjourned meeting thereof (whichever the later), and the Domestic Shareholders' Class Meeting will be held immediately after the conclusion of the H Shareholders' Class Meeting or any adjourned meeting thereof (whichever the later).

The notices convening the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting are set out on pages 219 to 227 of this circular.

Forms of proxy for use at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting are enclosed herewith and also published on both the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.hzrqgf.com>). Shareholders who intend to appoint a proxy to attend the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting shall complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting (i.e. at or before 2:00 p.m. on Monday, 15 January 2024 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion, signing and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting or any adjournment thereof (as the case may be).

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

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“2024-2026 Natural Gas Framework Agreement”	the master supply agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Ningbo Intercity (for itself and on behalf of its subsidiaries) dated 27 November 2023, pursuant to which the Group shall purchase from Ningbo Intercity, and Ningbo Intercity shall sell to the Group, PNG and LNG in the Operating Area for the period from 1 January 2024 to 31 December 2026, in substitution for the Existing Master Supply Agreement
“Articles of Association”	the articles of association of the Company as currently in force
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Class Meetings”	collectively, the H Shareholders’ Class Meeting and the Domestic Shareholders’ Class Meeting
“Company”	湖州燃氣股份有限公司 (Huzhou Gas Co., Ltd.*), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic invested ordinary share(s) in the capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and currently not listed or traded on any stock exchange
“Domestic Shareholder(s)”	holder(s) of the Domestic Share(s)

## DEFINITIONS

“Domestic Shareholders’ Class Meeting”	the class meeting of the Domestic Shareholders to be convened at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC on Tuesday, 16 January 2024 at 2:00 p.m. immediately after the conclusion of the EGM and the H Shareholders’ Class Meeting (or any adjournment thereof), the notice of which is set out on pages 225 to 227 of this circular, or any adjournment thereof
“EGM”	the extraordinary general meeting of the Company to be convened at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC at 2:00 p.m. on Tuesday, 16 January 2024, the notice of which is set out on pages 219 to 221 of this circular, or any adjournment thereof
“ENN (China)”	新奧(中國)燃氣投資有限公司 (Xinao (China) Gas Investment Company Limited*), a limited liability company established under the laws of the PRC and a substantial Shareholder
“Existing Master Supply Agreement”	the master supply agreement entered into between the Company (for itself and on behalf of its subsidiaries) and Ningbo Intercity (for itself and on behalf of its subsidiaries) dated 26 May 2022 (as supplemented by the supplemental agreement dated 14 March 2023), pursuant to which the Group shall purchase from Ningbo Intercity, and Ningbo Intercity shall sell to the Group, PNG and LNG in the Operating Area for the period from 1 January 2022 to 31 December 2024
“Group”	collectively, the Company and its subsidiaries from time to time
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of the H Share(s)

## DEFINITIONS

“H Shareholders’ Class Meeting”	the class meeting of the H Shareholders to be convened at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC on Tuesday, 16 January 2024 at 2:00 p.m. immediately after the conclusion of the EGM (or any adjournment thereof), the notice of which is set out on pages 222 to 224 of this circular, or any adjournment thereof
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board, comprising all independent non-executive Directors, established to advise the Independent Shareholders in respect of the 2024-2026 Natural Gas Framework Agreement (including the New Annual Caps)
“Independent Financial Adviser” or “Central China International”	Central China International Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the 2024-2026 Natural Gas Framework Agreement (including the New Annual Caps)
“Independent Shareholders”	Shareholders other than ENN (China)
“Latest Practicable Date”	21 December 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LNG”	liquefied natural gas
“New Annual Caps”	the proposed annual caps for the three years ending 31 December 2024, 2025 and 2026 for transactions contemplated under the 2024-2026 Natural Gas Framework Agreement

## DEFINITIONS

“New Articles of Association”	the amended and restated articles of association of the Company proposed to be adopted at the EGM and the Class Meetings incorporating and consolidating all the Proposed Amendments
“Ningbo Intercity”	寧波城際能源貿易有限公司 (Ningbo Chengji Energy Trading Company Limited*), a limited liability company established under the laws of the PRC and an indirect wholly owned subsidiary of ENN (China) and, unless the context otherwise requires, includes its subsidiaries
“Operating Area”	the operating areas where the Group is granted exclusive right to operate in Wuxing and Nanxun, as described in the prospectus of the Company dated 29 June 2022
“PNG”	piped natural gas
“PRC”	the People’s Republic of China which, for the purpose of this circular, shall exclude the Hong Kong Special Administrative Region of the People’s Republic of China, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Amendments”	proposed amendments to the Articles of Association as set out in Appendix II to this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of RMB1.00 each in the capital of the Company, comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of Shares, comprising Domestic Shareholders(s) and H Shareholder(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

\* For identification purpose only

LETTER FROM THE BOARD



**Huzhou Gas Co., Ltd.\***  
**湖州燃气股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 6661)**

*Executive Directors:*

Mr. Wang Hua (*Chairman*)

Ms. Su Li

Mr. Pan Haiming

*Non-executive Directors:*

Mr. Liu Jianfeng

Ms. Wu Zhanghuan

*Independent non-executive Directors:*

Mr. Chang Li Hsien Leslie

Dr. Lau Suet Chiu Frederic

Mr. Zhou Xinfa

*Registered office and*

*headquarter in the PRC:*

227 Sizhong Road

Huzhou

Zhejiang Province

PRC

*Principal place of business in Hong Kong:*

5/F, Manulife Place

348 Kwun Tong Road

Kowloon, Hong Kong

28 December 2023

*To the Shareholders*

Dear Sir/Madam,

**CONTINUING CONNECTED TRANSACTIONS  
IN RELATION TO  
2024-2026 NATURAL GAS FRAMEWORK AGREEMENT,  
PROPOSED ELECTION OF NON-EXECUTIVE DIRECTOR  
AND  
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**1. INTRODUCTION**

Reference is made to the announcements of the Company dated 12 September 2023, 10 November 2023 and 27 November 2023 in relation to the Proposed Amendments, the proposed election of non-executive Director and the 2024-2026 Natural Gas Framework Agreement respectively. The purpose of this circular is to provide you with further details of, among other things, (i) details of the 2024-2026 Natural Gas Framework Agreement, the proposed election of non-executive Director and the Proposed Amendments; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iv) a notice convening

\* *For identification purpose only*

## LETTER FROM THE BOARD

the EGM; (v) a notice convening the H Shareholders' Class Meeting; and (vi) a notice convening the Domestic Shareholders' Class Meeting.

The resolutions to be proposed at the EGM and/or the Class Meetings (as the case may be) include: (i) an ordinary resolution in relation to the 2024-2026 Natural Gas Framework Agreement to be proposed at the EGM for the Independent Shareholders' consideration; (ii) an ordinary resolution in relation to the proposed election of non-executive Director to be proposed at the EGM for the Shareholders' consideration; and (iii) a special resolution in relation to the Proposed Amendments and the proposed adoption of the New Articles of Association to be proposed at the EGM and Class Meetings for the Shareholders' consideration.

### 2. 2024-2026 NATURAL GAS FRAMEWORK AGREEMENT

References are made to the prospectus of the Company dated 29 June 2022, the announcement of the Company dated 15 March 2023 and the circular of the Company dated 24 April 2023 in respect of the Existing Master Supply Agreement and the related annual caps up to the year ending 31 December 2024.

On 27 November 2023, the Company and Ningbo Intercity entered into the 2024-2026 Natural Gas Framework Agreement in substitution for the Existing Master Supply Agreement, pursuant to which the Group agreed to purchase from Ningbo Intercity, and Ningbo Intercity agreed to sell to the Group, PNG and LNG in the Operating Area for the period from 1 January 2024 to 31 December 2026.

#### Principal Terms of the 2024-2026 Natural Gas Framework Agreement

On 27 November 2023, the Company entered into the 2024-2026 Natural Gas Framework Agreement with Ningbo Intercity. Set out below are the principal terms of the 2024-2026 Natural Gas Framework Agreement:

<b>Date:</b>	27 November 2023
<b>Parties:</b>	(1) the Company (for itself and on behalf of its subsidiaries), as purchaser; and (2) Ningbo Intercity (for itself and on behalf of its subsidiaries), as supplier
<b>Term:</b>	1 January 2024 to 31 December 2026
<b>Nature of transaction:</b>	The Group shall purchase from Ningbo Intercity, and Ningbo Intercity shall sell to the Group, PNG and LNG in the Operating Area.
<b>Pricing basis:</b>	The detailed terms and conditions (such as the manner of payment, price, price adjustment mechanisms, volume and delivery arrangements) shall be determined in specific agreements to be made between the Group and Ningbo Intercity.



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The gas price at which Ningbo Intercity charges the Group for the supply of PNG and LNG from Ningbo Intercity to the Group shall be at prices determined between the parties after arm's length negotiations taking into account the specific needs of the Group including the required volume with reference to the prevailing market prices<sup>(Note)</sup>.

**Other terms:**

The 2024-2026 Natural Gas Framework Agreement shall take effect and substitute the Existing Master Supply Agreement after the necessary approval is obtained from the Independent Shareholders at the EGM. With effect from the date on which the 2024-2026 Natural Gas Framework Agreement comes into operation, the 2024-2026 Natural Gas Framework Agreement shall supersede the Existing Master Supply Agreement in all respects and all rights and obligations of the parties thereunder shall cease and determine forthwith.

*Note:* The prices to be paid by the Group to Ningbo Intercity shall be determined in accordance with the pricing policy as set out in the paragraph headed "Internal Control and Pricing Policy" below.

### **New Annual Caps and Basis of Determination**

**(a) *Historical transaction amounts, existing annual caps and New Annual Caps***

For the three years ended 31 December 2020, 2021 and 2022 and the ten months ended 31 October 2023, the annual caps and historical transaction amounts in relation to the purchase of PNG and LNG by the Group in the Operating Area under the Existing Master Supply Agreement or otherwise are as follows:

	<b>For the year ended 31 December</b>			<b>For the ten months ended 31 October 2023</b>
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
	<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>
	(audited)	(audited)	(audited)	(unaudited)
Annual caps	N/A	N/A	1,800	1,400
Historical transaction amounts	368.9	1,104.7	483.3	625.2
Utilisation rates	N/A	N/A	26.9%	44.7%

## LETTER FROM THE BOARD

The Directors expect that the aggregate transaction amount under the Existing Master Supply Agreement for the period from 1 January 2023 up to the Latest Practicable Date has not exceeded the annual cap for the year ending 31 December 2023 of RMB1,400 million. The Company proposes that the below New Annual Caps be set for the transactions contemplated under the 2024-2026 Natural Gas Framework Agreement:

	<b>For the year ending 31 December</b>		
	<b>2024</b>	<b>2025</b>	<b>2026</b>
	<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>
Existing annual caps	1,062	–	–
New Annual Caps	1,550	1,600	1,700

**(b) Basis of determination for the New Annual Caps**

In determining the New Annual Caps, the Directors took into account: (i) the historical transaction amounts as set out above; (ii) the expected growing demand for PNG and LNG by industrial, commercial and residential users in the Operating Area in the light of, among others, completion of the construction project of a comprehensive gas source station of the Group in Huzhou by the end of the year ending 31 December 2023; and (iii) the range of historical market prices of LNG and PNG and the anticipated market prices of LNG and PNG, including the reference prices in previous transactions with other independent PNG and LNG suppliers of the Group.

*(i) Reasons for low utilisation of the existing annual caps*

Based on the historical transaction amounts, the annual cap utilisation rate was approximately 26.9% for the year ended 31 December 2022 and 44.7% for the year ending 31 December 2023 (taking into account the actual transaction amount up to 31 October 2023 only) respectively. The New Annual Cap for the year ending 31 December 2024 represents an increase of approximately 40.3% over the highest historical annual transaction amount between Ningbo Intercity and the Group in relation to purchase of PNG and LNG, i.e. RMB1,104.7 million for the year ended 31 December 2021, and an increase of 46.0% over the existing annual cap for the year ending 31 December 2024, i.e. RMB1,062 million. The New Annual Caps for the year ending 31 December 2025 and 2026 represent annual growth rates of approximately 3.2% and 6.3% respectively.

According to 《關於印發2020年浙江省能源領域體制改革工作要點的通知》浙發改能源[2020]12號 (Notice on Issuing of the Summary of Structural Reforms in Energy Sector in 2020 Zhefagai Energy [2020] No. 12\*) issued by the Zhejiang Provincial Development and Reform Commission (浙江省發展和改革委員會) and Zhejiang Energy Regulatory Office of National Energy

## LETTER FROM THE BOARD

Administration (浙江省能源局) on 20 January 2020, the Zhejiang government aims to discontinue the monopoly status of the provincial natural gas pipeline companies, separate the function of natural gas sale and transmission at provincial level, promote the fair and equal access to the infrastructure of natural gas (such as provincial pipeline network and LNG terminals) by all market entities, and reform and simplify the natural gas supply chain. On the back of such reforms, the Company (as business operator) has, since September 2020, switched away from sourcing natural gas from provincial natural gas companies that had historically been the Company's primary source of natural gas supply, and started procuring natural gas primarily from Ningbo Intercity under relevant master supply agreement(s).

However, in around April 2022, Ningbo Intercity experienced resource constraints due to the outbreak of the Russo-Ukrainian War and other international tensions, which resulted in an unexpected interim suspension in natural gas supply. In order to ensure an uninterrupted natural gas supply to fulfil its continuous contractual obligations to downstream customers, the Company implemented certain emergency measures at the relevant times and secured alternative sources of natural gas supply from two provincial natural gas companies through entering into long-term master supply agreements covering the period up to March 2028 (the "**Alternative Supply Agreements**"). Under the Alternative Supply Agreements, the Company had committed to certain minimum annual procurement quantity. Ningbo Intercity had subsequently resolved its natural gas supply shortage and was able to resume its natural gas supply to the Group in 2023. In spite of that, given the aforesaid minimum procurement commitment, the Company considered it commercially advisable to give priority to the two provincial natural gas companies over Ningbo Intercity in its natural gas procurement. As a result, the Company has since only procured natural gas from Ningbo Intercity intermittently. This explains why the annual cap utilisation rate had fallen within the lower range for the year ended 31 December 2022.

On the other hand, since April 2023, Huzhou Nanxun Xinao Gas Company Limited\* (湖州南潯新奧燃氣有限公司) ("**Nanxun Xinao**"), a subsidiary owned as to 51% by the Company, has started procuring natural gas from Ningbo Intercity. The transaction amounts with Ningbo Intercity for the ten months ended 31 October 2023 under the Existing Master Supply Agreement were in fact principally contributed by procurement made by Nanxun Xinao. That being the case, the Directors also noted that historically the amount of natural gas procured by Nanxun Xinao from Ningbo Intercity was not particularly large in scale. Up to present, unlike some distributors, Nanxun Xinao does not have its own gas source station or upstream pipeline network and has to rely on national, provincial and other sub-high-pressure and medium-pressure pipeline networks owned and/or operated by third parties, which charge Nanxun Xinao transmission fees for utilising their networks. Such additional cost has put Nanxun Xinao in a less price-competitive position against other local competitors. For this reason, despite having a relatively comprehensive downstream natural gas pipeline

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network of its own covering the Nanxun area and nearby cities, Nanxun Xinao primarily served as a complementary, risk diversification natural gas supplier for its industrial, commercial, and residential users and wholesale customers in regional natural gas supply. The combined result of the minimum procurement commitment under the Alternative Supply Agreements and the historical price-competitiveness issue of Nanxun Xinao is that the utilisation rate of the existing annual cap for the year ending 31 December 2023 is expected to remain relatively low.

*(ii) Trends in LNG and PNG prices or other macro demand factors contributing to the increase in annual caps*

When estimating the market prices of natural gas for the year ending 31 December 2024, the Directors have made reference to, among other things, (i) the historical market prices of natural gas in previous transactions with Ningbo Intercity and other independent natural gas suppliers of the Group during the year ended 31 December 2021 and 2022 and the ten months ended 31 October 2023, including the seasonal price increase during winter times; (ii) the incident-driven surge in natural gas prices due to the impact of the outbreak of the Russo-Ukrainian War on natural gas supply; and (iii) the possibility of a repeat in disruption to natural gas supply and price surge in view of the recent geopolitical conflicts such as the Israel-Hamas war and other international tensions. Additionally, to account for general inflation impact, the Company has factored in an estimated annual price increase of 2% between the year ending 31 December 2023 and the year ending 31 December 2026, which is in line with the inflation outlook for China in 2024 according to the Asian Development Outlook published by The Asian Development Bank.

The Directors have also reviewed the unit prices charged by Ningbo Intercity and other independent natural gas suppliers of the Group during the years ended 31 December 2021 and 2022 and the ten months ended 31 October 2023 and noted that the forecasted price for the year ending 31 December 2024 falls within the range of those historical unit prices (where the prices charged by the suppliers during relevant periods in the year ended 31 December 2022 when resource constraints caused by the Russo-Ukrainian War had resulted in an out-of-trend price surge).

Based on the Group's natural gas procurement plan, while Ningbo Intercity will continue to assume the role as a complementary upstream natural gas supplier of the Company (as business operator) supplementing its natural gas supply once the minimum annual procurement commitment under the Alternative Supply Agreement has been met, it shall serve as the principal upstream natural gas supplier of Nanxun Xinao.

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In addition, with the construction of a comprehensive gas source station in Nanxun, Huzhou which is expected to be completed within the year ending 31 December 2023 and to commence operations in early 2024, the Directors expect a considerable expansion in the scale of natural gas procurement by Nanxun Xinao going forward. Nanxun Xinao will have direct access to the national gas pipeline network and will no longer need to rely on third party networks for upstream gas transportation and bear additional pipeline transmission fees. Consequently, the unit sales price of natural gas offered by Nanxun Xinao will become significantly more competitive vis-à-vis other natural gas distributors in Nanxun and in the nearby cities in Jiangsu Province. For details of the construction project, please refer to the announcement of the Company dated 9 June 2023.

Nanxun Xinao has already initiated discussions with its existing customers, and given the satisfactory services so far experienced by these customers, they have already indicated preliminary interest in purchasing natural gas from Nanxun Xinao and treating the upcoming gas source station as their major supplier. Additionally, Nanxun Xinao has been actively procuring new customers in the area. Upon completion of construction of the new gas source station, Nanxun Xinao will have the opportunity to convert itself from a complementary natural gas supplier of its existing customers into their main supplier, establishing stronger and more consistent business relationships with them, and at the same time expanding its customer base in the region. The Company considers that these anticipated market development efforts will bring a significant increase in the business volume of Nanxun Xinao, which in turn will require a considerable expansion in the scale of natural gas procurement by Nanxun Xinao in the year ending 31 December 2024 and beyond.

On the potential growth in demand of natural gas in Nanxun, the Directors have reviewed the historical data on gross development product growth and the contribution of the industrial sector in Nanxun, of compound annual growth rates (“CAGR”) of 6.1% and 6.0%, respectively, as published by the People’s Government of Nanxun District (南潯區人民政府), along with the historical consumption volume with a CAGR of 7.5% for natural gas by industrial, commercial and residential users and wholesale customers of Nanxun Xinao over the past three years. The review indicates a favourable environment for increased natural gas demand and a strong existing market for natural gas. Furthermore, as set out in feasibility study report of the Nanxun Xinao comprehensive gas source station project of the Group in Huzhou prepared by Zhejiang Urban Construction Gas Thermal Power Design Institute (浙江城建煤氣熱電設計院) and the analysis of external gas transmission situation and the gas volume growth analysis from 2024 to 2026 of Nanxun Xinao prepared by the Company, the upcoming comprehensive gas source station will enhance the availability of natural gas for industrial, commercial and residential users and wholesale customers within the Operating Area and in nearby cities in Jiangsu Province, which is expected to be a significant contributor to the potential growth in natural gas demand

## LETTER FROM THE BOARD

from the Group's customers. The Directors consider the competitive pricing offered by Nanxun Xinao, which benefits from reduced costs of sales resulting from the absence of pipeline transmission fees after completion of construction of the gas source station, as a positive factor driving its growth.

On account of the expected increase in natural gas price and scaling up of procurement of natural gas by the Group as a whole from Ningbo Intercity as explained above, the Directors consider that the increase in annual caps for the three years ending 31 December 2026 as reflected in the New Annual Caps is justifiable.

### **Reasons for and Benefits of entering into the 2024-2026 Natural Gas Framework Agreement**

Ningbo Intercity has been a principal natural gas supplier of the Group since September 2020 as Ningbo Intercity was the designated pilot natural gas supplier for the Group during the early stage of natural gas supply chain reform under the aforementioned 《關於印發2020年浙江省能源領域體制改革工作要點的通知》浙發改能源[2020]12號 (Notice on Issuing of the Summary of Structural Reforms in Energy Sector in 2020 Zhefagai Energy [2020] No. 12\*) dated 20 January 2020. Taking into account the Group's need for a steady and reliable supply of PNG from Ningbo Intercity, which has access to LNG station in Zhoushan, Zhejiang Province, it is expected that the Group will continue to purchase PNG and LNG from Ningbo Intercity in the ordinary and usual course of business.

The Directors (including the independent non-executive Directors), after reviewing the terms of the 2024-2026 Natural Gas Framework Agreement, are of the view that the 2024-2026 Natural Gas Framework Agreement has been entered into in the ordinary and usual course of business of the Group, and the terms of the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Internal Control and Pricing Policy**

The Group shall implement the following measures to monitor the pricing and other terms of the continuing connected transactions contemplated under the 2024-2026 Natural Gas Framework Agreement:

- (a) to understand the market prices and to ensure that the purchase price and terms offered by Ningbo Intercity to the Group for supply of PNG and LNG are fair and reasonable, on normal commercial terms and comparable to those offered by independent third parties, the Group shall obtain quotations from at least two independent third party suppliers, such as 浙江省能源集團有限公司 (Zhejiang Provincial Energy

\* For identification purpose only

## LETTER FROM THE BOARD

Group Company Ltd.\*) and 中國石油化工股份有限公司天然氣分公司浙江天然氣銷售中心 (Sinopec Natural Gas Branch Company Zhejiang Natural Gas Sales Centre\*), for the supply of PNG and LNG in similar quantities and price components from time to time but in any case no less than twice a year, once for pricing during the heating season (採暖季) and once for pricing during the non-heating season (非採暖季) pricing. If the quotation of gas price provided by Ningbo Intercity is composed of gas procurement price (which shall be ultimately be retained as revenue by the gas supplier) and pipeline gas transmission price (which will be onward transferred by the gas supplier to the pipeline network company providing the pipeline gas transmission services), the quotations obtained from independent third party suppliers should also have these price components for more direct comparison.

After obtaining the quotations, the Group shall go through an internal contract approval process involving different departments and managers, and the chairman of the Board shall be responsible for making the ultimate decision regarding which supplier to engage for the procurement of the required PNG and LNG in the designated volume. Quotations obtained from Ningbo Intercity and independent third party suppliers shall be assessed based on a number of selection criteria, such as the aforementioned price components, manner of payment, delivery arrangements, and length of the business relationship, where the supplier with the best overall quotation will be selected. As a prerequisite, Ningbo Intercity will be selected only if the final price could be agreed to be set at a level not exceeding the quotations from any of the independent third party suppliers. The above assessment and approval process serves to ensure that the price and terms offered by Ningbo Intercity will be fair and reasonable and comparable to, and in any case no less favourable to the Group than, those offered by independent third party suppliers. There will therefore be certainty that the continuing connected transactions will be conducted on normal commercial terms in a manner not prejudicial to the interests of the Company or any of the Shareholders. A natural gas procurement contract specific for the transaction will then be entered into, and the executed contract, along with all relevant documents recording the approval process, will be filed for archival purposes;

- (b) the person-in-charge of the finance department will review the table containing the actual transaction amounts and prices compiled by the relevant business unit at least on a monthly basis;

## LETTER FROM THE BOARD

- (c) the connected transactions will be reported to the audit committee of the Company (which comprises all independent non-executive Directors) at least twice a year;
- (d) the audit committee of the Company will review the connected transactions at least twice a year in relation to, among others, whether the transactions have been entered into in the ordinary and usual course of business of the Group, on normal commercial terms or better and whether they are carried out in accordance with the relevant agreements and on terms that are fair and reasonable and in the interest of the Shareholders as a whole; and
- (e) through reviewing the information gathered from the finance department of the Company, the external auditor of the Company will report to the Board at least annually on the continuing connected transactions of the Group in relation to, among others, whether the transactions were entered into in accordance with the relevant agreements including the pricing policies and whether the transactions exceeded the annual caps pursuant to the Listing Rules.

The Directors are of the view that the internal control measures above can allow the Company to effectively monitor the transactions under the 2024-2026 Natural Gas Framework Agreement and to ensure that the transactions under the 2024-2026 Natural Gas Framework Agreement are on normal commercial terms and that the terms of such transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Information of the Parties to the 2024-2026 Natural Gas Framework Agreement**

The Group is principally engaged in (i) the sale of gas, mainly PNG (under the concessions) and LNG in Huzhou; (ii) the provision of construction and installation services to construct and install end-user pipeline network and gas facilities for customers such as property developers and owners or occupants of residential and non-residential properties; and (iii) other businesses, including sale of household gas appliances and relevant equipment, energy, distributed photovoltaic power and leasing of properties in the PRC.

Ningbo Intercity is a company established in the PRC which is primarily engaged in the upstream supply of natural gas. As at the Latest Practicable Date, Ningbo Intercity is wholly owned by 新奧燃氣發展有限公司 (Xinao Gas Development Company Limited\*), which is in turn wholly owned by ENN (China). ENN (China) is wholly owned by ENN Energy Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability which is listed on the Main Board of the Stock Exchange (Stock Code: 2688).



## LETTER FROM THE BOARD

### Listing Rules Implications

As at the Latest Practicable Date, Ningbo Intercity was wholly owned by 新奧燃氣發展有限公司 (Xinao Gas Development Company Limited\*), which is in turn wholly owned by ENN (China), a substantial Shareholder. As such, Ningbo Intercity is an associate of ENN (China) pursuant to Rule 14A.13(1) of the Listing Rules, and hence a connected person of the Company pursuant to Rule 14A.07(4) of the Listing Rules. The transactions contemplated under the 2024-2026 Natural Gas Framework Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Since one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) relating to the highest of the New Annual Caps for the transactions contemplated under the 2024-2026 Natural Gas Framework Agreement exceeds 25%, the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps) are subject to the announcement, annual review, annual reporting, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Ms. Su Li, an executive Director, is a director of Ningbo Intercity. For good corporate governance and in accordance with the requirements under the articles of association of the Company, Ms. Su Li had abstained from voting on the board resolution approving the 2024-2026 Natural Gas Framework Agreement. None of the other Directors had any material interest in the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps) and therefore none of them was required to abstain from voting on the relevant Board resolution.

An ordinary resolution will be proposed at the EGM for the Independent Shareholders to consider and, if thought fit, approve the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps).

### 3. PROPOSED ELECTION OF NON-EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 10 November 2023 in relation to, among other things, the proposed election of non-executive Director.

Ms. Wu Zhanghuan (吳張歡) (“**Ms. Wu**”) has tendered her resignation as a non-executive Director with effect from the conclusion of the forthcoming EGM due to adjustments in other work arrangements.

Ms. Wu has confirmed that she has no disagreement with the Board and that there is no other matter in relation to her resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

\* For identification purpose only

## LETTER FROM THE BOARD

Mr. Wang Peng (王鵬) (“**Mr. Wang**”) has been nominated by the nomination committee of the Company and the Board as a candidate for the position of non-executive Director. The Board has reviewed its structure, size and composition, the qualifications, skills, experience of Mr. Wang as a non-executive Director with reference to the nomination principles and criteria set out in the Company’s diversity policy of the Board and nomination policy for Directors as well as the Company’s corporate strategy. Taking into account the aforementioned criteria, the Board has assessed and is satisfied with Mr. Wang’s suitability for holding of directorship in the Company, and proposes the election of Mr. Wang as a non-executive Director by the Shareholders at the EGM.

An ordinary resolution will be proposed at the EGM for the Shareholders to consider and, if thought fit, approve the proposed election of Mr. Wang as non-executive Director. Subject to the approval by the Shareholders at the EGM, the appointment of Mr. Wang as a non-executive Director shall take effect immediately after the conclusion of the EGM.

Set forth below are the biographical details of Mr. Wang:

Mr. Wang Peng, aged 48, has extensive experience in engineering management. From August 1996 to May 1998, Mr. Wang served as an officer at Huzhou Municipal Engineering Corporation\* (湖州市市政工程總公司). From May 1998 to April 2013, he held positions at Huzhou City Construction Development Corporation\* (湖州市城市建設發展總公司), including technician, deputy manager and manager of the engineering department, as well as deputy general manager. From April 2013 to January 2014, he served as the deputy director of Huzhou City Construction Development Centre\* (湖州市城市建設發展中心). From December 2010 to January 2014, he also served as the head of the construction and industry team of Keping County Headquarters of Huzhou City’s counterpart support to Aksu Prefecture, Xinjiang\* (湖州市對口支援新疆阿克蘇地區柯坪縣指揮部).

From January 2014 to August 2014, Mr. Wang served as the full-time deputy secretary of the party committee of Huzhou Housing and Urban-Rural Construction Bureau\* (湖州市住房與城鄉建設局機關黨委). From August 2014 to June 2016, Mr. Wang served as the general manager of Huzhou City Construction Investment Group\* (湖州市城市建設投資集團公司). Since June 2016, Mr. Wang has been serving as the deputy general manager and party committee member of Huzhou City Investment Development Group Co., Ltd.\* (湖州市城市投資發展集團有限公司).

Mr. Wang graduated from Zhejiang University of Technology\* (浙江工業大學) with a bachelor’s degree in Civil Engineering in December 2007. He has been a senior engineer since December 2008.

Mr. Wang, if elected at the EGM, shall hold office as a non-executive Director from the conclusion of the EGM until the expiration of the term of office of the first session of the Board, i.e. until 31 March 2024. Mr. Wang will enter into a director’s service contract with the Company, subject to approval by the Shareholders of the same at the EGM. Pursuant to the director’s service contract to be entered with the Company, Mr. Wang is not entitled to any director’s fee for acting as a non-executive Director, but he will be reimbursed for all reasonable out-of-pocket expenses incurred in discharging his duties.

## LETTER FROM THE BOARD

As at the Latest Practicable Date, save as disclosed above, Mr. Wang (i) does not hold any interests in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (ii) does not hold any other position with the Company or any of its subsidiaries; (iii) does not have any relationship with any Directors, supervisors, senior management, substantial shareholders or controlling shareholders of the Company or any of their associates (as defined in the Listing Rules); and (iv) does not hold any position in other public companies listed on the Stock Exchange or any other securities market in the past three years.

Save as disclosed above, there is no other information in relation to the proposed election of Mr. Wang which is required to be disclosed pursuant to any of the requirements set out in Rule 13.51(2) of the Listing Rules, nor is there any other matter that needs to be brought to the attention of the Shareholders.

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

Reference is made to the announcement of the Company dated 12 September 2023 in relation to, among other things, the Proposed Amendments.

The Board proposes to make certain amendments to the Articles of Association and to adopt the New Articles of Association incorporating and consolidating all the Proposed Amendments in substitution for, and to the exclusion of, the Articles of Association, with a view to removing the articles that have become obsolete due to the repeal of the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定) issued by the State Council on 4 August 1994 and the Mandatory Provisions for Companies Listing Overseas set forth in Zheng Wei Fa (1994) No. 21 issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System (each as amended, supplemented or otherwise modified from time to time), bringing the Articles of Association overall into line with the Guidelines for the Articles of Association of Listed Companies issued by the China Securities Regulatory Commission, satisfying the requirements under the constitution of the Chinese Communist Party, and making other consequential and housekeeping amendments to the Articles of Association. The Board wishes to clarify that the Proposed Amendments no longer include updating the scope of business of the Company which was disclosed in the announcement of the Company dated 12 September 2023, due to the latest development plan of the Company.

The Stock Exchange also issued a consultation paper “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” on 24 February 2023 and a consultation conclusion on 21 July 2023 setting out the corresponding amendments to the Listing Rules, which became effective on 1 August 2023.

## LETTER FROM THE BOARD

Under the above regulation updates in the PRC, holders of domestic shares and H shares are no longer deemed different classes of shareholders, and the class meeting requirements originally applicable to holders of domestic shares and H shares are no longer necessary; the use of arbitration to resolve disputes is also no longer required. The Board believes that the removal of the class meeting requirement in the Articles of Association will not compromise protection of the Shareholders: currently, class meetings are required for changes or abrogation of the rights of a class of Shareholders; as Domestic Shares and H Shares are now regarded as one class of ordinary shares under the PRC law, the substantive rights attached to these two kinds of Shares (including rights on voting, dividend and asset distribution upon liquidation) remain the same. The removal of the class meeting requirement is also consistent with the current arrangement for non-PRC issuers with a dual listing on an exchange in the PRC and the Stock Exchange: while the shares of these companies are separately listed on the Stock Exchange and the PRC exchange and such shares are non-fungible, the PRC regulations and the Listing Rules do not require shares listed on the different exchanges to be treated as different classes of shares. As regards the use of arbitration, such requirements may no longer be relevant or necessary under the prevailing circumstances and state of development of the market. As a matter of fact, such requirements are not applicable to overseas issuers listed on the Stock Exchange under the Listing Rules. After the removal of the arbitration requirements, the Shareholders may enforce their rights under the Articles of Association using the same approaches as shareholders of overseas issuers, through, in particular, commencing legal proceedings in a court of the place of incorporation of the Company or a Hong Kong court.

For details of the comparison table of the Proposed Amendments, please refer to Appendix II to this circular.

The legal advisers of the Company as to the laws of Hong Kong and the laws of the PRC have respectively confirmed that the Proposed Amendments comply with requirements of the Listing Rules and applicable laws and regulations in the PRC. The Company confirms that there is nothing unusual about the Proposed Amendments for a company incorporated in the PRC and listed in Hong Kong.

Special resolutions will be proposed at the EGM and the Class Meetings to consider and, if thought fit, approve the Proposed Amendments and the proposed adoption of the New Articles of Association. The filings with the relevant authorities in the PRC in respect of the Proposed Amendments will be made after the passing of the relevant special resolutions by the Shareholders at the EGM and the Class Meetings. The Proposed Amendments will take effect on the date on which they are approved at the EGM and the Class Meetings.

## LETTER FROM THE BOARD

### 5. EGM, H SHAREHOLDERS' CLASS MEETING, DOMESTIC SHAREHOLDERS' CLASS MEETING AND PROXY ARRANGEMENT

The EGM will be held at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC on Tuesday, 16 January 2024 at 2:00 p.m. for (i) the Independent Shareholders to consider and, if thought fit, approve the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps); and (ii) the Shareholders to consider and, if thought fit, approve the proposed election of non-executive Director, the Proposed Amendments and the proposed adoption of the New Articles of Association. A notice of the EGM is set out on pages 219 to 221 of this circular.

The H Shareholders' Class Meeting will be held immediately after the conclusion of the EGM or any adjourned meeting thereof (whichever the later), and the Domestic Shareholders' Class Meeting will be held immediately after the conclusion of the H Shareholders' Class Meeting or any adjourned meeting thereof (whichever the later), for the Domestic Shareholders and H Shareholders to consider and, if thought fit, approve the Proposed Amendments and the proposed adoption of the New Articles of Association. A notice of the H Shareholders' Class Meeting is set out on pages 222 to 224 of this circular, and a notice of the Domestic Shareholders' Class Meeting is set out on pages 225 to 227 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting in the manner prescribed under the Listing Rules.

ENN (China), which held 60,542,460 Domestic Shares as at the Latest Practicable Date, is an indirect holding company of Ningbo Intercity and has a material interest in the 2024-2026 Natural Gas Framework Agreement and is therefore required to abstain from voting on the relevant resolution to approve the 2024-2026 Natural Gas Framework Agreement at the EGM, pursuant to Rule 14A.36 of the Listing Rules. To the best of the knowledge, information and belief of the Directors, save as disclosed above, none of the Shareholders are required to abstain from voting on the resolution put to vote at the EGM and the Class Meetings.

Forms of proxy for use at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting are enclosed herewith and also published on both the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.hzrqgf.com/>). To be valid, for H Shareholders, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of authority or other authorisation documents (if any) under which it is signed or a notarised letter of authority at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. For Domestic Shareholders, the proxy form(s) should be returned to the

## LETTER FROM THE BOARD

Company's registered office in the PRC at 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC by personal delivery or by post not less than 24 hours before the time fixed for holding the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting (i.e. at or before 2:00 p.m. on Monday, 15 January 2024 (Hong Kong time)) or any adjournment thereof (as the case may be).

Completion, signing and return of the form of proxy will not preclude you from attending and voting in person at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting or any adjournment thereof (as the case may be).

### **6. H SHARE REGISTER OF MEMBERS**

In order to be eligible to attend and vote at the EGM, H Shareholders whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 11 January 2024 (Hong Kong time). Shareholders whose names appear on the Company's register of members on 4:30 p.m. on Thursday, 11 January 2024 are entitled to attend and vote at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting.

### **7. RECOMMENDATIONS**

The Directors (including the independent non-executive Directors whose views have been formed taking the advice of the Independent Financial Adviser into account) consider that the 2024-2026 Natural Gas Framework Agreement (including the New Annual Caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

The Directors (including the independent non-executive Directors) consider that the proposed election of non-executive Director is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

The Directors (including the independent non-executive Directors) consider that the Proposed Amendments and the proposed adoption of the New Articles of Association are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM, the H Shareholders' Class Meeting and the Domestic Shareholders' Class Meeting.

## LETTER FROM THE BOARD

### 8. ADDITIONAL INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee set out in pages 22 to 23 of this circular which contains its advice to the Independent Shareholders regarding the 2024-2026 Natural Gas Framework Agreement (including the New Annual Caps), the letter from the Independent Financial Adviser set out in pages 24 to 35 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders regarding the 2024-2026 Natural Gas Framework Agreement (including the New Annual Caps) and the principal factors and reasons taken into consideration in arriving at its advice.

### 9. MISCELLANEOUS

The Chinese text of the Proposed Amendments as set out in Appendix II to this circular shall prevail over the English text for the purpose of interpretation in case of any inconsistency. Save as stated above, the English text of this circular shall prevail over the Chinese text for the purpose of interpretation in case of any inconsistency.

Yours faithfully,  
For and on behalf of the Board  
**Huzhou Gas Co., Ltd.\***  
**Wang Hua**  
*Chairman*

\* *For identification purpose only*

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

*The following is a full text of the letter from the Independent Board Committee prepared for the purpose of inclusion in this circular.*



### Huzhou Gas Co., Ltd.\* 湖州燃气股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 6661)

28 December 2023

*To the Independent Shareholders*

Dear Sir or Madam,

#### **CONTINUING CONNECTED TRANSACTIONS IN RELATION TO 2024-2026 NATURAL GAS FRAMEWORK AGREEMENT**

We refer to the circular of the Company to the Shareholders dated 28 December 2023 (the “Circular”), of which this letter forms part. Terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed as the Independent Board Committee to consider whether the 2024-2026 Natural Gas Framework Agreement has been entered into in the ordinary and usual course of business of the Group, and the terms of the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders as to voting at the EGM.

The Independent Financial Adviser has been appointed by the Company to advise us and the Independent Shareholders in this regard. Details of the independent advice of the Independent Financial Adviser, together with the principal factors and reasons the Independent Financial Adviser has taken into consideration, are set out on pages 24 to 35 of the Circular.

We wish to draw your attention to the letter from the Board set out on pages 5 to 21 of the Circular and the letter of advice from the Independent Financial Adviser set out on pages 24 to 35 of the Circular.

\* For identification purpose only



**LETTER FROM THE INDEPENDENT BOARD COMMITTEE**

Having considered, among other things, the principal factors and reasons underlying the 2024-2026 Natural Gas Framework Agreement as well as the advice of the Independent Financial Adviser as set out in the Circular, we consider that the 2024-2026 Natural Gas Framework Agreement has been entered into in the ordinary and usual course of business of the Group, and the terms of the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution for approving 2024-2026 Natural Gas Framework Agreement set out in the notice of the EGM.

Yours faithfully,  
For and on behalf of  
The Independent Board Committee of  
**Huzhou Gas Co., Ltd.\***

**Chang Li Hsien Leslie**

**Lau Suet Chiu Frederic**

**Zhou Xinfu**

\* *For identification purpose only*

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

*The following is the full text of a letter of advice from Central China International Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of incorporation in this circular.*



28 December 2023

*To the Independent Board Committee and Independent Shareholders of  
Huzhou Gas Co., Ltd.\**

Dear Sir or Madam,

### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder; and the New Annual Caps, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular dated 28 December 2023 issued by the Company (the “**Circular**”) of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

The Group entered into the Existing Master Supply Agreement with Ningbo Intercity in 2022 (as supplemented by the supplemental agreement dated 14 March 2023) in relation to the supply of PNG and LNG for a period from 1 January 2022 to 31 December 2024. After taking into account the expected growing demand of natural gas by industrial, commercial and residential users in the Operating Area, particularly upon completion of the construction project of a comprehensive gas source station of the Group in Huzhou by end of 2023, and the historical and anticipated market prices of natural gas for the year ending 31 December 2024, the Group expected that the existing annual caps of the above continuing connected transaction will not meet the needs of the Group for the year ending 31 December 2024. In addition, taking into account the Group’s need for a steady and reliable supply of natural gas from Ningbo Intercity, the Company has entered into the 2024-2026 Natural Gas Framework Agreement to replace the Existing Master Supply Agreement in order to continue to purchase natural gas from Ningbo Intercity in the ordinary and usual course of business.

As Ningbo Intercity is a connected person of the Company, the transactions contemplated under the 2024-2026 Natural Gas Framework Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. Since one or more of the applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) relating to the highest of the New Annual Caps for the transactions contemplated under the 2024-2026 Natural Gas Framework Agreement exceeds 25%, the

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder (including the New Annual Caps) are subject to, among other things, the approval of Independent Shareholders. We have been appointed by the Board as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

In the last two years, there was no engagement between us and the Company. As at the Latest Practicable Date, we are not aware of any of the circumstances as set out in Rule 13.84 of the Listing Rules existed that would otherwise affect our independence to advise the Independent Board Committee and the Independent Shareholders on the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder; and the New Annual Caps.

### **BASIS OF OUR OPINION**

In formulating our opinion, we have relied on the information and statements supplied, opinions and representations expressed by the Company and the Directors and have assumed that all such information and statements supplied, opinions and representations expressed to us were true, accurate and complete in all material respects at the time they were provided and continue to be true up to the date of the EGM. We have also sought and obtained confirmation from the Company that no material facts have been omitted from the information and statements supplied as well as opinions and representations expressed to us.

We consider that we have been provided with sufficient information to enable us to reach our advice and recommendations as set out in this letter and to justify our reliance on the accuracy of such information. We have no reason to suspect that any material facts or information (which are known to the Company) have been omitted or withheld from the information or statements supplied, or opinions or representations expressed to us nor to doubt the truth and accuracy of the information and statements supplied, or the reasonableness of the opinions and representations expressed to us. We have not, however, carried out any independent verification on the information provided to us by the Company and the Directors, nor have we conducted an independent in-depth investigation into the business or affairs or future prospects of the Group.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED**

#### **1. Background**

The Group is principally engaged in (i) the sale of gas, mainly PNG (under the concessions) and LNG in Huzhou; (ii) the provision of construction and installation services to construct and install end-user pipeline network and gas facilities for customers such as property developers and owners or occupants of residential and non-residential properties; and (iii) other businesses, including the sale of household gas appliances and relevant equipment, energy, distributed photovoltaic power and the leasing of properties in the PRC.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Ningbo Intercity is a company established in the PRC which is primarily engaged in the upstream supply of natural gas. As at the Latest Practicable Date, Ningbo Intercity is wholly-owned by 新奧燃氣發展有限公司 (Xinao Gas Development Company Limited\*), which is in turn wholly-owned by ENN (China). ENN (China) is wholly-owned by ENN Energy Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability which is listed on the Main Board of the Stock Exchange (Stock Code: 2688).

### **2. Reasons for entering into the 2024-2026 Natural Gas Framework Agreement**

Ningbo Intercity has been a principal natural gas supplier of the Group since September 2020 as Ningbo Intercity was the designated pilot natural gas supplier for the Group during the early stage of natural gas supply chain reform under 《關於印發2020年浙江省能源領域體制改革工作要點的通知》浙發改能源[2020]12號 (Notice on Issuing of the Summary of Structural Reforms in Energy Sector in 2020 Zhefagai Energy [2020] No. 12\*) issued by the Zhejiang Provincial Development and Reform Commission (浙江省發展和改革委員會) and Zhejiang Energy Regulatory Office of National Energy Administration (浙江省能源局) on 20 January 2020.

The Group entered into the Existing Master Supply Agreement with Ningbo Intercity in 2022 (as supplemented by the supplemental agreement dated 14 March 2023) in relation to the supply of PNG and LNG for a period from 1 January 2022 to 31 December 2024. After taking into account the expected growing demand of natural gas by industrial, commercial and residential users in the Operating Area, particularly upon completion of the construction project of a comprehensive gas source station of the Group in Huzhou by end of 2023, and the historical and anticipated market prices of natural gas for the year ending 31 December 2024, the Group expected that the existing annual caps of the above continuing connected transaction will not meet the needs of the Group for the year ending 31 December 2024. In addition, taking into account the Group's need for a steady and reliable supply of natural gas from Ningbo Intercity, the Company has entered into the 2024-2026 Natural Gas Framework Agreement with Ningbo Intercity in order to continue to purchase natural gas from Ningbo Intercity in the ordinary and usual course of business.

Having considered (i) the established business relationship between the Group and Ningbo Intercity who is one of the major gas suppliers of the Group, (ii) the existing annual caps of the above continuing connected transaction may not be sufficient to meet the needs of the Group's anticipated business growth for the year ending 31 December 2024, (iii) the Existing Master Supply Agreement will expire on 31 December 2024 and the 2024-2026 Natural Gas Framework Agreement can renew the continuing connected transactions for the three years ending 31 December 2026; and (iv) our analyses and views on the terms of the 2024-2026 Natural Gas Framework Agreement and the transactions contemplated thereunder and the continuing connected transactions and the New Annual Caps as discussed below, we concur with the Directors' view that the 2024-2026 Natural Gas Framework Agreement has been entered into in the ordinary and usual course of business of the Group, on normal commercial terms, fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### 3. Principal terms of the 2024-2026 Natural Gas Framework Agreement

Set out below are the principal terms of the 2024-2026 Natural Gas Framework Agreement, which are substantially on the same terms as the Existing Master Supply Agreement as described in the circular of the Company dated 24 April 2023.

Date:	27 November 2023
Parties:	(1) the Company (for itself and on behalf of its subsidiaries), as purchaser; and  (2) Ningbo Intercity (for itself and on behalf of its subsidiaries), as supplier
Term:	1 January 2024 to 31 December 2026
Nature of transaction:	The Group shall purchase from Ningbo Intercity, and Ningbo Intercity shall sell to the Group, PNG and LNG in the Operating Area.
Pricing basis:	<p>The detailed terms and conditions such as the manner of payment, price, price adjustment mechanisms, volume and delivery arrangements shall be determined in specific agreements to be made between the Group and Ningbo Intercity.</p> <p>The gas price at which Ningbo Intercity charges the Group for the supply of PNG and LNG from Ningbo Intercity to the Group shall be at prices determined between the parties after arm's length negotiations taking into account the specific needs of the Group including the required volume with reference to the prevailing market prices.<sup>(Note)</sup></p>
Other terms:	The 2024-2026 Natural Gas Framework Agreement shall take effect and substitute the Existing Master Supply Agreement after the necessary approval is obtained from the Independent Shareholders at the EGM. With effect from the date on which the 2024-2026 Natural Gas Framework Agreement comes into operation, the 2024-2026 Natural Gas Framework Agreement shall supersede the Existing Master Supply Agreement in all respects and all rights and obligations of the parties thereunder shall cease and determine forthwith.

*Note:* The prices to be paid by the Group to Ningbo Intercity shall be determined in accordance with the pricing policy as set out in the paragraph headed "Internal Control and Pricing Policy" in the Letter from the Board.

### 3.1 Pricing policy

According to the 2024-2026 Natural Gas Framework Agreement, the gas price shall be the prices determined between the parties after arm's length negotiations taking into account the specific needs of the Group including the required volume with reference to the prevailing market prices. For the purpose of comparing and establishing whether the prices and terms offered by Ningbo Intercity for the purchases of PNG and LNG under the 2024-2026 Natural Gas Framework Agreement are comparable with market prices and those offered by independent third parties and are on normal commercial terms, the Group shall obtain quotations from at least two independent third party suppliers for the supply of PNG and LNG in similar quantities and price components from time to time but in any case no less than twice a year.

Pursuant to the 《省發展改革委關於天然氣省級門站價格等有關事項的通知》浙發改價格[2022]307號 (Notice of the Provincial Development and Reform Commission on Natural Gas Provincial Gate Station Prices and Other Matters Zhejiang Development Reform Price [2022] No. 307\*) issued by the Zhejiang Provincial Development and Reform Commission (浙江省發展和改革委員會) on 8 December 2022, the government no longer would issue pricing notices on the gas purchase prices from 1 April 2023. This change entails that the gas price at which Ningbo Intercity charges the Group for the supply of PNG, which was based on the government regulated gate price of natural gas, would no longer be regulated by the government from 1 April 2023 and should be determined by parties with reference to prevailing market prices. In the absence of the government regulated price, referencing and establishing market price comparison is critical in determining whether the transactions are fair and reasonable.

In order to assess whether the pricing basis adopted by the Company under the 2024-2026 Natural Gas Framework Agreement is in line with the market practice, we have identified and analysed the pricing policy adopted by five comparable companies listed on the Stock Exchange and primarily engaged in the sales of natural gas and related products in the PRC, namely:

- (i) CNOOC Limited (stock code: 883): As stated in the circular of CNOOC Limited dated 11 November 2022, the pricing for the supply of petroleum, natural gas products and green power products is determined sequentially based on either (a) government-prescribed prices, or (b) in the absence of government-prescribed prices, market prices, including local, national, or international market prices.
- (ii) Kunlun Energy Company Limited (stock code: 135): As mentioned in the circular of Kunlun Energy Company Limited dated 5 October 2020, the pricing for the sale of crude oil, natural gas, refined oil products, chemical products and other related or similar products is based on (a) government-prescribed prices when available; or (b) if no government-prescribed prices are available, the price paid by China

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

National Petroleum Corporation should not exceed the best price among all prices offered by independent third parties in the relevant market or nearby market in the ordinary course of business.

- (iii) JiaXing Gas Group Co., Ltd. (stock code: 9908): As stated in the circular of JiaXing Gas Group Co., Ltd. dated 28 July 2023, the pricing for the natural gas is determined based on (a) government regulated price published by Zhejiang Provincial Development and Reform Commission (浙江省發展和改革委員會) from time to time, or (b) if there is no such government regulated price, the price shall be the price at which its supplier purchases the natural gas from its upstream supplier(s).
- (iv) Beijing Gas Blue Sky Holdings Ltd. (stock code: 6828): As stated in the circular of Beijing Gas Blue Sky Holdings Ltd. dated 14 April 2021, the sale and purchase price of LNG is determined by arm's length negotiations based on normal commercial terms which are no less favourable than that are available from independent third parties and the purchase price of LNG shall be determined with reference to the market price quoted from the respective local LNG terminal.
- (v) Beijing Enterprises Holdings Limited (stock code: 392): As stated in the announcement of Beijing Enterprises Holdings Limited dated 31 December 2020, the sales and purchases of gas will be conducted on terms which shall not be less favourable than those similar products offered to independent third parties and the price shall be determined according to the following principles: (i) price prescribed by the PRC government; (ii) where there is no government-prescribed price but there is a government indicating price, at a price not higher than the indicating price set by the PRC government; (iii) where there is neither a government-prescribed price nor a government indicating price, the market price; and (iv) where none of the above is applicable, the price will be agreed between the relevant parties.

Based on our review, we noted that the five comparable companies adopted a similar pricing policy as that of the Company, which makes reference to the market prices where no government-prescribed/regulated prices are available. Taking account into (i) the internal control measures of the Group as further analysed in the section below headed "3.2 Internal control" and (ii) the pricing policies are referenced to market price quoted, we therefore consider that the pricing policy under the 2024-2026 Natural Gas Framework Agreement is on normal commercial terms, fair and reasonable and in line with market practice.

**3.2 *Internal control***

The Group shall implement a series of internal control measures to monitor the pricing and other terms of the continuing connected transactions contemplated under the 2024-2026 Natural Gas Framework Agreement, details of which are included in the section headed “Internal Control and Pricing Policy” in the Letter from the Board.

In assessing whether the above internal control measures and pricing policy are put in place and effectively implemented, we have obtained and reviewed the internal policies and procedures governing the connected transactions of the Group (including the Group’s transactions with Ningbo Intercity).

As set out in the section headed “3.1 Pricing policy” above, from 1 April 2023, the government no longer would issue pricing notices on the gas purchase prices and therefore, the gas price at which Ningbo Intercity charges the Group for the supply of PNG should be determined by parties with reference to prevailing market prices. For the period from 1 April to 31 October 2023, the Group has entered into three master supply agreements. We have obtained and reviewed documentations regarding the internal contract approval process and the three master supply agreements and noted that the Group determined the purchase price with the subject supplier by comparing with the prices offered by at least two other suppliers in the then prevailing market. The purchase price determined between the Group and the supplier has been properly reviewed and approved by the purchasing department, finance department, and the Management (including the chairman of the Board).

We have also obtained and reviewed all the purchase transactions for natural gas products during the period from 1 April to 31 October 2023 and noted that the purchase price with Ningbo Intercity was determined with reference to the prevailing market price offered by two other suppliers.

Based on the above, we concur with the Company that the internal control measures above can allow the Company to effectively monitor the transaction amounts under the 2024-2026 Natural Gas Framework Agreement and to ensure that the transactions under the 2024-2026 Natural Gas Framework Agreement are on normal commercial terms.



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### 4. Historical transaction amounts, existing annual caps and New Annual Caps

The Board has considered and proposed the following New Annual Caps in respect of the continuing connected transactions which will serve as the maximum annual value of the relevant transactions above for the period from 1 January 2024 to 31 December 2026:

<i>(RMB million)</i>	For the year ended		For the		For the year ending 31 December			
	31 December		ten months					
	2020	2021	2022	2023	2023	2024	2025	2026
	(audited)	(audited)	(audited)	(unaudited)				
Historical amounts	368.9	1,104.7	483.3	625.2	-	-	-	-
Existing annual caps	-	-	1,800	-	1,400	1,062	-	-
New Annual Caps	-	-	-	-	-	1,550	1,600	1,700

In determining the New Annual Caps, the Directors took into account: (i) the historical transaction amounts as set out above; (ii) the expected growing demand for PNG and LNG by industrial, commercial and residential users in the Operating Area in the light of, among others, completion of the construction project of a comprehensive gas source station of the Group in Huzhou by the end of the year ending 31 December 2023; and (iii) the range of historical market prices of LNG and PNG and the anticipated market prices of LNG and PNG, including the reference prices in previous transactions with other independent PNG and LNG suppliers of the Group.

In assessing the fairness and reasonableness of the New Annual Caps, we have reviewed the historical transaction amounts for the year ended 31 December 2022 and for the ten months ended 31 October 2023 and noted that the utilisation rates are 26.9% and 44.7% (computed based on the actual amounts up to 31 October 2023) for the corresponding periods. The New Annual Cap for 2024 represents an increase of 40.3% to the highest historical transaction amount for the year ended 31 December 2021 and an increase of 46.0% to the existing annual cap for 2024. The New Annual Cap for 2025 and 2026 represent annual growth rates of 3.2% and 6.3%, respectively.

According to the 《關於印發2020年浙江省能源領域體制改革工作要點的通知》浙發改能源[2020]12號 (Notice on Issuing of the Summary of Structural Reforms in Energy Sector in 2020 [2020] No. 12\*) issued by the Zhejiang Provincial Development and Reform Commission (浙江省發展和改革委員會) and Zhejiang Energy Regulatory Office of National Energy Administration (浙江省能源局) on 20 January 2020, the Zhejiang government aims to discontinue the monopoly status of the provincial natural gas pipeline companies; separate the function of natural gas sale and transmission at provincial level; promote the fair and equal access to the infrastructure of natural gas, such as provincial pipeline network and LNG terminals, by all market entities; and reform and simplify the natural gas supply chain. On the back of such reforms, the Company (as business operator) had, since September 2020, switched away from sourcing natural gas with provincial natural gas companies which were once the Company's primary source of

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natural gas supply, and started procuring natural gas primarily from Ningbo Intercity under relevant master supply agreement(s).

As disclosed in the Letter from the Board, however in around April 2022, Ningbo Intercity experienced resource constraints due to the Russo-Ukrainian War and other international tensions, which resulted in an unexpected interim suspension in natural gas supply. In order to ensure a continuous and uninterrupted natural gas supply to fulfil its continuous contractual obligations with downstream customers, at the relevant time the Company implemented certain emergency measures and secured alternative sources of natural gas supply from two provincial natural gas companies through the entering into of long-term master supply agreements covering up to March 2028, which required the Company to commit to certain minimum annual procurement quantity. While Ningbo Intercity subsequently resolved its natural gas supply shortage and was able to resume its supply to the Company since 2023, due to the aforesaid minimum procurement commitment with the two provincial natural gas companies, the Company considered commercially advisable to prioritize its procurement of natural gas with the two provincial natural gas companies over Ningbo Intercity. As a result, the Company has since only procured natural gas from Ningbo Intercity intermittently.

On the other hand, as disclosed in the Letter from the Board, since April 2023, a subsidiary owned 51% by the Company, Huzhou Nanxun Xinao Gas Company Limited\* (湖州南潯新奧燃氣有限公司) (“**Nanxun Xinao**”), has started procuring natural gas from Ningbo Intercity. The transaction amounts with Ningbo Intercity for the ten months ended 31 October 2023 under the Existing Framework Agreement were in fact principally contributed from procurements made by Nanxun Xinao. That being the case, the Company also noted that historically the amount of natural gas procured from Ningbo Intercity was not particularly large in scale. As explained by the Company, up to present, unlike some other natural gas distributors in Nanxun who have their own gas source stations or upstream pipeline networks, Nanxun Xinao does not have its own gas source station and own upstream pipeline network and has to rely on national, provincial and other sub-high-pressure and medium-pressure pipeline networks owned and/or operated by third parties, which charge Nanxun Xinao transmission fees for utilising their networks. Such additional cost has put Nanxun Xinao in a less price-competitive position against other local competitors. For this reason, despite having a relatively comprehensive downstream natural gas pipeline network of its own covering the Nanxun area and nearby cities, Nanxun Xinao primarily served as a complementary, risk diversification natural gas supplier for its industrial, commercial, and residential users and wholesale customers in regional natural gas supply.

As a combined result of the minimum procurement commitment situation of the Company and the historically price-competitiveness issue of Nanxun Xinao, the utilisation rate of the existing annual cap for the ten months ended 31 October 2023 remained relatively low.

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In this connection, as disclosed in the Letter from the Board, based on the Group's natural gas procurement plan, while Ningbo Intercity will continue to assume the role as a complementary upstream natural gas supplier to the Company (as business operator) supplementing natural gas supply once the minimum procurement requirements with the two provincial natural gas companies are met, it shall serve as the principal upstream natural gas supplier to Nanxun Xinao. And with the coming commencement of operation of its comprehensive gas source station in early 2024 (as further elaborated below), the Company expects a considerable expansion in the scale of natural gas procurement by Nanxun Xinao going forward.

As noted in the announcement of the Company dated 9 June 2023, Nanxun Xinao entered into a procurement and construction contract for the construction project of a comprehensive gas source station in Nanxun, Huzhou. As disclosed in the Letter from the Board, the construction of the comprehensive gas source station is anticipated to be completed within 2023, and to commence operations in early 2024. With the construction of the comprehensive gas source station, Nanxun Xinao will have direct access to the national gas pipeline network and will no longer rely on third party networks for upstream gas transportation and bear additional pipeline transmission fees. Consequently, the unit sales price of natural gas offered by Nanxun Xinao will be significantly more competitive over other natural gas distributors in Nanxun, and the nearby cities in Jiangsu Province.

As disclosed in the Letter from the Board, Nanxun Xinao has already initiated discussions with its existing customers, and given the satisfactory services so far experienced by these customers, they have already indicated preliminary interest in purchasing natural gas from Nanxun Xinao and view the upcoming gas source station as their major supplier. Additionally, Nanxun Xinao has been actively procuring new customers within the area. Upon the completion of the gas source station, Nanxun Xinao will have the opportunity to convert itself from a complementary natural gas supplier of its existing customers into their main supplier, establishing stronger and more consistent business relationships with them, and at the same time expanding its customer base in the region. The Company considers that these anticipated market development efforts will bring a significant increase in the business volume of Nanxun Xinao, which in turn will require a considerable expansion in the scale of natural gas procurement by Nanxun Xinao in 2024 and beyond.

According to a report published by the International Energy Security Research Center of University of Chinese Academy of Social Sciences (Graduate School) and Social Sciences Academic Press (China) in October 2023, the "14th Five-Year Plan" for energy development in China emphasises the promotion of natural gas development. This plan focuses on various aspects, including production, supply, storage, and marketing systems, upstream production, natural gas utilisation, and the construction of receiving stations. During the "14th Five-Year Plan" period, which spans from 2021 to 2025, the demand for natural gas in China is expected to experience significant growth. Taking into account factors such as GDP, policies, upstream supply, downstream demand, and the international environment, it is forecasted that China's natural gas consumption will reach 445.4 billion m<sup>3</sup> by 2025, a CAGR of 6.2% during the "14th Five-Year Plan" period. Specifically, Zhejiang Province is expected to experience a CAGR of 15% in natural gas consumption during the "14th Five-Year Plan" period.

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On the potential growth in demand of natural gas in Nanxun, we have reviewed the historical data on GDP growth and the contribution of the industrial sector in Nanxun, of CAGRs of 6.1% and 6.0%, respectively, from 2020 to 2022 as published by the People's Government of Nanxun District (南潯區人民政府), along with the historical consumption volume with a CAGR of 7.5% for natural gas by industrial, commercial and residential users and wholesale customers of Nanxun Xinao from 2020 to 2022, which indicated a favourable environment for increased natural gas demand and a strong existing market for natural gas. Furthermore, as set out in feasibility study report of the Nanxun Xinao comprehensive gas source station project of the Group in Huzhou prepared by Zhejiang Urban Construction Gas Thermal Power Design Institute (浙江城建煤氣熱電設計院) and the analysis of external gas transmission situation and the gas volume growth analysis from 2024 to 2026 of Nanxun Xinao prepared by the Company, the comprehensive gas source station will enhance the availability of natural gas for industrial, commercial and residential users and wholesale customers within the Operating Area and in nearby cities in Jiangsu Province, which are expected to be significant contributors to the potential growth in natural gas demand. The Company considered the competitive pricing offered by Nanxun Xinao, which benefits from reduced costs of sales resulting from the absence of pipeline transmission fees after the completion of construction of the gas source station, as a positive factor driving its growth.

When estimating the market prices of natural gas for the year ending 31 December 2024, as disclosed in the Letter from the Board, the Company made reference to, among other things, (i) the historical market prices of natural gas in previous transactions with Ningbo Intercity and other independent natural gas suppliers of the Group between 2021 and 2022 and for the ten months ended 31 October 2023, including the seasonal price increase during winter times, (ii) the incident-driven surge in natural gas prices due to supply shock resulting from the outbreak of Russo-Ukrainian War, and (iii) the possibility of a repeat in supply shock and price surge in view of the recent geopolitical conflicts such as the Israel-Hamas war and other international tensions. Additionally, to account for general inflation impact, the Company estimated for a year-on-year increase of 2% in prices between 2023 and 2026, which is noted to be aligned with the inflation outlook for China in 2024 according to the Asian Development Outlook publication by The Asian Development Bank.

We have reviewed the unit prices charged by Ningbo Intercity and other independent natural gas suppliers of the Group between each of the years ended 31 December 2021 and 2022 and the period ended 31 October 2023 and noted that the forecasted price for the year ending 31 December 2024 falls within the range of those prices (for the purpose of this analysis we have excluded the prices charged by these suppliers during the period in 2022 where resource constraints caused by the Russo-Ukrainian War had resulted in an out-of-trend price surge).

Taking account into the volatility in historical natural gas prices, the projected inflation rate and the uncertainties in natural gas prices affected by market factors such as the domestic and international situation as well as the fact that future natural gas prices for the coming three years could not be accurately predicted by the Company, we consider the forecasted prices referenced by the Company to be acceptable.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered (i) the historical consumption volume of natural gas by industrial, commercial and residential users in Nanxun during the three years ended 31 December 2022 and the ten months ended 31 October 2023; (ii) the expected growing demand of natural gas by industrial, commercial and residential users in the Operating Area and the nearby cities in Jiangsu Province in the coming three years, particularly upon completion of the construction project of the comprehensive gas source station of the Group in Nanxun, Huzhou by end of 2023; and (iii) the anticipated market prices of natural gas, we concur with the Company that the New Annual Caps for the 2024-2026 Natural Gas Framework Agreement for the three years ending 31 December 2026 to be fair and reasonable.

### RECOMMENDATIONS

In consideration of the above, we are of the view that the entering into the 2024-2026 Natural Gas Framework Agreement is on normal commercial terms, in the ordinary and usual course of business of the Group, fair and reasonable, and is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders and advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the relevant resolutions for approving the 2024-2026 Natural Gas Framework Agreement.

Yours faithfully,  
For and on behalf of

**Central China International Capital Limited**

**Elain Wong**  
*General Manager*

**Monica Cheung**  
*Associate Director*

*Note:* Ms. Elain Wong is a responsible officer of Central China International Capital Limited registered with the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 22 years of experience in securities industry.

Ms. Monica Cheung is a licensed person of Central China International Capital Limited registered with the SFC to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 12 years of experience in securities industry.

\* *For identification purpose only*

**1. Responsibility Statement**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters and omission of which would make any statement herein or this circular misleading.

**2. Disclosure of Interests and Short Positions in Shares and Underlying Shares**

As at the Latest Practicable Date, so far as known to the Directors of the Company, none of the Directors, supervisors of the Company and chief executive of the Company had interests and short positions of in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules.

**3. Directors' Interest in Assets and Contracts**

None of the Directors or supervisors of the Company had any interest, direct or indirect, in any assets which have been since 31 December 2022, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group as at the Latest Practicable Date.

None of the Directors or supervisors of the Company was materially interested in any contract or arrangement subsisting as at the date thereof and which was significant in relation to the business of the Group as at the Latest Practicable Date.

**4. Service Agreements**

As at the Latest Practicable Date, none of the Directors or supervisors of the Company had a service contract with any member of the Group which was not determinable by the Company or the relevant members of the Group within one year without payment of compensation other than statutory compensation.

**5. Material Adverse Change**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Group were made up.

## 6. Competing Interest

As at the Latest Practicable Date, none of the Directors and his associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group which would otherwise be required to be disclosed under Rule 8.10 of the Listing Rules if any of such Directors or his associates was a controlling Shareholder.

## 7. Qualification and Consent of Expert

The following are the qualifications of the expert who has given opinion or, advice contained in this circular:

Name	Qualification
Central China International	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Central China International has given and has not withdrawn its written consent to the issue of this circular with the reference to its name and its letter in the form and context in which it appears.

As at the Latest Practicable Date, Central China International was not beneficially interested in any share capital of any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and did not have any direct or indirect interest in any assets which since 31 December 2022, being the date to which the latest published audited financial statements of the Group were made up, had been acquired or disposed of by or leased to, or was proposed to be acquired or disposed of by, or leased to any member of the Group.

## 8. Documents on Display

A copy of the 2024-2026 Natural Gas Framework Agreement will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.hzrqgf.com>) from the date of this circular up to and including the date of the EGM for at least 14 days.

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

Original Articles	Amended Articles
	The articles in the amended Articles of Association will be re-numbered accordingly due to the addition, deletion of articles and adjustments of the order of articles under this amendment. The amended Articles of Association will also be revised accordingly for any changes in the numbering of the articles with cross-reference made in the original Articles of Association.
Newly Added	<u><b>Article 1</b> In order to protect the legal rights and interests of the Company, its shareholders and creditors and to regulate the organization and activities of the Company, the Articles of Association are formulated in accordance with the Company Law, the Securities Law, the Administration Measures for the Overseas Listing, the Listing Rules, the Opinions, the Reply of Adjustment, the Guidelines on Articles of Association and other relevant provisions of laws, regulations and regulatory documents.</u>
<b>Article 1</b> Huzhou Gas Co., Ltd. (the “Company”) is a joint-stock limited company incorporated in the People’s Republic of China (the “PRC”) in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”) and the Special Provisions of the State Council on the Overseas Offering and Listing of Shares in Joint Stock Companies (the “Special Provisions”), as well as other relevant national laws and administrative regulations.  ...	<b>Article 2</b> Huzhou Gas Co., Ltd. (the “Company”, and together with its subsidiaries, the “Group”) is a joint-stock limited company incorporated in the People’s Republic of China (the “PRC”) in accordance with <del>the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”) and</del> the Administration Measures for the Overseas Listing <del>the Special Provisions of the State Council on the Overseas Offering and Listing of Shares in Joint Stock Companies (the “Special Provisions”), as well as</del> and other relevant national laws and administrative regulations.  ...



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

Original Articles	Amended Articles
Newly Added	<b>Article 3</b> <u>The Company issued 52,714,500 shares to foreign investors, subscribed in foreign currencies and listed overseas, which were listed on The Stock Exchange of Hong Kong Limited (the “HKEX”) on 13 July 2022.</u>
<p><b>Article 3</b> The domicile of the Company: No. 227, Sizhong Road, Huzhou, Zhejiang Province</p> <p>Postal Code: 313000 Telephone: 0572-2716801 Facsimile: 0572-2716855</p>	<p><b>Article 5</b> The domicile of the Company: No. 227, Sizhong Road, Huzhou, Zhejiang Province</p> <p>Postal Code: 313000 <del>Telephone: 0572-2716801</del> <del>Facsimile: 0572-2716855</del></p>
Newly Added	<b>Article 6</b> <u>The registered capital of the Company is RMB202,714,500.</u>
<p><b>Article 5</b> The Company is a joint stock limited company that has perpetual existence and has independent legal qualification.</p> <p>Shareholders are responsible for the Company to the limit of the shares they have subscribed for. The Company is responsible for its debts to the limit of all its assets.</p> <p>The nature of the Company is a foreign-invested joint stock limited company.</p>	<p><b>Article 7</b> The Company is a joint stock company with limited liabilities in perpetual existence <del>that has perpetual existence and has independent legal qualification.</del></p> <p><b>Article 9</b> <u>All of the assets of the Company are divided into shares of equal par value. The <del>shareholders</del>Shareholders are responsible for the Company to the limit of the shares they have subscribed for. The Company is responsible for its debts to the limit of all its assets.</u></p> <p><u>The nature of the Company is a <del>foreign-invested joint stock limited company</del> joint stock limited company (with Hong Kong, Macau, Taiwan investment and listing).</u></p>

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

Original Articles	Amended Articles
<p><b>Article 6</b> These Articles of Association shall take effect from the date of adoption by the general meeting of the Company and the listing of the Company's overseas listed foreign invested shares on The Stock Exchange of Hong Kong Limited (the "HKEX") to replace the Articles of Association previously filed with the market supervision and administration authorities, and the original Articles of Association shall automatically become invalid.</p> <p>From the date of the Articles of Association becoming effective, the Articles of Association shall constitute a legally binding document regulating the Company's organisation and activities, and the rights and obligations between the Company and its shareholders and between shareholders inter se. The Company shall abide by the provisions of the Company Law, the Securities Law, the Special Provisions and these Articles of Association.</p>	<p><del><b>Article 10</b> These Articles of Association shall take effect from the date of adoption by the general meeting of the Company and the listing of the Company's overseas listed foreign invested shares on The Stock Exchange of Hong Kong Limited (the "HKEX") to replace the Articles of Association previously filed with the market supervision and administration authorities, and the original Articles of Association shall automatically become invalid.</del></p> <p>From the date of the Articles of Association becoming effective, the Articles of Association shall constitute a legally binding document regulating the Company's organisation and activities, and the rights and obligations between the Company and its shareholders and between shareholders inter se, <u>and is binding upon the Company, shareholders, directors, supervisors and senior management. Shareholders may sue shareholders; shareholders may sue directors, supervisors, managers and other senior management of the Company; shareholders may sue the Company; and the Company may sue shareholders, directors, supervisors, managers and other senior management in accordance with the Articles of Association.</u> <del>The Company shall abide by the provisions of the Company Law, the Securities Law, the Special Provisions and these Articles of Association.</del></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 7</b> These Articles of Association shall be binding upon the Company, its shareholders, directors, supervisors and senior management, all of whom are entitled to claim their rights in relation to the Company’s affairs in accordance with these Articles of Association.</p> <p>Shareholders may sue the company according to these Articles of Association; the Company may sue the shareholders according to these Articles of Association; the shareholders may sue the shareholders according to these Articles of Association; the shareholders can sue the directors, supervisors and senior management of the Company according to these Articles of Association.</p> <p>The term “sue” in the preceding article shall refer to and include commencing court proceedings and applying for arbitration proceedings.</p> <p>The term “senior management” in these Articles of Association shall refer to the general manager and other senior management; and “other senior management” shall refer to the secretary of the Board of Directors, the deputy general manager and the financial controller of the Company.</p>	<p><del><b>Article 11</b> These Articles of Association shall be binding upon the Company, its shareholders, directors, supervisors and senior management, all of whom are entitled to claim their rights in relation to the Company’s affairs in accordance with these Articles of Association.</del></p> <p><del>Shareholders may sue the company according to these Articles of Association; the Company may sue the shareholders according to these Articles of Association; the shareholders may sue the shareholders according to these Articles of Association; the shareholders can sue the directors, supervisors and senior management of the Company according to these Articles of Association.</del></p> <p><del>The term “sue” in the preceding article shall refer to and include commencing court proceedings and applying for arbitration proceedings.</del></p> <p>The term “senior management” in these Articles of Association shall refer to the general manager and other senior management; and “other senior management” shall refer to the secretary of the Board of Directors, the deputy general manager and the financial controller of the Company.</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 8</b> The Company may invest in other limited liability companies or joint stock companies and shall be liable for the company in which it has invested to the extent of that capital contribution; however, unless otherwise provided by law, the Company shall not be jointly and severally liable to such enterprise(s) for their liabilities as their investor.</p>	<p><b>Article 12</b> <u>The Company shall set up its Communist Party of China (hereinafter referred to as “CPC”) organization and carry out CPC activities in accordance with the requirements of the Constitution of the CPC. The Company shall provide the CPC organization with necessary conditions for its activities.</u><del>The Company may invest in other limited liability companies or joint stock companies and shall be liable for the company in which it has invested to the extent of that capital contribution; however, unless otherwise provided by law, the Company shall not be jointly and severally liable to such enterprise(s) for their liabilities as their investor.</del></p>
<p><b>Article 11</b> The Company may adjust the scope of its operations or the direction or method of its investments in accordance with changes in the domestic and international markets, the needs of its domestic business and its own development capabilities, subject to a resolution of its general meeting and report and approval to relevant competent authorities for approval.</p>	<p>Deleted</p>

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Original Articles	Amended Articles
<b>Chapter 3 Party Building</b>	<b>Chapter 3 Party Building</b>
<p><b>Article 12</b> The Company shall establish a general party branch in accordance with the provisions of the Constitution of the Communist Party of China. The major work of the Company’s general party branch shall be navigating the direction, managing the overall situation and ensuring implementation, so as to achieve the unity of the Party’s political leadership, ideological leadership and organisational leadership of the enterprise.</p>	<p><b>Article 15</b> The Company shall establish a <del>general-party branch-committee</del> in accordance with the provisions of the Constitution of the Communist Party of China. The major work of the Company’s <del>general-party branch-committee</del> shall be navigating the direction, managing the overall situation and ensuring implementation, so as to achieve the unity of the Party’s political leadership, ideological leadership and organisational leadership of the enterprise.</p>
<p><b>Article 14</b> Adhere to and implement the synchronous planning of Party building and reform of state-owned enterprise, the synchronous setting up of party organisations and working organisations, the synchronous provision of Party organisation leaders and Party affairs staff, and the synchronous implementation of Party building works, so as to achieve institutional integration, mechanism integration, system integration and integration of work. A special Party affairs working organisation shall be established (co-located with the personnel management department), which shall be equipped with full-time party affairs staff to earnestly implement funds for party building work and party member activities, so as to construct a standardised and established party building service front. The general party branch of the Company shall study party building work for not less than twice a year.</p>	<p><b>Article 17</b> Adhere to and implement the synchronous planning of Party building and reform of state-owned enterprise, the synchronous setting up of party organisations and working organisations, the synchronous provision of Party organisation leaders and Party affairs staff, and the synchronous implementation of Party building works, so as to achieve institutional integration, mechanism integration, system integration and integration of work. A special Party affairs working organisation shall be established (co-located with the personnel management department), which shall be equipped with full-time party affairs staff to earnestly implement funds for party building work and party member activities, so as to construct a standardised and established party building service front. The <del>general-party branch-committee</del> of the Company shall study party building work for not less than twice a year.</p>

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<p><b>Article 15</b> Adhere to and keep enhancing the leadership system of “Dual Entry and Cross Appointment”. The secretary of the general Party branch and the chairman of the Board of Directors of the Company shall generally be served by one person. Qualified members of the general Party branch may join the Board of Directors, board of supervisors and the team of managers through statutory procedures. The qualified Party members among the Board of Directors, board of supervisors and the team of managers may enter the leadership team of the general Party branch in accordance with the relevant regulations and procedures; the members of the team of managers and the members of the general Party branch may be moderately cross-appointed.</p>	<p><b>Article 18</b> Adhere to and keep enhancing the leadership system of “Dual Entry and Cross Appointment”. The secretary of the <del>general Party branch</del> <u>party committee</u> and the chairman of the Board of Directors of the Company shall generally be served by one person. Qualified members of the <del>general Party branch</del> <u>party committee</u> may join the Board of Directors, board of supervisors and the team of managers through statutory procedures. The qualified Party members among the Board of Directors, board of supervisors and the team of managers may enter the leadership team of the <del>general Party branch</del> <u>party committee</u> in accordance with the relevant regulations and procedures; the members of the team of managers and the members of the <del>general Party branch</del> <u>party committee</u> may be moderately cross-appointed.</p>
<p><b>Article 16</b> Improve and establish the mechanism for the participation of enterprise party organisation in the decision-making of major matters. Establish the rules of procedure of the enterprise general party branch of, standardise the decision-making on “three important and one major” matters, major business management matters must be studied and discussed by the general party branch committee.</p>	<p><b>Article 19</b> Improve and establish the mechanism for the participation of enterprise party organisation in the decision-making of major matters. Establish the rules of procedure of the enterprise <del>general party branch</del> <u>committee</u> of, standardise the decision-making on “three important and one major” matters, major business management matters must be studied and discussed by the <del>general party branch</del> <u>committee</u>.</p>

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<p><b>Article 17</b> Establish and improve the system of responsibility for party building works, the secretary of the general party branch of the company shall perform the first responsibility for party building work; discipline inspection team leader shall perform supervision responsibilities, strengthen supervision and discipline accountability; other members of the general party branch shall perform “one post, two responsibilities”, combined with the business division of work to do well in the party building work. Strengthen the leadership of the enterprise’s party organisation in the work of the masses, play a better role of trade unions, the Communist Youth League and other group organisations, so as to do a good job in the ideological and political work of the masses of workers.</p>	<p><b>Article 20</b> Establish and improve the system of responsibility for party building works, the secretary of the <del>general party branch</del> <u>committee</u> of the company shall perform the first responsibility for party building work; <del>the secretary of discipline inspection team leader</del> <u>committee</u> shall perform supervision responsibilities, strengthen supervision and discipline accountability; other members of the <del>general party branch</del> <u>committee</u> shall perform “one post, two responsibilities”, combined with the business division of work to do well in the party building work. Strengthen the leadership of the enterprise’s party organisation in the work of the masses, play a better role of trade unions, the Communist Youth League and other group organisations, so as to do a good job in the ideological and political work of the masses of workers.</p>
<p><b>Chapter 4 Shares and Registered Capital</b></p>	<p><del><b>Chapter 4 Shares and Registered Capital</b></del></p>
<p>Newly Added</p>	<p><b><u>Section 1 Issuance of Shares</u></b></p>
<p><b>Article 18</b> The Company shall have ordinary shares at all times. Subject to approval of the approval authorities authorised by the State Council, the Company may have other classes of shares according to it needs.</p>	<p><b>Article 21</b> <u>The shares of the Company shall take the form of stock certificates.</u> <del>The Company shall have ordinary shares at all times. Subject to approval of the approval authorities authorised by the State Council, the Company may have other classes of shares according to it needs.</del></p>

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Original Articles	Amended Articles
Newly Added	<b>Article 22</b> <u>The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights.</u>
<p><b>Article 19</b> All the shares issued by the Company shall have a nominal value of RMB1 for each share.</p> <p>The RMB referred to in the preceding paragraph refers to the legal tender of PRC.</p>	<p><b>Article 23</b> All the shares issued by the Company shall have a nominal value of RMB1 for each share.</p> <p><del>The RMB referred to in the preceding paragraph refers to the legal tender of PRC.</del></p>
<p><b>Article 20</b> Subject to the approval of the securities regulatory authority of the State Council, the Company may issue shares to domestic and foreign investors.</p> <p>The foreign investors referred to in the preceding paragraph shall refer to investors from foreign countries or Hong Kong, Macau and Taiwan who subscribe for the shares issued by the Company; domestic investors refer to investors in the PRC other than the aforementioned regions who subscribe for the shares issued by the Company.</p>	<p><b>Article 24</b> <u>The shares issued and listed by the Company on the HKEX can be centrally deposited with the Computershare Hong Kong Investor Services Limited or held by shareholders in their personal names.</u></p> <p><u>The Company's non-overseas listed shares are centrally registered and deposited with China Securities Depository and Clearing Corporation Limited.</u></p> <p><del>Subject to the approval of the securities regulatory authority of the State Council, the Company may issue shares to domestic and foreign investors.</del></p> <p><del>The foreign investors referred to in the preceding paragraph shall refer to investors from foreign countries or Hong Kong, Macau and Taiwan who subscribe for the shares issued by the Company; domestic investors refer to investors in the PRC other than the aforementioned regions who subscribe for the shares issued by the Company.</del></p>



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<p><b>Article 21</b> Shares issued by the Company to domestic investors and subscribed for in RMB are referred to as domestic shares. Shares issued by the Company to foreign investors and subscribed for in foreign currency are referred to as foreign shares. Foreign shares which are listed outside of the PRC are referred to as overseas listed foreign invested shares.</p> <p>The term “foreign currency” referred to in the preceding paragraph is a legal currency (other than Renminbi) of other countries or regions which is recognised by the competent foreign exchange administration authority of the PRC and can be used for subscription payment for the Company’s shares.</p> <p>Shareholders of domestic shares and shareholders of overseas listed foreign invested shares are both ordinary shareholders and shall have the same rights and bear the same obligations.</p>	<p>Deleted</p>
<p><b>Article 22</b> The foreign invested shares issued by the Company and listed in Hong Kong are referred to as H Shares. H Shares refer to shares listed with the approval of the China Securities Regulatory Commission (“CSRC”) and the HKEX, denominated in RMB and subscribed and traded in Hong Kong dollars.</p>	<p><b>Article 24</b> <del>The foreign invested shares issued by the Company and listed in Hong Kong are referred to as H Shares. H Shares refer to shares listed with the approval of the China Securities Regulatory Commission (“CSRC”) and the HKEX, denominated in RMB and subscribed and traded in Hong Kong dollars.</del></p>

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<p><b>Article 23</b> Subject to the approval of the company approval authority authorised by the State Council, 150 million ordinary shares were issued to the promoters upon the establishment of the Company, all of which were subscribed and held by the promoters, and the shareholdings of the promoters upon the establishment of the Company were as follows: Huzhou City Investment &amp; Development Group Co., Ltd. holds 89,457,540 shares, with a shareholding of 59.6384%, while Xinao (China) Gas Investment Company Limited holds 60,542,460 shares, with a shareholding of 40.3616%.</p> <p>Subject to the approval of the competent securities supervision authority of the State Council, the Company may issue up to 50 million H Shares, and if the over-allotment option is exercised in full, the Company may issue up to 57.5 million H Shares.</p> <p>Upon completion of the above issue, if the over-allotment option is exercised in full, the share capital structure of the Company will be:</p> <p>The total number of ordinary shares issued by the Company is 202,714,500 shares. Of which, domestic shareholders hold 150,000,000 shares, representing a shareholding of approximately 74%; and shareholders of overseas listed foreign invested shares hold 52,714,500 shares, representing a shareholding of approximately 26%.</p>	<p><b>Article 25</b> Subject to the approval of the company approval authority authorised by the State Council, 150 million ordinary shares were issued to the promoters upon the establishment of the Company, all of which were subscribed and held by the promoters, and the shareholdings of the promoters upon the establishment of the Company were as follows: Huzhou City Investment &amp; Development Group Co., Ltd. holds 89,457,540 shares, with a shareholding of 59.6384%, while Xinao (China) Gas Investment Company Limited holds 60,542,460 shares, with a shareholding of 40.3616%.</p> <p><del>Subject to the approval of the competent securities supervision authority of the State Council, the Company may issue up to 50 million H Shares, and if the over-allotment option is exercised in full, the Company may issue up to 57.5 million H Shares.</del></p> <p><del>Upon completion of the above issue, if the over-allotment option is exercised in full, the share capital structure of the Company will be:</del></p> <p><del>The total number of ordinary shares issued by the Company is 202,714,500 shares. Of which, domestic shareholders hold 150,000,000 shares, representing a shareholding of approximately 74%; and shareholders of overseas listed foreign invested shares hold 52,714,500 shares, representing a shareholding of approximately 26%.</del></p>

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<p><b>Article 24</b> After the plans for issuing overseas listed foreign invested shares and domestic shares have been approved by the securities regulatory authority of the State Council, the Board may implement such plans by making arrangement for separate issuances.</p> <p>The Company may implement its plan of issuing overseas listed foreign invested shares and domestic invested shares pursuant to the preceding paragraph within 15 months from the date of approval by the China Securities Regulatory Commission.</p>	Deleted
Newly Added	<p><b>Article 26</b> <u>The total number of ordinary shares issued by the Company is 202,714,500 shares. Of which, domestic shareholders hold 150,000,000 shares, representing a shareholding of approximately 74%; and overseas shareholders hold 52,714,500 shares, representing a shareholding of approximately 26%.</u></p>
<p><b>Article 25</b> Where the Company issues overseas listed foreign invested shares and domestic shares respectively within the total number of shares as stated in the issuance proposal, the respective shares shall be subscribed for in full at one time. If the requirement of subscription in full at one time cannot be met under special circumstances, such issue may be in several tranches subject to the approval by the securities regulatory authority under the State Council.</p>	Deleted
<p><b>Article 26</b> The registered capital of the Company upon its incorporation is RMB150 million. Upon partial exercise of the over-allotment option, the registered capital of the Company is RMB202,714,500.</p>	Deleted

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Newly Added	<u><b>Article 27</b> The Company or its subsidiaries (including associated entities of the Company) shall not, by way of a gift, advance, guarantee, compensation, loans or otherwise, provide any assistance to a person who purchases or intends to purchase its own shares.</u>
Newly Added	<u><b>Section 2 Increase, Decrease and Buyback of Shares</b></u>
<p><b>Article 27</b> The Company may, based on its business and development needs, approve the increase of its capital pursuant to the provisions under these Articles of Association.</p> <p>The Company may increase its capital in the following manners:</p> <p>(1) issuing new shares to unspecified investors;</p> <p>(2) placing new shares with existing Shareholders;</p> <p>(3) giving new shares to existing Shareholders;</p> <p>(4) issuing new shares to specified investors;</p> <p>(5) converting the reserve funds into share capital;</p> <p>(6) other methods as permitted by laws and administrative regulations.</p> <p>The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated in the relevant laws and administrative regulations of the PRC.</p>	<p><del><b>Article 28</b> The Company may, based</del><u><b>Article 28</b> Based</u> on its business and development needs, <u>in accordance with the laws and regulations, and subject to the resolution at the shareholder's general meeting, approve the increase of its capital pursuant to the provisions under these Articles of Association in the following manners:</u></p> <p>(I) <u>a public offering of shares</u><del>issuing new shares to unspecified investors;</del></p> <p>(II) <u>a private placement of shares</u><del>placing new shares with existing Shareholders;</del></p> <p>(III) <del>giving new shares</del> <u>bonus issue</u> to existing Shareholders;</p> <p>(IV) <del>issuing new shares to specified investors;</del></p> <p>(5) converting the reserve funds into share capital;</p> <p>(6V) other methods as <del>permitted</del><u>approved</u> by laws <del>and</del>, <u>administrative regulations and China Securities Regulatory Commission.</u></p> <p>The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated in the relevant laws and administrative regulations of the PRC.</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 28</b> Unless otherwise specified by laws or administrative regulations, shares of the Company that are fully paid up may be freely transferable and free from liens. The transfer of the Company's overseas listed foreign invested shares listed in Hong Kong shall be registered with the local share registrar in Hong Kong appointed by the Company.</p>	Deleted
<p><b>Chapter 5 Capital Reduction and Repurchase of Shares</b></p>	Deleted
<p><b>Article 29</b> The Company may reduce its registered capital in accordance with the provisions under these Articles of Association. Where the Company reduces its registered capital, such reduction shall be made in accordance with the requirements of the Company Law and other related regulations and the procedures stipulated in these Articles of Association.</p>	<p><b>Article 29</b> The Company may reduce its registered capital <del>in accordance with the provisions under these Articles of Association.</del> Where the Company reduces its registered capital, such reduction shall be made in accordance with the requirements of the Company Law and other related regulations and the procedures stipulated in these Articles of Association.</p>
<p><b>Article 30</b> When the Company carries out capital reduction, a balance sheet and an inventory list must be prepared.</p> <p>The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers for at least three times within 30 days, from the date of passing the resolution for reduction of capital by the Company. A creditor may, within 30 days after receipt of the notice or, in the case of failure to receive such notice, within 45 days from the date of announcement, require the Company to repay its debts or to provide corresponding guarantee.</p> <p>The reduced registered capital of the Company may not be less than the statutory minimum amount.</p>	<p><b>Article 30</b> When the Company carries out capital reduction, a balance sheet and an inventory list must be prepared.</p> <p>The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers <del>for at least three times</del> within 30 days, from the date of passing the resolution for reduction of capital by the Company. A creditor may, within 30 days after receipt of the notice or, in the case of failure to receive such notice, within 45 days from the date of announcement, require the Company to repay its debts or to provide corresponding guarantee.</p> <p><del>The reduced registered capital of the Company may not be less than the statutory minimum amount.</del></p>

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<p><b>Article 31</b> The Company may, in the following circumstances and subject to approval of relevant competent national authorities, repurchase its own issued and outstanding shares according to the procedures prescribed by laws, administrative regulations, The Rules Governing the Listing of Securities on the Main Board of the HKEX (hereinafter referred to as the “Listing Rules”) and these Articles of Association:</p> <p>...</p>	<p><b>Article 31</b> <u>The Company shall not buy back its shares.</u> The Company may, in the following circumstances and subject to approval of relevant competent national authorities, repurchase its own issued and outstanding shares according to the procedures prescribed by laws, administrative regulations, The Rules Governing the Listing of Securities on the Main Board of the HKEX (hereinafter referred to as the “Listing Rules”) and these Articles of Association:</p> <p>...</p>
<p><b>Article 32</b> The Company may repurchase its own shares in any of the following ways after being approved by relevant competent authorities of the PRC:</p> <p>(I) making a repurchase offer to all shareholders on a pro rata basis;</p> <p>(II) repurchasing by means of public dealing on a stock exchange;</p> <p>(III) repurchasing by agreement outside any stock exchange;</p> <p>Where the Company repurchases its own shares for the reasons set out in Article 31(3), (5) or (6) of these Articles of Association, the repurchase shall be made by means of a public centralised transaction.</p>	<p><b>Article 32</b> <u>The Company may acquire its own shares through open centralized trading or other methods recognized by laws, administrative regulations and the China Securities Regulatory Commission.</u></p> <p><del>The Company may repurchase its own shares in any of the following ways after being approved by relevant competent authorities of the PRC:</del></p> <p><del>(I) making a repurchase offer to all shareholders on a pro rata basis;</del></p> <p><del>(II) repurchasing by means of public dealing on a stock exchange;</del></p> <p><del>(III) repurchasing by agreement outside any stock exchange;</del></p> <p>Where the Company repurchases its own shares for the reasons set out in <u>item (3), (5) or (6) of the first paragraph of Article 31(3), (5) or (6)</u> of these Articles of Association, the repurchase shall be made by means of a public centralised transaction.</p>

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<p><b>Article 33</b> Where the Company repurchases its own shares for the reasons set out in Article 31(1) or (2) of these Articles of Association, the repurchase shall be made subject to a resolution of the general meeting.</p> <p><b>Article 34</b> After the Company has repurchased its own shares pursuant to the provisions under Article 31, in the event of item (1), the repurchased shares shall be cancelled within 10 days from the date of repurchase; in the event of items (2) and (4), the repurchased shares shall be transferred or cancelled within 6 months; in the event of items (3), (5) and (6), the total number of its own shares held by the Company shall not exceed 10% of the total number of issued shares of the Company and the repurchased shares shall be transferred or cancelled within 3 years.</p> <p>After the Company has bought back its shares in accordance with the law, it shall apply to the original company registration authority for registration of the change of registered capital.</p> <p>The aggregate par value of the cancelled shares shall be written off against the registered capital of the Company.</p>	<p><b>Article 33</b> Where the Company repurchases its own shares for the reasons set out in <u>item (1) or (2) of the first paragraph of Article 31</u> <del>(1) or (2)</del> of these Articles of Association, the repurchase shall be made subject to a resolution of the general meeting. <u>Where the Company repurchases its shares in the circumstances set out in item (3), (5) or (6) of the first paragraph of Article 31 of these Articles of Association, it may be resolved by more than two-thirds of directors present at the board meeting in accordance with the provisions of the Articles and Association or the authorization of the shareholders' general meeting.</u></p> <p><del><b>Article 34</b></del> After the Company has repurchased its own shares <u>in accordance with the law</u> in the event of <u>item (1) of the first paragraph of Article 31 of these Articles of Association</u>, the repurchased shares shall be cancelled within 10 days from the date of repurchase; in the event of <u>items (2) and (4) of the first paragraph of Article 31 of these Articles of Association</u>, the repurchased shares shall be transferred or cancelled within 6 months; in the event of <u>items (3), (5) and (6) of the first paragraph of Article 31 of these Articles of Association</u>, the total number of its own shares held by the Company shall not exceed 10% of the total number of issued shares of the Company and the repurchased shares shall be transferred or cancelled within 3 years.</p> <p>After the Company has bought back its shares in accordance with the law, it shall apply to the original company registration authority for registration of the change of registered capital.</p> <p>The aggregate par value of the cancelled shares shall be written off against the registered capital of the Company.</p>

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Newly Added	<u>Section 3 Transfer of Shares</u>
Newly Added	<u>Article 34 The shares of the Company shall be legally transferrable.</u>
<p><b>Article 36</b> Unless the Company has entered into the liquidation stage, the Company shall comply with the following provisions whenever it repurchases issued and outstanding shares:</p> <p>(I) If the Company repurchases shares at par value, the amount required should be deducted from the book balance of its distributable profit and the proceeds from new shares issued for the repurchase of old shares;</p> <p>(II) Where the Company repurchases shares at a premium above par value, the portion equal to par value shall be deducted from the book balance of the Company's distributable profits, the proceeds of new shares issued for the purpose of repurchasing old shares; the portion above par value shall be dealt with in line with the following methods:</p> <p>(1) If the repurchased shares are issued at par value, it shall be deducted from the book balance of the Company's distributable profits;</p> <p>(2) If the shares repurchased were issued at a premium above par value, the amount should be deducted from the book balance of its distributable profit and the proceeds from new shares issued for the repurchase of old shares; however the amount to be deducted from the proceeds of new shares issued shall not exceed the total premium amount received at the time when the old shares were issued, nor shall it exceed the balance in the premium account (or capital reserve account) of the Company at the time of repurchase (including the premium amount resulting from the issuance of new shares);</p>	Deleted



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<p>(III) The amount paid by the Company for the following purposes shall be deducted from the Company's distributable profit:</p> <p>(1) for acquiring the right of repurchase to buy back its own shares;</p> <p>(2) for varying the contract for buying back its own shares;</p> <p>(3) for discharging its obligations under the repurchase contract.</p> <p>(IV) After the aggregate par value of the cancelled shares is deducted from the Company's registered capital in accordance with the relevant provisions, the amount deducted from the distributable profit used for the repurchase of shares at par value shall be credited to the Company's premium account (or the capital reserve account).</p>	
<p>Newly Added</p>	<p><b>Article 36</b> <u>The shares of the Company held by the promoters shall not be transferred within one year from the date of the incorporation of the Company. Shares already issued by the Company before the public offering shall not be transferred within one year from the date of the shares of the Company are listed on a stock exchange.</u></p> <p><u>The directors, supervisors and senior management of the Company shall report to the Company the shares (including preferred shares) of the Company that they hold and the changes in their shareholdings and shall not transfer more than 25% of the total number of shares of the Company of the same class held by them per annum during their terms of office; the shares they hold in the Company shall not be transferred within one year from the date that the shares of the Company are listed. The aforesaid persons shall not transfer their shares in the Company within half a year after they terminate service with the Company.</u></p>

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Original Articles	Amended Articles
Newly Added	<p><u>Article 37</u> If the Company’s shareholders holding 5% or above shares, directors, supervisors, senior management sell shares or other securities with an equity nature within six months after buying the same or buy shares or securities within six months after selling the same, the earnings arising there from shall belong to the Company and the Board of Directors of the Company shall recover such earnings. However, the restriction shall not be applicable to any sale of shares by a securities company holding 5% or above shares as a result of its purchase and underwriting of the untaken shares after offering and other circumstances stipulated by the China Securities Regulatory Commission.</p> <p>The shares or other securities with an equity nature held by directors, supervisors, senior management and natural person shareholders referred to in the preceding paragraph include the shares or other securities with an equity nature held by their spouses, parents, children, and any of the above which is held by using others’ accounts.</p> <p>If the Board of Directors of the Company does not comply with the provision of the first paragraph of this Article, the shareholders can request the Board of Directors to do so within 30 days. If the Board of Directors of the Company does not enforce such right within the aforesaid period, the shareholders are entitled to commence litigations in the people’s court in their own names for the interests of the Company.</p> <p>If the Board of Directors of the Company does not enforce the provision of the first paragraph of this Article, the responsible directors shall assume joint and severally liable in accordance with the laws.</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<b>Chapter 6 Financial Assistance for Purchase of the Company's Shares</b>	Deleted
<p><b>Article 37</b> The Company and its subsidiaries shall not by any means at any time provide any kind of financial assistance to a person who acquires or proposes to acquire shares of the Company. The said acquirer of shares of the Company includes a person who directly or indirectly assumes any obligations due to the acquisition of shares of the Company.</p> <p>The Company or its subsidiaries shall not provide financial assistance in any form at any time to the aforesaid obligor in order to mitigate or discharge the obligations of such obligor.</p> <p>This provision does not apply to the circumstances stated in Article 39 in these Articles of Association.</p> <p>The term "subsidiary" as used in these Articles of Association refers to a company directly or indirectly controlled by the Company.</p>	Deleted

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Original Articles	Amended Articles
<p><b>Article 38</b> The financial assistance referred to in this Chapter includes but not limited to the following means:</p> <p>(I) gifts;</p> <p>(II) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), compensation (other than compensation given for acts where the Company is at fault) or the release or waiver of any rights;</p> <p>(III) the provision of loans or entering into contracts under which the obligations of the Company are to be fulfilled before those of other parties, and the change in the parties to such loans or contracts and the transfer of rights in such loans or contracts;</p> <p>(IV) the provision of any other form of financial assistance in circumstances where the Company is insolvent, has no net assets or the net assets of the Company will be reduced significantly as a result.</p> <p>The assumption of obligations mentioned in these Articles of Association shall include the obligations undertaken by an obligor due to the signing of contract or making of an arrangement (regardless of whether such contract or arrangement may be enforceable, and regardless of whether such obligations are assumed by the obligor individually or jointly with any other persons) or due to a change in his financial position by any other means.</p>	<p>Deleted</p>

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<p><b>Article 39</b> The following activities shall not be deemed to be activities as prohibited under Article 37 in these Articles of Association:</p> <p>(I) the financial assistance by the Company is given in good faith and in the interest of the Company, and the principal purpose of the financial assistance is not for the acquisition of shares of the Company, or the financial assistance is an incidental part of a master plan of the Company;</p> <p>(II) the lawful distribution of the Company’s assets by way of dividend;</p> <p>(III) the allotment of bonus shares as dividends;</p> <p>(IV) the reduction of registered capital, repurchase of shares, adjustment of shareholding structure or other acts in accordance with these Articles of Association;</p> <p>(V) the provision of a loan by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are reduced, the financial assistance is paid out of the distributable profits of the Company);</p> <p>(VI) the provision of funds by the Company for employee stock ownership plans (but should not lead to a reduction in the net assets of the Company, or even though a reduction is resulted, such financial assistance is financed by the distributable profit of the Company).</p>	<p>Deleted</p>

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Original Articles	Amended Articles
<b>Chapter 7 Share Certificates and Register of Members</b>	<del>Chapter 7</del> <b>Chapter 5 Share Certificates and Register of Members</b> <del>Shareholders' General Meetings</del>
Newly Added	<b><u>Section 1 Shareholders</u></b>
<p><b>Article 40</b> Share certificates of the Company shall be in registered form.</p> <p>The share certificate of the Company shall contain the following principal particulars:</p> <p>(I) name of the Company;</p> <p>(II) the date of incorporation of the Company;</p> <p>(III) the type of share certificate, the par value and the number of shares it represented;</p> <p>(IV) the serial number of the share certificate;</p> <p>(V) such other matters as may be required to be stated therein by the Company Law, the Special Provisions and the stock exchange on which the shares of the Company are listed.</p> <p>In addition to the particulars specified under the Company Law, the share certificates of the Company shall also include other particulars required to be stated therein by the stock exchange of the place where the shares of the Company are listed.</p>	<p><b>Article 38</b> <u>The Company shall maintain a register of shareholders with the evidences provided by the securities registration institution, and the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company. A shareholder shall enjoy rights and assume obligations according to the class of shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations.</u></p> <p><u>If at any time the share capital of the Company is divided into different classes of Shares, the Company intends to vary or abrogate rights of class shareholders, it may do so only after such variation or abrogation has been approved by way of a special resolution of the separate shareholders' general meeting convened by the affected class shareholders. The procedures of the meeting of class shareholders shall follow as much as possible the procedures of a shareholders' general meeting and the provisions in these Articles of Association of Association relating to the procedures of a shareholders' general meeting shall apply to the meeting of class shareholders.</u><del>Share certificates of the Company shall be in registered form.</del></p>

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<p>At all times during the period when H Shares are listed on the HKEX, the company must ensure that all documents of title of all its securities listed on the HKEX (including H Share certificates) shall contain the following statements:</p> <p>(I) the share purchasers and the Company and each of the shareholders, and the Company and each of the shareholders, shall agree to observe and comply with the requirements of the Company Law, “the Special Regulations”, the provisions of these Articles of Association and other relevant laws and administrative regulations;</p> <p>(II) the purchaser of shares agrees with the Company, each of the shareholders, directors, supervisors, general manager and other senior management of the Company, and the Company (acting both for itself and on behalf of each of the directors, supervisors, general manager and other senior management) agrees with each shareholder to refer all differences and claims arising from these Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with these Articles of Association, and any referral to an arbitration tribunal shall be deemed to authorise the tribunal to conduct an open hearing and to publish its findings. The findings of the arbitration tribunal shall be final and conclusive;</p>	<p>The share certificate of the Company shall contain the following principal particulars:</p> <p>(I) name of the Company;</p> <p>(II) the date of incorporation of the Company;</p> <p>(III) the type of share certificate, the par value and the number of shares it represented;</p> <p>(IV) the serial number of the share certificate;</p> <p>(V) such other matters as may be required to be stated therein by the Company Law, <del>the Special Provisions</del> and the stock exchange on which the shares of the Company are listed.</p> <p><del>In addition to the particulars specified under the Company Law, the share certificates of the Company shall also include other particulars required to be stated therein by the stock exchange of the place where the shares of the Company are listed.</del></p>

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<p>(III) the purchaser of shares agrees with the Company and each shareholder of the Company that shares in the Company are freely transferable by the holder of such shares;</p> <p>(IV) the share purchasers authorise the Company to enter into contracts with each of the directors, general managers and other senior management on his/her behalf. Such directors, general managers and other senior management shall undertake to observe and fulfill their responsibilities to the shareholders under the Articles of Association.</p> <p>The Company shall instruct and cause its share registrar to refuse to register a subscription for, purchase of or transfer of its shares in the name of any individual holder unless and until such individual holder shall have lodged with the said share registrar a duly signed form in respect of such shares and such form shall include the statement referred to above.</p>	<p><del>At all times during the period when H Shares are listed on the HKEX, the company must ensure that all documents of title of all its securities listed on the HKEX (including H Share certificates) shall contain the following statements:</del></p> <p><del>(I) the share purchasers and the Company and each of the shareholders, and the Company and each of the shareholders, shall agree to observe and comply with the requirements of the Company Law, “the Special Regulations”, the provisions of these Articles of Association and other relevant laws and administrative regulations;</del></p> <p><del>(II) the purchaser of shares agrees with the Company, each of the shareholders, directors, supervisors, general manager and other senior management of the Company, and the Company (acting both for itself and on behalf of each of the directors, supervisors, general manager and other senior management) agrees with each shareholder to refer all differences and claims arising from these Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with these Articles of Association, and any referral to an arbitration tribunal shall be deemed to authorise the tribunal to conduct an open hearing and to publish its findings. The findings of the arbitration tribunal shall be final and conclusive;</del></p>



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	<p><del>(III) the purchaser of shares agrees with the Company and each shareholder of the Company that shares in the Company are freely transferable by the holder of such shares;</del></p> <p><del>(IV) the share purchasers authorise the Company to enter into contracts with each of the directors, general managers and other senior management on his/her behalf. Such directors, general managers and other senior management shall undertake to observe and fulfill their responsibilities to the shareholders under the Articles of Association.</del></p> <p><del>The Company shall instruct and cause its share registrar to refuse to register a subscription for, purchase of or transfer of its shares in the name of any individual holder unless and until such individual holder shall have lodged with the said share registrar a duly signed form in respect of such shares and such form shall include the statement referred to above.</del></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 42</b> The share certificates shall be signed by the Chairman of the Board of Directors. Where the stock exchange on which the shares of the Company are listed requires the share certificates to be signed by other senior management officers of the Company, the share certificates shall also be signed by such other relevant senior management officers. The share certificates shall take effect after being affixed with the seal of the Company or the seal of the Company in printed form. The share certificates shall only be affixed with the Company’s seal under the authorisation of the Board. The signatures of the Chairman of the Company or other relevant senior management on the share certificates may also be in printed form.</p> <p>In case of paperless issuance and trading of the shares of the Company, the regulations of the securities regulatory authorities and stock exchanges in the place where the shares of the Company are listed shall apply.</p>	Deleted

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<p><b>Article 43</b> The Company shall keep a register of shareholders which shall contain the following particulars:</p> <p>(I) the name, address (domicile), occupation or nature of each shareholder;</p> <p>(II) the category and number of shares held by each shareholder;</p> <p>(III) the amount paid-up or payable in respect of shares held by each shareholder;</p> <p>(IV) the serial numbers of the shares held by each shareholder;</p> <p>(V) the date on which a person registers as a shareholder;</p> <p>(VI) the date on which a person ceases to be a shareholder.</p> <p>The register of members shall be the sufficient evidence of the holding of the Company's shares by a shareholder, unless there is evidence to the contrary.</p>	<p>Deleted</p>

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<p><b>Article 44</b> Subject to these Articles of Association and other applicable regulations, upon the transfer of shares of the Company, the name(s) of the transferee(s) shall be entered in the register of members as the holder(s) of such shares.</p> <p>The issue or transfer of the Company’s overseas listed foreign invested shares will be registered in the register of holders of overseas listed foreign invested shares stored where the shares are listed, as provided under these Articles of Association.</p> <p>Where two or more persons are registered as joint shareholders of any shares, they shall be deemed as joint holders of the relevant shares, and shall be restricted by the following terms:</p> <p>(I) All joint shareholders of any shares shall bear joint and several liabilities for all payable amounts in respect of the relevant shares;</p> <p>(II) In case of death of one of the joint shareholders, only the other surviving joint shareholder(s) shall be deemed as the owner(s) of the shares. However, for the purpose of revising the register of shareholders, the Board of Directors is entitled to demand the surviving shareholders to present a death certificate of the deceased as the Board of Directors thinks fit; and</p>	<p><b>Article 40</b> Subject to these Articles of Association and other applicable regulations, upon the transfer of shares of the Company, the name(s) of the transferee(s) shall be entered in the register of members as the holder(s) of such shares.</p> <p><del>The issue</del><u>All actions</u> or transfers of the Company’s <del>overseas listed foreign invested shares</del> will be registered in the register of <del>holders of overseas listed foreign invested shares</del><u>members</u> stored where the shares are listed, as provided under these Articles of Association.</p> <p>Where two or more persons are registered as joint shareholders of any shares, they shall be deemed as joint holders of the relevant shares, and shall be restricted by the following terms:</p> <p>(I) All joint shareholders of any shares shall bear joint and several liabilities for all payable amounts in respect of the relevant shares;</p> <p>(II) In case of death of one of the joint shareholders, only the other surviving joint shareholder(s) shall be deemed as the owner(s) of the shares. However, for the purpose of revising the register of shareholders, the Board of Directors is entitled to demand the surviving shareholders to present a death certificate of the deceased as the Board of Directors thinks fit; and</p>

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<p>(III) For joint shareholders of any shares, only the person whose name stands first in the register of shareholders shall be entitled to receive share certificates of the relevant shares, receive notices from the Company and attend the general meeting of the Company or exercise his voting rights in respect of the relevant shares, and the service of notice to the aforesaid person shall be deemed as service of notice to all joint shareholders. Any one of the joint shareholders may sign a form of proxy, but when more than one joint shareholders attend the meeting in person or by proxies, the vote cast by the senior joint shareholder, whether in person or by proxy, shall be accepted as the only vote cast on behalf of the remaining shareholders. For this purpose, the seniority of shareholders is determined according to the order of appearance of the names of the joint shareholders in respect of the relevant shares in the register of shareholders.</p> <p>If any one of the joint shareholders issues a receipt to the Company in respect of any payment of dividends, bonus or return on capital to such joint shareholders, such receipt shall be deemed as a valid receipt issued by such joint shareholders to the Company.</p>	<p>(III) For joint shareholders of any shares, only the person whose name stands first in the register of shareholders shall be entitled to receive share certificates of the relevant shares, receive notices from the Company and attend the general meeting of the Company or exercise his voting rights in respect of the relevant shares, and the service of notice to the aforesaid person shall be deemed as service of notice to all joint shareholders. Any one of the joint shareholders may sign a form of proxy, but when more than one joint shareholders attend the meeting in person or by proxies, the vote cast by the senior joint shareholder, whether in person or by proxy, shall be accepted as the only vote cast on behalf of the remaining shareholders. For this purpose, the seniority of shareholders is determined according to the order of appearance of the names of the joint shareholders in respect of the relevant shares in the register of shareholders.</p> <p>If any one of the joint shareholders issues a receipt to the Company in respect of any payment of dividends, bonus or return on capital to such joint shareholders, such receipt shall be deemed as a valid receipt issued by such joint shareholders to the Company.</p>

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<p><b>Article 45</b> The Company may, pursuant to an understanding or agreement reached between the securities regulatory authorities under the State Council and a securities regulatory organisation outside the PRC, keep its original register of holders of overseas listed foreign invested shares outside the PRC, and entrust the administration thereof to an agent outside the PRC. The original copy of the register of members of overseas listed foreign invested shares listed in Hong Kong shall be maintained in Hong Kong.</p> <p>The Company shall maintain a duplicate of the register of members of overseas listed foreign invested shares at the Company's domicile; the appointed overseas agent(s) shall always ensure the consistency between the original copy and the duplicate of the register of members of overseas listed foreign invested shares.</p> <p>Where the original and duplicate of the register of holders of overseas listed foreign invested shares are inconsistent, the original shall prevail.</p>	Deleted

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 46</b> The Company shall maintain a complete register of members.</p> <p>The register of members shall include the following parts:</p> <p>(I) the register of members maintained at the Company’s domicile, other than those as described in items (II) and (III) of this Article;</p> <p>(II) the register of members of overseas listed foreign invested shares of the Company maintained at the place where the overseas stock exchange on which the shares are listed is located;</p> <p>(III) the register of members maintained in such other place as the Board of Directors may consider necessary for the purpose of listing of the Company’s shares.</p>	Deleted
<p><b>Article 47</b> Different parts of the register of shareholders shall not overlap one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of members.</p> <p>Alteration or rectification of each part of the register of shareholders shall be made in accordance with the laws of the place where that part of the register of members is maintained.</p>	Deleted

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<p><b>Article 48</b> All fully paid-up overseas listed foreign invested shares listed in Hong Kong can be freely transferable in accordance with these Articles of Association, provided, however, unless such transfer complies with the following requirements, the Board of Directors may refuse to recognise any instrument of transfer and will not need to provide any reason therefor:</p> <p>(I) To pay to the Company such fee as shall for the time being be agreed by the HKEX for the registration of instruments of transfer of shares and other documents relating to or affecting the title to shares;</p> <p>(II) the instrument of transfer involves only the overseas listed foreign invested shares listed in Hong Kong;</p> <p>(III) the stamp duty payable for the transfer documents has been paid;</p> <p>(IV) the relevant share certificate, and upon the reasonable request of the Board of Directors, any evidence in relation to the right of the transferor to transfer the shares has been submitted.</p> <p>Transfer documents and other documents relating to or affecting the ownership of any registered H Shares shall be registered with the offshore agent appointed by the Company.</p>	<p><b>Article 41</b> All fully paid-up <del>overseas listed foreign invested</del> shares listed in Hong Kong can be freely transferable in accordance with these Articles of Association, provided, however, unless such transfer complies with the following requirements, the Board of Directors may refuse to recognise any instrument of transfer and will not need to provide any reason therefor:</p> <p>(I) To pay to the Company such fee as shall for the time being be agreed by the HKEX for the registration of instruments of transfer of shares and other documents relating to or affecting the title to shares;</p> <p>(II) the instrument of transfer involves only the <del>overseas listed foreign invested</del> shares listed in Hong Kong;</p> <p>(III) the stamp duty payable for the transfer documents has been paid;</p> <p>(IV) the relevant share certificate, and upon the reasonable request of the Board of Directors, any evidence in relation to the right of the transferor to transfer the shares has been submitted.</p> <p>Transfer documents and other documents relating to or affecting the ownership of any registered H Shares shall be registered with the offshore agent appointed by the Company.</p>



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<p>All overseas listed foreign invested shares listed in Hong Kong of the Company shall be transferred by an instrument in writing in any usual or common form or any other form which the Board of Directors may approve (including the prescribed form or transfer form of HKEX from time to time); such instruments of transfer shall be signed by hand, or where the transferor or transferee is a recognised clearing house as defined by the laws of Hong Kong (hereinafter referred to as the “recognised clearing house”) or its proxy, the instruments of transfer may be signed by hand or in a machine-imprinted format. All instruments of transfer shall be placed at the legal address of the Company or other place that the Board may designate from time to time.</p>	<p>All <del>overseas listed foreign invested</del> shares listed in Hong Kong of the Company shall be transferred by an instrument in writing in any usual or common form or any other form which the Board of Directors may approve (including the prescribed form or transfer form of HKEX from time to time); such instruments of transfer shall be signed by hand, or where the transferor or transferee is a recognised clearing house as defined by the laws of Hong Kong (hereinafter referred to as the “recognised clearing house”) or its proxy, the instruments of transfer may be signed by hand or in a machine-imprinted format. All instruments of transfer shall be placed at the legal address of the Company or other place that the Board may designate from time to time.</p>
<p><b>Article 49</b> The shares of the Company held by promoters shall not be transferred within one year from the date of incorporation of the Company. Shares in issue prior to the public offering of the Company shall not be transferred within one year from the date of listing of the shares on any stock exchange.</p> <p>Directors, supervisors and senior management of the Company shall report to the Company their shareholdings in the Company and changes in their shareholdings. The shares transferred by them every year during their term of office shall not exceeded 25% of the total shares being held and the shares they hold in the Company shall not be transferred within one year from the date when the shares of the Company are listed and traded. The shares of the Company held by the aforementioned officers shall not be transferred within six months after termination of his position.</p>	<p>Deleted</p>

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<p><b>Article 50</b> The registration of transfers may suspend and the register of shareholders (including register of holders of overseas listed foreign invested shares) may close, on giving notice by advertisement in the newspapers circulating in the PRC and Hong Kong or by any electronic means in such manner in accordance with the Listing Rules, at such times and for such periods as the directors may from time to time determine and either generally or in respect of any class of shares, provided that the register shall not be closed for period(s) exceeding in the whole thirty (30) days in any year or otherwise in the manner as permitted under section 632 of the Companies Ordinance of Hong Kong.</p> <p>Where laws, administrative regulations, departmental rules, normative documents and requirements of relevant stock exchange or regulatory authorities where the shares of the Company are listed, stipulate on the period of closure of the register of shareholders prior to a shareholders' general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.</p>	<p><b>Article 42</b> The registration of transfers may suspend and the register of shareholders (including register of holders of <del>overseas listed foreign invested</del> H shares) may close, on giving notice by advertisement in the newspapers circulating in the PRC and Hong Kong or by any electronic means in such manner in accordance with the Listing Rules, at such times and for such periods as the directors may from time to time determine and either generally or in respect of any class of shares, provided that the register shall not be closed for period(s) exceeding in the whole thirty (30) days in any year <u>or extending by ordinary resolution for a maximum of thirty (30) days</u> or otherwise in the manner as permitted under section 632 of the Companies Ordinance of Hong Kong.</p> <p>Where laws, administrative regulations, departmental rules, normative documents and requirements of relevant stock exchange or regulatory authorities where the shares of the Company are listed, stipulate on the period of closure of the register of shareholders prior to a shareholders' general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.</p> <p><u>The H shares in this Articles of Association refer to overseas listed foreign invested shares with a par value of RMB1.00 per share in the Company's share capital, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong dollars.</u></p>

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<p><b>Article 51</b> When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities requiring the identification of shareholders, the Board or general meeting shall determine a day to ascertain the rights of shareholders (the “record date”). At the close of trading on the record date, those whose names appear on the register shall be shareholders of the Company.</p>	Deleted
<p><b>Article 52</b> Any person that dissents from the register of shareholders and requires his name to be entered into or removed from the register may apply to a competent court for correction of the register of shareholders.</p>	Deleted

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<p><b>Article 53</b> Any shareholder who is registered on, or any person who requests to have his or her name registered on, the register of members may, if his or her share certificates (the “original share certificate”) are lost, apply to the Company for a replacement share certificate in respect of such shares (the “relevant shares”).</p> <p>Where a domestic shareholder has lost his share certificate, an application for the issue of a replacement domestic share certificate shall be dealt with in accordance with Article 143 of the Company Law.</p> <p>If a holder of overseas listed foreign invested shares loses his or her share certificates and applies for their replacements, it may be dealt with in accordance with the laws, the rules of the stock exchange or other relevant regulations of the place where the register of members of overseas listed foreign invested shares is maintained.</p> <p>Where a holder of H Shares has lost his or her share certificate, an application for the issue of a replacement certificate shall comply with the following requirements:</p> <p>(I) The applicant shall submit an application to the Company in prescribed form accompanied by a notarisation document or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as the declaration that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares.</p>	<p>Deleted</p>

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<p>(II) No declaration has been received by the Company from a person other than the applicant for having his or her name registered as a holder of the relevant shares before the Company decides to issue the replacement share certificate.</p> <p>(III) The Company shall, if it decides to issue a replacement new share certificate to the applicant, make an announcement of its intention to issue the replacement new share certificate in such newspapers designated by the Board. The announcement shall be made at least once every 30 days for a period of 90 days.</p> <p>(IV) Prior to the publication of the aforesaid announcement for preparing to issue the replacement certificate, the Company shall:</p> <ol style="list-style-type: none"> <li>1. submit a copy of the proposed announcement to HKEX, and shall publish the announcement after obtaining the confirmation of HKEX that the announcement has been displayed at HKEX. The announcement shall be displayed at HKEX for 90 days.</li> <li>2. in case an application to issue a replacement share certificate has been made without the consent of the registered holder of the relevant shares, the Company shall send by post to such registered shareholder a copy of the announcement to be published.</li> </ol>	

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<p>(V) If, upon expiration of the 90-day period referred to in items (III) and (IV) of this Article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant according to his or her application.</p> <p>(VI) When a replacement share certificate is issued pursuant to this Article, the Company shall immediately cancel the original share certificate, and record this event of cancellation and replacement in the register of shareholders.</p> <p>(VII) All expenses relating to the cancellation of an original share certificate and the issuance of a replacement share certificate by the Company shall be borne by the applicant. The Company shall have the right to refuse to take any action until the applicant has provided reasonable guarantee for the expenses involved.</p>	
<p><b>Article 54</b> Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case that he or she is a bona fide purchaser) shall not be removed from the register of members.</p>	Deleted
<p><b>Article 55</b> The Company shall not be liable for any damages suffered by any person from the cancellation of the original share certificate or the issue of the replacement share certificate, unless the claimant can prove fraudulent act on the part of the Company.</p>	Deleted

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Original Articles	Amended Articles
<b>Chapter 8 Rights and Obligations of Shareholders</b>	Deleted
<p><b>Article 56</b> A shareholder of the Company is a person who lawfully holds the shares of the Company and whose name is registered in the register of members.</p> <p>A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he or she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.</p> <p>...</p>	<p><b>Article 43</b> <u>When the Company convenes a shareholders’ general meeting, distributes dividends, commences liquidation and participates in other activities requiring the identification of shareholders, the Board 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> <p><del>A shareholder of the Company is a person who lawfully holds the shares of the Company and whose name is registered in the register of members.</del></p> <p><del>A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he or she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.</del></p> <p>...</p>

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<p><b>Article 57</b> The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) the right to receive dividends and benefit distributions in other forms in proportion to the number of shares held;</p> <p>(II) to attend, speak and vote in person or appoint a proxy to attend, speak and vote on his behalf at general meetings, except where a shareholder is required by listing rules or other applicable laws, regulations and administrative regulations to abstain from voting on any matters under consideration at the general meetings;</p> <p>(III) to monitor, make suggestions or ask questions in relation to the business operation activities of the Company;</p> <p>(IV) To transfer, donate or pledge shares in his/her possession in accordance with the laws, regulations and provisions of the Articles of Association;</p> <p>(V) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including:</p> <p>1. to obtain a copy of the Articles of Association, subject to payment of relevant costs;</p>	<p><b>Article 44</b> The <del>ordinary</del> shareholders of the Company shall be entitled to the following rights:</p> <p>(I) the right to receive dividends and benefit distributions in other forms in proportion to the number of shares held;</p> <p>(II) to <u>request, convene, preside over,</u> attend, speak and vote in person or appoint a proxy to attend, speak and vote on his behalf at <u>general meetings in accordance with the law,</u> except where a shareholder is required by listing rules or other applicable laws, regulations and administrative regulations to abstain from voting on any matters under consideration at the general meetings;</p> <p>(III) to monitor, make suggestions or ask questions in relation to the business operation activities of the Company;</p> <p>(IV) to transfer, donate or pledge shares in his/her possession in accordance with the laws, regulations and provisions of the Articles of Association;</p> <p>(V) <u>to access the Articles of Association, the register of members, stubs of the Company's corporate bonds, minutes of the general meeting, resolutions of the Board of Directors, resolutions of the Board of Supervisors and financial and accounting reports;</u> <del>the right to obtain relevant information in accordance with the provisions of the Articles of Association, including:</del></p> <p><del>1. to obtain a copy of the Articles of Association, subject to payment of relevant costs;</del></p>



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<p>2. being entitled to access and, after payment of a reasonable charge, make a copy of:</p> <p>(1) all parts of the register of members;</p> <p>(2) personal information of the directors, supervisors and senior management of the Company, including:</p> <p>(a) present and former name and alias;</p> <p>(b) principal address (domicile);</p> <p>(c) nationality;</p> <p>(d) full-time and all other part-time occupations and duties;</p> <p>(e) identification document and its number.</p> <p>(3) the status of the Company's share capital;</p> <p>(4) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;</p> <p>(5) minutes of shareholders' meetings and special resolutions thereof, resolutions of the Board of Directors and resolutions of the Board of Supervisors;</p> <p>(6) stubs of the Company's corporate bonds;</p> <p>(7) the audited financial statements and the reports of the Board of Directors, auditors and the Board of Supervisors for the latest period;</p>	<p><del>2. being entitled to access and, after payment of a reasonable charge, make a copy of:</del></p> <p><del>(1) all parts of the register of members;</del></p> <p><del>(2) personal information of the directors, supervisors and senior management of the Company, including:</del></p> <p><del>(a) present and former name and alias;</del></p> <p><del>(b) principal address (domicile);</del></p> <p><del>(c) nationality;</del></p> <p><del>(d) full-time and all other part-time occupations and duties;</del></p> <p><del>(e) identification document and its number.</del></p> <p><del>(3) the status of the Company's share capital;</del></p> <p><del>(4) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;</del></p> <p><del>(5) minutes of shareholders' meetings and special resolutions thereof, resolutions of the Board of Directors and resolutions of the Board of Supervisors;</del></p> <p><del>(6) stubs of the Company's corporate bonds;</del></p> <p><del>(7) the audited financial statements and the reports of the Board of Directors, auditors and the Board of Supervisors for the latest period;</del></p>

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<p>(8) the latest annual return for the latest period which has been filed with the administration for industry and commerce or other competent authorities in the PRC.</p> <p>(VI) the right to, in the event of the termination or liquidation of the Company, participate in the distribution of remaining assets of the Company in accordance with the number of shares held;</p> <p>(VII) shareholders who dissent from the resolution passed by the general meeting on the merger or division of the Company and request the Company to purchase their shares;</p> <p>(VIII) shareholders who, individually or jointly, own more than 3% of the shares of the Company are entitled to make ad hoc proposals for submission to the Board of Directors 10 days before the date of convening the general meeting;</p> <p>(IX) other rights conferred by laws, administrative regulations and these Articles of Association.</p>	<p><del>(8) the latest annual return for the latest period which has been filed with the administration for industry and commerce or other competent authorities in the PRC.</del></p> <p>(VI) the right to, in the event of the termination or liquidation of the Company, participate in the distribution of remaining assets of the Company in accordance with the number of shares held;</p> <p>(VII) shareholders who dissent from the resolution passed by the general meeting on the merger or division of the Company and request the Company to purchase their shares;</p> <p>(VIII) shareholders who, individually or jointly, own more than 3% of the shares of the Company are entitled to make ad hoc proposals for submission to the Board of Directors 10 days before the date of convening the general meeting;</p> <p>(IX) other rights conferred by laws, administrative regulations and these Articles of Association.</p>
Newly added	<p><b>Article 45</b> <u>The shareholder who asks to review the information mentioned in the proceeding Article or make a request for information, he or she shall submit to the Company written documents proving the class and number of the shares that he or she holds in the Company. The Company shall provide the information as requested by the shareholder after authenticating his or her identity.</u></p>
Newly added	<p><b>Article 46</b> <u>If a resolution of the shareholders' general meeting or the Board of the Company violates any law or administrative regulation, the shareholder shall have the right to petition the people's court to invalidate the resolution.</u></p>

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	<p><u>If the convening procedure or voting method of the shareholders' general meetings or Board meetings violates any law, administrative regulation or the Articles of Association, or the contents of a resolution breaches the Articles of Association, the shareholder shall have the right to petition the people's court to revoke such resolution within 60 days from the date on which the resolution is approved.</u></p>
Newly added	<p><b>Article 47</b> <u>Where the Company incurs losses as a result of violation by directors and members of the senior management of laws, administrative regulations or these Articles of Association in the course of performing their duties with the Company, the shareholders individually or in the aggregate holding 1% or more of the shares of the Company for more than 180 consecutive days shall be entitled to request in writing the Board of Supervisors to initiate proceedings to the people's court; where the Company incurs losses as a result of violation by the Board of Supervisors of any provisions of laws, administrative regulations or these Articles of Association in the course of performing their duties with the Company, such shareholders may make a request in writing to the Board of Directors to initiate proceedings to the people's court.</u></p>

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	<p><u>In the event that the Board of Supervisors or the Board of Directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within 30 days from the date of receiving such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company’s interests, the shareholders described in the preceding paragraph shall have the right to for the benefit of the Company initiate proceedings to the people’s court directly in their own names.</u></p> <p><u>Where the Company incurs losses as a result of infringement upon the legitimate rights and interests of the Company by any other persons, the shareholders stated in the first paragraph of this Article may initiate proceedings to the people’s court pursuant to the provisions of the first two paragraphs.</u></p>
Newly added	<p><b>Article 48</b> <u>Shareholders may initiate proceedings to the people’s court in the event that a director or a senior management member has violated laws, administrative regulations or these Articles of Association, damaging the interests of shareholders.</u></p>

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<p><b>Article 58</b> The ordinary shareholders of the Company shall undertake the following obligations:</p> <p>(I) comply with these Articles of Association;</p> <p>(II) pay for the shares based on the shares subscribed and the method of subscription;</p> <p>(III) not to abuse the rights as a shareholder to the detriment of the Company or that of other shareholders; not to abuse the Company’s legal personality and limited liability of shareholders to the detriment of the Company’s creditors; where a shareholder of the Company abuses his rights as a shareholder and causes losses to the Company or other shareholders, such shareholder shall be liable for damages in accordance with the law. Where a shareholder of the Company abuses its corporate legal person status and limited liability of being a shareholder to evade indebtedness and causes serious harm to the interests of the creditors of the Company, such shareholder shall be subject to joint and several liabilities for the indebtedness of the Company;</p> <p>(IV) not to seek improper benefits, not to interfere with the decision-making and management rights enjoyed by the Board of Directors and senior management in accordance with these Articles of Association, and not to interfere with the operation and management of the Company directly and beyond the Board of Directors and senior management;</p>	<p><b>Article 49</b> The <del>ordinary</del> shareholders of the Company shall undertake the following obligations:</p> <p>(I) comply with <u>laws, administrative regulations and</u> these Articles of Association;</p> <p>(II) pay for the shares based on the shares subscribed and the method of subscription;</p> <p>(III) <u>not to withdraw shares unless in the circumstances stipulated by laws and regulations;</u></p> <p><del>(IV) not to abuse the rights as a shareholder to the detriment of the Company or that of other shareholders; not to abuse the Company’s legal personality and limited liability of shareholders to the detriment of the Company’s creditors; where a shareholder of the Company abuses his rights as a shareholder and causes losses to the Company or other shareholders, such shareholder shall be liable for damages in accordance with the law. Where a shareholder of the Company abuses its corporate legal person status and limited liability of being a shareholder to evade indebtedness and causes serious harm to the interests of the creditors of the Company, such shareholder shall be subject to joint and several liabilities for the indebtedness of the Company;</del></p>

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<p>(V) other obligations as is stipulated by laws, administrative regulations and these Articles of Association.</p> <p>Shareholders shall not be liable to make any further contribution to the share capital other than on the conditions agreed to as a subscriber of shares at the time of subscription.</p>	<p>(<del>IV</del>V) not to seek improper benefits, not to interfere with the decision-making and management rights enjoyed by the Board of Directors and senior management in accordance with these Articles of Association, and not to interfere with the operation and management of the Company directly and beyond the Board of Directors and senior management;</p> <p>(<del>V</del>VI) other obligations as is stipulated by laws, administrative regulations and these Articles of Association.</p> <p><del>Shareholders shall not be liable to make any further contribution to the share capital other than on the conditions agreed to as a subscriber of shares at the time of subscription.</del></p> <p><u>Where a shareholder of the Company abuses his or her rights as a shareholder and causes losses to the Company or other shareholders, such shareholder shall be liable for damages in accordance with the law. Where a shareholder of the Company abuses its corporate legal person status and limited liability of being a shareholder to evade indebtedness and causes serious harm to the interests of the creditors of the Company, such shareholder shall be subject to joint and several liabilities for the indebtedness of the Company.</u></p>
Newly added	<p><b>Article 50</b> <u>Where a shareholder holding more than 5% of voting shares of the Company pledges any of his or her shares, he or she shall report the same to the Company in writing on the day on which he or she pledges his or her shares.</u></p>

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Newly added	<p><b>Article 51</b> <u>The controlling shareholder(s) and de facto controller(s) of the Company shall not use the connected relations to the detriment of the interests of the Company; otherwise, they shall be liable for compensation for any loss incurred to the Company.</u></p> <p><u>The controlling shareholder(s) and de facto controller(s) of the Company shall perform fiduciary duty to the Company and general public shareholders thereof. The controlling shareholder(s) shall exercise capital contributors' rights in strict accordance with laws, shall not damage the legitimate rights and interests of the Company and general public shareholders by such means as profit distribution, asset reorganization, external investment, fund appropriation, loan and guarantee and shall not abuse their controlling status to damage the interests of the Company and general public shareholders.</u></p>

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<p><b>Article 59</b> In addition to obligations imposed by laws, administrative regulations or listing rules of the stock exchange on which shares of the Company are listed, a controlling shareholder shall not exercise his or her voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the shareholders of the Company:</p> <p>(I) to relieve a director or supervisor of his or her duty to act honestly in the best interests of the Company;</p> <p>(II) to approve the directors or supervisors (for their own account or for the account of other parties) to deprive the Company of its assets in any manner, including, but not limited to, any opportunity favourable to the Company;</p> <p>(III) to approve the directors or supervisors (for their own account or for the account of other parties) to deprive another shareholder of his individual interest, including but not limited to any allocation right and voting right, but excluding any corporate restructuring proposal made at the shareholders' general meeting in accordance with these Articles of Association.</p>	<p>Deleted</p>



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<p><b>Article 60</b> The term “controlling shareholder” referred to in the preceding paragraph means a person who satisfies any one of the following conditions:</p> <p>(I) any person acting on his own or in concert with other parties has the power to elect not less than half of the directors;</p> <p>(II) any person acting on his own or in concert with other parties who has the power to exercise or control the exercise of 30% or more of the voting rights of the Company;</p> <p>(III) any person acting on his own or in concert with other parties who holds 30% or more of the outstanding shares of the Company;</p> <p>(IV) any person acting on his own or in concert with other parties who has actual control over the Company in any other manner.</p> <p>The term “acting in concert” referred to in this Article represents an act that any of two or more persons obtain the voting rights of the Company by way of their agreement thereon (whether in oral or in written form), so as to control or consolidate their control over the Company.</p>	<p>Deleted</p>

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<b>Chapter 9 Shareholders' General Meetings</b>	<b><del>Chapter 9</del> Section 2 General Provisions for Shareholders' General Meetings</b>
<p><b>Article 61</b> The shareholders' general meeting is the power of authority of the Company and shall exercise its functions and powers in accordance with the laws.</p> <p><b>Article 62</b> The shareholders' general meeting shall have the following functions and powers:</p> <p>(I) to decide the Company's operational directions and investment plans;</p> <p>(II) to elect and replace directors and to determine matters relating to the remuneration of the directors;</p> <p>(III) to elect and replace supervisors who are representatives of shareholders and to determine matters relating to the remuneration of the supervisors;</p> <p>(IV) to consider and approve the reports of the Board of Directors;</p> <p>(V) to consider and approve the reports of the Supervisory Committee;</p> <p>(VI) to consider and approve the Company's annual financial budgets and final accounts;</p> <p>(VII) to consider and approve the Company's profit distribution plan and plan for recovery of losses;</p> <p>(VIII) to make resolutions on increase or reduction of the Company's registered capital;</p>	<p><b>Article 52</b> The shareholders' general meeting is the power of authority of the Company and shall exercise <del>its</del><u>the following</u> functions and powers in accordance with the laws:-</p> <p><del>The shareholders' general meeting shall have the following functions and powers:</del></p> <p>(I) to decide the Company's operational directions and investment plans;</p> <p>(II) to elect and replace directors <u>who are not employee representatives</u> and to determine matters relating to the remuneration of the directors;</p> <p>(III) to elect and replace supervisors who are <u>not employee</u> representatives <del>of shareholders</del> and to determine matters relating to the remuneration of the supervisors;</p> <p>(IV) to consider and approve the reports of the Board of Directors;</p> <p>(V) to consider and approve the reports of the Supervisory Committee;</p> <p>(VI) to consider and approve the Company's annual financial budgets and final accounts;</p> <p>(VII) to consider and approve the Company's profit distribution plan and plan for recovery of losses;</p> <p>(VIII) to make resolutions on increase or reduction of the Company's registered capital;</p>

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<p>(IX) to make resolutions on matters such as the merger, demerger, dissolution, liquidation and major acquisition and disposal of the Company;</p> <p>(X) to make resolutions on the issue of debentures by the Company;</p> <p>(XI) to resolve on resolutions on the engagement, dismissal or discontinuation of the appointment of accounting firms by the Company;</p> <p>(XII) to amend these Articles of Association;</p> <p>(XIII) to review the proposals raised by the Shareholders representing over 3% of the Company’s shares with voting rights;</p> <p>(XIV) to consider the matters in relation to purchase or disposal of material assets or provision of guarantee by the Company of a value exceeding 30% of the Company’s latest audited total assets with in one year;</p> <p>(XV) other matters which are required to be determined at the shareholders’ general meeting as required by laws, administrative regulations and these Articles of Association;</p> <p>(XVI) authorise or delegate the Board of Directors to transact the matters authorised or delegated by it.</p>	<p>(IX) to make resolutions on <del>matters such as</del> the merger, demerger, dissolution, liquidation and <del>major acquisition and disposal</del> <u>change of the form</u> of the Company;</p> <p>(X) to make resolutions on the issue of debentures by the Company;</p> <p>(XI) to resolve <del>on resolutions</del> on the engagement <u>or</u> dismissal <del>or discontinuation of the appointment of</del> accounting firms by the Company;</p> <p>(XII) to amend these Articles of Association;</p> <p>(XIII) to review the proposals raised by the Shareholders representing over 3% of the Company’s shares with voting rights;</p> <p><u>(XIV) to consider and approve guarantee matters stipulated in Article 53;</u></p> <p><del>(XIV)</del> <u>(XIVV)</u> to consider the matters in relation to purchase or disposal of material assets <del>or provision of guarantee</del> by the Company of a value exceeding 30% of the <u>Group’s Company’s</u> latest audited total assets with in one year;</p> <p><u>(XVI) to consider and approve the transactions (including matters relating to venture capital, entrusted loans, external investments, leasing, renting, entrusted operations, agency operations or joint operations with others) that require resolutions by the shareholders’ general meeting and/or independent shareholders (if applicable) as stipulated in the securities regulatory rules of the place where the shares of the Company are listed;</u></p>

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	<p><u>(XVII) to consider and approve any change in the use of offer proceeds;</u></p> <p><u>(XVIII) to consider share incentive plan and employee share ownership plan;</u></p> <p><del>(XIX)</del> other matters which are required to be determined at the shareholders' general meeting as required by laws, administrative regulations and these Articles of Association;</p> <p><u>(XXVI) authorise or delegate the Board of Directors to transact the matters authorised or delegated by it.</u></p> <p><u>The functions and powers of the shareholders' general meeting mentioned in items (I) to (XIX) above shall not be delegated through authorization to the Board or any other body or individual.</u></p>

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<p><b>Article 63</b> The following external guarantees of the Company shall be considered and approved by a special resolution of the shareholders' general meeting:</p> <p>(I) any single guarantee amount in excess of 10% of the Company's latest audited net assets;</p> <p>(II) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has reached or exceeded 50% of the Company's latest audited net assets;</p> <p>(III) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has exceeded 30% of the Company's latest audited total assets;</p> <p>(IV) any guarantee to be provided to a party which has an asset liability ratio in excess of 70%;</p> <p>(V) any guarantee exceeding 30% of the Company's latest audited total assets in accordance with the principle of accumulative calculation of guarantee amount for 12 consecutive months;</p> <p>(VI) exceeding 50% of the Company's latest audited net assets in accordance with the principle of accumulative calculation of guarantee amount for 12 consecutive months;</p>	<p><b>Article 53</b> The following external guarantees of the Company shall be considered and approved by a special resolution of the shareholders' general meeting:</p> <p>(I) any single guarantee amount in excess of 10% of the <u>Group's Company's</u> latest audited net assets;</p> <p>(II) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has <del>reached or</del> exceeded 50% of the <u>Group's Company's</u> latest audited net assets;</p> <p>(III) any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlled subsidiaries has exceeded 30% of the <u>Group's Company's</u> latest audited total assets;</p> <p>(IV) any guarantee to be provided to a party which has an asset liability ratio in excess of 70%;</p> <p>(V) any guarantee exceeding 30% of the <u>Group's Company's</u> latest audited total assets in accordance with the principle of accumulative calculation of guarantee amount for 12 consecutive months;</p> <p>(VI) exceeding 50% of the Company's latest audited net assets in accordance with the principle of accumulative calculation of guarantee amount for 12 consecutive months;</p>

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<p>(VII) any guarantee to be provided in favor of controlling shareholders, de facto controllers and their controlled related parties or other related parties.</p> <p>...</p>	<p>(VII) any guarantee to be provided in favor of <del>controlling</del> shareholders, de facto controllers and their controlled related parties or other related parties <u>which require approval from the shareholders' general meeting in accordance with the Listing Rules.</u></p> <p>...</p>
<p><b>Article 64</b> Except where the Company is in a crisis or any extraordinary circumstance, the Company shall not enter into any contract with anyone other than a Director, a Supervisor or any other senior officer to have all or significant part of the Company's business in the care of such person, unless obtained prior approval at a general meeting.</p>	<p>Deleted</p>

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<p><b>Article 65</b> A general meeting shall either be an annual general meeting (an "AGM") or an extraordinary general meeting. Shareholders' general meetings shall be called by the Board of Directors. The annual general meeting of shareholders shall be held once every year within six months after the end of the previous accounting year.</p> <p>The Board of Directors shall hold an extraordinary general meeting of shareholders within two months upon the occurrence of one of the following circumstances:</p> <p>(I) when the number of directors is less than the number stipulated in Company Law or two-thirds of the number specified in the Articles of Association;</p> <p>(II) when the unrecovered losses of the Company amount to one third of the total amount of its paid-in share capital;</p> <p>(III) when any shareholder individually or jointly holding 10% or more of the Company's outstanding voting shares requests in writing for the convening of an extraordinary general meeting;</p> <p>(IV) when deemed necessary by the Board of Directors or when requested by the Supervisory Committee;</p> <p>(V) when proposed by two or more of independent non-executive directors;</p> <p>(VI) other circumstances stipulated in the laws, administrative regulations and these Articles of Association.</p> <p>The number of shares held in (III) above shall be calculated based on the date of the shareholder's written request. In any of the circumstances referred to in items (III), (IV) and (V) above, the matter for consideration proposed by the party requesting the convening of the extraordinary general meeting shall be included in the agenda of such meeting.</p>	<p><b>Article 54</b> <u>A general meeting shall either be an annual general meeting (an "AGM") or an extraordinary general meeting. Shareholders' general meetings shall be called by the Board of Directors. The annual general meeting of shareholders shall be held once every year within six months after the end of the previous accounting year.</u></p> <p><b>Article 55</b> <u>The Company Board of Directors</u> shall hold an extraordinary general meeting of shareholders within two months upon the occurrence of one of the following circumstances:</p> <p>(I) when the number of directors is less than the number stipulated in Company Law or two-thirds of the number specified in the Articles of Association;</p> <p>(II) when the unrecovered losses of the Company amount to one third of the total amount of its paid-in share capital;</p> <p>(III) when any shareholder individually or jointly holding 10% or more of the Company's outstanding voting shares requests in writing for the convening of an extraordinary general meeting;</p> <p>(IV) when deemed necessary by the Board of Directors or when requested by the Supervisory Committee;</p> <p>(V) when proposed by two or more of <del>directors</del> independent non-executive directors <u>and agreed by the Board</u>;</p> <p>(VI) other circumstances stipulated in the laws, administrative regulations and these Articles of Association.</p> <p>The number of shares held in (III) above shall be calculated based on the date of the shareholder's written request. In any of the circumstances referred to in items (III), (IV) and (V) above, the matter for consideration proposed by the party requesting the convening of the extraordinary general meeting shall be included in the agenda of such meeting.</p>

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Newly added	<b>Article 57</b> <u>The venue of the shareholders' general meeting of the Company shall be either the domicile of the Company or such other specific venue notified by the convener of such general meeting. Meeting venue shall be set for the shareholders' general meetings and convened by way of on-site meetings. The Company will also provide online voting for its shareholders to conveniently participate in shareholders' general meetings. Shareholders who attend the shareholders' general meeting by the said means are deemed to be present at such meeting.</u>
Newly added	<b>Article 58</b> <u>In convening a shareholders' general meeting, the Company may engage a lawyer to provide legal opinions in accordance with the requirements of the regulatory rules of the place where the shares of the Company are listed.</u>
Newly added	<b><u>Section 3 Assembling of Shareholders' General Meetings</u></b>
Newly added	<b>Article 59</b> <u>The independent non-executive directors have the right to propose the Board of Directors to convene extraordinary general meetings. For such proposals, the Board of Directors shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten (10) days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations and these Articles of Association. If the Board of Directors agrees to convene the extraordinary general meeting, notice convening the general meeting shall be issued within five (5) days upon receiving the Board of Directors' resolution. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall give the reasons and publish an announcement.</u>



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Newly added	<p><b>Article 60</b> <u>The Board of Supervisors has the right to propose the Board of Directors to convene the extraordinary general meeting and such proposal shall be made by way of written request(s). The Board of Directors shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten (10) days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations and these Articles of Association.</u></p> <p><u>If the Board of Directors agrees to convene the extraordinary general meeting, notice convening the extraordinary general meeting shall be issued within five (5) days upon receiving the Board of Directors' resolution. Should there be alterations to the original proposals in the notice, consent has to be obtained from the Board of Supervisors.</u></p> <p><u>If the Board of Directors does not agree to convene the extraordinary general meeting or does not reply within ten (10) days upon receiving the proposals, the Board of Directors will be considered as unable or refused to fulfill the obligation to convene general meetings and the Board of Supervisors may convene and preside over the meeting on its own.</u></p>

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<p><b>Article 67</b> When shareholders request the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>Shareholders individually or jointly holding 10% or more of the shares carrying voting rights at the meeting sought to be held may sign one or more written requests of identical form of content requesting the Board of Directors to convene an extraordinary general meeting or a class meeting and stating the subject of the meeting. The Board of Directors shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting or a class meeting within ten days upon receiving the aforesaid written request in accordance with the requirements of the laws, regulations and these Articles of Association. The aforementioned number of shares held shall be based on the number of shares held at the close of business on the date of the shareholder’s written request (or, if the date of the written request is a non-trading day, the trading day preceding the date of the written request).</p> <p>If the Board of Directors agrees to convene the extraordinary general meeting or the class meeting, notice convening the extraordinary general meeting or the class meeting shall be issued within 5 days upon receiving the Board of Directors’ resolution. Should there be alterations to the original requests in the notice, consent has to be obtained from the relevant shareholders.</p>	<p><b>Article 61</b> <del>When shareholders request the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:</del></p> <p>Shareholders individually or jointly holding 10% or more of the shares carrying voting rights at the meeting sought to be held may sign one or more written requests of identical form of content requesting the Board of Directors to convene an extraordinary general meeting <del>or a class meeting</del> and stating the subject of the meeting. The Board of Directors shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting <del>or a class meeting</del> within ten days upon receiving the aforesaid written request in accordance with the requirements of the laws, regulations and these Articles of Association. The aforementioned number of shares held shall be based on the number of shares held at the close of business on the date of the shareholder’s written request (or, if the date of the written request is a non-trading day, the trading day preceding the date of the written request).</p> <p>If the Board of Directors agrees to convene the extraordinary general meeting <del>or the class meeting</del>, notice convening the <del>extraordinary general meeting or the class meeting</del> shall be issued within 5 days upon receiving the Board of Directors’ resolution. Should there be alterations to the original requests in the notice, consent has to be obtained from the relevant shareholders.</p>

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<p>If the Board of Directors does not agree to convene the extraordinary general meeting or the class meeting or does not reply within 10 days upon receiving the request, shareholders individually or jointly holding not less than 10% of the Company’s shares have to right to propose the Board of Supervisors to convene an extraordinary general meeting or the class meeting by way of written request(s).</p>	<p>If the Board of Directors does not agree to convene the extraordinary general meeting <del>or the class meeting</del> or does not reply within 10 days upon receiving the request, shareholders individually or jointly holding not less than 10% of the Company’s shares have to right to propose the Board of Supervisors to convene an extraordinary general meeting <del>or the class meeting</del> by way of written request(s).</p>
<p>If the Board of Supervisors agrees to convene the extraordinary general meeting or the class meeting, notice convening the extraordinary general meeting or the class meeting shall be issued within 5 days upon receiving the request. Should there be alterations to the original proposals in the notice, consent has to be obtained from the related shareholders.</p>	<p>If the Board of Supervisors agrees to convene the extraordinary general meeting <del>or the class meeting</del>, notice convening the extraordinary general meeting <del>or the class meeting</del> shall be issued within 5 days upon receiving the request. Should there be alterations to the original <u>requests</u> <del>proposals</del> in the notice, consent has to be obtained from the related shareholders.</p>
<p>If the Board of Supervisors does not issue notice of the general meeting or class meeting within the required period, it will be considered as not going to convene and preside over the general meeting or class meeting, and shareholders individually or jointly holding over 10% of the shares of the Company having voting rights at the meeting for 90 consecutive days have the right to convene and preside over the meeting on their own.</p>	<p>If the Board of Supervisors does not issue notice of the general meeting <del>or class meeting</del> within the required period, it will be considered as not going to convene and preside over the shareholders’ general meeting <del>or class meeting</del>, and shareholders individually or jointly holding over 10% of the shares of the Company having voting rights at the meeting for 90 consecutive days have the right to convene and preside over the meeting on their own.</p>

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<p><b>Article 68</b> With regard to the shareholders’ general meeting called by the Board of Supervisors or shareholders on their own initiative, the Board of Directors and the secretary to the Board of Directors shall provide assistance. The Board of Directors shall provide the register of members as at of the record date for the general meeting. Whenever the Board of Directors failed to provide the register of members as at of the record date for the general meeting, the convener may apply to the securities registration and settlement or agency for obtaining it with the relevant notice or announcement of the convening of the shareholders’ general meeting. The convener shall not use such shareholder register so obtained for any purposes other than convening the shareholders’ general meeting.</p>	<p><b>Article 62</b> With regard to the shareholders’ general meeting called by the Board of Supervisors or shareholders on their own initiative, the Board of Directors <u>shall be notified in writing and the Board of Directors</u> and the secretary to the Board of Directors shall provide assistance. The Board of Directors shall provide the register of members as at of the record date for the general meeting. Whenever the Board of Directors failed to provide the register of members as at of the record date for the general meeting, the convener may apply to the securities registration and settlement or agency for obtaining it with the relevant notice or announcement of the convening of the shareholders’ general meeting. The convener shall not use such shareholder register so obtained for any purposes other than convening the shareholders’ general meeting.</p> <p><u>Prior to the announcement of the resolution of the general meeting, the shareholding of shareholders who convene the meeting shall not be less than 10%.</u></p> <p><u>Upon issuing the notice of the shareholders’ general meeting and the resolutions of such meeting, the Supervisory Committee or the convening shareholder shall provide relevant supporting documents to the stock exchange.</u></p>
Newly added	<b><u>Section 4 Proposals and Notices of Shareholders’ General Meetings</u></b>

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Newly added	<b>Article 64</b> <u>The contents of proposals shall fall within the terms of reference of the shareholders' general meeting and have specified subjects and specific resolutions, in further compliance with the laws, administrative regulations and provisions of these Articles of Association.</u>
<p><b>Article 70</b> Subject to the relevant provisions of laws and administrative regulations and the listing rules of the place where the shares of the Company are listed, the Company shall give written notice of the annual general meeting of shareholders 21 days prior to the meeting; the Company shall give written notice of the extraordinary general meeting of shareholders 15 days prior to the meeting, informing all shareholders of record of the matters to be considered at the meeting and the date and place of the meeting.</p> <p>When the Company calculates the period of the meeting, the date of the meeting shall not be included.</p>	<p><b>Article 65</b> Subject to the relevant provisions of laws and administrative regulations and the listing rules of the place where the shares of the Company are listed, the Company shall give written notice of the annual general meeting of shareholders <del>20</del> days prior to the meeting; the Company shall give written notice of the extraordinary general meeting of shareholders 15 days prior to the meeting, informing all shareholders of record of the matters to be considered at the meeting and the date and place of the meeting.</p> <p>When the Company calculates the period of the meeting, the date of the meeting shall not be included.</p>

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<p><b>Article 73</b> The notice of a general meeting shall meet the following criteria:</p> <p>(I) be in writing;</p> <p>(II) specify the place, date and time of the meeting;</p> <p>(III) state the matters to be discussed at the meeting;</p> <p>(IV) it shall provide such information and explanations as are necessary for the shareholders to make an informed decision on the matters to be discussed; this principle includes (but not limited to) where the Company proposes a merger, repurchase of shares, reorganising the share capital or restructuring the Company in any other way, the terms of the proposed transaction must be provided in detail together with the proposed contract (if any), and the cause and effect of such proposal must be properly explained;</p> <p>(V) contain a disclosure of the nature and extent, if any, of the material interests of any director, supervisor and other senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class;</p>	<p><b>Article 68</b> The notice of a general meeting shall meet the following criteria:</p> <p>(I) be in writing;</p> <p>(II) specify the place, date and time of the meeting;</p> <p>(III) state the matters <u>and proposals</u> to be discussed at the meeting;</p> <p>(IV) it shall provide such information and explanations as are necessary for the shareholders to make an informed decision on the matters to be discussed; this principle includes (but not limited to) where the Company proposes a merger, repurchase of shares, reorganising the share capital or restructuring the Company in any other way, the terms of the proposed transaction must be provided in detail together with the proposed contract (if any), and the cause and effect of such proposal must be properly explained;</p> <p>(V) contain a disclosure of the nature and extent, if any, of the material interests of any director, supervisor and other senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class;</p>

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<p>(VI) contain the full text of any special resolution to be proposed at the meeting;</p> <p>(VII) it shall contain a conspicuous statement that a shareholder entitled to attend and vote have such right to appoint one or more proxies to attend and vote on his or her behalf and that such proxy need not be a shareholder;</p> <p>(VIII) specify the time and place for lodging proxy forms for the relevant meeting;</p> <p>(IX) specify the name and telephone number of the standing contact person for the meeting;</p> <p>(X) specify the date of registration of equity entitlements for shareholders having the right to attend the general meeting, the interval between the date of registration and the date of the meeting shall comply with the regulations of the relevant stock exchange or regulatory authority where the shares of the Company are listed.</p> <p>If a shareholders' general meeting is held by online or other means for shareholders to participate in it, the method and details of the online or other means of participation shall be clearly set out in the notice of the shareholders' general meeting or in an announcement as soon as possible before the date of the shareholders' general meeting.</p>	<p><u>(VI) disclose the opinions and reasons of the independent non-executive directors when issuing the notice or supplementary notice of the general meeting, if the matters to be discussed at the general meeting require the independent non-executive directors to express their opinions;</u></p> <p>(VII) contain the full text of any special resolution to be proposed at the meeting;</p> <p><u>(VIII) it shall contain a conspicuous statement that a shareholder entitled to attend and vote all ordinary shareholders (including preferred shareholders whose voting rights have been restored) have the such right to appoint one or more proxies to attend and vote on his or her behalf attend the general meeting and can entrust a proxy in writing to attend the meeting and participate in voting and that such proxy need not be a shareholder of the Company;</u></p> <p><u>(VIIIIX) specify the time and place for lodging proxy forms for the relevant meeting;</u></p> <p>(IX) specify the name and telephone number of the standing contact person for the meeting;</p> <p>(XI) specify the date of registration of equity entitlements for shareholders having the right to attend the general meeting, the interval between the date of registration and the date of the meeting shall comply with the regulations of the relevant stock exchange or regulatory authority where the shares of the Company are listed.</p> <p>If a shareholders' general meeting is held by online or other means for shareholders to participate in it, the method and details of the online or other means of participation shall be clearly set out in the notice of the shareholders' general meeting or in an announcement as soon as possible before the date of the shareholders' general meeting.</p>

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Newly added	<p><b>Article 69</b> <u>Where the elections of directors or supervisors shall be considered at the general meetings, the detailed biographies of candidates for director(s) or supervisor(s) shall be fully disclosed in the notice of the general meeting, which shall include at least the following information:</u></p> <p><u>(I) personal information such as educational background, work experiences and part-time employments;</u></p> <p><u>(II) whether there is any connected relationship with the Company or the controlling shareholders and actual controller of the Company;</u></p> <p><u>(III) the number of shares in the Company held;</u></p> <p><u>(IV) penalties by CSRC and other relevant authorities and censures by the stock exchanges.</u></p> <p><u>Except for the election of directors and supervisors via the accumulative voting mechanism, the election of each director and supervisor candidate shall be proposed on a separate basis.</u></p>
Newly added	<p><b>Article 70</b> <u>After the notice of general meeting is issued, the same meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the case of any postponement or cancellation of the meeting, the convener shall make an announcement and give the reasons therefor at least two workdays prior to the date on which the meeting is originally scheduled.</u></p>



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<p><b>Article 74</b> Except as otherwise provided in the relevant laws and regulations and the listing rules of the place where the shares of the Company are listed and these Articles of Association, the notice of the general meeting shall be published through the website of the stock exchange where the shares of the Company are listed and the website of the Company or delivered to the shareholders (regardless of whether they have the right to vote at the general meeting) by personal delivery or prepaid mail to the address as shown in the register of shareholders. For the holders of domestic shares, notice of the meeting may also be issued by way of public announcement.</p> <p>The Announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authority under the State Council. After the publication of such announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>For shareholders of overseas listed foreign invested shares, subject to the rules of the securities regulatory authority in the place where the shares of the Company are listed, the notice of the general meeting may also be given or provided in such other manner as may be approved by the relevant regulatory authority in the place where the shares of the Company are listed or as permitted under Chapter 22 of these Articles of Association.</p>	<p>Deleted</p>

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<p><b>Article 75</b> The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, any person entitled to receive the notice shall not invalidate the meeting and the resolutions thereat.</p>	Deleted
Newly added	<u><b>Section 5 Convening of Shareholders' General Meetings</b></u>
<p><b>Article 76</b> Any shareholder who is entitled to attend and vote at a general meeting of the Company shall be entitled to appoint one or more persons (whether such person is a shareholder or not) as his proxy to attend and vote on his behalf, and a proxy so appointed shall be entitled to exercise the following rights pursuant to the authorisations from that shareholder:</p> <p>(I) the shareholder's right to speak at the meeting;</p> <p>(II) the right to demand a poll or join in such a demand;</p> <p>(III) the right to vote by hand or on a poll, except that where a shareholder has appointed more than one proxy, his or her proxies may only exercise the voting rights when a poll is taken.</p>	Deleted
Newly added	<u><b>Article 71</b> The Board of the Company or other convener shall take necessary measures to ensure the proper order of the general meeting. The Board or other convener shall take measures to stop any act disturbing the general meeting, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and shall report such act to the relevant authority for investigation and treatment.</u>

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Newly added	<p><b>Article 72</b> <u>All shareholders in the shareholders' register on the equity registration date or proxies thereof shall be entitled to attend general meetings, and exercise voting rights pursuant to relevant laws, regulations and these Articles of Association.</u></p> <p><u>The shareholders may attend general meetings and exercise voting rights either in person or by proxy.</u></p>
Newly added	<p><b>Article 73</b> <u>Individual shareholders attending a shareholders' general meeting in person shall produce their identity cards or other valid proof or evidence of their identities or share account card, and in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the proxy forms from shareholders.</u></p> <p><u>For a corporate shareholder, its legal representative or a proxy appointed by such legal representative shall attend a shareholders' general meeting. In the case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and, in the case of attendance by proxies of such legal representatives, such proxies shall produce their identity cards and the letters of authorization issued by such legal representatives according to the laws.</u></p>

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<p><b>Article 77</b> Shareholders shall appoint a proxy by written instrument which is signed by the principal or his or her agent so authorised in writing, or if the appointer is a legal person, affixed with the seal of the legal person or signed by its director or a duly authorised agent or personnel.</p> <p>Each member shall be entitled to appoint a proxy but such proxy need not be a shareholder of the issuer; and in the case where the shareholder being a corporation, it may appoint a proxy to attend and vote at any general meeting of the issuer and such corporation shall be deemed to be present in person at any such meeting if it has appointed a proxy to attend thereat. Such corporation may execute a form of proxy by its duly authorised officer.</p>	<p><del><b>Article 74</b> Shareholders shall appoint a proxy by written instrument which is signed by the principal or his or her agent so authorised in writing, or if the appointer is a legal person, affixed with the seal of the legal person or signed by its director or a duly authorised agent or personnel.</del></p> <p>Each member shall be entitled to appoint a proxy but such proxy need not be a shareholder of the issuer; and in the case where the shareholder being a corporation, it may appoint a proxy to attend and vote at any general meeting of the issuer and such corporation shall be deemed to be present in person at any such meeting if it has appointed a proxy to attend thereat. Such corporation may execute a form of proxy by its duly authorised officer.</p>

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<p><b>Article 78</b> Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy form, or 24 hours before the designated time of voting. Where the proxy form is signed by a person under a power of attorney on behalf of the principal, the power of attorney or other authorisation documents authorised to be signed shall be notarised. A notarially certified copy of that power of attorney or other authorisation documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting. The power of attorney should indicate the date of issuance.</p> <p>Where the principal is a legal person, its legal representative or a person authorised by resolution of its Board of Directors or other decision-making body may attend and vote at the Company’s shareholders’ general meetings as a representative and exercise the same powers that the legal person could exercise on behalf of the legal person, as if it is an individual shareholder.</p>	<p><b>Article 75</b> <del>Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy form, or 24 hours before the designated time of voting.</del> Where the proxy form is signed by a person under a power of attorney on behalf of the principal, the power of attorney or other authorisation documents authorised to be signed shall be notarised. A notarially certified copy of that power of attorney or other authorisation documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting. The power of attorney should indicate the date of issuance.</p> <p>Where the principal is a legal person, its legal representative or a person authorised by resolution of its Board of Directors or other decision-making body may attend and vote at the Company’s shareholders’ general meetings as a representative and exercise the same powers <u>(including the right to speak and vote and, where a show of hands is allowed, the right to vote individually on a show of hands)</u> that the legal person could exercise on behalf of the legal person, as if it is an individual shareholder.</p>

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<p>If a shareholder is a recognised clearing house (or its proxy) as is defined under the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong), it may, as it sees fit, appoint one or more persons as its proxies to attend and vote at any shareholders' general meeting or class meeting. However, if more than one person is appointed, the instrument of proxy shall specify the number and class of the shares relating to each such proxy. A person so authorised may exercise the same rights and powers (including the right to speak and vote and, where a show of hands is allowed, the right to vote individually on a show of hands) on behalf of the recognised clearing house (or its proxy) as if he is an individual shareholder of the company (without having to produce a shareholding certificate, a notarised authorisation and/or further evidence of his duly authorised authority).</p>	<p>If a shareholder is a recognised clearing house (or its proxy) as is defined under the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong), it may, as it sees fit, appoint one or more persons as its proxies to attend and vote at any shareholders' general meeting or <del>class meeting</del> <u>of creditors</u>. However, if more than one person is appointed, the instrument of proxy shall specify the number and class of the shares relating to each such proxy. A person so authorised may exercise the same rights and powers (including the right to speak and vote and, where a show of hands is allowed, the right to vote individually on a show of hands) on behalf of the recognised clearing house (or its proxy) as if he is an individual shareholder of the company (without having to produce a shareholding certificate, a notarised authorisation and/or further evidence of his duly authorised authority).</p>

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<p><b>Article 79</b> The format of any proxy form issued by the Board of the Company to shareholders for the appointment of a shareholder’s proxy shall provide the shareholder with the flexibility to instruct the proxy to vote for or against, and give directives on each of the issues to be voted on at the meeting. Such proxy form shall contain a statement that in the absence of instructions from the shareholder, his or her proxy may vote at his or her discretion.</p> <p>...</p>	<p><del><b>Article 76</b> The format of any proxy form issued by the Board of the Company to shareholders for the appointment of a shareholder’s proxy shall provide the shareholder with the flexibility to instruct the proxy to vote for or against, and give directives on each of the issues to be voted on at the meeting. Such proxy form shall contain a statement that in the absence of instructions from the shareholder, his or her proxy may vote at his or her discretion.</del></p> <p><u>The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall specify:</u></p> <p><u>(I) the name of the proxy;</u></p> <p><u>(II) whether or not the proxy has any voting right;</u></p> <p><u>(III) directive to vote for or against or abstain from voting on each and every issue included in the agenda of the general meeting;</u></p> <p><u>(IV) the date of issue and validity period of the power of attorney;</u></p> <p><u>(V) signature (or seal) of the principal; If the principal is a corporate shareholder, it shall be signed or stamped by the legal representative of the principal, and the corporate seal shall be affixed.</u></p> <p>...</p>

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<b>Article 80</b> Where the principal deceased, lost capacity, revoked the appointment or the signed authorisation for appointment prior to the voting, or the relevant shares have been transferred prior to the voting, a vote given in accordance with the terms of the proxy form shall remain valid as long as the Company did not receive a written notice of such event prior to the commencement of the relevant meeting.	Deleted
Newly added	<b>Article 77</b> <u>The proxy forms shall contain a statement that in the absence of specific instructions by the shareholder, whether the proxy may vote as he/she thinks fit.</u>
Newly added	<b>Article 78</b> <u>Attendees register shall be prepared by the Company, which register shall state the names (or names of the corporations), identification card number and the address of the attendee, the number of voting shares held or represented, names of the principal (or names of the corporations) and so on.</u>
Newly added	<b>Article 79</b> <u>The convener and the lawyer appointed by the Company (if any) shall jointly verify the validity of the shareholders' qualifications based on the shareholders' register provided by the securities registration and clearing authority, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies that attend the meeting and the total amount of their voting shares.</u>
Newly added	<b>Article 80</b> <u>All directors, supervisors and the Secretary of the Board shall attend general meetings of the Company, and the manager and other senior management shall be present at the meetings without voting rights.</u>



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Newly added	<b>Article 81</b> <u>The Company has formulated the Rules of Procedure of the General Meeting of Shareholders, which specify in detail the procedures for convening and voting at the shareholders' general meeting, including notification, registration, reviewing of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, announcements as well as principles for the authorization granted to the board of directors by the shareholders' general meeting, whereby such authorization shall be clear and specific. The Rules of Procedure of the General Meeting of Shareholders shall be appended to the articles of association. They shall be formulated by the board of directors and approved by the shareholders' general meeting.</u>
Newly added	<b>Article 82</b> <u>The Board and the Board of Supervisors shall report their work in the preceding year at the annual general meeting. Every independent non-executive director shall also make his work reports.</u>
Newly added	<b>Article 83</b> <u>Directors, supervisors and senior management shall provide explanations and answers to the enquiries and suggestions from shareholders at the shareholders' general meeting.</u>
Newly added	<b>Article 84</b> <u>The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the shareholders' general meeting.</u>

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Original Articles	Amended Articles
Newly added	<p><b>Article 85</b> <u>Minutes shall be prepared for shareholders' general meetings by the secretary to the board of directors.</u></p> <p><u>The minutes shall state the following contents:</u></p> <p><u>(I) the time, venue and agenda of the meeting and the name of the convener;</u></p> <p><u>(II) the name of the chairman of the meeting and the names of the directors, supervisors, managers and other senior management attending or present at the meeting;</u></p> <p><u>(III) the number of shareholders and proxies attending the meeting, total number of voting shares they represent, and the proportion of these shares to the total number of shares of the Company;</u></p> <p><u>(IV) the process of review and discussion, summary of any speech, and voting results of each proposal;</u></p> <p><u>(V) the shareholders' questions, opinions, suggestions and corresponding answers or explanations;</u></p> <p><u>(VI) the names of the lawyer (if any), counting officer and monitoring officer;</u></p> <p><u>(VII) other contents that shall be recorded in the minutes in accordance with these Articles of Association.</u></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
Newly added	<p><b>Article 86</b> <u>The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, supervisors, secretaries to the board of directors, conveners or their representatives attending the meeting, and the chairman of the meeting shall sign on the minutes. The minutes shall be kept together with the signed attendance record of attending shareholders, proxy forms and the valid information relating to the voting over network or by other means, for a period of no less than 10 years.</u></p>
Newly added	<p><b>Article 87</b> <u>The convener shall ensure that the shareholders' general meeting is conducted continuously until final resolutions are made. If the shareholders' general meeting is suspended or resolutions cannot be made because of force majeure or other special causes, the convener shall take necessary measures to resume the meeting or directly terminate that meeting as soon as practicable, and make a responsive announcement.</u></p>
Newly added	<p><b>Section 6 Voting and Resolutions of Shareholders' General Meetings</b></p>

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Original Articles	Amended Articles
<p><b>Article 82</b> A shareholder (including his or her proxy) who votes at a general meeting shall exercise his or her voting rights based on the number of voting shares held. Each share shall have one vote. However, shares held by the Company shall carry no voting rights.</p> <p>...</p>	<p><b>Article 89</b> A shareholder (including his or her proxy) who votes at a general meeting shall exercise his or her voting rights based on the number of voting shares held. Each share shall have one vote. However, shares held by the Company shall carry no voting rights <u>and shall not be calculated in the total number of shares with voting rights held by the present shareholder.</u></p> <p><u>Where material issues affecting the interests of small and medium investors are being considered at the general meeting, the votes by small and medium investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.</u></p> <p><u>Shareholders who purchase the voting shares of the Company in violation of Clause 1 and Clause 2 of Article 63 of the Securities Law shall not exercise the voting right of the shares that exceed the prescribed ratio within 36 months after purchasing them, and such number shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.</u></p> <p><u>The Board of Directors of the Company, independent non-executive directors, shareholders holding more than 1% of voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the China Securities Regulatory Commission may publicly collect the voting rights of the shareholders. At the time of collecting voting rights of the shareholders, it is necessary to fully disclose the specific voting intention and other information to the persons from whom voting rights are collected. It is forbidden to collect shareholders' voting rights with compensation or in the disguised form of compensation. Except for statutory conditions, the Company shall not impose a minimum shareholding ratio limit on collecting voting rights.</u></p>

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<p><b>Article 83</b> At any shareholders’ general meeting, a resolution shall be decided on a show of hands unless a poll is demanded before or after a vote by show of hands by the following persons:</p> <p>(I) the chairman of the meeting;</p> <p>(II) at least two shareholders with voting rights or proxies thereof;</p> <p>(III) one or more shareholders present in person or by proxy representing 10% or more of all shares carrying the right to vote at the meeting.</p> <p>Unless a poll is demanded, a declaration by the chairman that a resolution has been passed on a show of hands and the recording of such in the minutes of meeting shall be conclusive evidence of the fact that such resolution has been passed. There is no need to provide evidence of the number or proportion of votes in favor of or against such resolution.</p> <p>The demand for a poll may be withdrawn by the person who demanded the same.</p>	<p>Deleted</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 84</b> A poll demanded on the election of the chairman of the meeting, or on a question of the adjournment of the meeting, shall be taken forthwith. A poll demanded on any other question shall be taken as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll. The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.</p>	Deleted
<p><b>Article 85</b> On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his or her votes in the same way.</p>	Deleted
<p><b>Article 86</b> When the number of votes for and against a resolution is equal, the chairman of the meeting shall be entitled to one additional vote regardless of whether such resolution is decided on a show of hands or on a poll.</p>	Deleted

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Original Articles	Amended Articles
<p><b>Article 87</b> The following matters shall be resolved by an ordinary resolution at a shareholders’ general meeting:</p> <p>(I) work reports of the Board of Directors and the Board of Supervisors;</p> <p>(II) profit distribution plans and loss recovery plans formulated by the Board of Directors;</p> <p>(III) preliminary and final annual budgets, balance sheets, profit accounts, and other financial statements of the Company;</p> <p>(IV) appointment and dismissal of members of the Board of Directors and members of the Board of Supervisors, their remuneration and manner of payment;</p> <p>(V) the appointment, removal and remuneration of the accounting firm;</p> <p>(VI) matters other than those which are required by law, administrative regulation or these Articles of Association to be adopted by special resolution.</p>	<p><b>Article 91</b> The following matters shall be resolved by an ordinary resolution at a shareholders’ general meeting:</p> <p>(I) work reports of the Board of Directors and the Board of Supervisors;</p> <p>(II) profit distribution plans and loss recovery plans formulated by the Board of Directors;</p> <p>(III) preliminary and final annual budgets, balance sheets, profit accounts, and other financial statements of the Company;</p> <p><u>(IV) the Company’s operational directions and investment plans;</u></p> <p><u>(V) the annual report of the Company;</u></p> <p><del>(IV)</del><u>(VI)</u> appointment and dismissal of members of the Board of Directors and members of the Board of Supervisors <u>(not being staff representatives)</u>, their remuneration and manner of payment;</p> <p><del>(V)</del><u>(VII)</u> the appointment, removal and remuneration of the accounting firm;</p> <p><u>(VIII) matters concerning change of use of the raised proceeds;</u></p> <p><del>(VI)</del><u>(IX)</u> matters other than those which are required by law, administrative regulation, <u>the rules of the securities regulatory authority in the place where the shares of the Company are listed</u> or these Articles of Association to be adopted by special resolution.</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 88</b> The following matters shall be passed by a special resolution at a shareholders' general meeting:</p> <p>(I) the increase or reduction in share capital of, and the issue of shares of any class, warrants and other similar securities by the Company;</p> <p>(II) the issue of corporate bonds or other securities and listing by the Company;</p> <p>(III) the division, split, merger, dissolution and liquidation of the Company and change of the form of the company;</p> <p>(IV) the amendment of these Articles of Association;</p> <p>(V) purchase or disposal of material assets or provision of guarantee by the Company of a value exceeding 30% of the Company's latest audited total assets with in one year;</p> <p>(VI) external investment and acquisition projects of the Company;</p> <p>(VII) share incentive plan and employee share ownership plan;</p> <p>(VIII) to resolve on the repurchase of the Company's own shares;</p> <p>(IX) any other matters approved by ordinary resolution at a shareholders' general meeting as having a material impact on the Company and that shall be approved by a special resolutions;</p>	<p><b>Article 92</b> The following matters shall be passed by a special resolution at a shareholders' general meeting:</p> <p>(I) the increase or reduction in share capital of, and the issue of shares of any class, warrants and other similar securities by the Company;</p> <p>(II) the issue of corporate bonds or other securities and listing by the Company;</p> <p>(III) the division, split, merger, dissolution and liquidation <u>(or voluntary winding up)</u> of the Company and change of the form of the company;</p> <p>(IV) the amendment of these Articles of Association;</p> <p>(V) purchase or disposal of material assets or provision of guarantee by the Company of a value exceeding 30% of the <del>Company's Group's</del> latest audited total assets with in one year;</p> <p>(VI) external investment and acquisition projects of the Company;</p> <p>(VII) share incentive plan and employee share ownership plan;</p> <p>(VIII) to resolve on the repurchase of the Company's own shares;</p> <p>(IX) any other matters approved by ordinary resolution at a shareholders' general meeting as having a material impact on the Company and that shall be approved by a special resolution;</p> <p><u>(X) matters stipulated in Article 53 of these Articles of Association;</u></p>



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<p>(X) any other matters prescribed by the laws, administrative regulations and these Articles of Association that shall be approved by a special resolution;</p> <p>(XI) any other matters required by the Listing Rules to be approved by special resolution.</p>	<p>(XI) any other matters prescribed by the laws, administrative regulations and these Articles of Association that shall be approved by a special resolution;</p> <p>(<u>XII</u>) any other matters required by the <u>rules of the securities regulatory authority in the place where the shares of the Company are listed</u> <del>Listing Rules</del> to be approved by special resolution.</p>
<p><b>Article 90</b> The list of candidates for directors and supervisors shall be submitted to the shareholders' general meeting by way of proposal.</p>	<p>Deleted</p>

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Original Articles	Amended Articles
<p><b>Article 91</b> The shareholders’ general meeting shall be called by the Board of Directors and presided over by the chairman of the Board of Directors; if the chairman of the Board of Directors is unable to perform his duties or does not perform his duties, the vice chairman of the Board of Directors shall preside over the meeting; if the vice chairman of the Board of Directors is unable to perform his duties or does not perform his duties, more than half of the directors shall jointly elect a director to preside over the meeting.</p> <p>Where the Board of Directors is unable to perform or does not perform the duty of calling a shareholders’ general meeting, the Board of Supervisors shall promptly call and preside over the meeting; where the Board of Supervisors does not call and preside over the meeting for more than 90 consecutive days, shareholders who individually or collectively hold more than 10 percent of the shares of the Company may call and preside over the meeting on their own initiative.</p>	<p><b>Article 94</b> The shareholders’ general meeting shall be called by the Board of Directors and presided over by the chairman of the Board of Directors; if the chairman of the Board of Directors is unable to perform his duties or does not perform his duties, the vice chairman of the Board of Directors shall preside over the meeting; if the vice chairman of the Board of Directors is unable to perform his duties or does not perform his duties, more than half of the directors shall jointly elect a director to preside over the meeting.</p> <p>Where the Board of Directors is unable to perform or does not perform the duty of calling a shareholders’ general meeting, the Board of Supervisors shall promptly call and preside over the meeting; <u>if the chairman of the Board of Supervisors is unable to perform his duties or does not perform his duties, more than half of the supervisors shall jointly elect a supervisor to preside over the meeting.</u></p> <p>Where the Board of Supervisors does not call and preside over the meeting for more than 90 consecutive days, shareholders who individually or collectively hold more than 10 percent of the shares of the Company may call and preside over the meeting on their own initiative.</p> <p><u>When a shareholders’ general meeting is convened, if the chairman of the meeting contravenes the Rules of Procedure, rendering the meeting impossible to proceed, with the consent from more than half of the attending shareholders with voting rights, one person may be nominated at the shareholders’ general meeting to serve as the chairman and the meeting may proceed.</u></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 92</b> The chairman of the meeting shall determine whether or not a resolution of the shareholders’ general meeting shall be adopted. His or her decision shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.</p>	<p>Deleted</p>
<p>Newly added</p>	<p><b>Article 95</b> <u>When the shareholders’ general meeting considers matters relating to a connected transaction, the connected shareholders shall not participate in the vote, and the number of voting shares represented by them shall not be counted in the total number of valid voting shares. The announcement of any resolution made at the shareholders’ general meeting shall fully disclose the voting by the unconnected shareholders.</u></p>
<p>Newly added</p>	<p><b>Article 96</b> <u>Except where the Company is in a crisis or any extraordinary circumstance, the Company shall not enter into any contract with anyone other than a Director, a Manager or any other senior officer to have all or significant part of the Company’s business in the care of such person, unless obtained approval by a special resolution at the general meeting.</u></p>

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Original Articles	Amended Articles
Newly added	<p><b>Article 97</b> <u>The list of candidates for directors and supervisors shall be submitted to the shareholders' general meeting by way of proposal.</u></p> <p><u>Resolutions in respect of the election of directors or supervisors shall be passed by way of cumulative voting pursuant to these Articles of Association or resolutions of the general meeting.</u></p> <p><u>Cumulative voting mentioned in the preceding paragraph means that when directors or supervisors are being elected at a general meeting, each share has as many voting rights as the candidates for directors or supervisors, and the shareholders' voting rights may be used in a concentrated manner. The Board of Directors shall announce biography and basic information of candidates for Directors and Supervisors.</u></p> <p><u>Where sole shareholder and its concert party are interested in 30% or more of the shares of the Company, the cumulative voting method shall be adopted.</u></p>
Newly added	<p><b>Article 98</b> <u>Save under the cumulative voting system, the general meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.</u></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
Newly added	<b>Article 100</b> <u>When a proposal is considered at a shareholders' general meeting, no amendment shall be made unless such amendment is deemed to be made as a new proposal which shall not be voted on at the current shareholders' general meeting.</u>
Newly added	<b>Article 101</b> <u>The same voting right can only be exercised in only one form: onsite, over the network, or otherwise. Where the same voting right is exercised more than once, the voting result of the first time shall prevail.</u>
Newly added	<p><b>Article 102</b> <u>General meetings shall adopt voting by open ballot.</u></p> <p><u>When proposals are voted on at the general meeting, two shareholders' representatives shall be appointed to count, and monitor counting of, the votes. Where any shareholder is related to any issue considered, the said shareholder or proxy thereof shall not participate in counting and monitoring of ballots.</u></p> <p><u>When proposals are voted on at the general meeting, the lawyer, shareholders' representative and supervisors' representative shall be jointly responsible for the counting and monitoring of the ballots and shall announce the voting results on the spot, which voting results shall be recorded in the meeting minutes.</u></p> <p><u>Shareholders of the Company or proxies thereof voting over the network or otherwise shall have the right to check their voting results via the corresponding voting system.</u></p>

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Newly added	<p><b>Article 103</b> <u>A general meeting shall not conclude earlier at the venue than over the network or otherwise, and the presider shall announce the voting result of every proposal and announce whether the proposal is passed or not according to the voting result.</u></p> <p><u>Before the voting result is announced, the relevant parties including the Company, counting officer, monitoring officer, major shareholders and network service provider involved at the venue, over the network or otherwise shall have the confidentiality obligation.</u></p>
Newly added	<p><b>Article 104</b> <u>Shareholders attending the shareholders' general meeting shall express one of the following opinions on motions for voting: for, against or abstain, except that securities registration and settlement organisation, acting as the nominee of shares traded through the Stock Connect mechanism between China mainland and Hong Kong securities markets, may express opinions in accordance with the instruction given by the actual beneficial owner.</u></p> <p><u>Blank, wrong, illegible or uncast votes shall be deemed as the voters' waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as "abstentions".</u></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 94</b> If the chairman of the meeting has any doubt as to the result of any resolution put to the vote, he may have the votes counted. If the chairman of the meeting does not have the votes counted, any attending shareholder or proxy who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the declaration of the voting result, and the chairman of the meeting shall have the votes counted immediately.</p>	<p><b>Article 105</b> If the <del>chairman</del>-presider of the meeting has any doubt as to the result of any resolution put to the vote, he may have the votes counted. If the <del>chairman</del> <u>presider</u> of the meeting does not have the votes counted, any attending shareholder or proxy who objects to the result announced by the <del>chairman</del>-<u>presider</u> of the meeting may demand that the votes be counted immediately after the declaration of the voting result, and the <del>chairman</del> <u>presider</u> of the meeting shall have the votes counted immediately.</p>
Newly added	<p><b>Article 106</b> <u>Resolutions of the general meeting shall be announced in due time. The announcement shall specify the number of attending shareholders and their proxies, the total number of voting shares they represent and the proportion of these shares to the total number of the voting shares of the Company, the voting method, the voting result for every proposal and the details of each of the resolutions passed.</u></p>
Newly added	<p><b>Article 107</b> <u>Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the announcement of the resolutions of the general meeting.</u></p>
Newly added	<p><b>Article 108</b> <u>If the shareholders' general meeting adopts proposals in connection with the election of directors or supervisors, the newly elected directors or supervisors shall take office at the end of the meeting on which relevant election resolution is passed by the shareholders' general meeting.</u></p>

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Newly added	<u><b>Article 109</b> If the shareholders’ general meeting adopts proposals in connection with the cash dividend, allotment or capitalization of common reserves, the Company shall implement specific plans within two months of the end of the shareholders’ general meeting.</u>
<p><b>Article 95</b> If votes are counted at a shareholders’ general meeting, the counting result shall be recorded in the minutes of the meeting. The minutes of the meeting together with the proxy forms and voting situation on Internet or otherwise shall be kept at the domicile of the Company.</p> <p>The minutes of the meeting shall be recorded by the secretary of the meeting and signed by the chairman of the meeting and the directors present at the meeting.</p>	<p><del><b>Article 110</b> If votes are counted at a shareholders’ general meeting, the counting result shall be recorded in the minutes of the meeting. The minutes of the meeting together with the proxy forms and voting situation on Internet or otherwise shall be kept at the domicile of the Company.</del></p> <p>The minutes of the meeting shall be recorded by the secretary of the meeting and signed by the chairman of the meeting and the directors present at the meeting.</p>
<b>Article 96</b> Shareholders may inspect copies of meeting minutes during the Company’s office hours free of charge. If any shareholder requests for a photocopy of the relevant minutes from the Company, the Company shall send such photocopy within 7 days upon receipt of reasonable fees.	Deleted
<b>Chapter 10 Special Procedures for Voting by Class Shareholders</b>	Deleted
<p><b>Article 97</b> Shareholders holding different classes of shares are referred to as class shareholders.</p> <p>Class shareholders shall enjoy rights and assume obligations in accordance with the laws, administrative regulations and these Articles of Association.</p>	Deleted



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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 98</b> Rights conferred to class shareholders may not be varied or abrogated unless approved by way of a special resolution at a shareholders' general meeting and by the affected class shareholders at a separate shareholders' meeting convened in accordance with Articles 100 to 104 hereof.</p> <p>No approval by a shareholders' general meeting or a class meeting is required for variation or abrogation of rights of class shareholders resulting from any change in domestic and foreign laws and administrative regulations and listing rules where the Company's shares are listed, and the decisions made by domestic and foreign regulatory authorities in accordance with the laws.</p> <p>The transfer of domestic shares held by domestic shareholders to overseas investors for listing and trading overseas, or all or part of the domestic shares are converted into overseas listed foreign invested shares and listed abroad for trading on an overseas stock exchange, shall not be considered as the Company's intention to vary or abrogate the rights of class shareholders.</p>	<p>Deleted</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 99</b> The following circumstances shall be deemed to be a variation or abrogation of the rights of shareholders of a particular class:</p> <p>(I) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to the shares of such class, except that, with the approval of the securities regulatory authority under the State Council, shareholders of domestic shares may transfer their shares to foreign investors and list and trade such shares overseas;</p> <p>(II) to effect a change of all or part of the shares of such class into those of another class or to effect an exchange or create a right of exchange of all or part of the shares of another class into those of such class, except that, with the approval of the securities regulatory authority under the State Council, shareholders of domestic shares may transfer their shares to foreign investors and list and trade such shares overseas;</p> <p>(III) to cancel or reduce rights attached to shares of such class to receive accrued dividends or cumulative dividends;</p> <p>(IV) to reduce or cancel rights attached to the shares of such class to preferentially receive dividends or to preferentially receive distributions of assets in a liquidation of the Company;</p>	<p>Deleted</p>

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<p>(V) to add, cancel or reduce the share conversion rights, options, voting rights, transfer rights, pre-emptive rights or rights to acquire securities of the Company attached to shares of such class;</p> <p>(VI) to cancel or reduce rights attached to the shares of such class to receive payments made by the Company in a particular currency;</p> <p>(VII) to create a new class of shares with voting rights, distribution rights or other privileges equal to or superior to those of the shares of such class;</p> <p>(VIII) to restrict the transfer or ownership of the shares of such class or to impose additional restrictions;</p> <p>(IX) to grant the right to subscribe for, or convert into, shares of such or another class;</p> <p>(X) to increase the rights and privileges of the shares of another class;</p> <p>(XI) to restructure the Company in such a way as to cause shareholders of different classes to bear liabilities disproportionately during the restructuring;</p> <p>(XII) to vary or abrogate any provision of this Chapter.</p>	

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<p><b>Article 100</b> Shareholders of the affected class, whether or not otherwise entitled to vote at the shareholders’ general meetings, shall nevertheless be entitled to vote at class meetings in respect to matters concerning items (II) to (VIII), (XI) and (XII) of Article 99 hereof, but the interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>Interested shareholders as specified in the preceding paragraph shall refer to:</p> <p>(I) in the case of a repurchase of shares by the Company by way of a repurchase offer to all shareholders of the Company in the same proportion or by way of public transactions on a stock exchange pursuant to Article 32 of these Articles of Association, an “interested shareholder” shall refer to a controlling shareholder as defined in Article 60 of these Articles of Association;</p> <p>(II) In the case of a repurchase of shares by the Company outside the stock exchange by way of agreement under Article 32 of these Articles of Association, an “interested shareholder” shall refer to a shareholder who is related to the agreement;</p> <p>(III) in the case of restructuring of the Company, an “interested shareholder” shall refer to a shareholder who assumes a relatively less proportion of responsibility than that of any other shareholders of that class or who has an interest different from that of any other shareholders of that class.</p>	<p>Deleted</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 101</b> Resolutions of a class meeting shall be passed by shareholders present at the meeting representing two-thirds or more of the voting rights in accordance with Article 100 hereof.</p>	Deleted
<p><b>Article 102</b> In the event that the Company convenes a class meeting, a written notice shall be issued to shareholders whose names appear on the register of shareholders of such class with reference to the time limit for notice of annual and extraordinary general meetings as required by Article 70 hereof, specifying the matters proposed to be considered and the date and place of the meeting.</p>	Deleted
<p><b>Article 103</b> The notice of the class meeting shall only be served to shareholders entitled to vote thereat.</p> <p>A class meeting shall be held under procedures as similar as possible to a shareholders' general meeting. The provisions of the Articles of Associations which relate to the convening of shareholders' general meetings shall apply to class meetings.</p>	Deleted

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Original Articles	Amended Articles
<p><b>Article 104</b> In addition to holders of other classes of shares, holders of domestic shares and overseas-listed foreign shares are deemed to be different classes of shareholders.</p> <p>The special voting procedures for class meetings shall not apply to the following circumstances:</p> <p>(I) Where the Company issues, upon approval by a special resolution of its shareholders in a general meeting, either separately or concurrently every 12 months, not more than 20% of each of the existing issued domestic shares and overseas listed foreign invested shares;</p> <p>(II) Where the Company’s plan to issue domestic shares and overseas listed foreign invested shares at the time of its establishment is implemented within 15 months from the date of approval by the securities regulatory authority of the State Council.</p>	Deleted
<p><b>Article 105</b> Upon the approval by the securities regulatory authority of the State Council, holders of domestic shares of the Company may transfer the shares held by them to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange. The abovementioned transferred or converted shares, if listed and traded on an overseas stock exchange, shall also be subject to the regulatory procedures, provisions and requirements of the overseas securities markets. In the event that the transferred shares are listed and traded on a foreign stock exchange, a vote at a class meeting of shareholders is not required.</p>	Deleted

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<b>Chapter 11 Board of Directors</b>	<b>Chapter 11<del>6</del> Board of Directors</b>
Newly added	<b><u>Section 1 Directors</u></b>
<p><b>Article 141</b> No one shall be a director, supervisor, general manager or other senior officer of the Company if he or she is subject to any of the following circumstances:</p> <p>(I) being without civil capacity or have limited civil capacity;</p> <p>(II) having been penalised or sentenced due to the crime of corruption, bribery, encroachment on property, misappropriation of property or disruption of the socialist market economy, or having been deprived of political rights due to the committing of any crime, and in each case, five years not having elapsed since the completion of the relevant penalty, sentence or deprivation;</p> <p>(III) a person who is a director, factory principal or manager of a company or enterprise in bankruptcy or liquidation and who is personally responsible for the bankruptcy of the company or enterprise, three years have not elapsed since the date of completion of the bankruptcy or liquidation of the company or enterprise;</p>	<p><b>Article 111</b> <u>Directors of the Company shall be natural persons.</u> A natural person who falls into any of the following circumstances shall not serve as director of the Company: <del>No one shall be a director, supervisor, general manager or other senior officer of the Company if he or she is subject to any of the following circumstances:</del></p> <p>(I) being without civil capacity or have limited civil capacity;</p> <p>(II) having been penalised or sentenced due to the crime of corruption, bribery, encroachment on property, misappropriation of property or disruption of the socialist market economy, or having been deprived of political rights due to the committing of any crime, and in each case, five years not having elapsed since the completion of the relevant penalty, sentence or deprivation;</p> <p>(III) a person who is a director, factory principal or manager of a company or enterprise in bankruptcy or liquidation and who is personally responsible for the bankruptcy of the company or enterprise, three years have not elapsed since the date of completion of the bankruptcy or liquidation of the company or enterprise;</p>

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<p>(IV) persons who served as the legal representatives of companies or enterprises that had their business licenses revoked or have been ordered to be closed for violation of the law, where such representatives bear individual liability therefor and not more than three years have elapsed since the date of revocation of the business license;</p> <p>(V) being a debtor personally liable for a relatively large debt which has not been paid as it fell due;</p> <p>(VI) having been subject to an investigation by judicial authorities for criminal offences, and such investigation not having come to an end;</p> <p>(VII) persons who are prohibited from acting as a management member of an enterprise by laws and administrative regulations;</p> <p>(VIII) not being a natural person;</p> <p>(IX) persons ruled by a competent authority to have violated relevant securities regulations, where such violation involved fraudulent or dishonest acts and not more than five years have elapsed since the date of the ruling.</p>	<p>(IV) persons who served as the legal representatives of companies or enterprises that had their business licenses revoked or have been ordered to be closed for violation of the law, where such representatives bear individual liability therefor and not more than three years have elapsed since the date of revocation of the business license;</p> <p>(V) being a debtor personally liable for a relatively large debt which has not been paid as it fell due;</p> <p>(VI) <u>being under a penalty of prohibited access to the securities market imposed by the China Securities Regulatory Commission and State Commission, which penalty is still effective</u> <del>having been subject to an investigation by judicial authorities for criminal offences, and such investigation not having come to an end;</del></p> <p>(VII) <del>persons who are prohibited from acting as a management member of an enterprise by laws and administrative regulations</del> <u>other contents as required by laws, administrative regulations or departmental rules.</u></p> <p><del>(VIII) not being a natural person;</del></p> <p><del>(IX) persons ruled by a competent authority to have violated relevant securities regulations, where such violation involved fraudulent or dishonest acts and not more than five years have elapsed since the date of the ruling.</del></p> <p><u>For any election and appointment of a director in contravention of the provisions prescribed by this Article, such election, appointment or employment shall be void and null. Where a director falls into any of the aforesaid circumstances in his/her term of office, the Company shall dismiss the duties of such director.</u></p>



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<p><b>Article 107</b> Directors shall be elected by the shareholders’ general meetings and shall have a term of office of 3 years. Upon maturity of the term of office, a director shall be eligible to offer himself for re-election and re-appointment.</p> <p>Any person appointed as director by the Board of Directors to fill a casual vacancy or as an addition to the Board of Directors shall only hold office until the next general meeting of the Company, and shall then be eligible for re-election.</p> <p>The chairman and vice chairman of the Board of Directors shall be elected or removed by more than one half of all directors. The term of office of the chairman and the vice chairman shall be 3 years and is renewable upon re-election.</p> <p>A general meeting may remove a director within his or her term of office by an ordinary resolution, provided that the relevant laws and administrative regulations are observed (however, the claim of such director for compensation under any contract shall not be affected).</p>	<p><b>Article 112</b> Directors shall be elected by the shareholders’ general meetings and shall have a term of office of 3 years. Upon maturity of the term of office, a director shall be eligible to offer himself for re-election and re-appointment.</p> <p><u>The term of office of a director shall commence from his/her accession till the expiry of the term of the current session of the board of directors.</u> Any person appointed as director by the Board of Directors to fill a casual vacancy or as an addition to the Board of Directors shall only hold office until the next general meeting of the Company, and shall then be eligible for re-election. <u>Where election of directors fails to be timely conducted upon expiry of the term of office of the former directors, the former directors shall, prior to the accession of the newly elected directors, perform their duties as directors in accordance with laws, administrative regulations, regulations of regulatory authorities and provisions of these Articles of Association.</u></p>

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<p>The chairman and vice chairman may concurrently hold the office of the general manager or other senior management of the company (except supervisors).</p> <p>External directors and independent non-executive directors shall have sufficient time and the necessary intellectual capacity to perform their duties. When an external director performs his or her duties, the Company must provide the necessary information and materials. Among them, independent non-executive directors may report directly to the shareholders' general meeting, the securities supervisory authority under the State Council and other relevant authorities.</p> <p>Directors are not required to hold shares of the Company.</p>	<p><del>The chairman and vice chairman of the Board of Directors shall be elected or removed by more than one half of all directors. The term of office of the chairman and the vice chairman shall be 3 years and is renewable upon re-election.</del></p> <p>A general meeting may remove a director within his or her term of office by an ordinary resolution, provided that the relevant laws and administrative regulations are observed (however, the claim of such director for compensation under any contract shall not be affected).</p> <p>The chairman and vice chairman may concurrently hold the office of the general manager or other senior management of the Company (except supervisors)-<u>2</u> <u>provided that the number of directors who serve as chief executive officer or other senior management officers concurrently and the directors, who are employee representatives, shall not exceed one half of the number of directors of the Company.</u></p> <p>External directors and independent non-executive directors shall have sufficient time and the necessary intellectual capacity to perform their duties. When an external director performs his or her duties, the Company must provide the necessary information and materials. Among them, independent non-executive directors may report directly to the shareholders' general meeting, the securities supervisory authority under the State Council and other relevant authorities.</p> <p><del>Directors are not required to hold shares of the Company.</del></p>

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<p><b>Article 145</b> Directors, supervisors and senior management of the Company must observe the principle of good faith in the performance of their duties and shall not place themselves in a position where their interests may conflict with the obligations they have undertaken. This principle includes, without limitation, the discharge of the following obligations:</p> <p>(I) to act honestly in the best interests of the Company;</p> <p>(II) to exercise their powers within the scope of their authority and not to exceed it;</p> <p>(III) to exercise his or her discretionary power in person without being subject to the manipulations of other persons, and not to transfer such power to other persons unless permitted by laws and administrative regulations or with the informed consent of shareholders given at a general meeting;</p> <p>(IV) to offer equality to shareholders of the same class and fairness to shareholders of different classes;</p> <p>(V) unless otherwise provided in these Articles of Association or with the informed consent of shareholders given at a general meeting, not to enter into any contract, transaction or arrangement with the Company;</p>	<p><b>Article 113</b> <del>Directors, supervisors and senior management of the Company must observe the principle of good faith in the performance of their duties and shall not place themselves in a position where their interests may conflict with the obligations they have undertaken. This principle includes, without limitation, the discharge of the following obligations shall comply with the laws, administrative regulations, and these Articles of Association, and shall fulfill the fiduciary obligation to the Company as follows:</del></p> <p><u>(I) to act honestly in the best interests of the Company; not to exploit their duties and powers to accept bribes or other illegal income or infringe the assets of the Company by any means, including, without limitation, opportunities advantageous to the Company;</u></p> <p><u>(II) to exercise their powers within the scope of their authority and not to exceed it; not to misappropriate the Company's funds or lend such fund to others, not to store the Company's assets in its personal name or in other names, and not to use the Company's assets to provide guarantees for the Company's shareholders or other personal debts;</u></p>

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<p>(VI) without the informed consent of shareholders given at a general meeting, not to use the Company’s assets for their own benefit by any means;</p> <p>(VII) not to exploit their duties and powers to accept bribes or other illegal income or infringe the assets of the Company by any means, including, without limitation, opportunities advantageous to the Company;</p> <p>(VIII) without the informed consent of shareholders given at a general meeting, not to accept any commissions in relation to the Company’s transactions;</p> <p>(IX) to abide by these Articles of Association, faithfully execute their duties and protect the Company’s interests, and not to exploit their position and duties and powers in the Company to advance their own private interests;</p> <p>(X) without the informed consent of shareholders given at a general meeting, not to compete with the Company by any means;</p> <p>(XI) not to misappropriate the Company’s funds or lend such fund to others, not to store the Company’s assets in its personal name or in other names, and not to use the Company’s assets to provide guarantees for the Company’s shareholders or other personal debts;</p>	<p><del>(III) to exercise his or her discretionary power in person without being subject to the manipulations of other persons, and not to transfer such power to other persons unless permitted by laws and administrative regulations or with the informed consent of shareholders given at a general meeting;</del> <u>unless otherwise provided in these Articles of Association or with the informed consent of shareholders given at a general meeting, not to enter into any contract, transaction or arrangement with the Company;</u></p> <p><del>(IV) to offer equality to shareholders of the same class and fairness to shareholders of different classes;</del> <u>not to take advantage of his/her position to seek business opportunities that should belong to the Company for himself/herself or others, or engage in business similar to that of the Company for himself/herself or others, without the prior approval of the general meeting;</u></p> <p><del>(V) unless otherwise provided in these Articles of Association or with the informed consent of shareholders given at a general meeting, not to enter into any contract, transaction or arrangement with the Company;</del> <u>without the informed consent of shareholders given at a general meeting, not to accept any commissions in relation to the Company’s transactions;</u></p>

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<p>(XII) not to divulge confidential information relating to the Company that was obtained by him or her during his or her office without the informed consent of shareholders given at a general meeting, and not to use such information unless for the purpose of the Company's interests; however, such information may be disclosed to the court or other government authorities under the following circumstances:</p> <ol style="list-style-type: none"> <li>1. as is provided by law;</li> <li>2. required for the purpose of public interest;</li> <li>3. required for the interests of such director, supervisor and senior management.</li> </ol> <p>Any proceeds obtained by the persons referred to in this article in violation of the provisions of this article shall belong to the Company; if any damage is caused to the Company, they shall be liable for compensation.</p>	<p><del>(VI) without the informed consent of shareholders given at a general meeting, not to use the Company's assets for their own benefit by any means; not to divulge confidential information relating to the Company that was obtained by him or her during his or her office without the informed consent of shareholders given at a general meeting, and not to use such information unless for the purpose of the Company's interests; however, such information may be disclosed to the court or other government authorities under the following circumstances:</del></p> <p><u>(VI) without the informed consent of shareholders given at a general meeting, not to use the Company's assets for their own benefit by any means; not to divulge confidential information relating to the Company that was obtained by him or her during his or her office without the informed consent of shareholders given at a general meeting, and not to use such information unless for the purpose of the Company's interests; however, such information may be disclosed to the court or other government authorities under the following circumstances:</u></p> <ol style="list-style-type: none"> <li><u>1. as is provided by law;</u></li> <li><u>2. required for the purpose of public interest;</u></li> <li><u>3. required for the interests of such director, supervisor and senior management.</u></li> </ol> <p><del>(VII) not to exploit their duties and powers to accept bribes or other illegal income or infringe the assets of the Company by any means, including, without limitation, opportunities advantageous to the Company; to abide by these Articles of Association, faithfully execute their duties and protect the Company's interests, and not to exploit their position and duties and powers in the Company to advance their own private interests;</del></p> <p><u>(VII) not to exploit their duties and powers to accept bribes or other illegal income or infringe the assets of the Company by any means, including, without limitation, opportunities advantageous to the Company; to abide by these Articles of Association, faithfully execute their duties and protect the Company's interests, and not to exploit their position and duties and powers in the Company to advance their own private interests;</u></p> <p><del>(VIII) without the informed consent of shareholders given at a general meeting, not to accept any commissions in relation to the Company's transactions; without the informed consent of shareholders given at a general meeting, not to compete with the Company by any means;</del></p> <p><u>(VIII) without the informed consent of shareholders given at a general meeting, not to accept any commissions in relation to the Company's transactions; without the informed consent of shareholders given at a general meeting, not to compete with the Company by any means;</u></p>

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	<p>(IX) <del>to abide by these Articles of Association, faithfully execute their duties and protect the Company's interests, and not to exploit their position and duties and powers in the Company to advance their own private interests; other fiduciary obligations stipulated in the laws, administrative regulations, departmental rules and these Articles of Association.</del></p> <p>(X) <del>without the informed consent of shareholders given at a general meeting, not to compete with the Company by any means;</del></p> <p>(XI) <del>not to misappropriate the Company's funds or lend such fund to others, not to store the Company's assets in its personal name or in other names, and not to use the Company's assets to provide guarantees for the Company's shareholders or other personal debts;</del></p> <p>(XII) <del>not to divulge confidential information relating to the Company that was obtained by him or her during his or her office without the informed consent of shareholders given at a general meeting, and not to use such information unless for the purpose of the Company's interests; however, such information may be disclosed to the court or other government authorities under the following circumstances:</del></p> <ol style="list-style-type: none"> <li><del>1. as is provided by law;</del></li> <li><del>2. required for the purpose of public interest;</del></li> <li><del>3. required for the interests of such director, supervisor and senior management.</del></li> </ol> <p>Any proceeds obtained by the persons referred to in this article in violation of the provisions of this article shall belong to the Company; if any damage is caused to the Company, they shall be liable for compensation.</p>

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<p><b>Article 144</b> The directors, supervisors and senior management of the Company shall have an obligation, in the exercise of their rights or discharge of their obligations, to perform their acts with the care, diligence and skill that a reasonably prudent person should exercise in comparable circumstances.</p>	<p><b>Article 114</b> Directors shall comply with laws, administrative regulations and these Articles of Association, and bear the following responsibilities of diligence to the Company: <del>The directors, supervisors and senior management of the Company shall have an obligation, in the exercise of their rights or discharge of their obligations, to perform their acts with the care, diligence and skill that a reasonably prudent person should exercise in comparable circumstances.</del></p> <p><u>(I) shall exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the requirements of PRC laws, administrative regulations and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company;</u></p> <p><u>(II) shall be fair to all shareholders;</u></p> <p><u>(III) to timely understand the business operations and management of the Company;</u></p> <p><u>(IV) shall sign a written confirmation to the Company’s periodic reports, to ensure that the information disclosed by the Company is true, accurate and complete;</u></p> <p><u>(V) shall provide the status reports and information to the Board of Supervisors honestly, and not to hinder the Board of Supervisors or supervisors from exercising their powers;</u></p> <p><u>(VI) other responsibilities of diligence stipulated in the laws, administrative regulations, departmental rules and these Articles of Association.</u></p>

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<p>Newly added</p>	<p><b>Article 115</b> If the director fails to attend the Board of Directors meeting in person or entrust any other directors to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board of Directors shall advise the general meeting to remove such director.</p>
<p><b>Article 110</b> A director may resign before the expiration of his or her term of office. The resigning director shall submit a written resignation to the Board of Directors.</p> <p>In the event that the resignation of any director results in the number of members of the Board of Directors to be less than the statutory minimum requirement, the said director shall continue to perform duties as director pursuant to the laws, administrative regulations, departmental rules and these Articles of Association until a new director is elected and assumes his/her office.</p> <p>Any person appointed as director by the Board of Directors to fill a casual vacancy or as an addition to the Board of Directors shall only hold office until the first shareholders’ general meeting of the Company after the appointment, and shall then be eligible for re-election.</p> <p>Save for the circumstances referenced in the preceding paragraph, the resignation of a director shall become effective upon submission of his resignation to the Board of Directors.</p>	<p><b>Article 116</b> The director may resign before the expiration of his/her term. The director shall submit a written resignation report to the Board of Directors. <u>The Board of Directors will disclose the relevant information within two days.</u></p> <p>If the resignation of a director causes the Company’s Board of Directors to be below the minimum quorum (five directors), the former director shall, before the newly elected director takes office, still perform the duties of a director in accordance with the provisions of laws, administrative regulations, departmental rules and these Articles of Association.</p> <p><u>Subject to the laws, administrative regulations, departmental rules, rules governing the place where the shares of the Company are listed and these Articles of Association,</u> any person appointed as director by the Board of Directors to fill a casual vacancy or as an addition to the Board of Directors shall only hold office until the first shareholders’ general meeting of the Company after the appointment, and shall then be eligible for re-election.</p> <p>Save for the circumstances referenced in the preceding paragraph, the resignation of a director shall become effective upon submission of his resignation to the Board of Directors.</p>



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Newly added	<b>Article 117</b> When a director’s resignation takes effect or his term of service expires, the director shall complete all transfer procedures with the Board of Directors. His/her fiduciary duty towards the Company and the shareholders do not necessarily cease after the end of his/her term of service and shall still be in effect for a reasonable period of time as stipulated in these Articles of Association.
Newly added	<b>Article 118</b> Without the legal authorization by the Articles of Association or the Board of Directors, no director shall act on behalf of the Company or the Board of Directors in his/her own name. Where a director acts in his/her own name, the director shall declare in advance his/her position and identity in the case that a third party would reasonably believe that the director is acting on behalf of the Company or the Board of Directors.
Newly added	<b>Article 119</b> A director that violates laws, administrative regulations, departmental rules and causes losses to the Company in performing duties of the Company shall be liable for compensation.
Newly added	<b>Article 120</b> Independent Non-Executive Directors shall act in compliance with the relevant provisions of the laws, administrative regulations, China Securities Regulatory Commission and the stock exchanges at the location where the shares of the Company are listed.

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<p><b>Article 109</b> The following conditions should be met for a person to serve as an independent non-executive director:</p> <p>(I) qualified to be a director of a company in accordance with the laws, administrative regulations, the listing rules of the place of listing and other relevant regulations;</p> <p>(II) meet the requirements of the Listing Rules regarding the qualification of independent non-executive directors.</p> <p>In the event that an independent non-executive director fails to meet the basic requirements to serve as an independent non- executive director or is otherwise unsuitable to perform the duties of an independent non-executive director, the independent non- executive director shall be replaced within three months after he or she fails to meet the relevant requirements.</p>	<p><b>Article 122</b> The following conditions should be met for a person to serve as an independent non-executive director:</p> <p>(I) qualified to be a director of a company in accordance with the laws, administrative regulations, the listing rules of the place of listing and other relevant regulations;</p> <p>(II) meet the requirements of the Listing Rules regarding the qualification of independent non-executive directors.</p> <p>In the event that an independent non-executive director fails to meet the basic requirements to serve as an independent non- executive director or is otherwise unsuitable to perform the duties of an independent non-executive director, the independent non- executive director shall be replaced within three months after he or she fails to meet the relevant requirements.</p>
Newly added	<b><u>Section 2 Board of Directors</u></b>
<p><b>Article 106</b> The Company shall have a Board of Directors consisting of eight directors, which shall have a chairman, a vice chairman and six directors, of whom at least three and not less than one-third shall be independent non-executive directors, and at least one of the independent non-executive directors shall be a financial or accounting professional as determined by the Listing Rules.</p>	<p><b>Article 123</b> <del>The Company shall have a Board of Directors,</del> The Board of Directors shall consist of eight directors, which shall have a chairman, a vice chairman and six directors, of whom at least three and not less than one-third shall be independent non-executive directors, and at least one of the independent non- executive directors shall be a financial or accounting professional as determined by the Listing Rules.</p>

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<p><b>Article 111</b> The Board of Directors shall be responsible to the shareholders' general meeting and exercises the following powers:</p> <p>...</p> <p>(XV) other powers as is stipulated in these Articles of Association or as conferred by the shareholders' general meeting.</p> <p>When the Board of Directors makes decisions on matters in the preceding paragraph, except for items (VI), (VII) (IX) and (XI) and resolution of guarantee matters within the scope of its authority in accordance with the provisions of these Articles of Association which must be approved by votes of over two-thirds of the directors, the other items may be approved by the votes of more than half of the directors.</p> <p>Where the Board of Directors makes a resolution on a connected transaction, it must be signed by independent non-executive directors before it can become effective.</p>	<p><b>Article 124</b> The Board of Directors shall be responsible to the shareholders' general meeting and exercises the following powers:</p> <p>...</p> <p><u>(XV) to manage the information disclosure of the Company;</u></p> <p><u>(XVI) to request the shareholders' general meeting to engage or replace the accounting firm that provides audits for the Company;</u></p> <p><u>(XVII) to hear reporting from the Company's manager and inspect the performance of the manager;</u></p> <p><del>(XVXVIII)</del> other powers as is stipulated in these Articles of Association or as conferred by the shareholders' general meeting.</p> <p>When the Board of Directors makes decisions on matters in the preceding paragraph, except for items (VI), (VII), (IX) and (XI) and resolution of guarantee matters within the scope of its authority in accordance with the provisions of these Articles of Association which must be approved by votes of over two-thirds of <del>the all</del> directors, the other items may be approved by the votes of more than half of <del>the all</del> directors.</p> <p>Where the Board of Directors makes a resolution on a connected transaction, it must be signed by independent non-executive directors before it can become effective.</p>

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<p>Where a director has any related party relationship with the enterprise involved in the resolution of the board meeting, he/she shall not exercise the voting rights on the resolution, nor shall he/she exercise the voting rights on behalf of other directors. The meeting of the Board of Directors can be held only when more than half of the directors with no related party relationship or material interests are present, and the resolutions submitted at the meeting of the Board of Directors must be approved by more than half of the directors with no related party relationship or material interests. Where there are less than three directors present at the meeting of the Board of Directors with no related party relationship, the matter concerned shall be submitted to the shareholders' general meeting for consideration.</p>	<p><del>Where a director has any related party relationship with the enterprise involved in the resolution of the board meeting, he/she shall not exercise the voting rights on the resolution, nor shall he/she exercise the voting rights on behalf of other directors. The meeting of the Board of Directors can be held only when more than half of the directors with no related party relationship or material interests are present, and the resolutions submitted at the meeting of the Board of Directors must be approved by more than half of the directors with no related party relationship or material interests. Where there are less than three directors present at the meeting of the Board of Directors with no related party relationship, the matter concerned shall be submitted to the shareholders' general meeting for consideration.</del></p>
Newly added	<p><b>Article 125</b> <u>The Board of Directors shall make explanations to the shareholders' general meeting on the non-standard audit opinions issued by the certified public accountants on the Company's financial reports.</u></p>
Newly added	<p><b>Article 126</b> <u>The Board of Directors shall formulate the Rules of Procedures of the Board of Directors, which shall ensure the implementation of resolutions of the shareholders' general meeting, enhance the working efficiency and ensure the scientific decision making.</u></p>

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<p><b>Article 112</b> The Board of Directors shall not, without the prior approval of shareholders at a general meeting, dispose of or agree to dispose of any fixed assets of the Company where the aggregate of the expected value of the consideration for the proposed disposal and the value of the consideration for any similar disposal of fixed assets in the four months immediately preceding the proposed disposal, exceeds 33% of the value of the Company’s fixed assets as stated in the last balance sheet placed before the general meeting.</p> <p>A “disposal of fixed assets“ as referred to in this article includes an act involving the transfer of an interest in certain assets but does not include the provision of fixed assets by way of security.</p> <p>The validity of transactions conducted for disposal of fixed assets by the Company shall not be affected by the breach of the first paragraph of this Article.</p> <p>Before making decisions on matters such as market development, mergers and acquisitions, investments in new fields, etc., the Board of Directors shall engage social consulting institutions to provide professional opinions as an important basis for the Board of Directors’ decisions on projects in which the amount of investment or mergers and acquisitions of assets reaches 10% or more of the Company’s total assets.</p>	<p><del><b>Article 127</b> The Board of Directors shall not, without the prior approval of shareholders at a general meeting, dispose of or agree to dispose of any fixed assets of the Company where the aggregate of the expected value of the consideration for the proposed disposal and the value of the consideration for any similar disposal of fixed assets in the four months immediately preceding the proposed disposal, exceeds 33% of the value of the Company’s fixed assets as stated in the last balance sheet placed before the general meeting.</del></p> <p><del>A “disposal of fixed assets“ as referred to in this article includes an act involving the transfer of an interest in certain assets but does not include the provision of fixed assets by way of security.</del></p> <p><del>The validity of transactions conducted for disposal of fixed assets by the Company shall not be affected by the breach of the first paragraph of this Article.</del></p> <p><u>The Board of Directors shall determine the scope of authorisation in respect of external investment, acquisition and disposal of assets, asset mortgage, external guarantee matters, entrusted financial management, connected transactions and external donations, and establish strict inspection and decision making procedures; Major investment projects that are subject to review by the Board of Directors and shareholders’ general meeting in accordance with these Articles of Association shall be assessed and examined by relevant experts and professionals and shall be approved at the shareholders’ general meeting.</u></p>

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	<p>Before making decisions on matters such as market development, mergers and acquisitions, investments in new fields, etc., the Board of Directors shall engage social consulting institutions to provide professional opinions as an important basis for the Board of Directors' decisions on projects in which the amount of investment or mergers and acquisitions of assets reaches 10% or more of the Company's total assets.</p>
Newly added	<p><b>Article 129</b> <u>The Board of Directors shall have one chairman and may have one vice chairman. The chairman and vice chairman shall be elected by more than half of all directors. The terms of chairman and vice chairman are 3 years and subject to re-election.</u></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 114</b> The chairman of the Board of Directors shall exercise the following powers:</p> <p>(I) to preside over general meetings, and to call and preside over meetings of the Board of Directors;</p> <p>(II) to inspect the implementation of resolutions of the Board of Directors;</p> <p>(III) to sign the securities issued by the Company;</p> <p>(IV) Any other powers stipulated in the laws, administrative regulations and these Articles of Association and conferred by the Board of Directors.</p> <p>Whereas the chairman is unable or fail to perform his duties, the vice chairman shall perform the duties; if the vice chairman unable or fail to perform his duties, one director elected by a majority of directors shall perform the duties.</p>	<p><b>Article 130</b> The chairman of the Board of Directors shall exercise the following powers:</p> <p>(I) to preside over general meetings, and to call and preside over meetings of the Board of Directors;</p> <p>(II) to inspect the implementation of resolutions of the Board of Directors;</p> <p>(III) to sign the securities issued by the Company;</p> <p>(IV) other powers stipulated in the laws, administrative regulations and these Articles of Association and conferred by the Board of Directors.</p> <p><u>The vice chairman of the Company shall assist the chairman in work, and</u> whereas the chairman is unable or fail to perform his duties, the vice chairman shall perform the duties; if the vice chairman unable or fail to perform his duties, one director elected by a majority of directors shall perform the duties.</p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 115</b> Meetings of the Board of Directors shall be held at least four times a year and be called by the chairman of the Board of Directors. In case of urgent matters, an extraordinary meeting of the Board of Directors may be convened if proposed by shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than one-half of the independent directors or the Board of Supervisors, the chairman of the Board of Directors, the general manager of the Company, or in other cases as provided by laws, administrative regulations, regulatory bodies and these Articles of Association. The chairman shall call and preside over such meeting of the Board of Directors within ten days upon receipt of the proposal.</p>	<p><b>Article 131</b> Meetings of the Board of Directors shall be held at least four times a year and be called by the chairman of the Board of Directors. In case of urgent matters, an extraordinary meeting of the Board of Directors may be convened if proposed by shareholders representing more than one-tenth of the voting rights, more than one-third of the directors, more than one-half of the independent <u>non-executive</u> directors or the Board of Supervisors, the chairman of the Board of Directors, the general manager of the Company, or in other cases as provided by laws, administrative regulations, regulatory bodies and these Articles of Association. The chairman shall call and preside over such meeting of the Board of Directors within ten days upon receipt of the proposal.</p>



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

Original Articles	Amended Articles
Newly added	<p><b>Article 133</b> <u>The notice of a meeting of the Board of Directors shall contain the following contents:</u></p> <p><u>(I) date and venue of the meeting;</u></p> <p><u>(II) duration of the meeting;</u></p> <p><u>(III) form of convening the meeting;</u></p> <p><u>(IV) the reasons to be considered and approved (meeting proposals);</u></p> <p><u>(V) the names of the meeting convener and chairman, the name of the person who proposed the interim meeting and his or her written proposal;</u></p> <p><u>(VI) the meeting materials necessary for the vote by the directors, including the background materials related to the topics to be discussed at the meeting and the information and data that would be of assistance to the directors in understanding the development of the Company’s business;</u></p> <p><u>(VII) a request that the director attend in person or that he/she appoint another director to attend the meeting on his/her behalf;</u></p> <p><u>(VIII) the name of the contact person and his/her contact information;</u></p> <p><u>(IX) date of issue of notice;</u></p> <p><u>(X) other contents as required by laws, administrative regulations and the rules of the securities regulatory authority in the place where the shares of the Company are listed.</u></p> <p><u>The notice of an emergency meeting shall, at minimum, include the particulars set forth in items (I) and (II) above and an explanation to the effect that circumstances are urgent and an interim meeting of the Board of Directors needs to be held as soon as possible.</u></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 120</b> A resolution in writing signed and agreed to by all the directors respectively shall be deemed to be as valid as if it had been passed at a single legally convened meeting of the Board of Directors. Such written resolutions may consist of several duplicates, each signed by one or more of the directors. A resolution of the Company signed by a director or containing the name of a director and sent by telegram, telex, post, facsimile or by hand shall be deemed to be a document signed by him for the purposes of this Article.</p>	<p><b>Article 137</b> A resolution in writing signed and agreed to by all the directors respectively <u>in accordance with the provisions of Article 136 of these Articles of Association</u> shall be deemed to be as valid as if it had been passed at a single legally convened meeting of the Board of Directors. Such written resolutions may consist of several duplicates, each signed by one or more of the directors. A resolution of the Company signed by a director or containing the name of a director and sent by telegram, telex, post, facsimile or by hand shall be deemed to be a document signed by him for the purposes of this Article.</p>
<p><b>Article 121</b> A meeting of the Board of Directors shall only be held with the attendance of over two-thirds of the directors.</p> <p>Each director shall be entitled to one vote. Unless otherwise provided by the laws, administrative regulations and these Articles of Association, the Board of Directors' resolutions must be voted for by more than half of all the directors.</p>	<p><b>Article 138</b> A meeting of the Board of Directors shall only be held with the attendance of over two-thirds of the directors.</p> <p>Each director shall be entitled to one vote. Unless otherwise provided by the laws, administrative regulations and these Articles of Association, the Board of Directors' resolutions must be voted for by more than half of all the directors.</p> <p><u>When voting on the resolutions of the Board of Directors, each director shall have one vote.</u></p>

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

Original Articles	Amended Articles
Newly added	<p><b>Article 139</b> <u>Where a director has any related party relationship with the enterprise involved in the resolution of the meeting of the Board of Directors, he/she shall not exercise the voting rights on the resolution, nor shall he/she exercise the voting rights on behalf of other directors. The meeting of the Board of Directors can be held only when more than half of the directors with no related party relationship or material interests are present, and the resolutions submitted at the meeting of the Board of Directors must be approved by more than half of the directors with no related party relationship or material interests. Where there are less than three directors present at the meeting of the Board of Directors with no related party relationship, the matter concerned shall be submitted to the shareholders' general meeting for consideration.</u></p>
Newly added	<p><b>Article 140</b> <u>The means of the voting on the resolutions of the Board of Directors are: open ballot, or other means permitted by laws, administrative regulations and securities regulatory authorities of the place(s) where the shares of the Company are listed. When the number of votes for and against a resolution is equal, the chairman of the meeting shall be entitled to one additional vote.</u></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 123</b> All the matters resolved at the meeting of the Board of Directors shall be recorded in the minutes of meeting. The Directors who attended the meeting, the secretary to the Board of Directors and the note-taker shall sign on the minutes of meeting.</p> <p>...</p>	<p><b>Article 142</b> All the matters resolved at the meeting of the Board of Directors shall be recorded in the minutes of meeting. The Directors who attended the meeting, the secretary to the Board of Directors and the note-taker shall sign on the minutes of meeting.</p> <p><u>The minutes of the meetings of the Board of Directors shall be kept as company files for a period of not less than 10 years.</u></p> <p>...</p>

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

Original Articles	Amended Articles
Newly added	<p><b>Article 143</b> <u>The minutes of the meetings of the Board of Directors shall include the following:</u></p> <p><u>(I) date, venue and method of convening of the meeting;</u></p> <p><u>(II) the issuance of the notice of the meeting;</u></p> <p><u>(III) convener and chairman of the meeting;</u></p> <p><u>(IV) names of the directors attending the meeting and names of the directors (proxies) appointed by others to attend the meeting of the Board of Directors;</u></p> <p><u>(V) agenda of the meeting;</u></p> <p><u>(VI) main points of the speeches of the directors; resolutions to be considered at the meeting, main points of the speeches and major opinions of directors;</u></p> <p><u>(VII) the means and result of voting of each resolution (the result of voting shall state the numbers of votes for, against or the resolutions or abstention);</u></p> <p><u>(VIII) other matters that the directors attending the meeting consider should be recorded.</u></p>

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

Original Articles	Amended Articles
<p><b>Article 124</b> The Board of Directors shall establish special committees for audit, remuneration and nomination in accordance with relevant laws and regulations and the requirements of the Listing Rules. All members of the special committees shall be directors. The composition, duties, and rules of procedure of the special committees of the Board shall be resolved separately by the Board of Directors. These special committees are ad hoc committees under the Board of Directors to provide advice or advisory opinions for the Board of Directors on material decisions, or to exercise decision making power in respect to the authorised matters in accordance with the special powers bestowed by the Board of Directors.</p>	<p><b>Article 144</b> Board of Directors shall establish special committees for audit, remuneration and nomination in accordance with relevant laws and regulations and the requirements of the Listing Rules. All members of the special committees shall be directors. The composition, duties, and rules of procedure of the special committees of the Board shall be resolved separately by the Board of Directors. These special committees are ad hoc committees under the Board of Directors to provide advice or advisory opinions for the Board of Directors on material decisions, or to exercise decision making power in respect to the authorised matters in accordance with the special powers bestowed by the Board of Directors. <u>The Audit Committee shall consist of non-executive directors and shall comprise at least three members, with its chairman and a majority of the members being independent non-executive directors, at least one of whom shall be an independent non-executive director with appropriate professional qualifications or appropriate accounting or related financial management expertise in compliance with the requirements of the Hong Kong Listing Rules.</u></p> <p><u>The majority of the members of the Nomination Committee shall be independent non-executive directors and the chairman shall be the chairman of the Board of Directors or an independent non-executive director.</u></p> <p><u>The majority of the members of the Remuneration Committee shall be independent non-executive directors and the chairman shall be an independent non-executive director. The Board of Directors is responsible for formulating the working procedures of the special committees and regulating the operation of the special committees.</u></p>

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

Original Articles	Amended Articles
<p><b>Chapter 12 Secretary to the Board of Directors</b></p> <p><b>Article 125</b> The Company shall have one secretary to the Board of Directors. The secretary to the Board of Directors is a senior management officer of the Company.</p>	<p><del>Chapter 12</del> <b>Chapter 7 Secretary to the Board of Directors</b></p> <p><b>Article 145</b> The Company has one secretary of the Board of Directors. <del>The secretary to the Board of Directors is a senior management officer of the Company,</del> <u>who is responsible for the preparation of the shareholders' general meetings and meetings of the Board of Directors of the Company, the custody of documents as well as the management of shareholders' information of the Company, and the handling of information disclosure affairs.</u></p> <p><u>The secretary of the Board of Directors shall comply with the laws, administrative regulations, departmental rules and relevant provisions of these Articles of Association.</u></p>

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

Original Articles	Amended Articles
<p><b>Article 126</b> The secretary to the Board of Directors of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be appointed by the Board of Directors. His or her primary duties include:</p> <p>...</p> <p>(VI) to be responsible for the confidentiality of the Company's price-sensitive information, and formulate effective confidentiality systems and measures. To take necessary remedial measures, promptly explain and clarify any leaks of price-sensitive information caused by various reasons, and inform the stock exchange where the Company's shares are listed as well as the CSRC;</p> <p>(VII) to be responsible for coordinating the reception of visitors, maintaining contact with the news media, coordinating the answering of questions from the public, handling relations with intermediaries, regulatory authorities and the media and organising the reporting of relevant matters to the CSRC;</p> <p>(VIII) to ensure that the register of members of the Company is properly established, and that persons entitled to access relevant records and documents of the Company may access such records and documents in a timely manner;</p>	<p><b>Article 146</b> <del>The secretary to the Board of Directors of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be appointed by the Board of Directors.</del> <u>The secretary to the Board of Directors shall be a person who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the stock exchange where the Company's shares are listed, capable of discharging the duties of company secretary.</u> His or her primary duties include:</p> <p>...</p> <p>(VI) to be responsible for the confidentiality of the Company's price-sensitive information, and formulate effective confidentiality systems and measures. To take necessary remedial measures, promptly explain and clarify any leaks of price-sensitive information caused by various reasons, and inform the stock exchange where the Company's shares are listed as well as the CSRC;</p> <p>(VII) to be responsible for coordinating the reception of visitors, maintaining contact with the news media, coordinating the answering of questions from the public, handling relations with intermediaries, regulatory authorities and the media and organising the reporting of relevant matters to the CSRC ;</p> <p>(VIII) to ensure that the register of members of the Company is properly established, and that persons entitled to access relevant records and documents of the Company may access such records and documents in a timely manner;</p>



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

<b>Original Articles</b>	<b>Amended Articles</b>
<p>(IX) to assist the directors and the general manager to effectively comply with domestic and foreign laws, regulations, these Articles of Association and other relevant provisions in the exercise of their powers. When he or she become aware that the company has made or may make a resolution in violation of the relevant provisions, be obliged to make a reminder in a timely manner and have the right to truthfully reflect the situation to the CSRC and other regulatory bodies;</p> <p>...</p>	<p>(IX) to assist the directors and the general manager to effectively comply with domestic and foreign laws, regulations, these Articles of Association and other relevant provisions in the exercise of their powers. When he or she become aware that the Company has made or may make a resolution in violation of the relevant provisions, be obliged to make a reminder in a timely manner and have the right to truthfully reflect the situation to the CSRC and other regulatory bodies;</p> <p>...</p>
<p><b>Article 127</b> A director or other senior management of the Company (other than the general manager or the financial controller of the Company) may also serve as the secretary to the Board of Directors of the Company, provided that he/she must have sufficient energy and time to undertake the duties of the secretary to the Board of Directors. The accountants of the accounting firm engaged by the Company and the management personnel of the controlling shareholder of the Company shall not concurrently serve as the secretary to the Board of Directors of the Company.</p> <p>Where the secretary to the Board of the Company is concurrently served by a director, and if an act is required to be taken by a director and a secretary to the Board of the Company separately, the person who holds the office of director and secretary shall not perform the act in a dual capacity.</p>	<p>Deleted</p>
<p><b>Chapter 13 General Manager and Other Senior Management Officers</b></p>	<p><del>Chapter 13</del> <b>Chapter 8 General Manager and Other Senior Management Officers</b></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 128</b> The Company shall have one general manager who shall be appointed or dismissed by the Board.</p> <p>The Company may have several deputy general managers who are appointed or dismissed by the Board of Directors based on the nomination of the general manager; the deputy general managers shall assist the general manager and are accountable to him.</p>	<p><b>Article 147</b> The Company shall have one general manager who shall be appointed or dismissed by the Board of Directors.</p> <p>The Company may have several deputy general managers who are appointed or dismissed by the Board of Directors based on the nomination of the general manager; the deputy general managers shall assist the general manager and are accountable to him.</p> <p><u>The general manager, deputy general managers, the financial controller and secretary of the Board of Directors are senior management officers of the Company.</u></p>
Newly added	<p><b>Article 148</b> <u>The circumstances of disqualification for directors prescribed in Article 111 of these Articles of Association shall be applicable to the senior management officers.</u></p> <p><u>Provisions regarding the duty of loyalty of directors under Article 113 and the duty of diligence of directors under items (IV), (V) and (VI) of Article 114 hereof shall be applicable to the senior management officers.</u></p>
Newly added	<p><b>Article 149</b> <u>Any person who takes an administrative role other than a director or a supervisor in the controlling shareholders of the Company shall not serve as a senior management officer of the Company.</u></p>
Newly added	<p><b>Article 150</b> <u>The term of office of the manager shall be three years, renewable upon reappointment.</u></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 129</b> The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:</p> <p>(I) to be in charge of the production, operation and management of the Company, and to arrange proper resources to implement resolutions of the Board of Directors;</p> <p>(II) to arrange proper resources to implement the Company’s operational plans and investment plans;</p> <p>(III) to draft the plan for the establishment of the Company’s internal management structure;</p> <p>(IV) to draft the plan for the establishment of basic management system of the Company;</p> <p>(V) to formulate the basic regulations of the Company;</p> <p>(VI) to propose the employment and dismissal of the deputy general managers and the financial controller of the Company;</p> <p>(VII) to appoint or dismiss management staff other than those required to be appointed or dismissed by the Board;</p>	<p><b>Article 151</b> The general manager of the Company shall be accountable to the Board of Directors and exercise the following functions and powers:</p> <p>(I) to be in charge of the production, operation and management of the Company, arrange proper resources to implement resolutions of the Board of Directors, <u>and report to the Board of Directors;</u></p> <p>(II) to arrange proper resources to implement the Company’s annual operational plans and investment plans;</p> <p>(III) to draft the plan for the establishment of the Company’s internal management structure;</p> <p>(IV) to draft the plan for the establishment of basic management system of the Company;</p> <p>(V) to formulate the basic regulations of the Company;</p> <p>(VI) to propose to <u>the Board of Directors</u> the employment and dismissal of the deputy general managers and the financial controller of the Company;</p> <p>(VII) to appoint or dismiss management staff other than those required to be appointed or dismissed by the Board of Directors;</p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p>(VIII) To draft the salaries, benefits, rewards and punishments of the employees of the Company, to decide on the employment and dismissal, promotion and downward reclassification, salary increase and reduction, appointment, employment, termination and dismissal of the employees of the company;</p> <p>(IX) to propose to convene extraordinary meetings of the Board of Directors;</p> <p>(X) to exercise other functions and powers conferred by these Articles of Association and the Board of Directors.</p>	<p>(VIII) to draft the salaries, benefits, rewards and punishments of the employees of the Company, to decide on the employment and dismissal, promotion and downward reclassification, salary increase and reduction, appointment, employment, termination and dismissal of the employees of the Company;</p> <p>(IX) to propose to convene extraordinary meetings of the Board of Directors;</p> <p>(X) to exercise other functions and powers conferred by these Articles of Association and the Board of Directors.</p> <p><u>The general manager shall attend meetings of the Board of Directors.</u></p>
<p><b>Article 130</b> The general manager shall attend board meetings and, if the general manager is not a director, he shall not have voting right thereat.</p>	<p>Deleted</p>
<p>Newly added</p>	<p><u><b>Article 152</b> The general manager shall formulate his/her working rules, which shall come into effect upon approval by the Board of Directors.</u></p>

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

Original Articles	Amended Articles
Newly added	<p><b>Article 153</b> <u>The working rules of general manager shall include the following:</u></p> <p><u>(I) conditions for the convening of and the procedure for the general manager’s meeting, and the personnel to attend the meeting;</u></p> <p><u>(II) specific duties and division of work of the general manager and other senior management officers;</u></p> <p><u>(III) the authority to utilize the Company’s funds and assets and to enter into material contracts, and the reporting system to the Board of Directors and the Board of Supervisors;</u></p> <p><u>(IV) Other matters which the Board of Directors considers necessary.</u></p>
Newly added	<p><b>Article 155</b> <u>The general manager can tender his/her resignation before the expiry of his/her term of office. The procedure for such resignation shall be governed by the employment contract between the general manager and the Company.</u></p>
Newly added	<p><b>Article 156</b> <u>According to the requirements of the Company, the Company shall determine the procedures for the appointment and dismissal of the deputy general manager, the relationship between the deputy general manager and the general manager and the responsibilities and authorities of the deputy general manager in these Articles of Association.</u></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
Newly added	<u><b>Article 157</b> If a senior management officer violates any laws, administrative rules, departmental rules and regulations and the provisions stipulated in these Articles of Association in the course of performing his/her duties of the Company and subsequently causes losses to the Company, he/she shall be liable for compensation.</u>
<b>Article 132</b> The general manager and other senior management of the Company, in performing their duties and exercising their powers, shall act honestly and diligently in accordance with laws, administrative regulations and these Articles of Association.	<del><b>Article 158</b> The general manager and other senior management of the Company, in performing their duties and exercising their powers, shall act honestly and diligently in accordance with laws, administrative regulations and these Articles of Association.</del> <u>Senior management officers of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all the shareholders. If the Company's senior management officers fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the law.</u>
<b>Chapter 14 Board of Supervisors</b>	<del><b>Chapter 14</b></del> <u><b>Chapter 9</b></u> <b>Board of Supervisors</b>
Newly added	<u><b>Section 1 Supervisors</b></u>
Newly added	<u><b>Article 159</b> The circumstances of disqualification for directors prescribed in Article 111 of these Articles of Association shall be applicable to supervisors.</u>  <u>The directors, manager and other management officers of the Company shall not act concurrently as supervisors.</u>

**APPENDIX II      COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
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Original Articles	Amended Articles
Newly added	<u><b>Article 160</b> Supervisors shall observe laws, administrative regulations and these Articles of Association. They shall shoulder the duties of loyalty and due diligence to the Company, and shall not accept any bribery or other illegal income by using his/her powers and position, or seize the assets of the Company in any manner.</u>
Newly added	<u><b>Article 161</b> The term of office of each supervisor shall be three years, renewable upon reelection after expiry.</u>  <u>Where the tenure of supervisors expires and re-election has not yet been made, or where a supervisor resigns during his/her tenure resulting in the number of supervisors falls below the necessary quorum of meeting of the board of supervisors, the original supervisor shall (before the re-election of the new supervisor) continue to perform his/her duties as a supervisor pursuant to the provisions of laws, administrative regulations and these Articles of Association.</u>
Newly added	<u><b>Article 162</b> Supervisors shall ensure that information disclosed by the Company is true, accurate and complete and he/she shall sign on the periodical report with written confirmation.</u>
Newly added	<u><b>Article 163</b> Supervisors shall not prejudice the interests of the Company by means of their connected relationship or they shall be liable for compensation for any loss caused to the Company.</u>

**APPENDIX II      COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
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Original Articles	Amended Articles
Newly added	<b>Article 164</b> <u>If supervisors have violated the provisions of any laws, administrative regulations, departmental rules or these Articles of Association in the course of performing their duties, which has caused losses to the Company, they shall be liable for compensation.</u>
Newly added	<b>Section 2 Board of Supervisors</b>
<b>Article 133</b> The Company shall have a Board of Supervisors. It shall exercise supervisory functions over the Board of Directors, its members and senior management and the management of the Company to prevent them from abusing their powers and infringing the rights and interests of shareholders, the Company and its employees.	<u>Deleted</u>



**APPENDIX II      COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
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Original Articles	Amended Articles
<p><b>Article 134</b> The Board of Supervisors shall consist of three Supervisors, two of whom shall be representatives of the shareholders and one of whom shall be a representative of the employees of the Company; the supervisors who are representatives of shareholders shall be elected and dismissed by the shareholders' general meeting and the supervisor who is a representative of the employees shall be democratically elected and dismissed by the employees. Each supervisor shall serve for a term of 3 years, and shall be eligible for re-election.</p> <p>The Board of Supervisors shall have one chairman. The election or removal of the chairman of the Board of Supervisors shall be determined by two-thirds<sup>1</sup> or more of the members of the Board of Supervisors. The meetings of the Board of Supervisors shall be called and presided over by the chairman of the Board of Supervisors; where the chairman of the Board of Supervisors is unable to perform his duties or fails to perform his duties, a supervisor jointly elected by more than half of the Supervisors shall preside over the meeting.</p>	<p><b>Article 165</b> <u>The Company shall have a Board of Supervisors.</u> The Board of Supervisors shall consist of three Supervisors, two of whom shall be representatives of the shareholders and one of whom shall be a representative of the employees of the Company, <u>with the proportion of employee representatives being at least one-third;</u> the supervisors who are representatives of shareholders shall be elected and dismissed by the shareholders' general meeting and the supervisor who is a representative of the employees shall be democratically elected and dismissed by the employees. <del>Each supervisor shall serve for a term of 3 years, and shall be eligible for re-election.</del></p> <p>The Board of Supervisors shall have one chairman. The election or removal of the chairman of the Board of Supervisors shall be determined by two-thirds<sup>2</sup> or more of the members of the Board of Supervisors. The meetings of the Board of Supervisors shall be called and presided over by the chairman of the Board of Supervisors; where the chairman of the Board of Supervisors is unable to perform his duties or fails to perform his duties, a supervisor jointly elected by more than half of the Supervisors shall preside over the meeting.</p> <p><u>The directors, general manager and other senior management officers of the Company shall not concurrently act as supervisors.</u></p>

<sup>1</sup> In accordance with Article 5 of the Letter of Opinion on Supplements and Amendments and Rule d(i), Section 1 of Appendix 13d of the Listing Rules, Article 117 of the Company Law provides that "the chairman and deputy chairman of the Board of Supervisors shall be elected by a majority of all members of Board of Supervisors". As the provisions of the Letter of Opinion on Supplements and Amendments and the Listing Rules are more stringent than the provisions of the Company Law, the provisions of the Letter of Opinion on Supplements and Amendments and the Listing Rules are adopted herein and will be amended accordingly as the Letter of Opinion on Supplements and Amendments and the Listing Rules are amended.

<sup>2</sup> In accordance with Article 5 of the Letter of Opinion on Supplements and Amendments ~~and Rule d(i), Section 1 of Appendix 13d of the Listing Rules,~~ Article 117 of the Company Law provides that "the chairman and deputy chairman of the Board of Supervisors shall be elected by a majority of all members of Board of Supervisors". As the provisions of the Letter of Opinion on Supplements and Amendments ~~and the Listing Rules~~ are more stringent than the provisions of the Company Law, the provisions of the Letter of Opinion on Supplements and Amendments ~~and the Listing Rules~~ are adopted herein and will be amended accordingly as the Letter of Opinion on Supplements and Amendments ~~and the Listing Rules~~ are amended.

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Original Articles	Amended Articles
<p><b>Article 135</b> The directors and senior management officers of the Company shall not concurrently act as supervisors.</p>	<p>Deleted</p>
<p><b>Article 136</b> The Board of Supervisors shall convene at least once meeting every six months, which shall be called by the chairman of the Board of Supervisors.</p> <p>The supervisors can propose to convene ad hoc meetings of the Board of Supervisors.</p> <p>Where the chairman of the Board of Supervisors is unable to perform his duties or fails to perform his duties, a supervisor jointly elected by more than half of the supervisors shall preside over the meeting.</p>	<p><b>Article 166</b> The Board of Supervisors shall convene at least once meeting every six months, which shall be called by the chairman of the Board of Supervisors.</p> <p>The supervisors can propose to convene ad hoc meetings of the Board of Supervisors.</p> <p><del>Where the chairman of the Board of Supervisors is unable to perform his duties or fails to perform his duties, a supervisor jointly elected by more than half of the supervisors shall preside over the meeting.</del></p>

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Original Articles	Amended Articles
<p><b>Article 137</b> The Board of Supervisors shall be responsible to the shareholders' general meeting and exercises the following powers:</p> <p>(I) to examine the financial affairs of the company;</p> <p>(II) to monitor any acts on the part of directors, general manager and other senior management officers in their performance of duties that may violate the laws, administrative regulations and these Articles of Association;</p> <p>(III) to require the director, general manager and other senior management of the Company to make rectifications if his or her act is detrimental to the interests of the company;</p> <p>(IV) to review financial information such as financial reports, operation reports and profit distribution plans to be submitted by the Board of Directors to the shareholders' general meetings; to conduct investigation if there is any doubt in the Company's operations and engage certified public accountants and practicing auditors in the name of the Company to assist their review if necessary;</p> <p>(V) to propose the convening of an extraordinary general meeting;</p> <p>(VI) to represent the Company in dealings with directors or to bring an action against directors and senior management in accordance with Article 151 of the Company Law;</p>	<p><b>Article 167</b> The Board of Supervisors shall be responsible to the shareholders' general meeting and exercises the following functions and powers:</p> <p>(I) to examine the financial affairs of the Company;</p> <p>(II) <u>to monitor any acts</u> on the part of directors and senior management officers in their performance of duties and <u>propose the dismissal of directors, general manager and other senior management officers</u> who have violated the laws, administrative regulations and these Articles of Association <u>or resolutions passed by the shareholders' general meeting</u>;</p> <p>(III) to require the director and senior management officers of the Company to make rectifications if his or her act is detrimental to the interests of the Company;</p> <p>(IV) to review financial information such as financial reports, operation reports and profit distribution plans to be submitted by the Board of Directors to the shareholders' general meetings; to conduct investigation if there is any doubt in the Company's operations and engage certified public accountants and practicing auditors in the name of the Company to assist their review if necessary;</p> <p>(V) to propose the convening of an extraordinary general meeting, <u>and convene and chair of shareholders' general meetings in the event of the Board of Directors having failed to do so pursuant to the Company Law</u>;</p>

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<p>(VII) other functions and powers as is stipulated by laws, administrative regulations and these Articles of Association.</p> <p>Supervisors shall present at the meetings of the Board of Directors.</p>	<p>(VI) to represent the Company in dealings with directors or to bring an action against directors and senior management officers in accordance with Article 151 of the Company Law;</p> <p><u>(VII) to audit the periodical reports of the Company prepared by the Board of Directors and express their opinions in writing;</u></p> <p><u>(VIII) to put forward proposals to a shareholders' general meeting;</u></p> <p><del>(VII) (IX)</del> other functions and powers as is stipulated by laws, administrative regulations and these Articles of Association.</p> <p><del>Supervisors shall present at the meetings of the Board of Directors.</del></p>
Newly added	<b>Article 168</b> <u>Supervisors shall present at the meetings of the Board of Directors and make inquiry or proposal in respect of the Board of Directors' resolutions.</u>
Newly added	<b>Article 169</b> <u>The Board of Supervisors shall formulate rules of procedure for meetings of the Board of Supervisors and shall clarify methods for business discussions and voting procedures to ensure the work efficiency and scientific decision making of the Board of Supervisors.</u>

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<p><b>Article 138</b> A meeting of the Board of Supervisors shall be convened by giving written notice to all supervisors not less than 10 days before the meeting. If the situation is urgent and an ad hoc meeting of the Board of Supervisors needs to be held as soon as possible, the delivery of notice of the meeting may be exempted from the time limit in the preceding paragraph, but the effective delivery to the directors and supervisors must be ensured before the meeting and that an explanation shall be given at the meeting.</p> <p>A meeting of the Board of Supervisors shall only be held with the attendance of over two-thirds of the members thereof.</p> <p>Resolutions of the Board of Supervisors shall be adopted by a vote of at least two-thirds of the members thereof. <sup>3</sup></p>	<p><b>Article 170</b> A meeting of the Board of Supervisors shall be convened by giving written notice to all supervisors not less than 10 days before the meeting. If the situation is urgent and an ad hoc meeting of the Board of Supervisors needs to be held as soon as possible, the delivery of notice of the meeting may be exempted from the time limit in the preceding paragraph, but the effective delivery to the directors and supervisors must be ensured before the meeting and that an explanation shall be given at the meeting.</p> <p>A meeting of the Board of Supervisors shall only be held with the attendance of over two-thirds of the members thereof.</p> <p>Resolutions of the Board of Supervisors shall be adopted by a vote of at least two-thirds of the members thereof. <sup>4</sup></p> <p><u>The Board of Supervisors shall maintain minutes of the meetings so as to record the decisions on the matters considered. Participating supervisors shall initiate the minutes for confirmation.</u></p> <p><u>Any supervisor shall be entitled to have an explanatory note made in the minutes regarding his/her speech at the meeting. The minutes of the meetings of the Board of Supervisors shall be kept as company files for a period of not less than 10 years.</u></p>

<sup>3</sup> In accordance with Article 6 of the Letter of Opinion on Supplements and Amendments and Rule (d)(ii), Section 1 of Appendix 13d of the Listing Rules, Article 119 of the Company Law provides that “resolutions of the Board of Supervisors shall be adopted by more than half of the members thereof.” As the provisions of the Letter of Opinion on Supplements and Amendments and the Listing Rules are more stringent than the provisions of the Company Law, the provisions of the Letter of Opinion on Supplements and Amendments and the Listing Rules are adopted herein and will be amended accordingly as the Letter of Opinion on Supplements and Amendments and the Listing Rules are amended.

<sup>4</sup> In accordance with Article 6 of the Letter of Opinion on Supplements and Amendments and Rule (d)(ii), ~~Section 1 of Appendix 13d of the Listing Rules~~, Article 119 of the Company Law provides that “resolutions of the Board of Supervisors shall be adopted by more than half of the members thereof.” As the provisions of the Letter of Opinion on Supplements and Amendments and the Listing Rules are more stringent than the provisions of the Company Law, the provisions of the Letter of Opinion on Supplements and Amendments and the Listing Rules are adopted herein and will be amended accordingly as the Letter of Opinion on Supplements and Amendments and the Listing Rules are amended.

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<b>Article 140</b> Supervisors shall observe laws, administrative regulations and these Articles of Association, and faithfully performs their supervisory duties.	Deleted
Newly added	<p><b><u>Article 172</u></b> <u>The notice of the meeting of the Board of Supervisors shall contain the following:</u></p> <p><u>(I) date, venue and duration of the meeting;</u></p> <p><u>(II) the reasons for and matters to be considered at the meeting;</u></p> <p><u>(III) the date on which such notice is dispatched.</u></p>
<b>Chapter 15 Qualifications and Duties of the Directors, Supervisors and Senior Management Members of the Company</b>	Deleted
<b>Article 142</b> The validity of an act of a director, general manager or other senior management of the Company on behalf of the Company shall not, vis-à-vis a bona fide third party, be affected by any non-compliance in his or her holding of such office, election or qualification.	Deleted

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<p><b>Article 143</b> In addition to obligations imposed by laws, administrative regulations or the listing rules of the place where the Company's shares are listed, the directors, supervisors and senior management shall owe each shareholder the following obligations in the exercise of the duties and powers granted to them by the Company:</p> <p>(I) not to cause the Company to exceed the scope of business stipulated in its business license;</p> <p>(II) act honestly in the best interests of the Company;</p> <p>(III) not to deprive the Company of its assets in any manner, including, but not limited to, any opportunity favourable to the Company;</p> <p>(IV) not to deprive another shareholder of his individual interest, including but not limited to any allocation right and voting right, but excluding any corporate restructuring proposal made at the shareholders' general meeting in accordance with these Articles of Association.</p>	<p>Deleted</p>

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<p><b>Article 146</b> Directors, supervisors, general manager and other senior management members of the Company shall not direct the following persons or organisations (“Associates”) to engage in activities prohibited for directors, supervisors, general manager and other senior management members of the Company:</p> <p>(I) the spouse or minor child of a director, supervisor or other senior management of the Company;</p> <p>(II) trustees of directors, supervisors or other senior management members of the Company or of such persons as described in item (I) of this Article;</p> <p>(III) partners of directors, supervisors or other senior management members of the Company or of such persons as described in item (I) or (II) of this Article;</p> <p>(IV) the company which is in de facto control solely by a director, supervisor or other senior management of the Company, or jointly with any person mentioned in items (I), (II) and (III) of this Article or other directors, supervisors or other senior management of the Company;</p> <p>(V) the directors, supervisors or other senior management of a company being controlled as mentioned in item (IV) of this Article.</p>	<p>Deleted</p>



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<p><b>Article 147</b> The fiduciary duties of the directors, supervisors and other senior management of the Company may not necessarily cease with the termination of their term of office. The duty of confidentiality in relation to trade secrets of the Company will survive and remain in force even after the termination of their term of office. The duration of the other obligations and duties shall be determined in accordance with the principle of fairness, taking into account of the lapse between the time when he leaves the office and the occurrence of the relevant event, and the situation and the circumstances and terms under which his relation with the Company was ended.</p>	Deleted
<p><b>Article 148</b> The shareholders with full knowledge of the relevant circumstances may at the general meeting relieve a director, supervisor and any other senior officer of the Company of his liability as a result of his violation of any specific duty, save as the circumstance as is stipulated in Article 59 of these Articles of Association.</p>	Deleted

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<p><b>Article 149</b> Where a director, supervisor or other senior management of the Company has a material interest, directly or indirectly, in a concluded or proposed contract, transaction or arrangement with the Company (other than an employment contract between the Company and the director, supervisor or other senior management), no matter whether the relevant matter is required to be approved or consented by the Board of Directors, such person shall disclose the nature and extent of his or her interest to the Board of Directors as soon as possible.</p> <p>Unless the interested director, supervisor or other senior management of the Company has disclosed his or her interest to the Board of Directors as required under the preceding paragraph of this Article, and the matter has been approved by the Board of Directors at a meeting where such person has not been counted in the quorum and has refrained from voting, the Company shall have the right to revoke the contract, transaction or arrangement, except where the counterparty is a bona fide party acting without knowledge of the breach in obligation by the relevant director, supervisor or other senior management.</p> <p>Where the Associates of the directors, supervisors and other senior management members of the Company have interests in such contracts, transactions or arrangements, such directors, supervisors and other senior management members shall also be deemed to be interested.</p>	<p>Deleted</p>

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Original Articles	Amended Articles
<p><b>Article 150</b> Where a director, supervisor or other senior management of the Company has notified the Board of Directors by way of a written notice before the Company considers to enter into the relevant contract, transaction or arrangement for the first time, declaring that due to the contents stated in the notice, there will be a conflict of interest between the Company and him or her when the contract, transaction or arrangement is concluded in future, the relevant director, supervisor or other senior management shall be deemed to have made a disclosure on his or her interest as required by the preceding Article of this Chapter within the scope as explained in such notice.</p>	Deleted
<p><b>Article 151</b> The Company shall not, in any manner, perform tax duties for its directors, supervisors, general manager and other senior management members.</p>	Deleted

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<p><b>Article 152</b> The Company shall not directly or indirectly provide loans or loan guarantees to a director, supervisor or other senior management of the Company or its parent company; and shall not provide loans or loan guarantees to the Associates of the aforesaid persons.</p> <p>The provisions of the preceding paragraph are not applicable to the following circumstances:</p> <p>(I) the provision of a loan or loan guarantee by the Company to its subsidiary;</p> <p>(II) the provision of a loan or loan guarantee or any other fund by the Company to a director, supervisor or other senior management of the Company pursuant to an employment contract approved by the general meeting to enable such person to pay for the expenses incurred for the sake of the Company or for the performance of his or her duties in relation to the Company;</p> <p>(III) if the ordinary course of the business of the Company includes the lending of money and the provision of loan guarantee, the Company may make a loan to the relevant directors, supervisors, general manager and other senior management members or their respective associates, provided that they are on normal commercial terms.</p>	<p>Deleted</p>
<p><b>Article 153</b> Any person who receives funds from a loan which has been made by the Company acting in breach of the preceding Article shall, irrespective of the terms of the loan, forthwith repay such funds.</p>	<p>Deleted</p>

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<p><b>Article 154</b> A loan guarantee provided by the Company in violation of the provisions in the first paragraph of Article 152(I) of these Articles of Association shall not be enforceable against the Company, save in respect of the following circumstances:</p> <p>(I) the guarantee was provided in connection with a loan which was made to an Associate of any of the directors, supervisors and other senior management members of the Company or of the Company’s parent company and the lender of such funds did not know of the relevant circumstances at the time of the loan;</p> <p>(II) the collateral provided by the Company has been legally sold to a bona fide purchaser by the lender of such loan.</p>	Deleted
<p><b>Article 155</b> For the purpose of the foregoing provisions of this Chapter, a “guarantee” includes an undertaking or property provided to secure the obligator’s performance of his obligations.</p>	Deleted

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<p><b>Article 156</b> Where a director, supervisor or other senior management of the Company has breached his or her obligations to the Company, in addition to any rights and remedies provided by laws and administrative regulations, the Company shall have the right to adopt the following measures:</p> <p>(I) to demand such director, supervisor, general manager or senior management to compensate for the losses sustained by the Company as a result of such breach;</p> <p>(II) to rescind the contract or transaction concluded between the Company and the relevant director, supervisor or senior management, and the contract or transaction concluded between the Company and the third party (where such third party knows or shall have known that the director, supervisor or senior management representing the Company has breached his or her obligations to the Company);</p> <p>(III) to demand such director, supervisor, general manager or senior management to surrender the profits made as result of the breach of his duty;</p> <p>(IV) to recover any amounts received by the relevant director, supervisor or senior management that should have been received by the Company, including but not limited to commissions;</p> <p>(V) to demand the relevant director, supervisor or senior management to return the interest earned or possibly earned on the amounts that should have been handed back to the Company;</p> <p>(VI) to request for judgment through legal proceedings that the possessions acquired by directors, supervisors and other senior management through their breach of duties shall belong to the Company.</p>	<p>Deleted</p>

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<p><b>Article 157</b> The Company shall enter into a written contract with each of its directors, supervisors and senior management which shall include, as a minimum, the following provisions:</p> <p>(I) an undertaking by the director, supervisor and senior management officer to the Company to observe Company Law, the Special Regulations, these Articles of Association, the Codes on Takeover and Mergers, the Codes on Share Repurchases and other rules of the Stock Exchange of Hong Kong, and an agreement that the Company shall have the remedies provided in these Articles of Association, and that neither the contract nor his office is capable of assignment;</p> <p>(II) an undertaking by the director, supervisor and senior management officer to the Company to each shareholder to observe and perform his obligations in accordance with the Articles of Association;</p> <p>(III) relevant arbitration clauses as provided in the Listing Rules.</p>	Deleted

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<p><b>Article 158</b> The Company shall, with the prior approval of shareholders in a general meeting, enter into a written contract with its directors and supervisors regarding his emoluments. The aforesaid emoluments shall include:</p> <p>(I) emoluments in respect to his service as director, supervisor or senior management of the Company;</p> <p>(II) emoluments in respect to his service as director, supervisor or senior management of any subsidiary of the Company;</p> <p>(III) emoluments in respect of the provision of other services for the management of the Company and its subsidiaries;</p> <p>(IV) the amount of compensation received by the director or supervisor for his or her loss of office or retirement.</p> <p>Except pursuant to the aforesaid contracts, the directors and supervisors shall not initiate a lawsuit against the Company for benefits payable to them on the basis of the aforesaid matters.</p> <p>The Company shall, on a regular basis, disclose to shareholders the remunerations obtained by the directors, supervisors and senior management officers from the Company.</p>	<p>Deleted</p>



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<p><b>Article 159</b> The contract for emoluments entered into between the Company and its directors or supervisors shall provide that in the event of a takeover of the Company, the Company’s directors and supervisors shall, subject to the prior approval of the general meeting, have the right to receive compensation or other payments for their loss of office or retirement. A takeover of the Company mentioned in the preceding paragraph shall refer to any of the following circumstances:</p> <p>(I) an offer made by any person to all shareholders;</p> <p>(II) an offer made by any person such that the offer or will become the controlling shareholder. The term “controlling shareholder” shall have the same meaning as defined in Article 60 of these Articles of Association.</p> <p>If the relevant director or supervisor fails to comply with this Article, any amounts received by him or her shall belong to those persons who have sold their shares as a result of their acceptance of the aforesaid offer, and the expenses incurred in distributing such amounts on a pro-rata basis shall be borne by the relevant director or supervisor and may not be deducted from such amounts.</p>	<p>Deleted</p>
<b>Chapter 16 Financial and Accounting System and Profit Distribution</b>	<del>Chapter 16</del> <b>Chapter 10 Financial and Accounting System, Profit Distribution and Audit</b>
Newly added	<b><u>Section 1 Financial and Accounting System</u></b>

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<p><b>Article 161</b> At the end of each accounting year, the Company shall prepare a financial report which shall be examined and verified in the manner prescribed by law by an accounting firm.</p> <p>The financial report of the Company shall comprise the following financial accounting statements and subsidiary schedules:</p> <p>(I) balance sheet;</p> <p>(II) profit and loss account;</p> <p>(III) cash flow statement;</p> <p>(IV) profit distribution statement;</p> <p>(V) financial fact sheet.</p>	<p><b>Article 174</b> At the end of each accounting year, the Company shall prepare a financial report which shall be examined and verified in the manner prescribed by law by an accounting firm.</p> <p><u>The financial accounting reports shall be prepared in accordance with the laws, administrative regulations and the provisions formulated by the financial authority under the State Council.</u></p> <p><del>The financial report of the Company shall comprise the following financial accounting statements and subsidiary schedules:</del></p> <p><del>(I) balance sheet;</del></p> <p><del>(II) profit and loss account;</del></p> <p><del>(III) cash flow statement;</del></p> <p><del>(IV) profit distribution statement;</del></p> <p><del>(V) financial fact sheet.</del></p>

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<p><b>Article 162</b> At each annual general meeting, the Board of Directors of the Company shall submit to the shareholders a financial report prepared by the Company in accordance with the relevant laws, administrative regulations, and regulatory documents promulgated by local governments and competent authorities.</p>	<p><del><b>Article 175</b> At each annual general meeting, the Board of Directors of the Company shall submit to the shareholders a financial report prepared by the Company in accordance with the relevant laws, administrative regulations, and regulatory documents promulgated by local governments and competent authorities.</del></p> <p><u>The Company shall disclose the annual reports within four months from the end of each accounting year and the interim reports within three months from the end of the first half of each accounting year.</u></p> <p><u>The aforesaid annual reports and interim reports are prepared in accordance with the relevant laws, administrative regulations and requirements of the CSRC and the stock exchanges.</u></p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 163</b> The Company’s financial reports shall be made available for shareholders’ inspection at the Company 20 days before the date of every shareholders’ annual general meeting. Each shareholder of the Company is entitled to receive a copy of the financial report as mentioned in this Chapter.</p> <p>The Company shall, at least 21 days before the annual general meeting, publish the aforesaid report or report of the Board of Directors together with the financial statements of the Company on the website of the stock exchange where the shares of the Company are listed and on the website of the Company or deliver to each shareholder of overseas listed foreign invested shares by hand or by prepaid mail, in such manner as may be approved by the relevant regulatory authority in the place where the shares of the Company are listed or as provided in these Articles of Association, to the address registered in the register of shareholders.</p>	<p><del><b>Article 176</b> The Company’s financial reports shall be made available for shareholders’ inspection at the Company 20 days before the date of every shareholders’ annual general meeting. Each shareholder of the Company is entitled to receive a copy of the financial report as mentioned in this Chapter.</del></p> <p>The Company shall, at least 21 days before the annual general meeting, publish the aforesaid report or report of the Board of Directors together with the financial statements of the Company on the website of the stock exchange where the shares of the Company are listed and on the website of the Company <del>or deliver to each shareholder of overseas listed foreign invested shares by hand or by prepaid mail, in such manner as may be approved by the relevant regulatory authority in the place where the shares of the Company are listed or as provided in these Articles of Association, to the address registered in the register of shareholders.</del></p>

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<p><b>Article 164</b> The financial statements of the Company shall be prepared in accordance with PRC accounting principles and regulations. The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting principles and regulations, be prepared in accordance with either international accounting principles, or those of the place where the Company's shares are listed. If there is any material difference between the financial statements prepared in accordance with the two accounting principles, such difference shall be stated in the financial statements.</p>	Deleted
<p><b>Article 165</b> Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with PRC accounting principles and regulations.</p>	Deleted
<p><b>Article 166</b> The Company shall publish its financial reports twice, namely, the interim financial report shall be published within 60 days after the end of the first six months of each accounting year and the annual financial report shall be published within 120 days after the end of each accounting year.</p>	Deleted
<p><b>Article 167</b> The Company shall not establish accounting books other than the statutory accounting books.</p>	<p><b>Article 177</b> The Company shall not establish accounting books other than the statutory accounting books. <u>The assets of the Company shall not be deposited in an account maintained in the name of any individual.</u></p>

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<p><b>Article 168</b> The Company’s reserves shall be classified as surplus reserves and capital reserves. The surplus reserves shall be classified as statutory surplus reserves and discretionary surplus reserves.</p> <p>Capital reserve shall include the following items:</p> <p>(I) premium on shares issued at a price exceeding the par value;</p> <p>(II) any other income designated for the capital reserve by the regulations of the competent finance department of the State Council.</p>	<p>Deleted</p>
<p><b>Article 169</b> In distributing its after-tax profits, the Company shall allocate ten percent of its after-tax profits to the statutory surplus reserve fund of the Company. Allocation to the Company’s statutory surplus reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company’s registered capital.</p> <p>Where the statutory common reserve fund of the Company is not sufficient to cover the Company’s loss from the previous year, the current year profits shall be used to cover such loss before allocation is made to the statutory common reserve fund pursuant to the preceding paragraph.</p>	<p><b>Article 178</b> In distributing its after-tax profits, the Company shall allocate ten percent of its after-tax profits to the statutory surplus reserve fund of the Company. Allocation to the Company’s statutory surplus reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company’s registered capital.</p> <p>Where the statutory common reserve fund of the Company is not sufficient to cover the Company’s loss from the previous year, the current year profits shall be used to cover such loss before allocation is made to the statutory common reserve fund pursuant to the preceding paragraph.</p>

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<p>After allocation to the statutory surplus reserve fund has been made from the after-tax profits of the Company, discretionary surplus reserve fund may be allocated subject to resolution of the shareholders' general meeting.</p> <p>If the shareholders' general meeting or the Board of Directors, in violation of the preceding paragraph, distributes profits to shareholders before covering losses of the Company and making allocation to the Company's statutory common reserve fund, the profit so distributed must be returned to the Company.</p> <p>No profit shall be distributed in respect of the Company's shares held by the Company.</p>	<p>After allocation to the statutory surplus reserve fund has been made from the after-tax profits of the Company, discretionary surplus reserve fund may be allocated subject to resolution of the shareholders' general meeting.</p> <p><u>After making up for the losses and making contributions to the surplus reserve, the Company shall distribute any remaining profits after tax to the shareholders in proportion to their respective shareholdings, save for distribution which is not made in proportion to shareholdings as specified in these Articles of Association.</u></p> <p>If the shareholders' general meeting or the Board of Directors, in violation of the preceding paragraph, distributes profits to shareholders before covering losses of the Company and making allocation to the Company's statutory common reserve fund, the profit so distributed must be returned to the Company.</p> <p>No profit shall be distributed in respect of the Company's shares held by the Company.</p>

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Original Articles	Amended Articles
<p><b>Article 173</b> Dividends shall be distributed to shareholders in proportion to their shareholding within 6 months of the end of each financial year.</p> <p>Unless otherwise resolved by the shareholders' general meeting, the shareholders' general meeting may authorise the Board of Directors to distribute interim or special dividends.</p> <p>No interest shall be payable in respect of dividends of the Company unless the dividend is not paid by the Company to the members on the date on which the dividend becomes payable by the Company.</p>	<p><b>Article 182</b> <u>After the profit distribution plan has been resolved at the shareholders' general meeting, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within two months after the meeting.</u></p> <p><del>Dividends shall be distributed to shareholders in proportion to their shareholding within 6 months of the end of each financial year.</del></p> <p>Unless otherwise resolved by the shareholders' general meeting, the shareholders' general meeting may authorise the Board of Directors to distribute interim or special dividends.</p> <p>No interest shall be payable in respect of dividends of the Company unless the dividend is not paid by the Company to the members on the date on which the dividend becomes payable by the Company.</p>
<p><b>Article 174</b> The Company may distribute dividend in the form of one of the following (or a combination of both):</p> <p>(I) cash;</p> <p>(II) shares.</p>	<p><b>Article 183</b> <del>The Company may distribute dividend in the form of one of the following (or a combination of both):</del></p> <p><del>(I) cash;</del></p> <p><del>(II) shares.</del></p> <p><u>The Company shall formulate a profit distribution policy in accordance with the rules on distribution of shareholders' shareholding and disclose it in the annual report.</u></p>



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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 175</b> The cash dividend and other amount paid by the Company to the holders of domestic shares shall be paid in Renminbi. The cash dividend and other amounts paid by the Company to the holders of overseas listed foreign invested shares and H Shares shall be denominated and declared in Renminbi and paid in Hong Kong Dollars.</p> <p>The foreign currency required for the payment by the Company to holders of foreign shares and H Shares shall be arranged in accordance with the provisions of the People’s Republic of China in relation to foreign exchange administration.</p> <p>Unless otherwise provided by relevant laws and administrative regulations, where cash dividends and other payments are made in foreign currencies, the exchange rate shall be the five-day average price of such foreign currencies against RMB as published by the People’s Bank of China in five working days prior to the date of declaration of such payments.</p>	<p><b>Article 184</b> The cash dividend and other amount paid by the Company to the holders of <u>domestic non-Hong Kong listed shares</u>, shall be paid in Renminbi. The cash dividend and other amounts paid by the Company to the holders of <del>overseas listed foreign invested shares</del> and H Shares shall be denominated and declared in Renminbi and paid in Hong Kong Dollars.</p> <p>The foreign currency required for the payment by the Company to holders of <del>foreign shares</del> and H Shares shall be arranged in accordance with the provisions of the PRC in relation to foreign exchange administration.</p> <p>Unless otherwise provided by relevant laws and administrative regulations, where cash dividends and other payments are made in foreign currencies, the exchange rate shall be the five-day average price of such foreign currencies against RMB as published by the People’s Bank of China in five working days prior to the date of declaration of such payments.</p>

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<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 177</b> The Company shall appoint receiving agents for the holders of the foreign invested Shares. Such receiving agents shall receive the dividends declared by the Company in respect of the foreign invested shares and other moneys payable thereon and who shall hold such moneys in trust for such shareholders pending payment to such holders.</p> <p>The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant provisions of the stock exchanges in the place where the Company is listed.</p> <p>The receiving agents appointed for holders of H Shares shall each be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>	<p><b>Article 186</b> The Company shall appoint one or more receiving agents <del>for the holders of the foreign invested Shares in Hong Kong.</del> Such receiving agents shall receive the dividends declared by the Company in respect of <u>foreign invested shares listed in Hong Kong</u> and other moneys payable thereon and who shall hold such moneys in trust for such shareholders pending payment to such holders.</p> <p><del>The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant provisions of the stock exchanges in the place where the Company is listed.</del></p> <p><del>The receiving agents appointed for holders of H Shares shall each be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</del></p>
Newly added	<b><u>Section 2 Internal Audit</u></b>
Newly added	<b><u>Article 187</u></b> The Company maintains an internal audit system, with professional audit personnel performing internal audit on the financial income and expenses and economic activities of the Company.
Newly added	<b><u>Article 188</u></b> The internal audit system and the duties of audit personnel shall be implemented upon the approval of the Board of Directors. The head of audit shall be accountable and report to the Board of Directors.

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<p><b>Chapter 17 Appointment of Accounting Firm</b></p> <p><b>Article 178</b> The Company shall appoint an independent accounting firm which is qualified under the relevant national regulations to audit the Company's annual financial statements, and to review the Company's other financial statements.</p> <p>The Company's first accounting firm may be appointed by inaugural meeting prior to the first annual general meeting, and the accounting firm so appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise the aforesaid functions and powers, those functions and powers shall be exercised by the Board of Directors.</p> <p>The appointment, removal and remuneration of the accounting firm must be approved by the shareholders holding more than one-half of the voting rights of the Company or by other organizations independent of the Board of Directors (e.g. the Board of Supervisors).</p>	<p><b>Chapter 17 Section 3 Appointment of Accounting Firm</b></p> <p><b>Article 189</b> <del>The Company shall appoint an independent accounting firm which is qualified under the relevant national regulations to audit the Company's annual financial statements, and to review the Company's other financial statements.</del></p> <p><del>The Company's first accounting firm may be appointed by inaugural meeting prior to the first annual general meeting, and the accounting firm so appointed shall hold office until the conclusion of the first annual general meeting.</del></p> <p><del>If the inaugural meeting fails to exercise the aforesaid functions and powers, those functions and powers shall be exercised by the Board of Directors.</del></p> <p><u>The Company shall engage an accounting firm that complies with the requirements of the Securities Law and the Listing Rules to carry out accounting statements audit, net assets verification and other related advisory services, etc., for a term of one year, which may be renewed.</u></p> <p>The appointment, removal and remuneration of the accounting firm must be approved by the shareholders holding more than one-half of the voting rights of the Company or by other organizations independent of the Board of Directors (e.g. the Board of Supervisors).</p>

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<p><b>Article 179</b> The accounting firm appointed by the Company shall hold their position from the conclusion of the annual general meeting at which the appointment is made until the conclusion of the next annual general meeting.</p>	<p>Deleted</p>
<p>Newly added</p>	<p><b>Article 190</b> <u>The Company's engagement of an accounting firm shall be subject to the resolution of the general meeting, and the Board of Directors shall not engage the accounting firm until the shareholders' general meeting makes its decision.</u></p>
<p><b>Article 180</b> The accounting firm appointed by the Company shall have the following rights:</p> <p>(I) to review the books, records and documents of the Company at any time, the right to require the directors, general managers or other senior management officers of the Company to provide relevant information and explanation;</p> <p>(II) to require the Company to take all reasonable steps to obtain from the Company's subsidiaries such information and explanation as are necessary for the purpose of discharging its duties;</p> <p>(III) to attend the general meetings and to receive all notices of, and other information relating to, the meetings that any shareholder is entitled to, and to speak at any general meeting in relation to matters concerning its role as the Company's appointed accounting firm.</p> <p>The Company shall provide the accounting firm appointed with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information. The Company shall not refuse to provide or hide the same or make false reports.</p>	<p><b>Article 191</b> <del>The accounting firm appointed by the Company shall have the following rights:</del></p> <p><del>(I) to review the books, records and documents of the Company at any time, the right to require the directors, general managers or other senior management officers of the Company to provide relevant information and explanation;</del></p> <p><del>(II) to require the Company to take all reasonable steps to obtain from the Company's subsidiaries such information and explanation as are necessary for the purpose of discharging its duties;</del></p> <p><del>(III) to attend the general meetings and to receive all notices of, and other information relating to, the meetings that any shareholder is entitled to, and to speak at any general meeting in relation to matters concerning its role as the Company's appointed accounting firm.</del></p> <p>The Company shall provide the accounting firm appointed with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information. The Company shall not refuse to provide or hide the same or make false reports.</p>

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<p><b>Article 181</b> If there is a vacancy in the position of accounting firm of the Company, the Board of Directors may appoint an accounting firm to fill such vacancy before the convening of the shareholders general meeting. Any other accounting If the Company has other incumbent accounting firms during the vacancy period, such accounting firms may continue to act.</p>	Deleted
<p><b>Article 182</b> The shareholders in a general meeting may by ordinary resolution remove an accounting firm before the expiration of its term of office, irrespective of the provisions in the contract between the firm and the Company. However, the accounting firm's right to claim for damages which arise from its removal shall not be affected thereby.</p>	Deleted
<p><b>Article 183</b> The remuneration of an accounting firm or the manner in which such remuneration is to be decided shall be determined by the shareholders' general meeting. The remuneration of an accounting firm appointed by the Board of Directors shall be determined by the Board of Directors.</p>	<p><b>Article 192</b> The remuneration of an accounting firm or the manner in which such remuneration is to be decided shall be determined by ordinary resolutions passed on the shareholders' general meeting. <del>The remuneration of an accounting firm appointed by the Board of Directors shall be determined by the Board of Directors.</del></p>

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<p>Newly added</p>	<p><b>Article 193</b> <u>If the Company intends to terminate or cease to renew the engagement of an accounting firm, a notice 15 days prior to the termination of engagement or renewal shall be given to that accounting firm. The accounting firm shall be entitled to make a statement at the shareholders' general meeting at the time of voting upon ceasing the engagement of such public accountants' firm.</u></p> <p><u>Where the accounting firm tenders resignation, it shall explain to the shareholders' general meeting whether there are any improper practices of the Company.</u></p>
<p><b>Article 184</b> The Company's appointment, removal and non-reappointment of an accounting firm shall be resolved by a shareholder' general meeting. Such resolution shall be filed with the securities authority of the State Council.</p> <p>Where a resolution at a shareholders' general meeting is passed to appoint an accounting firm other than the incumbent accounting firm to fill a casual vacancy in the office of the accounting firm, to re-appoint an accounting firm that was appointed by the Board of Directors to fill a casual vacancy, or to remove an accounting firm before the expiration of its term of office, the following provisions shall apply:</p> <p>(I) Before notice of meeting is given to the shareholders, a copy of the appointment or removal proposal shall be sent to the accounting firm proposed to be appointed or proposed to leave its post or the accounting firm which has left its post in the relevant accounting year (leaving includes leaving by removal, resignation and retirement).</p>	<p>Deleted</p>

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<p>(II) If the accounting firm leaving its post makes representations in writing and requests the Company to notify its shareholders of such representations, the Company shall (unless the written representations were received too late) take the following measures:</p> <ol style="list-style-type: none"> <li>1. in any notice of meeting held for making the resolution, state the fact that the departing accounting firm has made such representations;</li> <li>2. attach a copy of the representations to the notice and send it to every shareholder entitled to notice of general meeting in the manner stipulated in these Articles of Association.</li> </ol> <p>(III) If the Company fails to send out the accounting firm’s representations in the manner set out in item (II) of this Article, such accounting firm may require that the representations be read out at the shareholders’ general meeting and may make further representations.</p> <p>(IV) An accounting firm that is leaving its post shall be entitled to attend:</p> <ol style="list-style-type: none"> <li>1. the general meeting at which its term of office would otherwise have expired;</li> <li>2. the shareholders’ general meeting at that it is proposed to fill the vacancy caused by its removal;</li> <li>3. the shareholders’ general meeting that is convened as a result of its resignation.</li> </ol> <p>The accounting firm shall be entitled to receive all notices of, and other communications relating to, such meetings, and to speak at such meetings in relation to matters concerning its role as the former accounting firm of the Company.</p>	

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<p><b>Article 185</b> If the Company proposes to remove the accounting firm or not to renew the appointment thereof, it shall notify the accounting firm in advance, and the latter has the right to state its opinions to the shareholders’ general meeting. If the accounting firm resigns, it shall make clear to the shareholders’ general meeting whether there is any impropriety on the part of the Company.</p> <p>The accounting firm may resign from its office by depositing the written notice of resignation at the registered address of the Company. The notice shall become effective on the date of such deposit or such later date stipulated in such notice. The notice shall contain the following statements:</p> <ol style="list-style-type: none"> <li>1. a statement to the effect that there are no circumstances connected with its resignation that it considers should be brought to the attention of the shareholders or creditors of the Company;</li> <li>2. a statement of any such circumstances that should be explained.</li> </ol> <p>The Company shall, within 14 days of the receipt of the written notice referred to in Article 184 of these Articles of Association, send a copy of the notice to the relevant competent authority. If the notice contains a statement under Article 184 (II) of these Articles of Association, a copy of such statement shall be placed at the Company for shareholders’ inspection. The Company shall also send a copy of such statement by prepaid mail to every holder of H Shares at the address recorded in the register of shareholders, or despatch such statement in other ways stipulated in these Articles of Association.</p>	<p>Deleted</p>



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<p>If the accounting firm’s notice of resignation contains a statement of any such circumstances that should be explained, the accounting firm may request the Board of Directors to convene an extraordinary general meeting for the purpose of giving an explanation of the circumstances in connection with its resignation.</p>	
<p><b>Chapter 18 Merger and Division of the Company</b></p>	<p><b><u>Chapter 18 Chapter 11 Merger, Division, Capital Increase and Capital Reduction of the Company</u></b></p>
<p><b>Article 186</b> The merger or division of the Company shall be proposed by the Board, and upon approval in accordance with the procedures provided in these Articles of Association, it shall go through relevant review and approval formalities according to the laws. Any shareholder objecting to the merger or division of the Company may require the Company or the shareholders who are in favor of such merger or division to acquire his or her shares at a fair price.</p> <p>The content of the resolution on the merger or division of the Company shall be made into special document, which shall be available for shareholders’ inspection. With regard to holders of H Shares, the aforesaid documents shall also be delivered by post or by other means stipulated in these Articles of Association.</p>	<p>Deleted</p>

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<p><b>Article 187</b> The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new Company.</p> <p>In the case of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers for no less than three times within 30 days, from the date of passing the resolution for merger by the Company. A creditor may, within 30 days after receipt of the notice or, in the case of failure to receive such notice, within 45 days from the date of first announcement, require the Company to repay its debts or to provide corresponding guarantee.</p> <p>After the merger, the claims and debts of the parties shall be assumed by the surviving Company or the newly established Company.</p>	<p><b>Article 194</b> The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new Company.</p> <p><u>A company that absorbs other company is known as merger by absorption whereby the company being absorbed shall be dissolved. The merger of two or more companies by the establishment of a new company is known as merger by the establishment of a new company whereby the merged companies shall be dissolved.</u></p> <p><b>Article 195</b> In the case of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers for <del>no less than three times</del> <u>at least once</u> within 30 days, from the date of passing the resolution for merger by the Company. A creditor may, within 30 days after receipt of the notice or, in the case of failure to receive such notice, within 45 days from the date of first announcement, require the Company to repay its debts or to provide corresponding guarantee.</p> <p>After the merger, the claims and debts of the parties shall be assumed by the surviving Company or the newly established Company.</p>

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<p><b>Article 188</b> the case of a division of the Company, its assets shall be divided accordingly.</p> <p>In the case of a division of the Company, the parties to the division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers for at least three times within 30 days, from the date of passing the resolution for division by the Company.</p> <p>The debts of the Company before division shall be borne by the companies established after division jointly and severally, unless otherwise agreed in writing between the Company and the creditors before the division in respect of debt settlement.</p>	<p><b>Article 196</b> In the case of a division of the Company, its assets shall be divided accordingly.</p> <p>In the case of a division of the Company, the parties to the division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers for at least <del>three times</del> <u>once</u> within 30 days, from the date of passing the resolution for division by the Company.</p> <p>The debts of the Company before division shall be borne by the companies established after division jointly and severally, unless otherwise agreed in writing between the Company and the creditors before the division in respect of debt settlement.</p>
<p>Newly added</p>	<p><b>Article 197</b> <u>When the Company carries out capital reduction, a balance sheet and an inventory list must be prepared.</u></p> <p><u>The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers within 30 days, from the date of passing the resolution for reduction of capital by the Company. A creditor may, within 30 days after receipt of the notice or, in the case of failure to receive such notice, within 45 days from the date of announcement, require the Company to repay its debts or to provide corresponding guarantee.</u></p> <p><u>The reduced registered capital of the Company may not be less than the statutory minimum amount.</u></p>

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<p><b>Article 189</b> Where any of the registered items changes due to a merger or division of the Company, the Company shall process the changes of registration with the company registration authority. Should the Company be dissolved, it shall be deregistered according to laws. If a new company is established, it shall go through the registration for incorporation according to laws.</p>	<p><b>Article 198</b> In the case that merger or division of the Company results in any changes in registered particulars, modifications of registration shall be completed with the company registration authority according to law; in the case of dissolution, the deregistration shall be made according to law; in the case of the establishment of a new company, the registration of incorporation shall be made according to law.</p> <p><u>Increment or reduction in the registered capital of the Company must be registered with the company registration authority according to law.</u></p>
<p><b>Chapter 19</b> Dissolution and Liquidation of the Company</p>	<p><del>Chapter 19</del> <b>Chapter 12</b> Dissolution and Liquidation of the Company</p>

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<p><b>Article 190</b> The Company shall be dissolved and liquidated in accordance with the laws under any of the following circumstances:</p> <p>(I) a resolution regarding the dissolution is passed by the shareholders’ general meeting;</p> <p>(II) dissolution is necessary due to a merger or division of the Company;</p> <p>(III) the Company is legally declared insolvent due to its failure to repay debts as they fall due;</p> <p>(IV) the business license is revoked, the Company is ordered to close or is wound up according to law;</p> <p>(V) the Company is legally declared insolvent due to its failure to repay debts as they fall due;</p> <p>(VI) the Company is ordered to close due to breach of law or administrative regulations;</p> <p>(VII) when serious difficulties occur to the Company’s operation and management and significant losses will be incurred to the shareholders by its continuance, and such difficulties cannot be solved by other means, the shareholders holding over 10% of the total voting rights of all the shareholders may request the people’s court to dissolve the Company;</p> <p>(VIII) when its term of operations expires.</p>	<p><b>Article 199</b> The Company shall be dissolved and liquidated in accordance with the laws under any of the following circumstances:</p> <p>(I) a resolution regarding the dissolution is passed by the shareholders’ general meeting;</p> <p>(II) dissolution is necessary due to a merger or division of the Company;</p> <p><del>(III) the Company is legally declared insolvent due to its failure to repay debts as they fall due;</del></p> <p><del>(IV)</del><del>(III)</del> the business license is revoked, the Company is ordered to close or is wound up according to law;</p> <p><del>(V) the Company is legally declared insolvent due to its failure to repay debts as they fall due;</del></p> <p><del>(VI) the Company is ordered to close due to breach of law or administrative regulations;</del></p> <p><del>(VII)</del><del>(IV)</del> when serious difficulties occur to the Company’s operation and management and significant losses will be incurred to the shareholders by its continuance, and such difficulties cannot be solved by other means, the shareholders holding over 10% of the total voting rights of all the shareholders may request the people’s court to dissolve the Company;</p> <p><del>(VIII)</del><del>(V)</del> the expiration of the business term <u>as stipulated in the Articles of Association or the occurrence of other causes of dissolution as stipulated in the Articles of Association.</u></p>

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<p><b>Article 191</b> When the Company is dissolved under the circumstance described in (I), (IV), (VII) and (VIII) of the preceding article, a liquidation committee shall be formed within 15 days upon the occurrence of causes for dissolution, and the composition of the committee shall be determined by an ordinary resolution in general meeting. In case no such committee is established to proceed with liquidation in time, the creditors may make application to the people’s court for appointing relevant persons to form the liquidation committee for carrying out liquidation.</p> <p>When the Company is dissolved according under the circumstance described in (III) of the preceding paragraph, the People’s Court shall, according to relevant legal provisions, organise the shareholders, relevant departments and professionals to form a liquidation committee to carry out liquidation.</p>	<p><b>Article 200</b> <u>Upon the occurrence of the situation mentioned in Item (V) of Article 199, the Company may continue to exist by amending these Articles of Association.</u></p> <p><u>The amendment of the Articles of Association pursuant to the preceding paragraph shall be subject to the approval of more than two-thirds of the voting rights held by the shareholders present at the shareholders’ general meetings.</u></p> <p>When the Company is dissolved under the circumstance described in (I), <del>(IV)</del><del>(III)</del>, <del>(VII)</del><del>(IV)</del> and <del>(VIII)</del><del>(V)</del> of the preceding article, a liquidation committee shall be formed within 15 days <u>upon the occurrence of causes for dissolution</u>, and the composition of the committee shall be determined by an ordinary resolution in general meeting. In case no such committee is established to proceed with liquidation in time, the creditors may make application to the people’s court for appointing relevant persons to form the liquidation committee for carrying out liquidation.</p> <p><del>When the Company is dissolved according under the circumstance described in (III) of the preceding paragraph, the People’s Court shall, according to relevant legal provisions, organise the shareholders, relevant departments and professionals to form a liquidation committee to carry out liquidation.</del></p>

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<p><b>Article 192</b> If the Board of Directors decides to liquidate the Company (except for the liquidation due to declaration of bankruptcy), it shall declare in notice of the general meeting convened for the liquidation that the Board has done a comprehensive investigation of the Company and consider that the Company can pay its debts in full within 12 months after the liquidation.</p> <p>Upon the resolution regarding the liquidation is passed at the general meeting, the function and power of the Board of Directors shall immediately terminate.</p> <p>In compliance with the instructions of the general meeting, the liquidation committee shall report to the general meeting at least once every year the income and expenses of the committee, the business operations of the Company and the progress of the liquidation, and shall make a final report to the general meeting when the liquidation is completed.</p>	<p>Deleted</p>
<p><b>Article 193</b> The liquidation committee shall inform the creditors of the Company within 10 days following its establishment, and shall make a public notice in a newspaper at least three times within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date on which the notice is received or 45 days from the date of the announcement if the notice is not received. If they fail to do so after the deadline, they shall be deemed to have abandoned their claims.</p> <p>...</p>	<p><b>Article 201</b> The liquidation committee shall inform the creditors of the Company within 10 days following its establishment, and shall make a public notice in a newspaper at least <del>three times</del> <u>once</u> within 60 days. Creditors shall declare their claims to the liquidation committee within 30 days from the date on which the notice is received or 45 days from the date of the announcement if the notice is not received. If they fail to do so after the deadline, they shall be deemed to have abandoned their claims.</p> <p>...</p>

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<p><b>Article 195</b></p> <p>...</p> <p>During the liquidation period, the Company shall not commence any new business activities.</p>	<p><b>Article 203</b></p> <p>...</p> <p>During the period of liquidation, <del>the Company shall not commence any new business activities.</del> <u>the Company shall subsist, but cannot carry on any operating activities that are not related to the liquidation. The property of the Company shall not be distributed among the shareholders before the completion of the settlements as provided for in the preceding paragraph.</u></p>
<p><b>Article 197</b> Following the completion of the liquidation, the liquidation committee shall prepare a liquidation report, a statement of the income and expenses during the liquidation period and financial accounts, which shall be verified by a certified public accountant of the People’s Republic of China, and then submitted to the shareholders’ general meeting or a relevant competent authority for confirmation.</p> <p>Furthermore, within 30 days of the date of confirmation by the shareholders’ general meeting or the relevant competent authority, the liquidation committee shall submit the aforesaid documents to the company registration authority for application for cancelling the registration of the Company and a public announcement shall be made for the termination of the Company.</p>	<p><b>Article 205</b> Upon completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, <u>which shall be reported to the shareholders’ general meeting or the People’s Court for confirmation, and shall be reported to the company registration authority to apply for cancellation of the Company’s registration, and a public announcement shall be made for the termination of the Company.</u> <del>a statement of the income and expenses during the liquidation period and financial accounts, which shall be verified by a certified public accountant of the People’s Republic of China, and then submitted to the shareholders’ general meeting or a relevant competent authority for confirmation.</del></p> <p><del>Furthermore, within 30 days of the date of confirmation by the shareholders’ general meeting or the relevant competent authority, the liquidation committee shall submit the aforesaid documents to the company registration authority for application for cancelling the registration of the Company and a public announcement shall be made for the termination of the Company.</del></p>



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Newly added	<p><u><b>Article 206</b> Members of the liquidation committee shall perform their duty faithfully and discharge the obligation of liquidation in accordance with laws.</u></p> <p><u>Members of the liquidation committee shall not take personal advantage of their posts to take bribes, receive other illegal incomes, or misappropriate assets of the Company.</u></p> <p><u>Members of the liquidation committee shall compensate the losses brought to the Company or the creditors due to their intentional or gross negligence.</u></p>
Newly added	<p><u><b>Article 207</b> If the Company is declared bankruptcy pursuant to laws, bankruptcy liquidation shall be carried out in accordance with laws regarding enterprise bankruptcy.</u></p>
<b>Chapter 20 Procedures for Amendments to the Articles of Association</b>	<u><del><b>Chapter 20</b></del> <b>Chapter 13 Procedures for Amendments to the Articles of Association</b></u>
<b>Article 198</b> The Company may amend these Articles of Association in accordance with the requirements of laws, administrative regulations, and these Articles of Association.	<p><u><del><b>Article 208</b> The Company may amend these Articles of Association in accordance with the requirements of laws, administrative regulations, and these Articles of Association. The Company shall amend these Articles of Association under any of the following circumstances:</del></u></p> <p><u>(I) following amendments to the Company Law or the relevant laws or administrative regulations, any provisions of these Articles of Association contravene the amended laws or administrative regulations;</u></p> <p><u>(II) any changes in the Company are inconsistent with the provisions of these Articles of Association;</u></p> <p><u>(III) amendments to these Articles of Association are resolved at a shareholders' general meeting.</u></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p><b>Article 199</b> The following procedures shall be followed when amending these Articles of Association:</p> <p>(I) the Board of Directors shall firstly adopt a resolution in accordance with these Articles of Association, recommend the shareholders’ general meeting to amend the Articles of Associations and prepare a proposal for amendment to these Articles of Associations;</p> <p>(II) the Company shall notify its shareholders of the above proposal for amendment to these Articles of Association and call a general meeting to vote on the amendments;</p> <p>(III) such proposals are to be approved by the shareholders’ general meeting by special resolution.</p> <p>The shareholders’ general meeting may, by a special resolution, authorise the Board of Directors to: (I) amend these Articles of Association with respect to the registered capital of the Company in accordance with the specific circumstances if the registered capital of the Company is increased; (II) if these Articles of Association adopted by the shareholders’ general meeting are submitted to the Ministry of Commerce and the securities regulatory authorities of the State Council for approval and require changes in the text or the order of the articles, the Board of Directors shall be entitled to make corresponding amendments in accordance with the requirements of the Ministry of Commerce and the securities regulatory authorities of the State Council.</p>	<p><b>Article 209</b> The following procedures shall be followed when amending these Articles of Association:</p> <p>(I) the Board of Directors shall firstly adopt a resolution in accordance with these Articles of Association, recommend the shareholders’ general meeting to amend the Articles of Associations and prepare a proposal for amendment to these Articles of Associations;</p> <p>(II) the Company shall notify its shareholders of the above proposal for amendment to these Articles of Association and call a general meeting to vote on the amendments;</p> <p>(III) such proposals are to be approved by the shareholders’ general meeting by special resolution.</p> <p><u>Amendments to these Articles of Association shall be made by the Board of Directors in accordance with the resolutions of the shareholders’ general meeting on amendments to these Articles of Association and opinions of the relevant competent authorities on review and approval.</u></p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
	The shareholders' general meeting may, by a special resolution, authorise the Board of Directors to: (I) amend these Articles of Association with respect to the registered capital of the Company in accordance with the specific circumstances if the registered capital of the Company is increased; (II) if these Articles of Association adopted by the shareholders' general meeting are submitted to the Ministry of Commerce and the securities regulatory authorities of the State Council for approval and require changes in the text or the order of the articles, the Board of Directors shall be entitled to make corresponding amendments in accordance with the requirements of the Ministry of Commerce and the securities regulatory authorities of the State Council.
<b>Article 200</b> Amendments to the Articles of Association that involve the contents of the Mandatory Provisions shall become effective upon approval by the Ministry of Commerce and the securities regulatory authorities of the State Council. Where amendment involves the registered particulars of the Company, application shall be made for alteration of registration in accordance with the law.	<b>Article 210</b> <u>Any amendment to these Articles of Association passed by a resolution at a shareholders' general meeting shall be filed with the original competent authorities for approval if it is so required; <del>Amendments to the Articles of Association that involve the contents of the Mandatory Provisions shall become effective upon approval by the Ministry of Commerce and the securities regulatory authorities of the State Council;</del> and if an amendment is relevant to any registration items of the Company, modifications of the registration shall be completed with the company registration authority according to laws.</u>
Newly added	<b>Article 211</b> <u>Any amendment to these Articles of Association shall be subject to announcement if so required by the laws and regulations.</u>

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

Original Articles	Amended Articles
<b>Chapter 21 Settlement of Disputes</b>	Deleted
<p><b>Article 201</b> The Company shall abide by the following principles for settlement of disputes:</p> <p>(I) If any dispute or claim concerning the Company’s business on the basis of the rights and obligations provided in these Articles, the Company Law and other relevant laws or administrative regulations and rules arises between a shareholder of overseas-listed foreign-invested shares and the Company, between a shareholder of overseas-listed foreign-invested shares and a director, supervisor, manager or other senior management personnel of the Company or between a shareholder of overseas listed foreign invested shares and a shareholder of domestic shares, the parties concerned shall submit the dispute or claim for arbitration.</p> <p>When a dispute or claim as described above is submitted for arbitration, such dispute or claim shall be in its entirety, and all persons, being the Company or a shareholder, director, supervisor, manager or other senior management personnel of the Company, that have a cause of action due to the same facts or whose participation is necessary for the settlement of such dispute or claim shall abide by arbitration.</p> <p>Disputes in relation to the identification of shareholders and disputes in relation to the register of members need not be referred to arbitration.</p>	Deleted

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

<b>Original Articles</b>	<b>Amended Articles</b>
<p>(II) The applicant for arbitration may select China International Economic and Trade Arbitration Commission for arbitration following the arbitration rules thereof or select Hong Kong International Arbitration Centre for arbitration following the securities arbitration rules thereof. Once a claimant refers a dispute or claim of rights to arbitration, the other party must submit to the arbitral body elected by the claimant.</p> <p>If the applicant for arbitration selects Hong Kong International Arbitration Centre for arbitration, either party may request that the arbitration be conducted in Shenzhen following the securities arbitration rules of Hong Kong International Arbitration Centre.</p> <p>(III) Settlement of disputes or claims set out in (I) by way of arbitration shall be governed by the laws of the People’s Republic of China unless otherwise specified by laws and administrative regulations.</p> <p>(IV) The arbitration award made by the arbitration institution shall be final and conclusive and binding on all parties.</p>	
<b>Chapter 22 Notices</b>	<b><u>Chapter 22 Chapter 14 Notices and Announcements</u></b>
Newly added	<b><u>Section 1 Notices</u></b>

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

Original Articles	Amended Articles
<p><b>Article 202</b> Except as otherwise provided in these Articles of Association, notices, information, written statements or any documents (including but not limited to annual reports, interim reports, notices of meetings, listing documents, circulars and proxy forms) (hereinafter referred to as “Company Communication”) to be sent by the Company to each holder of H Shares shall be delivered by hand at the registered address of such shareholder, or by post, or by facsimile, e-mail, CD-ROM or other electronic means, or by means of publication on a website in accordance with the procedures set out below, or in such other form as may be approved by the relevant regulatory authority in the place of listing or as provided in these Articles of Association.</p> <p>Where the Company delivers Company Communication to holders of H Shares by publishing the same on its website, then upon the completion of the following procedures, any holder of H Shares who has consented in writing or not objected to the delivery of Company Communication in such manner shall be deemed to accept the delivery of Company Communication by the Company in such manner:</p> <ol style="list-style-type: none"> <li>1. The Company serves a written notice to each of the holders of H shares, requesting for their consent to the delivery or provision of Company Communication by publishing the same on the website of the Company.</li> <li>2. The Company has not received any written reply from such holder of H Shares making objections thereto, within 28 days of the service of the notice as described in paragraph 1 above.</li> </ol>	<p><b>Article 212</b> <u>Notices, communications or other materials and documents in writing of the Company, including but not limited to annual reports, interim reports, notice of meetings, listing documents, circulars and proxy forms (“Company Communication”), may be served through one or more means as follows:</u></p> <p><u>(I) delivery by hand;</u></p> <p><u>(II) by post;</u></p> <p><u>(III) by announcement;</u></p> <p><u>(IV) by fax;</u></p> <p><u>(V) by telegraph;</u></p> <p><u>(VI) by e-mail, or other electronic formats or information carriers;</u></p> <p><u>(VII) by posting on the website of the Company and the specified website of the stock exchange of the place(s) where shares of the Company are listed in accordance with the laws, administrative regulations and the securities regulatory rules of the place(s) where shares of the Company are listed;</u></p> <p><u>(VIII) by any other means approved by the relevant regulatory authorities in the place(s) where the Company’ shares are listed or as prescribed in the Articles of Association.</u></p>

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

Original Articles	Amended Articles
<p>If any holder of H Shares who has been deemed to accept the delivery of Company Communication by publishing the same on the website is unable to collect or receive the Company Communication so delivered for whatsoever reason, then upon a written request to the Company, such shareholder may change its choice of the way to receive Company Communication and may also receive a hard copy of Company Communication on a free basis.</p> <p>A notice to be given by the Company to a holder of domestic share shall be delivered by hand to each such shareholder at his registered address, or by post, or by notice published in one or more newspapers designated by the national securities regulatory authority. After the publication of such announcement, the holders of domestic shares shall be deemed to have received the relevant notice.</p> <p>Unless the context otherwise specifies, the “announcements” referred to in these Articles of Association shall mean, in respect to announcements made to the holders of domestic shares or the announcements to be published in the People’s Republic of China as required by the relevant requirements and these Articles of Association, the publication of an announcement in newspapers in the People’s Republic of China, and such newspapers shall have been prescribed under the laws and administrative regulations of the People’s Republic of China or by the relevant securities regulatory authority; and in respect to an announcement made to shareholders of overseas listed foreign invested shares or an announcement required to be made in the place of the stock exchange where the overseas listed foreign invested shares</p>	<p><del>Except as otherwise provided in these Articles of Association, notices, information, written statements or any documents (including but not limited to annual reports, interim reports, notices of meetings, listing documents, circulars and proxy forms) (hereinafter referred to as “Company Communication”) to be sent by the Company to each holder of H Shares shall be delivered by hand at the registered address of such shareholder, or by post, or by facsimile, e-mail, CD-ROM or other electronic means, or by means of publication on a website in accordance with the procedures set out below, or in such other form as may be approved by the relevant regulatory authority in the place of listing or as provided in these Articles of Association.</del></p> <p><del>Where the Company delivers Company Communication to holders of H Shares by publishing the same on its website, then upon the completion of the following procedures, any holder of H Shares who has consented in writing or not objected to the delivery of Company Communication in such manner shall be deemed to accept the delivery of Company Communication by the Company in such manner:</del></p> <ol style="list-style-type: none"> <li><del>1. The Company serves a written notice to each of the holders of H shares, requesting for their consent to the delivery or provision of Company Communication by publishing the same on the website of the Company.</del></li> <li><del>2. The Company has not received any written reply from such holder of H Shares making objections thereto, within 28 days of the service of the notice as described in paragraph 1 above.</del></li> </ol>

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

Original Articles	Amended Articles
<p>are listed in accordance with the relevant regulations and these Articles of Association, an announcement published on the website of the overseas stock exchange where the Company's shares are listed (and the Company's website) or in a newspaper of the overseas place where the Company's shares are listed, which shall be prescribed by local laws or administrative regulations or designated or recommended by the relevant securities regulatory authority.</p>	<p><del>If any holder of H Shares who has been deemed to accept the delivery of Company Communication by publishing the same on the website is unable to collect or receive the Company Communication so delivered for whatsoever reason, then upon a written request to the Company, such shareholder may change its choice of the way to receive Company Communication and may also receive a hard copy of Company Communication on a free basis.</del></p> <p><del>A notice to be given by the Company to a holder of domestic share shall be delivered by hand to each such shareholder at his registered address, or by post, or by notice published in one or more newspapers designated by the national securities regulatory authority. After the publication of such announcement, the holders of domestic shares shall be deemed to have received the relevant notice.</del></p> <p><del>Unless the context otherwise specifies, the "announcements" referred to in these Articles of Association shall mean, in respect to announcements made to the holders of domestic shares or the announcements to be published in the People's Republic of China as required by the relevant requirements and these Articles of Association, the publication of an announcement in newspapers in the People's Republic of China, and such newspapers shall have been prescribed under the laws and administrative regulations of the People's Republic of China or by the relevant securities regulatory authority; and in respect to an announcement made to shareholders of overseas listed foreign invested shares or an announcement required to be made in</del></p>



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

Original Articles	Amended Articles
	<p><del>the place of the stock exchange where the overseas listed foreign invested shares are listed in accordance with the relevant regulations and these Articles of Association, an announcement published on the website of the overseas stock exchange where the Company's shares are listed (and the Company's website) or in a newspaper of the overseas place where the Company's shares are listed, which shall be prescribed by local laws or administrative regulations or designated or recommended by the relevant securities regulatory authority.</del></p>
Newly added	<p><u><b>Article 213</b> Any notice issued by the Company in the form of a public announcement shall be deemed to have been received by all relevant persons once it is published.</u></p>
Newly added	<p><u><b>Article 214</b> Save as otherwise stipulated under the Articles of Association, if the notices to the holders of shares listed in Hong Kong are issued by way of announcement, the Company shall on the same day submit an electronic version of such announcement to the Hong Kong Stock Exchange through the electronic publishing system of the Hong Kong Stock Exchange for immediate release on the website of the Hong Kong Stock Exchange in accordance with the requirements of the local listing rules. The announcement shall also be published on the Company's website at the same time. In addition, in case of serving by post, the notice shall be delivered to each of the registered addresses as set forth in the register of holders of shares listed in Hong Kong by way of personal delivery or pre-paid mail so as to give the shareholders sufficient notice and time to exercise their rights or take any action in accordance with the terms of the notice.</u></p>

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

Original Articles	Amended Articles
	<p><u>Subject to relevant laws, regulations, the securities regulatory rules of the place(s) where shares of the Company are listed and the Articles of Association, holders of shares listed in Hong Kong of the Company may choose in writing to receive corporate communication that the Company is required to send to shareholders either by electronic means or by post, and may also elect to receive either the Chinese or English version only, or both the Chinese and English versions. The shareholders may also notify the Company to change their choices as to the manner of receiving and the language versions of the aforesaid information by giving a written notice to the Company in advance within a reasonable period in accordance with applicable procedures.</u></p>
Newly added	<p><b>Article 216</b> <u>For notices of the Company delivered by hand, an acknowledgement of receipt shall be signed (or stamped) by the recipient and the date of service shall be the date on which the acknowledgement is signed; for notices delivered by post, the date of service shall be the fifth day from the mail is delivered to the post office; for notices delivered by way of announcements, the date of service shall be the date on which the first announcement is published.</u></p>
<p><b>Article 205</b> To prove the delivery of notice, documents, materials or written statement, shareholders or directors shall produce relevant evidence on the delivery of such notice, documents, materials or written statement within the designated periods in an ordinary form or by prepaid mail to the correct address.</p>	<p><b>Article 218</b> To prove the delivery of notice, documents, materials or written statement, shareholders or directors shall produce relevant evidence on the delivery of such notice, documents, materials or written statement within the designated periods <del>in an ordinary form or</del> <u>in the manner set out in Article 212</u> and by prepaid mail to the correct address.</p>

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

<b>Original Articles</b>	<b>Amended Articles</b>
Newly added	<u><b>Article 219</b> The accidental omission to give notice of a meeting to, or the failure to receive notice of a meeting by, any person entitled to receive the notice shall not invalidate the meeting and the resolutions thereat.</u>
Newly added	<u><b>Section 2 Announcements</b></u>
Newly added	<u><b>Article 220</b> For matters on which the Company shall make announcement(s) in accordance with the laws, administrative regulations and provisions of the securities regulatory authorities where the Company’s shares are listed, or for matters on which the Company’s general meeting, Board of Directors and Board of Supervisors decide to make announcement(s), the Company shall designate the media and website(s) approved by the securities regulatory authorities where the Company’s shares are listed as the media and website(s) for publishing Company announcements and for information disclosure.</u>
<b>Chapter 23 Supplementary Provisions</b>	<b>Chapter <del>23</del> <u>15</u> Supplementary Provisions</b>
<p><b>Article 206</b> In these Articles of Association, the meaning of the term “accounting firm” is the same as that of “auditor”.</p> <p>In these Articles of Association, the meaning of “de facto controller” is the person who is not a shareholder of the Company but is able to actually control the acts of the Company through an investment, agreement or other arrangement.</p>	<p><del><b>Article 221</b> In these Articles of Association, the meaning of the term “accounting firm” is the same as that of “auditor”.</del></p> <p><u>(I) a controlling shareholder shall mean a shareholder whose ordinary shares (including preferred shares with restored voting rights) account for more than 50% of the total share capital of the Company or who holds less than 50% of the total share capital but holds voting rights sufficient to have a material impact on resolutions of the shareholders’ general meeting.</u></p>

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

Original Articles	Amended Articles
	<p>(II) “a de facto controller” herein shall mean any person who is not a shareholder of the Company, but has de facto control over actions of the Company through the investment relationship, an agreement or other arrangements.</p> <p>(III) <u>connected relationship shall mean the relationship between a controlling shareholder, de facto controller, director, supervisor or senior management personnel of the Company and their directly or indirectly controlled enterprises and other relationships which may result in the transfer of the Company’s interests. However, state-owned enterprises may not have connected relationships merely because they are under common control of the State.</u></p>
Newly added	<p><b>Article 222</b> <u>The Board of Directors may formulate by-laws pursuant to the provisions of these Articles of Association. Such by-laws shall not be in conflict with the provisions of these Articles of Association.</u></p>
<p><b>Article 209</b> These Articles of Association are written in Chinese. Should there be any discrepancy between the versions in other languages and the Chinese version, the Chinese version shall prevail.</p>	<p><b>Article 225</b> These Articles of Association are written in Chinese. Should there be any discrepancy between the versions in other languages and the Chinese version, the Chinese version <u>which was most recently approved and registered at Zhejiang Provincial Administration for Market Regulation</u> shall prevail.</p>
<p><b>Article 211</b> These Articles of Association shall take effect from the date of listing of the overseas listed foreign invested shares (H Shares) issued by the Company on the HKEX after it has been approved by the shareholders’ general meeting.</p>	<p><b>Article 227</b> <del>These Articles of Association shall take effect from the date of listing of the overseas listed foreign invested shares (H Shares) issued by the Company on the HKEX after it has been approved by the shareholders’ general meeting.</del> <u>These Articles of Association shall take effect upon approval and adoption by the shareholders’ general meeting.</u></p>

## NOTICE OF THE EGM



### Huzhou Gas Co., Ltd.\* 湖州燃气股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)  
(Stock Code: 6661)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (“EGM”) of Huzhou Gas Co., Ltd.\* (湖州燃气股份有限公司) (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the People’s Republic of China (“**PRC**”) on Tuesday, 16 January 2024 at 2:00 p.m. to consider, and if thought fit, pass (with or without amendments or supplements) the following resolutions:

### ORDINARY RESOLUTIONS

1. To consider and approve
  - (a) the master supply agreement (“**2024-2026 Natural Gas Framework Agreement**”) dated 27 November 2023 entered into between the Company (for itself and on behalf of its subsidiaries) and 寧波城際能源貿易有限公司 (Ningbo Chengji Energy Trading Company Limited\*) (“**Ningbo Intercity**”) (for itself and on behalf of its subsidiaries) in relation to the sale and purchase of piped natural gas and liquefied natural gas in the operating areas where the Group is granted exclusive right to operate in Wuxing and Nanxun for the period from 1 January 2024 to 31 December 2026, in substitution for the existing master supply agreement dated 26 May 2022 (as supplemented by the supplemental agreement dated 14 March 2023) for the period from 1 January 2022 to 31 December 2024;
  - (b) the proposed annual caps (“**New Annual Caps**”) for the three years ending 31 December 2024, 2025 and 2026 for transactions contemplated under the 2024-2026 Natural Gas Framework Agreement; and
  - (c) and any one director (“**Director**”) of the Company be and is hereby authorised to do all such acts or things and sign all documents deemed necessary by him for the purpose of giving effect to the 2024-2026 Natural Gas Framework Agreement and the New Annual Caps.
2. To consider and approve
  - (a) the proposed election of Mr. Wang Peng as a non-executive Director; and
  - (b) any one Director be and is hereby authorised to sign on behalf of the Company a director’s service contract with Mr. Wang Peng.

## NOTICE OF THE EGM

### SPECIAL RESOLUTION

3. To consider and approve
  - (a) the proposed amendments (“**Proposed Amendments**”) to the articles of association (“**Articles of Association**”) of the Company, the details of which are set forth in Appendix II to the circular of the Company dated 28 December 2023;
  - (b) the proposed adoption of the amended and restated articles of association (“**New Articles of Association**”) of the Company in the form produced to the meeting, a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification, which consolidates all the Proposed Amendments, in substitution for and to the exclusion of the Articles of Association with immediate effect after the close of the meeting; and
  - (c) any one Director, secretary or registered office provider of the Company be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangements that he shall, in his absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Articles of Association and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the PRC and Hong Kong.

Yours faithfully,  
For and on behalf of the Board  
**Huzhou Gas Co., Ltd.\***  
**Wang Hua**  
*Chairman*

Huzhou City, Zhejiang Province, the PRC, 28 December 2023

\* *For identification purpose only*

*Notes:*

1. In order to be eligible to attend and vote at the EGM, H Shareholders whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company’s H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 11 January 2024 (Hong Kong time). Shareholders whose names appear on the Company’s register of members at 4:30 p.m. on Thursday, 11 January 2024 are entitled to attend and vote at the EGM.
2. A shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his proxies can only vote on a poll.
3. A form of proxy for use at the EGM is enclosed herewith. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or

## NOTICE OF THE EGM

duly authorised executive officer(s) or duly authorised attorney(ies). If that instrument is signed by an attorney of a shareholder, the power of attorney or other document authorising that attorney to sign must be notarised.

4. In order to be valid, the form of proxy together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Company's registered office in the PRC (for Domestic Shareholders) or at the Company's H share registrar, Tricor Investor Services Limited (for H Shareholders) not less than 24 hours before the time fixed for the meeting (i.e. not later than 2:00 p.m. on Monday, 15 January 2024 (Hong Kong time)).
5. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the EGM.
6. The address and contact details of the Company's H share registrar, Tricor Investor Services Limited, are as follows:  
  
As to the transfer documents:  
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong  
  
As to the form of proxy:  
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong  
Telephone No.: (+852) 2980 1333  
Facsimile No.: (+852) 2810 8185
7. The address of the Company's registered office in the PRC and the contact details of the regular contact person for the EGM are as follows:  
  
227 Sizhong Road, Huzhou, Zhejiang Province, the PRC  
Telephone No.: (+86) 0572-2716820  
Facsimile No.: (+86) 0572-2716815  
Name: Tang Chunhui
8. In accordance with the Articles of Association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
9. The EGM is expected to be concluded within half a day. Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses.
10. Shareholders or their proxies shall produce their identification documents for inspection when attending the EGM.
11. All resolution(s) at the meeting will be taken by poll pursuant to the Listing Rules. The chairman of the Board of Directors may demand poll for voting pursuant to the Articles of Association. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hzrqgf.com/>) in accordance with the Listing Rules.

*As at the date of this notice, the Board comprises Mr. Wang Hua, Ms. Su Li and Mr. Pan Haiming as executive Directors; Mr. Liu Jianfeng and Ms. Wu Zhanghuan as non-executive Directors; and Mr. Chang Li Hsien Leslie, Dr. Lau Suet Chiu Frederic and Mr. Zhou Xinfu as independent non-executive Directors.*

## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING



### Huzhou Gas Co., Ltd.\* 湖州燃气股份有限公司

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 6661)

## NOTICE OF H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN that a class meeting of the H shareholders ("H Shareholders' Class Meeting") of Huzhou Gas Co., Ltd.\* (湖州燃气股份有限公司) (the "Company") will be held at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the People's Republic of China ("PRC") on Tuesday, 16 January 2024 immediately after the conclusion of the extraordinary general meeting of the Company or any adjournment thereof (whichever the later) to consider, and if thought fit, pass (with or without amendments or supplements) the following resolution:

### SPECIAL RESOLUTION

1. To consider and approve
  - (a) the proposed amendments ("**Proposed Amendments**") to the articles of association ("**Articles of Association**") of the Company, the details of which are set forth in Appendix II to the circular of the Company dated 28 December 2023;
  - (b) the proposed adoption of the amended and restated articles of association ("**New Articles of Association**") of the Company in the form produced to the meeting, a copy of which has been produced to the meeting marked "A" and signed by the chairman of the meeting for the purpose of identification, which consolidates all the Proposed Amendments, in substitution for and to the exclusion of the Articles of Association with immediate effect after the close of the meeting; and



## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

- (c) any one Director, secretary or registered office provider of the Company be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangements that he shall, in his absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Articles of Association and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the PRC and Hong Kong.

Yours faithfully,  
For and on behalf of the Board  
**Huzhou Gas Co., Ltd.\***  
**Wang Hua**  
*Chairman*

Huzhou City, Zhejiang Province, the PRC, 28 December 2023

\* *For identification purpose only*

*Notes:*

1. In order to be eligible to attend and vote at the H Shareholders' Class Meeting, H Shareholders whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 11 January 2024 (Hong Kong time). H Shareholders whose names appear on the Company's register of members at 4:30 p.m. on Thursday, 11 January 2024 are entitled to attend and vote at the H Shareholders' Class Meeting.
2. An H Shareholder entitled to attend and vote at the H Shareholders' Class Meeting may appoint one or more proxies to attend and vote on his behalf. A proxy need not be an H Shareholder of the Company. Where an H Shareholder appoints more than one proxy, his proxies can only vote on a poll.
3. A form of proxy for use at the H Shareholders' Class Meeting is enclosed herewith. The instrument appointing a proxy must be in writing under the hand of an H Shareholder or his attorney duly authorised. If the H Shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised executive officer(s) or duly authorised attorney(ies). If that instrument is signed by an attorney of an H Shareholder, the power of attorney or other document authorising that attorney to sign must be notarised.
4. In order to be valid, the form of proxy together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Company's H share registrar, Tricor Investor Services Limited not less than 24 hours before the time fixed for the meeting (i.e. not later than 2:00 p.m. on Monday, 15 January 2024 (Hong Kong time)).
5. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the H Shareholders' Class Meeting.

## NOTICE OF THE H SHAREHOLDERS' CLASS MEETING

6. The address and contact details of the Company's H share registrar, Tricor Investor Services Limited, are as follows:

As to the transfer documents:

17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

As to the form of proxy:

17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

Telephone No.: (+852) 2980 1333

Facsimile No.: (+852) 2810 8185

7. The address of the Company's registered office in the PRC and the contact details of the regular contact person for the H Shareholders' Class Meeting are as follows:

227 Sizhong Road, Huzhou, Zhejiang Province, the PRC

Telephone No.: (+86) 0572-2716820

Facsimile No.: (+86) 0572-2716815

Name: Tang Chunhui

8. In accordance with the Articles of Association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
9. The H Shareholders' Class Meeting is expected to be concluded within half a day. H shareholders (in person or by proxy) attending the H Shareholders' Class Meeting are responsible for their own transportation and accommodation expenses.
10. H shareholders or their proxies shall produce their identification documents for inspection when attending the H Shareholders' Class Meeting.
11. All resolution(s) at the meeting will be taken by poll pursuant to the Listing Rules. The chairman of the Board of Directors may demand poll for voting pursuant to the Articles of Association. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hzrqgf.com/>) in accordance with the Listing Rules.

*As at the date of this notice, the Board comprises Mr. Wang Hua, Ms. Su Li and Mr. Pan Haiming as executive Directors; Mr. Liu Jianfeng and Ms. Wu Zhanghuan as non-executive Directors; and Mr. Chang Li Hsien Leslie, Dr. Lau Suet Chiu Frederic and Mr. Zhou Xinfu as independent non-executive Directors.*

## NOTICE OF THE DOMESTIC SHAREHOLDERS' CLASS MEETING



### Huzhou Gas Co., Ltd.\* 湖州燃气股份有限公司

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

**(Stock Code: 6661)**

## NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN that a class meeting of the domestic shareholders ("**Domestic Shareholders' Class Meeting**") of Huzhou Gas Co., Ltd.\* (湖州燃气股份有限公司) (the "**Company**") will be held at the meeting room of the Company, 227 Sizhong Road, Huzhou, Zhejiang Province, the People's Republic of China ("**PRC**") on Tuesday, 16 January 2024 immediately after the conclusion of the extraordinary general meeting and the H shareholders' class meeting of the Company or any adjournment thereof (whichever the later) to consider, and if thought fit, pass (with or without amendments or supplements) the following resolution:

### SPECIAL RESOLUTION

1. To consider and approve
  - (a) the proposed amendments ("**Proposed Amendments**") to the articles of association ("**Articles of Association**") of the Company, the details of which are set forth in Appendix II to the circular of the Company dated 28 December 2023;
  - (b) the proposed adoption of the amended and restated articles of association ("**New Articles of Association**") of the Company in the form produced to the meeting, a copy of which has been produced to the meeting marked "A" and signed by the chairman of the meeting for the purpose of identification, which consolidates all the Proposed Amendments, in substitution for and to the exclusion of the Articles of Association with immediate effect after the close of the meeting; and

## NOTICE OF THE DOMESTIC SHAREHOLDERS' CLASS MEETING

- (c) any one Director, secretary or registered office provider of the Company be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangements that he shall, in his absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Articles of Association and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the PRC and Hong Kong.

Yours faithfully,  
For and on behalf of the Board  
**Huzhou Gas Co., Ltd.\***  
**Wang Hua**  
*Chairman*

Huzhou City, Zhejiang Province, the PRC, 28 December 2023

\* *For identification purpose only*

*Notes:*

1. In order to be eligible to attend and vote at the Domestic Shareholders' Class Meeting, Domestic Shareholders whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's registered office in the PRC, at 227 Sizhong Road, Huzhou, Zhejiang Province, the PRC, not later than 4:30 p.m. on Thursday, 11 January 2024 (Hong Kong time). Domestic shareholders whose names appear on the Company's register of members at 4:30 p.m. on Thursday, 11 January 2024 are entitled to attend and vote at the Domestic Shareholders' Class Meeting.
2. A Domestic Shareholder entitled to attend and vote at the Domestic Shareholders' Class Meeting may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Domestic Shareholder of the Company. Where a Domestic Shareholder appoints more than one proxy, his proxies can only vote on a poll.
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5. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the Domestic Shareholders' Class Meeting.

## NOTICE OF THE DOMESTIC SHAREHOLDERS' CLASS MEETING

6. The address of the Company's registered office in the PRC and the contact details of the regular contact person for the Domestic Shareholders' Class Meeting are as follows:  
  
227 Sizhong Road, Huzhou, Zhejiang Province, the PRC  
Telephone No.: (+86) 0572-2716820  
Facsimile No.: (+86) 0572-2716815  
Name: Tang Chunhui
7. In accordance with the Articles of Association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
8. The Domestic Shareholders' Class Meeting is expected to be concluded within half a day. Domestic Shareholders (in person or by proxy) attending the Domestic Shareholders' Class Meeting are responsible for their own transportation and accommodation expenses.
9. Domestic Shareholders or their proxies shall produce their identification documents for inspection when attending the Domestic Shareholders' Class Meeting.
10. All resolution(s) at the meeting will be taken by poll pursuant to the Listing Rules. The chairman of the Board of Directors may demand poll for voting pursuant to the Articles of Association. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hzrqgf.com/>) in accordance with the Listing Rules.

*As at the date of this notice, the Board comprises Mr. Wang Hua, Ms. Su Li and Mr. Pan Haiming as executive Directors; Mr. Liu Jianfeng and Ms. Wu Zhanghuan as non-executive Directors; and Mr. Chang Li Hsien Leslie, Dr. Lau Suet Chiu Frederic and Mr. Zhou Xinfu as independent non-executive Directors.*