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申萬宏源集團股份有限公司
SHENWAN HONGYUAN GROUP CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6806)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Shenwan Hongyuan Group Co., Ltd. (the “**Company**”) hereby announces that, as considered and approved by the board of directors of the Company (the “**Board**”), it was proposed to amend the Articles of Association of Shenwan Hongyuan Group Co., Ltd. (the “**Articles of Association**”).

In order to standardize the operation of the Company, to implement the requirements of the State Council and the China Securities Regulatory Commission on the governance of listed companies and to further enhance the level of corporate governance, according to the provisions of laws, administrative regulations and departmental rules such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Guidelines for the Articles of Association of Listed Companies, the Rules for the General Meetings of Listed Companies and the Measures for the Administration of Independent Directors of Listed Companies, and taking into account the actual situation, the Company proposed to amend certain provisions of the Articles of Association to standardize the requirements and expressions relating to general meetings, and to clarify the requirements for the qualifications and appointment procedures of independent non-executive directors. Please refer to Appendix to this announcement for further details on the proposed amendments to the Articles of Association aforementioned (the “**Proposed Amendments**”).

A special resolution will be proposed at the general meeting of the Company to approve, among other things, the Proposed Amendments and to propose to the general meeting of the Company to authorize the Company's operation and management members to handle matters relating to changes in business registration. A circular containing, among other things, details of the Proposed Amendments together with the notice of the general meeting will be published on the websites of the Company and the HKEXnews website of Hong Kong Exchanges and Clearing Limited as soon as reasonably practicable and despatched to the H Shareholders of the Company in the manner in which the H Shareholders of the Company have elected to receive corporate communications.

The amended Articles of Association shall become effective on the date of passing the relevant resolution at the general meeting of the Company. Prior to the passing of the relevant resolution at the general meeting of the Company, the existing Articles of Association shall remain valid.

By order of the Board
Shenwan Hongyuan Group Co., Ltd.
Liu Jian
Chairman

Beijing, the PRC
March 28, 2024

As at the date of this announcement, the Board comprises Mr. Liu Jian and Mr. Huang Hao as executive directors; Mr. Ren Xiaotao, Mr. Zhang Yigang, Mr. Zhu Zhilong, Ms. Zhang Ying and Mr. Shao Yalou as non-executive directors; Ms. Yeung Siuman Shirley, Mr. Wu Changqi, Mr. Chen Hanwen and Mr. Zhao Lei as independent non-executive directors.

APPENDIX

COMPARISON TABLE OF PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Article	Amended Article	Reason for amendments
<p>Article 3 The Company is registered with the <u>Administration for Industry and Commerce</u> of Xinjiang Uygur Autonomous Region and obtained business license under the unified social credit code of 91650000132278661Y.</p>	<p>Article 3 The Company is registered with the <u>Market Supervision Administration</u> of Xinjiang Uygur Autonomous Region and obtained business license under the unified social credit code of 91650000132278661Y.</p>	<p>Amended in accordance with the change of the name of the organization of the State Council and the requirements of the company registration administration.</p>
<p>Article 19 Upon the <u>approval by</u> the securities regulatory authorities under the State Council, the Company may issue its shares to the domestic and foreign investors.</p> <p>The term “foreign investors” mentioned in the preceding paragraph refers to the investors who are from foreign countries and Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), Macao Special Administrative Region and Taiwan of the People’s Republic of China (hereinafter referred to as “the PRC”) that subscribe for shares issued by the Company. The term “domestic investors” refers to the investors who are in the PRC, excluding the above-mentioned regions, that subscribe for the shares issued by the Company.</p>	<p>Article 19 Upon the <u>fulfillment of the relevant procedures of the</u> securities regulatory authorities under the State Council <u>or other relevant regulatory authorities</u>, the Company may issue its shares to the domestic and foreign investors.</p> <p>The term “foreign investors” mentioned in the preceding paragraph refers to the investors who are from foreign countries and Hong Kong Special Administrative Region (hereinafter referred to as “Hong Kong”), Macao Special Administrative Region and Taiwan of the People’s Republic of China (hereinafter referred to as “the PRC”) that subscribe for shares issued by the Company. The term “domestic investors” refers to the investors who are in the PRC, excluding the above-mentioned regions, that subscribe for the shares issued by the Company.</p>	<p>Improved in accordance with the regulatory requirements of the registration system for domestic issuance of shares and the filing system for overseas issuance of shares.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 20 The shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as “domestic shares”. The shares issued by the Company to foreign investors for subscription in foreign currency shall be referred to as “foreign shares”. The foreign shares that are listed overseas shall be referred to as “overseas listed foreign shares”.</p> <p>The shares issued by the Company that are listed on Shenzhen Stock Exchange shall be referred to as “A shares”. The overseas listed foreign shares issued by the Company that are listed on the Hong Kong Stock Exchange shall be referred to as “H shares”.</p> <p>Subject to the <u>approval</u> of the securities regulatory authorities of the State Council, the domestic shareholders of the Company may transfer the shares held by them to the overseas investors and such shares may be listed or traded on overseas stock exchange, or convert these shares into overseas listed shares. The transferred or converted shares listed or traded on an overseas stock exchange, shall also comply with the regulatory procedures, rules and requirements of the relevant overseas securities markets. Shares transferred or converted for listing and trading on the stock exchange outside the PRC do not require a voting at any shareholders class meeting.</p>	<p>Article 20 The shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as “domestic shares”. The shares issued by the Company to foreign investors for subscription in foreign currency shall be referred to as “foreign shares”. The foreign shares that are listed overseas shall be referred to as “overseas listed foreign shares”.</p> <p>The shares issued by the Company that are listed on Shenzhen Stock Exchange shall be referred to as “A shares”. The overseas listed foreign shares issued by the Company that are listed on the Hong Kong Stock Exchange shall be referred to as “H shares”.</p> <p>Subject to the <u>fulfillment of the relevant procedures</u> of the securities regulatory authorities of the State Council <u>or other relevant regulatory authorities</u>, the domestic shareholders of the Company may transfer the shares held by them to the overseas investors and such shares may be listed or traded on overseas stock exchange, or convert these shares into overseas listed shares. The transferred or converted shares listed or traded on an overseas stock exchange, shall also comply with the regulatory procedures, rules and requirements of the relevant overseas securities markets. Shares transferred or converted for listing and trading on the stock exchange outside the PRC do not require a voting at any shareholders class meeting.</p>	<p>Improved in accordance with the regulatory requirements of the registration system for domestic issuance of shares and the filing system for overseas issuance of shares.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 29 <u>The Company may, in the following circumstances, buy back its shares pursuant to laws, administrative regulations, departmental rules, the listing rules of the places where the Company's shares are listed and these Articles of Association:</u></p> <p>(I) decreasing the registered capital of the Company;</p> <p>(II) merging with other companies holding shares of the Company;</p> <p>(III) <u>awarding shares to employees of the Company;</u></p> <p>(IV) as required by shareholders objecting to resolutions of the general meeting concerning merger or division of the Company to buy their shares;</p> <p>(V) to use the shares for conversion of corporate bonds which are convertible into shares issued by the Company;</p> <p>(VI) being necessary to maintain the value of the Company and the rights and interests of its shareholders;</p> <p>(VII) other circumstances where the law and administrative regulations so permit.</p> <p>The Company shall not trade its shares unless in the aforesaid circumstances.</p>	<p>Article 29 <u>The Company shall not acquire shares of the Company. However, except in any of the following circumstances:</u></p> <p>(I) decreasing the registered capital of the Company;</p> <p>(II) merging with other companies holding shares of the Company;</p> <p>(III) <u>using of shares for employee share ownership plans or equity incentives;</u></p> <p>(IV) as required by shareholders objecting to resolutions of the general meeting concerning merger or division of the Company to buy their shares;</p> <p>(V) to use the shares for conversion of corporate bonds which are convertible into shares issued by the Company;</p> <p>(VI) being necessary to maintain the value of the Company and the rights and interests of its shareholders;</p> <p>(VII) other circumstances where the law and administrative regulations so permit.</p>	<p>Amended Item III of this article in accordance with Rule 142 of the Company Law of the People's Republic of China (the "Company Law"), Rule 2 of the Rules on Share Repurchases by Listed Companies (the "Repurchases Rules"), and Rule 24 of the Guidelines on the Articles of Association of Listed Companies (the "Guidelines for the Articles of Association").</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 30 Where the Company should buy back the shares of the Company due to the reasons stated in items (I), (II) or (IV) under Article 29 of these Articles of Association, it may buy back its own shares in any of the following ways:</p> <p>(I) offering to buy back shares from all shareholders on a pro-rata basis;</p> <p>(II) buying back through open transaction in the stock exchange;</p> <p>(III) buying back through agreement outside the stock exchange;</p> <p>(IV) in other forms approved by laws and administrative regulations of the state, the listing rules of the places where the Company's shares are listed and approval of relevant competent authorities.</p> <p>Where the Company should buy back the shares of the Company due to the reasons stated in items (III), (V) or (VI) under Article 29 of these Articles of Association, the repurchase shall be carried out by open and centralized transactions.</p>	<p>Article 30 <u>Acquisition of the Company's shares by the Company may be carried out through open and centralized trading or by other means as prescribed by laws, administrative regulations, the listing rules of the places where the Company's shares are listed and recognized by the CSRC.</u></p> <p>Where the Company should buy back the shares of the Company due to the reasons stated in items (III), (V) or (VI) under Article 29 of these Articles of Association, the repurchase shall be carried out by open and centralized transactions.</p>	<p>Amended in accordance with Article 25 of the Guidelines for the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 31 Where the Company should buy back the shares of the Company due to the reasons stated in items (I) to (III) under Article 29 of these Articles of Association, the Company shall obtain approvals at general meetings.</p> <p>Where the Company should buy back the shares of the Company due to the reasons stated in items (V) and (VI) under Article 29 of these Articles of Association, the resolution of repurchase shall be reviewed and passed by more than two-thirds of directors present at the Board meeting, and the Board of Directors shall be authorized by special mandate approved on the general meeting for the time being.</p> <p>After the Company buying back the shares of the Company pursuant to the provisions of Article 29 of these Articles of Association, such shares shall be cancelled within 10 days from the date of buyback under the circumstance as described in the item (I); such shares shall be either transferred or cancelled within 6 months if it is under the circumstances as described in items (II) and (IV).</p> <p>The shares of the Company bought back by the Company in accordance with the item (III) of Article 29 of these Articles of Association shall not exceed 5% of the entire issued shares of the Company, and the shares bought back shall be transferred to employees within one year. The payment of such buyback shall be made out of the after-tax profits of the Company;</p>	<p>Article 31 Where the Company should buy back the shares of the Company due to the reasons stated in items (I) to (III) under Article 29 of these Articles of Association, the Company shall obtain approvals at general meetings.</p> <p>Where the Company should buy back the shares of the Company due to the reasons stated in items (V) and (VI) under Article 29 of these Articles of Association, the resolution of repurchase shall be reviewed and passed by more than two-thirds of directors present at the Board meeting, and the Board of Directors shall be authorized by special mandate approved on the general meeting for the time being.</p> <p>After the Company buying back the shares of the Company pursuant to the provisions of Article 29 of these Articles of Association, such shares shall be cancelled within 10 days from the date of buyback under the circumstance as described in the item (I); such shares shall be either transferred or cancelled within 6 months if it is under the circumstances as described in items (II) and (IV).</p> <p>The shares of the Company bought back by the Company in accordance with items (III), (V) and (VI) of Article 29 shall not exceed 10% of the entire issued shares of the Company, and such shares shall be either transferred or cancelled within 3 years.</p>	<p>Amendments have been made to the maximum number of shares to be repurchased and the time limit for share cancellation requirements under employee share ownership and share incentives in accordance with Rule 15 of the Repurchase Rules and Article 26 of the Guidelines for the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>The shares of the Company bought back by the Company in accordance with items (V) and (VI) of Article 29 shall not exceed 10% of the entire issued shares of the Company, and such shares shall be either transferred or cancelled within 3 years.</p> <p>After canceling the said shares, the Company shall apply for registration of the change of the registered capital with the original company registration authority. The amount of the Company's registered capital shall be reduced by the total par value of the shares cancelled.</p> <p>Where the relevant laws and regulations, regulatory documents and relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the matters relating to the aforesaid share buyback, such provisions shall prevail.</p>	<p>After canceling the said shares, the Company shall apply for registration of the change of the registered capital with the original company registration authority. The amount of the Company's registered capital shall be reduced by the total par value of the shares cancelled.</p> <p>Where the relevant laws and regulations, regulatory documents and relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the matters relating to the aforesaid share buyback, such provisions shall prevail.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 62 The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) to receive dividends and other distributions in proportion to the shares they hold;</p> <p>(II) to lawfully request, convene, preside over, and attend general meetings either in person or by proxy and exercise the corresponding voting right;</p> <p>(III) to supervise, raise suggestions on or make inquiries about the operations of the Company;</p> <p>(IV) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, and relevant requirements of the securities regulatory authorities in the place where the Company’s shares are listed and these Articles of Association;</p> <p>(V) to gain relevant information in accordance with these Articles of Association, including:</p> <ol style="list-style-type: none"> 1. receiving a copy of these Articles of Association after paying the cost; 2. being entitled to inspect and copy, after paying reasonable charges, of: <ol style="list-style-type: none"> (1) all the parts of register of shareholders; (2) personal data of directors, supervisors, and senior management of the Company, including; 	<p>Article 62 The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) to receive dividends and other distributions in proportion to the shares they hold;</p> <p>(II) to lawfully request, convene, preside over, and attend general meetings either in person or by proxy and exercise the corresponding voting right;</p> <p>(III) to supervise, raise suggestions on or make inquiries about the operations of the Company;</p> <p>(IV) to transfer, gift or pledge their shares in accordance with laws, administrative regulations, and relevant requirements of the securities regulatory authorities in the place where the Company’s shares are listed and these Articles of Association;</p> <p>(V) to gain relevant information in accordance with these Articles of Association, including:</p> <ol style="list-style-type: none"> 1. receiving a copy of these Articles of Association after paying the cost; 2. being entitled to inspect, and copy, after paying reasonable charges, of: <ol style="list-style-type: none"> (1) all the parts of register of shareholders; (2) share capital of the Company; 	<p>Amendments have been made in conjunction with the latest requirements of the Company Law, the Guidelines for the Articles of Association, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Hong Kong Listing Rules”) and the actual corporate governance.</p>

Existing Article	Amended Article	Reason for amendments
<p>(a) present and former names and aliases; - (b) principal address (domicile);</p> <p>(c) nationality—</p> <p>(d) full-time and all part-time occupations and duties;—</p> <p>(e) identity certificates and numbers thereof.</p> <p>(3) share capital of the Company;</p> <p>(4) report of the total par value, quantity, the highest and lowest prices of each class of shares bought back by the Company from the last financial year, and the total amount paid by the Company for this purpose (divided by domestic shares and external shares);</p> <p>(5) minutes of general meetings (for inspect by shareholders only);</p> <p>(6) the latest audited financial statements, and reports from the Board, auditor and the Supervisory Committee;</p> <p>(7) special resolutions of general meetings and/or Board of Directors of the Company;</p>	<p>(3) report of the total par value, quantity, the highest and lowest prices of each class of shares bought back by the Company from the last financial year, and the total amount paid by the Company for this purpose (divided by domestic shares and external shares);</p> <p>(4) minutes of general meetings (for inspect by shareholders only);</p> <p>(5) the latest audited financial statements, and reports from the Board, auditor and the Supervisory Committee;</p> <p>(6) resolutions of <u>the</u> Board of Directors <u>and</u> <u>Supervisory Committee</u> of the Company;</p> <p>(7) <u>stubs of corporate bonds</u>;</p> <p>(8) the copy of the latest annual report (annual return) submitted to the State Administration for Market Regulation or other competent authorities for filing;</p> <p>(VI) to participate in the distribution of the remaining properties of the Company as per their shares in the event of the termination or liquidation of the Company;</p>	

Existing Article	Amended Article	Reason for amendments
<p>(8) the copy of the latest annual report (annual return) submitted to the State Administration for Market Regulation or other competent authorities for filing;</p> <p>Documents of items (1) to (8) (except item (2)) mentioned above shall be made available by the Company, according to the requirements of the Hong Kong Listing Rules, at the Company's address in Hong Kong, for inspection by the public and overseas listed shareholders for free;</p> <p>(VI) to participate in the distribution of the remaining properties of the Company as per their shares in the event of the termination or liquidation of the Company;</p> <p>(VII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules and these Articles of Association.</p> <p>Where any person who directly or indirectly has rights and interests fails to disclose such rights and interests, the Company shall not exercise its rights to freeze or otherwise harm any rights of such person attached to the shares solely for this reason.</p>	<p><u>(VII) for shareholders who disagree with the resolution on merger or demerger of the Company made at the general meeting, to request the Company to acquire their shares;</u></p> <p><u>(VIII) to enjoy other rights stipulated by laws, administrative regulations, departmental rules and these Articles of Association.</u></p> <p>Where any person who directly or indirectly has rights and interests fails to disclose such rights and interests, the Company shall not exercise its rights to freeze or otherwise harm any rights of such person attached to the shares solely for this reason.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 72 The general meeting shall be the authority of power of the Company and shall exercise the following functions and powers according to the law:</p> <p>(I) to decide the business operation guideline and investment plan for the Company;</p> <p>(II) to elect and replace directors, and supervisors who are not employee representatives, and determine matters on the remunerations of relevant directors and supervisors;</p> <p>(III) to review and approve reports of the Board;</p> <p>(IV) to review and approve reports of the Supervisory Committee;</p> <p>(V) to review and approve the annual report of the Company;</p> <p>(VI) to review and approve the annual financial budgets and final accounting plans of the Company;</p> <p>(VII) to review and approve the Company's profit distribution plan and loss recovery plan;</p> <p>(VIII) to resolve on increase or reduction of the registered capital and issuance of any types of shares, warrants and other similar securities by the Company;</p> <p>(IX) to resolve on issuance of corporate bonds;</p>	<p>Article 72 The general meeting shall be the authority of power of the Company and shall exercise the following functions and powers according to the law:</p> <p>(I) to decide the business operation guideline and investment plan for the Company;</p> <p>(II) to elect and replace <u>directors</u>, and supervisors who are not employee representatives, and determine matters on the remunerations of relevant directors and supervisors;</p> <p>(III) to review and approve reports of the Board;</p> <p>(IV) to review and approve reports of the Supervisory Committee;</p> <p>(V) to review and approve the annual report of the Company;</p> <p>(VI) to review and approve the annual financial budgets and final accounting plans of the Company;</p> <p>(VII) to review and approve the Company's profit distribution plan and loss recovery plan;</p> <p>(VIII) to resolve on increase or reduction of the registered capital and issuance of any types of shares, warrants and other similar securities by the Company;</p> <p>(IX) to resolve on issuance of corporate bonds;</p>	<p>Amended in accordance with Article 37 of the Company Law, Article 41 of Guidelines for the Articles of Association and other provisions and the actual corporate governance, the types of directors to be elected and replaced by the general meeting have been further defined; and the formulation of the relevant terms of reference has been improved.</p>

Existing Article	Amended Article	Reason for amendments
<p>(X) to resolve on the merger, division, dissolution, liquidation or changing the form of the Company;</p> <p>(XI) to amend these Articles of Association;</p> <p>(XII) to resolve on the engagement, dismissal and non-renewal of the accounting firm by the Company;</p> <p>(XIII) to review and approve the matters relating to guarantees specified in Article 73 of Articles of Association;</p> <p>(XIV) to review the Company's purchase or disposal of major assets within one year exceeding 30% of the latest audited total assets of the Company;</p> <p>(XV) to review and approve matters relating to the changes in the use of proceeds;</p> <p>(XVI) to review and approve related transactions which shall be considered by the general meeting in accordance with the listing rules of the places where the Company's shares are listed;</p> <p>(XVII) to review share incentive scheme;</p> <p>(XVIII) to review proposals submitted by shareholders individually or jointly holding 3% or above of the shares of the Company;</p> <p>(XIX) to review other matters which are required by laws, administrative regulations, departmental rules, the listing rules of the places where the Company's shares are listed, stock exchanges or these Articles of Association to be approved at a general meeting.</p> <p>The matters that shall be decided by the general meeting according to these Articles of Association must be reviewed by the general meeting, in order to ensure the decision-making right of the shareholders on such matters.</p>	<p>(X) to resolve on the merger, division, dissolution, liquidation or changing the form of the Company;</p> <p>(XI) to amend these Articles of Association;</p> <p>(XII) to resolve on the engagement, dismissal and non-renewal of the accounting firm by the Company;</p> <p>(XIII) to review and approve the matters relating to guarantees specified in Article 73 of Articles of Association;</p> <p>(XIV) to review the Company's purchase or disposal of major assets within one year exceeding 30% of the latest audited total assets of the Company;</p> <p>(XV) to review and approve matters relating to the changes in the use of proceeds;</p> <p>(XVI) to review and approve related transactions which shall be considered by the general meeting in accordance with the listing rules of the places where the Company's shares are listed;</p> <p>(XVII) to review share incentive scheme <u>and employee stock ownership plan</u>;</p> <p>(XVIII) to review proposals submitted by shareholders individually or jointly holding 3% or above of the shares of the Company;</p> <p>(XIX) to review other matters which are required by laws, administrative regulations, departmental rules, the listing rules of the places where the Company's shares are listed, stock exchanges or these Articles of Association to be approved at a general meeting.</p> <p>The matters that shall be decided by the general meeting according to these Articles of Association must be reviewed by the general meeting, in order to ensure the decision-making right of the shareholders on such matters.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 73 The following external guarantees to be given by the Company shall be reviewed and approved by the general meeting:</p> <p>(I) Provision of any external guarantee by the Company and its controlled subsidiaries, the total amount of which reaches or exceeds 50% of the latest audited net assets of the Company;</p> <p>(II) Provision of any external guarantee by the Company, the total amount of which reaches or exceeds 30% of the latest audited total assets of the Company;</p> <p>(III) Provision of guarantee to anyone whose liability-asset ratio exceeds 70%;</p> <p>(IV) Provision of a single guarantee, the amount of which exceeds 10% of the latest audited net assets of the Company;</p> <p>(V) Provision of guarantees to the shareholders, de facto controllers and their related parties;</p> <p>(VI) Other guarantees as specified in relevant regulations of stock exchanges and these Articles of Association.</p>	<p>Article 73 The following external guarantees to be given by the Company shall be reviewed and approved by the general meeting:</p> <p>(I) Provision of any external guarantee by the Company and its controlled subsidiaries, the total amount of which reaches or exceeds 50% of the latest audited net assets of the Company;</p> <p>(II) Provision of any external guarantee by the Company, the total amount of which reaches or exceeds 30% of the latest audited total assets of the Company;</p> <p><u>(III) Provision of guarantees by the Company within one year in an amount exceeding 30% of the Company's latest audited total assets;</u></p> <p>(IV) Provision of guarantee to anyone whose liability-asset ratio exceeds 70%;</p> <p>(V) Provision of a single guarantee, the amount of which exceeds 10% of the latest audited net assets of the Company;</p> <p>(VI) Provision of guarantees to the shareholders, de facto controllers and their related parties;</p> <p>(VII) Other guarantees as specified in relevant regulations of stock exchanges and these Articles of Association.</p> <p><u>In the event that the general meeting or the Board violates the approval authority and review procedures stipulated in the Articles of Association, it shall be held accountable in accordance with the laws and regulations and the relevant provisions of the Company.</u></p>	<p>In accordance with Article 42 of the Guidelines for the Articles of Association and the relevant listing regulatory requirements, the maximum amount of guarantees within one year, and the accountability mechanism for breach of the approval authority and review procedures for guarantees have been incorporated into the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 76 The Company shall hold a general meeting at the venue as specified in the notice of the general meeting.</p> <p>A venue shall be available for a general meeting which shall be held as an on-site meeting. For the convenience of shareholders and to the extent technically feasible, the Company shall provide secure, cost-efficient and accessible online channels for participation in general meetings in accordance with laws, administrative regulations, the requirements of the securities regulatory authorities and the stock exchange in the place where the shares of the Company are listed or these Articles of Association. A shareholder who participates in a general meeting through online channels shall be deemed to have been present at the meeting, and the identification of the shareholder shall be confirmed by the system of the stock exchange or online voting system in accordance with Article 61 of these Articles of Association.</p>	<p>Article 76 The Company shall hold a general meeting at the venue as specified in the notice of the general meeting.</p> <p>A venue shall be available for a general meeting which shall be held as an on-site meeting. For the convenience of shareholders and to the extent technically feasible, the Company shall provide secure, cost-efficient and accessible online <u>and other</u> channels for participation in general meetings in accordance with laws, administrative regulations, the requirements of the securities regulatory authorities and the stock exchange in the place where the shares of the Company are listed or these Articles of Association. A shareholder who participates in a general meeting through online channels shall be deemed to have been present at the meeting.</p>	<p>Amended in accordance with Rule 20 of the Rules for the General Meetings of Listed Companies (the “Rules for the General Meetings”).</p>
<p>Article 81 Where the Supervisory Committee or shareholders decide to convene a general meeting by itself/themselves, it/they shall notify the Board in writing and file with the local office of the CSRC and the stock exchange at the place where the Company is located.</p> <p>The shareholding of shareholders who convene the general meeting shall be no less than 10% before a resolution passed at the general meeting is announced.</p> <p>The convening shareholders shall, when the notice of the general meeting is issued and a resolution made at the general meeting is announced, submit relevant evidential documents to the local office of the CSRC and the stock exchange in the place where the Company is located.</p>	<p>Article 81 Where the Supervisory Committee or shareholders decide to convene a general meeting by itself/themselves, it/they shall notify the Board in writing and file with the stock exchange.</p> <p>The shareholding of shareholders who convene the general meeting shall be no less than 10% before a resolution passed at the general meeting is announced.</p> <p>The <u>Supervisory Committee or the</u> convening shareholders shall, when the notice of the general meeting is issued and a resolution made at the general meeting is announced, submit relevant evidential documents to the stock exchange.</p>	<p>Amendments to this article are made in accordance with Article 50 of the Guidelines for the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 83 Expenses incurred by the general meeting convened by the Supervisory Committee or shareholders on its/their own shall be borne by the Company, and deducted from the amount payable by the Company to the defaulting directors.</p>	<p>Article 83 Expenses incurred by the general meeting convened by the Supervisory Committee or shareholders on its/their own shall be borne by the Company.</p>	<p>Amended in accordance with Article 52 of the Guidelines for the Articles of Association.</p>
<p>Article 88 A notice of general meeting shall be made in writing and include the following contents:</p> <p>(I) specify the time and date, place and duration of the meeting;</p> <p>(II) state the businesses and motions to be considered at the meeting;</p> <p>(III) provide such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be discussed. Without limiting the generality of the foregoing, where a proposal is made to consolidate and repurchase the shares of the Company, to reorganize its share capital, or to restructure the Company in any other way, the specific terms and conditions of the contract, if any, of the proposed transaction must be provided and the reason and effect of such proposal must be properly explained;</p> <p>(IV) contain a disclosure of the nature and extent of the material interests, if any, of any director, supervisor, general manager and other senior management in the matters to be discussed, and an explanation on the difference in the effect which the matters to be discussed 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>(V) contain the full text of any special resolution to be proposed at the meeting;</p>	<p>Article 88 A notice of general meeting shall be made in writing and include the following contents:</p> <p>(I) specify the time and date, place and duration of the meeting;</p> <p>(II) state the businesses and motions to be considered at the meeting;</p> <p>(III) provide such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be discussed. Without limiting the generality of the foregoing, where a proposal is made to consolidate and repurchase the shares of the Company, to reorganize its share capital, or to restructure the Company in any other way, the specific terms and conditions of the contract, if any, of the proposed transaction must be provided and the reason and effect of such proposal must be properly explained;</p> <p>(IV) contain a disclosure of the nature and extent of the material interests, if any, of any director, supervisor, general manager and other senior management in the matters to be discussed, and an explanation on the difference in the effect which the matters to be discussed 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>(V) contain the full text of any special resolution to be proposed at the meeting;</p>	<p>The provision that the notice of a general meeting shall include the time and procedures for voting via the Internet or by other means is made in accordance with Article 56 of the Guidelines for the Articles of Association and Article 21 of the Rules for the General Meetings and other listing regulatory requirements.</p>

Existing Article	Amended Article	Reason for amendments
<p>(VI) specify the date and place for the delivery of proxy form for use at the meeting;</p> <p>(VII) contain a conspicuous statement that all shareholders are entitled to attend the general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that a proxy need not be a shareholder of the Company;</p> <p>(VIII) specify the record date for determining the shareholders who are entitled to attend the general meeting;</p> <p>(IX) state the names and telephone numbers of the standing contact persons for the meeting.</p> <p>If a general meeting is held online, the designated time and procedure for voting online and the method to confirm the identity of such shareholders shall be expressly stated in the notice of such meeting.</p> <p>The interval between the shareholding record date and the date of the meeting shall not be more than seven working days. The shareholding record date shall not be changed once confirmed.</p>	<p>(VI) specify the date and place for the delivery of proxy form for use at the meeting;</p> <p>(VII) contain a conspicuous statement that all shareholders are entitled to attend the general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that a proxy need not be a shareholder of the Company;</p> <p>(VIII) specify the record date for determining the shareholders who are entitled to attend the general meeting;</p> <p>(IX) state the names and telephone numbers of the standing contact persons for the meeting;</p> <p><u>(X) specify the time and procedures for voting via the Internet or by other means.</u></p> <p>The interval between the shareholding record date and the date of the meeting shall not be more than seven working days. The shareholding record date shall not be changed once confirmed.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 109 Minutes of a general meeting shall be kept by the secretary of the Board. The minutes shall state the following contents:</p> <p>(I) time, venue and agenda of the meeting and name of the convener;</p> <p>(II) the name of the meeting chairman and the names of the directors, supervisors, managers and other senior management personnel attending or present at the meeting;</p> <p>(III) the numbers of shareholders and proxies attending the meeting, number of voting shares they represent and the percentages of their voting shares to the total shares of the Company;</p> <p>(IV) the process of review and discussion, summary of any speech and voting results of each proposal;</p> <p>(V) shareholders' enquiries, opinions or suggestions and corresponding answers or explanations;</p> <p>(VI) names of lawyers, vote counters and scrutinizers of the voting;</p> <p>(VII) other contents to be included in the minutes of the meeting as specified in these Articles of Association.</p> <p>The convener shall ensure that the contents of the minutes are true, accurate and complete. The directors, the supervisors, the secretary of the Board, the convener or representative thereof, and the chairman of the general meeting shall sign on the minutes of the meeting. The minutes of meeting shall be kept together with the attendance record of the attending shareholders, the power of attorney of the proxies and the valid information of online voting for a term of not less than 10 years.</p>	<p>Article 109 Minutes of a general meeting shall be kept by the secretary of the Board. The minutes shall state the following contents:</p> <p>(I) time, venue and agenda of the meeting and name of the convener;</p> <p>(II) the name of the meeting chairman and the names of the directors, supervisors, managers and other senior management personnel attending or present at the meeting;</p> <p>(III) the numbers of shareholders and proxies attending the meeting, number of voting shares they represent and the percentages of their voting shares to the total shares of the Company;</p> <p>(IV) the process of review and discussion, summary of any speech and voting results of each proposal;</p> <p>(V) shareholders' enquiries, opinions or suggestions and corresponding answers or explanations;</p> <p>(VI) names of lawyers, vote counters and scrutinizers of the voting;</p> <p>(VII) other contents to be included in the minutes of the meeting as specified in these Articles of Association.</p> <p>The convener shall ensure that the contents of the minutes are true, accurate and complete. The directors, the supervisors, the secretary of the Board, the convener or representative thereof, and the chairman of the general meeting shall sign on the minutes of the meeting. The minutes of meeting shall be kept together with the attendance record of the attending shareholders, the power of attorney of the proxies and the valid information of online <u>online voting via the Internet and by other means</u> for a term of not less than 10 years.</p>	<p>Refer to the reason for amendments to Article 88 of the amended Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 117 The following matters shall be resolved by way of special resolutions at a general meeting:</p> <p>(I) increase or reduction of the registered capital of the Company, and issuance of any types of shares, warranties and other similar securities by the Company;</p> <p>(II) issuance of corporate bonds;</p> <p>(III) division, merger, dissolution, liquidation or change in the form of the Company;</p> <p>(IV) amendments to the Articles of Association;</p> <p>(V) any purchase or disposal of substantial assets made or guarantee provided by the Company within one year exceeding 30% of the total assets as presented in the latest audited consolidated financial statements of the Company;</p> <p>(VI) repurchase of shares of the Company;</p> <p>(VII) share Option Incentive Scheme;</p> <p>(VIII) adjustments of the profit distribution policies;</p> <p>(IX) any other matters as required by the laws, administrative regulations, the listing rules of places where the Company's shares are listed or the Articles of Association of the Company and matters which, if resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need be adopted by way of special resolutions.</p>	<p>Article 117 The following matters shall be resolved by way of special resolutions at a general meeting:</p> <p>(I) increase or reduction of the registered capital of the Company, and issuance of any types of shares, warranties and other similar securities by the Company;</p> <p>(II) issuance of corporate bonds;</p> <p>(III) division, <u>spin-off</u>, merger, dissolution, liquidation or change in the form of the Company;</p> <p>(IV) amendments to the Articles of Association;</p> <p>(V) any purchase or disposal of substantial assets made or guarantee provided by the Company within one year exceeding 30% of the total assets as presented in the latest audited consolidated financial statements of the Company;</p> <p>(VI) share Option Incentive Scheme;</p> <p>(VII) adjustments of the profit distribution policies;</p> <p>(VIII) any other matters as required by the laws, administrative regulations, the listing rules of places where the Company's shares are listed or the Articles of Association of the Company and matters which, if resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need be adopted by way of special resolutions.</p>	<p>Amended in accordance with Article 78 of the Guidelines for the Articles of Association, Article 9 of the Rules for Spin-off of Listed Companies (Trial) and other provisions.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 118 Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share, unless otherwise stipulated in the Articles of Association.</p> <p>When material issues affecting the interests of minority investors are considered at a general meeting, the votes of minority investors shall be counted separately (if technically feasible). The separate votes counting results shall be disclosed publicly in a timely manner.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.</p>	<p>Article 118 Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share, unless otherwise stipulated in the Articles of Association.</p> <p>When material issues affecting the interests of minority investors are considered at a general meeting, the votes of minority investors shall be counted separately (if technically feasible). The separate votes counting results shall be disclosed publicly in a timely manner.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders attending a general meeting.</p> <p><u>Shareholders who purchase the shares with voting rights of the Company in violation of Article 63 (1) and (2) of the Securities Law shall not exercise the voting rights of the shares that exceed the prescribed proportion within 36 months after purchasing such shares, and such shares shall not be counted in the total number of voting shares represented by shareholders present at a general meeting.</u></p>	<p>The provision on the restriction on exercise of voting rights in respect of shares held in excess of the prescribed proportion in violation of the provisions of the Securities Law of the People's Republic of China is made in the Articles of Association in accordance with Article 79 of the Guidelines for the Articles of Association and Article 31 of the Rules for the General Meetings.</p>

Existing Article	Amended Article	Reason for amendments
<p>Subject to laws, administrative regulations, departmental rules, the listing rules of the places where the Company's shares are listed, and these Articles of Association, the Board of the Company, independent non-executive directors shareholders holding more than 1% shares with voting rights or investor protection institutions established in accordance with laws, administrative regulations and requirements specified by CSRC, as convenors, can publicly require shareholders of the Company, either by themselves or by entrusting securities firms, securities service institutions, to engage them as proxies to attend the general meetings and exercise shareholders' rights including the right of making motion and the voting right.</p> <p>For the collection of rights from shareholders in accordance with requirements set out in the paragraph above, the convenors shall disclose relevant documents, and the Company shall cooperate in this regard. No consideration or other form of de facto consideration shall be involved in the open collection of rights from shareholders. Any open collection of rights from shareholders in violation of laws, administrative regulations or relevant requirements specified by CSRC, which results in losses of the Company or other shareholders, shall be liable for compensation in accordance with laws.</p>	<p>Subject to laws, administrative regulations, departmental rules, the listing rules of the places where the Company's shares are listed, and these Articles of Association, the Board of the Company, independent non-executive directors shareholders holding more than 1% shares with voting rights or investor protection institutions established in accordance with laws, administrative regulations and requirements specified by CSRC, as convenors, can publicly require shareholders of the Company, either by themselves or by entrusting securities firms, securities service institutions, to engage them as proxies to attend the general meetings and exercise shareholders' rights including the right of making motion and the voting right.</p> <p>For the collection of rights from shareholders in accordance with requirements set out in the paragraph above, the convenors shall disclose relevant documents, and the Company shall cooperate in this regard. No consideration or other form of de facto consideration shall be involved in the open collection of rights from shareholders. Any open collection of rights from shareholders in violation of laws, administrative regulations or relevant requirements specified by CSRC, which results in losses of the Company or other shareholders, shall be liable for compensation in accordance with laws.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 121 Election of directors and supervisors shall meet the following requirements:</p> <p>(I) the list of candidates for director and supervisor shall be proposed to the general meeting for voting.</p> <p>(II) the Board may nominate the candidates for directors to the general meeting; the Supervisory Committee may nominate the candidates for supervisors elected by the general meeting to the general meeting; shareholder(s) individually or in aggregate holding 3% or more of the total shares of the Company may nominate the candidates for directors to a general meeting, as well as the candidates for supervisors to be elected by a general meeting; employee representative supervisors shall be elected by an employees' representative assembly, employee meeting or otherwise democratically.</p> <p>(III) before a general meeting is held, the Board, the Supervisory Committee shall disclose the detailed information about the director and supervisor candidate(s) by announcement.</p> <p>(IV) persons who intend to nominate an independent non-executive director shall obtain the consent of the intended nominee therefor prior to his/her nomination. The nominator shall have full knowledge of the nominee's general information such as profession, educational background, professional title, detailed working experience and all other posts he or she concurrently holds, and give opinion on the nominee's qualifications and the independence required as an independent non-executive director. The nominee as an independent non-executive director candidate shall make a public statement <u>that he/she has no relationship with the Company that may affect his/her independent and objective judgment.</u> The Board of Directors of the Company shall make the abovementioned public contention regarding the candidate for independent non-executive director prior to the general meeting at which the independent non-executive director is elected.</p>	<p>Article 121 Election of directors and supervisors shall meet the following requirements:</p> <p>(I) the list of candidates for director and supervisor shall be proposed to the general meeting for voting.</p> <p>(II) the Board may nominate the candidates for directors <u>elected by the general meeting</u> to the general meeting; the Supervisory Committee may nominate the candidates for supervisors elected by the general meeting to the general meeting; shareholder(s) individually or in aggregate holding 3% or more of the total shares of the Company may nominate the candidates for directors <u>elected by the general meeting</u> to a general meeting, as well as the candidates for supervisors to be elected by a general meeting; employee representative <u>directors and</u> supervisors shall be elected by an employees' representative assembly, employee meeting or otherwise democratically.</p> <p><u>(III) the Board, the Supervisory Committee or shareholders individually or collectively holding more than 1% of the issued shares of the Company may nominate candidates for independent non-executive directors, who shall be elected and determined at the general meeting. An investors protection organization established according to law may publicly request shareholders to entrust it to exercise the rights of nominating independent non-executive directors on their behalf. The above nominators shall not nominate any person who has an interest or any other close associate that may affect the independent performance of their duties as candidates for non-executive independent directors.</u></p> <p>(IV) before a general meeting is held, the Board, the Supervisory Committee shall disclose the detailed information about the director and supervisor candidate(s) by announcement.</p>	<p>The provision on the nomination rights of independent directors is incorporated into the Articles of Association, and the requirements for independent director nominators to review nominees and content of nominees' public statements are amended in accordance with Article 9 of the Administrative Measures for Independent Directors of Listed Companies (the "Administrative Measures for Independent Directors").</p> <p>The statement that the shareholdings of controlling shareholders trigger cumulative voting system is further improved in accordance with Article 82 of the Guidelines for the Articles of Association and Article 32 of the Rules for the General Meetings.</p> <p>The provision that the cumulative voting system shall be adopted for the election of two or more independent directors is incorporated in the Articles of Association in accordance with Article 12 of the Administrative Measures for Independent Directors.</p>

Existing Article	Amended Article	Reason for amendments
<p>(V) when voting on the election of directors and supervisors at a general meeting, cumulative voting system in accordance with requirements of these Articles of Association or resolutions of general meeting may be adopted. Cumulative voting system shall be adopted <u>where the shareholding ratio of the controlling shareholder of the Company is 30% or more</u> and the general meeting votes on the election of more than two directors or supervisors (not being employee representative). The cumulative voting means that every share shall, on the occasion of electing directors or supervisors at the general meeting, have the same voting rights with that of the candidate directors or supervisors and the voting rights possessed by the shareholders may be exercised uniformly.</p> <p>(VI) if the proposal with respect to election of directors or supervisors is approved at the general meeting, unless otherwise resolved by the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions of the general meeting are approved (where the qualification for office of such new director or supervisor is not approved by the relevant securities regulatory authorities, his or her term of office shall commence no earlier than the time when he or she is qualified).</p>	<p>(V) persons who intend to nominate an independent non-executive director shall obtain the consent of the intended nominee therefor prior to his/her nomination. The nominator shall have full knowledge of the nominee's general information such as profession, educational background, professional title, detailed working experience, and all other posts he or she concurrently holds <u>and whether there is a major breach of trust and other adverse records</u>, and give opinion on the nominee's qualifications and the independence required as an independent non-executive director. The nominee as an independent non-executive director candidate shall make a public statement <u>on his/her satisfaction with independence and other conditions for serving as an independent non-executive director</u>. The Board of Directors of the Company shall make the abovementioned public contention regarding the candidate for independent non-executive director prior to the general meeting at which the independent non-executive director is elected.</p>	

Existing Article	Amended Article	Reason for amendments
	<p>(VI) when voting on the election of directors and supervisors at a general meeting, cumulative voting system in accordance with requirements of these Articles of Association or resolutions of general meeting may be adopted. Cumulative voting system shall be adopted <u>if a single shareholder and parties acting in concert with him/her hold equity interests exceeding 30% or more,</u> and the general meeting votes on the election of more than two directors (<u>not being employee representative</u>) or supervisors (<u>not being employee representative</u>). <u>To elect two or more independent non-executive directors, cumulative voting system shall be adopted at the general meeting.</u> The cumulative voting means that every share shall, on the occasion of electing directors or supervisors at the general meeting, have the same voting rights with that of the candidate directors or supervisors and the voting rights possessed by the shareholders may be exercised uniformly.</p> <p>(VII) if the proposal with respect to election of directors or supervisors is approved at the general meeting, unless otherwise resolved by the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions of the general meeting are approved (where the qualification for office of such new director or supervisor is not approved by the relevant securities regulatory authorities, his or her term of office shall commence no earlier than the time when he or she is qualified).</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 145 The directors shall be elected or replaced at the general meeting and their term of office shall be three years. Upon the expiry of the term, a director shall be eligible for reelection and re-appointment.</p> <p>While observing relevant laws and administrative regulations, Shareholders may remove any director whose term does not expire from his/her position by passing an ordinary resolution (nevertheless, any claim due under any contract shall not be affected by such removal) in the general meeting.</p> <p>The shortest period before the notice of the proposal to elect a person as the director sent to the Company and the notice on the person's intent to accept the election sent to the Company shall be at least seven days.</p> <p>The period of submitting the aforesaid notices shall start being calculated after the Company distributes the notices of the election, and such period shall not end seven days (or less) before the date of the meeting.</p> <p>The term of office of a director shall be calculated from the date upon which the director assumes office to the expiry of the current Board. If the term of office of a director expires but reelection is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and Articles of Association until a new director is elected.</p> <p>A director's post may be assumed by the general manager or other senior management personnel, but the sum of the total number of directors who also assume the duties of the president or other senior management personnel shall not exceed one half of the total number of directors of the Company. No employee representatives are to be appointed as directors by the Board of Directors.</p> <p>Directors are not required to hold shares of the Company.</p>	<p>Article 145 The directors shall be elected or replaced at the general meeting and their term of office shall be three years. Upon the expiry of the term, a director shall be eligible for reelection and re-appointment, <u>but the independent non-executive directors shall not serve more than six consecutive years.</u></p> <p>While observing relevant laws and administrative regulations, Shareholders may remove any director whose term does not expire from his/her position by passing an ordinary resolution (nevertheless, any claim due under any contract shall not be affected by such removal) in the general meeting.</p> <p>The term of office of a director shall be calculated from the date upon which the director assumes office to the expiry of the current Board. If the term of office of a director expires but reelection is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and Articles of Association until a new director is elected.</p> <p>A director's post may be assumed by the general manager or other senior management personnel, but the sum of the total number of directors who also assume the duties of the president or other senior management personnel shall not exceed one half of the total number of directors of the Company.</p> <p>Directors are not required to hold shares of the Company.</p>	<p>The provision on the term of office of independent directors is added in accordance with Article 13 of the Administrative Measures for Independent Directors.</p> <p>According to the amendments to the Hong Kong Listing Rules, original paragraphs 3 and 4 of this article are deleted in view of the deletion of the provisions of Rules 4(4) and (5) of Appendix A1 of the original Hong Kong Listing Rules.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 154 The Company’s Board of Directors shall include independent non-executive directors. There shall be no less than three independent non-executive directors and they shall constitute no less than one-third (1/3) of the Board of Directors. At least one independent non-executive director shall <u>possess the appropriate professional qualifications or have appropriate accounting or related financial management expertise</u> and one independent non-executive director shall reside in Hong Kong.</p> <p>Apart from the qualifications and obligations of directors provided in the relevant provisions in Section 1 of this Chapter, an independent non-executive director shall also meet the following requirements:</p> <p>(I) shall have the time and capacity necessary for the performance of his/her duties;</p> <p>(II) shall meet the independence provisions as required by the securities regulatory authorities and the stock exchanges of the place where the Company’s shares are listed.</p>	<p>Article 154 The Company’s Board of Directors shall include independent non-executive directors. There shall be no less than three independent non-executive directors and they shall constitute no less than one-third (1/3) of the Board of Directors. At least one independent non-executive director shall be an <u>accounting professional</u> and one independent non-executive director shall reside in Hong Kong.</p> <p><u>Independent non-executive directors shall maintain their independence in accordance with the law.</u> Apart from the qualifications and obligations of directors provided in the relevant provisions in Section 1 of this Chapter, an independent non-executive director shall also meet the following requirements:</p> <p><u>(I) shall have the qualifications to hold the position of director in listed companies in accordance with laws, administrative regulations and other relevant regulations;</u></p> <p>(II) shall have the time and capacity necessary for the performance of his/her duties;</p> <p>(III) shall meet the independence provisions as required by the securities regulatory authorities and the stock exchanges of the place where the Company’s shares are listed;</p> <p><u>(IV) shall possess the basic knowledge on the operation of listed companies, and shall be familiar with the relevant laws and regulations;</u></p> <p><u>(V) shall have over five years of experience in law, accounting, economy or other experiences necessary for serving as an independent non-executive director;</u></p> <p><u>(VI) shall possess good personal integrity and have no adverse records such as material breach of trust;</u></p> <p><u>(VII) other conditions stipulated by the laws, administrative regulations, regulatory requirements of the place(s) where the Company’s shares are listed and the Articles of Association.</u></p>	<p>The provision on the qualification of independent directors is made in accordance with Article 7 of the Administrative Measures for Independent Directors regarding the qualification of independent directors.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 157 The Board shall exercise the following functions and powers:</p> <p>(I) to convene general meetings and report to general meetings;</p> <p>(II) to execute resolutions of general meetings;</p> <p>(III) to resolve on the Company’s business plans and investment plans;</p> <p>(IV) to prepare the annual financial budgets and final accounting plans of the Company;</p> <p>(V) to prepare the profit distribution plan and loss makeup plan of the Company;</p> <p>(VI) to formulate the adjustment plan on profit distribution policy;</p> <p>(VII) to prepare plans for the increase or reduction of the registered capital of the Company, the issuance of bonds or other securities and the Listing;</p> <p>(VIII) to formulate plans for material acquisitions, purchase of shares of the Company, or merger, division, transformation and dissolution of the Company;</p> <p>(IX) to decide on external investment, acquisition and disposal of assets, asset mortgage, external guarantee, asset write-off, disposal of non-performing assets, consigned financial management, connected transactions, etc. of the Company within the authority granted by the general meeting;</p> <p>(X) to resolve on the establishment of internal management organizations and branches of the Company;</p> <p>(XI) to appoint or dismiss the Company’s general manager, the deputy general manager, a member of the Executive Committee, chief financial officer, the secretary to the Board and other senior management members of the Company; and determine their remunerations and rewards and penalties;</p>	<p>Article 157 The Board shall exercise the following functions and powers:</p> <p>(I) to convene general meetings and report to general meetings;</p> <p>(II) to execute resolutions of general meetings;</p> <p>(III) to resolve on the Company’s business plans and investment plans;</p> <p>(IV) to prepare the annual financial budgets and final accounting plans of the Company;</p> <p>(V) to prepare the profit distribution plan and loss makeup plan of the Company;</p> <p>(VI) to formulate the adjustment plan on profit distribution policy;</p> <p>(VII) to prepare plans for the increase or reduction of the registered capital of the Company, the issuance of bonds or other securities and the Listing;</p> <p>(VIII) to formulate plans for material acquisitions, purchase of shares of the Company, or merger, division, transformation and dissolution of the Company;</p> <p>(IX) to decide on external investment, acquisition and disposal of assets, asset mortgage, external guarantee, asset write-off, disposal of non-performing assets, consigned financial management, connected transactions, <u>external donations</u>, etc. of the Company within the authority granted by the general meeting;</p> <p>(X) to resolve on the establishment of internal management organizations and branches of the Company;</p> <p>(XI) <u>to resolve on appointment or dismissal of</u> to appoint or dismiss the Company’s general manager, the deputy general manager, a member of the Executive Committee, chief financial officer, the secretary to the Board and other senior management members of the Company; and determine their remunerations and rewards and penalties;</p>	<p>The description of functions and powers of the Board regarding determining relevant matters within the scope of authorization by the general meeting was improved in accordance with Article 107 of the Guidelines for the Articles of Association and based on the actual corporate governance.</p>

Existing Article	Amended Article	Reason for amendments
<p>(XII) to set up the basic management system of the Company;</p> <p>(XIII) to formulate the proposals for any amendment to these Articles of Association;</p> <p>(XIV) to formulate the share incentive scheme;</p> <p>(XV) to prepare proposals regarding the amount and distribution method of the emoluments of directors for approval at the general meeting;</p> <p>(XVI) to manage the disclosure of information by the Company;</p> <p>(XVII) to propose to general meetings the appointment or change of the accounting firm acting as the auditors of the Company;</p> <p>(XVIII) to listen to the work report of the Executive Committee of the Company and examine the Executive Committee's work;</p> <p>(XIX) to review major risk management policies such as risk appetite;</p> <p>(XX) to exercise other functions and powers as conferred by laws, administrative regulations, departmental rules, listing rules at the place(s) where the Company's shares are listed or these Articles of Association.</p> <p>Matters beyond the scope authorized by the general meeting shall be submitted to the general meeting for decision.</p>	<p>(XII) to set up the basic management system of the Company;</p> <p>(XIII) to formulate the proposals for any amendment to these Articles of Association;</p> <p>(XIV) to formulate the share incentive scheme;</p> <p>(XV) to prepare proposals regarding the amount and distribution method of the emoluments of directors for approval at the general meeting;</p> <p>(XVI) to manage the disclosure of information by the Company;</p> <p>(XVII) to propose to general meetings the appointment or change of the accounting firm acting as the auditors of the Company;</p> <p>(XVIII) to listen to the work report of the Executive Committee of the Company and examine the Executive Committee's work;</p> <p>(XIX) to review major risk management policies such as risk appetite;</p> <p>(XX) to exercise other functions and powers as conferred by laws, administrative regulations, departmental rules, listing rules at the place(s) where the Company's shares are listed or these Articles of Association.</p> <p>Matters beyond the scope authorized by the general meeting shall be submitted to the general meeting for decision.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Unless otherwise provided by the Articles of Association, resolutions of the Board of Directors shall be passed by more than half of all directors. However, the board resolutions regarding the above items (VII), (VIII), (XIII), and important matters (including: increase or reduction of the registered capital of the Company; demerger, merger, dissolution, liquidation or change in the form of the Company; any purchase or disposal of substantial assets made or guarantee provided by the Company within one year, the amount of which exceeds 30% of the total assets as presented in the latest audited consolidated financial statements of the Company; repurchase of the Company's shares; external guarantee; any other matters as required by the laws, administrative regulations or the Articles of Association of the Company and matters which, if resolved by way of an ordinary resolution by the Board of Directors, will have a material impact on the Company and need be adopted by way of special resolutions)) shall be passed by two-thirds or more of all directors.</p> <p>The opinions of the Party Committee shall be heard before the Board of Directors decides on material issues of the Company.</p> <p>Where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets already disposed of within four months before the proposed disposal, exceeds 33% of the fixed assets value set out in the balance sheet most recently considered at the general meeting, the Board shall not dispose of or consent to dispose of such fixed assets without prior approval at the general meeting. The term "fixed assets disposal" referred to in this Article includes transferring certain interests in assets, but excludes provision of guarantees by way of fixed assets.</p> <p>The validity of transactions regarding fixed assets disposal by the Company shall not be affected due to a breach of the first paragraph of this Article.</p>	<p>Unless otherwise provided by the Articles of Association, resolutions of the Board of Directors shall be passed by more than half of all directors. However, the board resolutions regarding the above items (VII), (VIII), (XIII), and important matters (including: increase or reduction of the registered capital of the Company; demerger, merger, dissolution, liquidation or change in the form of the Company; any purchase or disposal of substantial assets made or guarantee provided by the Company within one year, the amount of which exceeds 30% of the total assets as presented in the latest audited consolidated financial statements of the Company; repurchase of the Company's shares; external guarantee; any other matters as required by the laws, administrative regulations or the Articles of Association of the Company and matters which, if resolved by way of an ordinary resolution by the Board of Directors, will have a material impact on the Company and need be adopted by way of special resolutions)) shall be passed by two-thirds or more of all directors.</p> <p>The opinions of the Party Committee shall be heard before the Board of Directors decides on material issues of the Company.</p> <p>Where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets already disposed of within four months before the proposed disposal, exceeds 33% of the fixed assets value set out in the balance sheet most recently considered at the general meeting, the Board shall not dispose of or consent to dispose of such fixed assets without prior approval at the general meeting. The term "fixed assets disposal" referred to in this Article includes transferring certain interests in assets, but excludes provision of guarantees by way of fixed assets.</p> <p>The validity of transactions regarding fixed assets disposal by the Company shall not be affected due to a breach of the first paragraph of this Article.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 160 The Board shall establish strict examination and decision-making procedures by setting the scope of authority for external investment, acquisition and sale of assets, asset pledge, external guarantee, consigned financial management and connected transactions, and organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the general meeting for approval.</p>	<p>Article 160 The Board shall establish strict examination and decision-making procedures by setting the scope of authority for external investment, acquisition and sale of assets, asset pledge, external guarantee, consigned financial management and connected transactions, <u>external donations,</u> and organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the general meeting for approval.</p>	<p>The description that the Board of Directors shall determine the authorisations on relevant significant events and establish stringent review and decision-making procedures was improved in accordance with Article 111 of the Guidelines for the Articles of Association.</p>
<p>Article 180 The qualifications of general manager and other senior management shall comply with the provisions of relevant laws and regulations and the Articles of Association.</p> <p>The requirements as specified in Article 144 are applicable to the senior management.</p> <p>The obligations of a director as stated in Article 146 hereof regarding fiduciary duties and in (IV) to (VI) of Article 147 hereof regarding obligations of diligence shall also be applicable to senior management.</p> <p>Staff of the controlling shareholders and the actual controllers of the Company who serve positions other than directors of the controlling shareholders and the actual controllers shall not serve as senior management of the Company.</p>	<p>Article 180 The qualifications of general manager and other senior management shall comply with the provisions of relevant laws and regulations and the Articles of Association.</p> <p>The requirements as specified in Article 144 are applicable to the senior management.</p> <p>The obligations of a director as stated in Article 146 hereof regarding fiduciary duties and in (IV) to (VI) of Article 147 hereof regarding obligations of diligence shall also be applicable to senior management.</p> <p>Staff of the controlling shareholders and the actual controllers of the Company who serve <u>aministrative</u> positions other than directors <u>or supervisors</u> of the controlling shareholders and the actual controllers shall not serve as senior management of the Company.</p> <p><u>The remuneration of the Company's senior managements shall be paid by the Company rather than controlling shareholders.</u></p>	<p>Relevant description in this article was amended and specified that senior management of the Company shall only receive remuneration from the Company in accordance with Article 126 of the Guidelines for the Articles of Association.</p>
<p>Article 187 <u>If a senior management violates any laws, administrative regulations, or 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></p>	<p>Article 187 <u>Senior management of the Company should faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If any senior management of the Company causes damage to the interests of the Company and its public shareholders due to failure in faithfully performing their duties or violation of his/her fiduciary duties, he/she shall be liable for the compensation in accordance with the laws.</u></p>	<p>The description was improved in accordance with Article 135 of the Guidelines for the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 229 After the profit distribution plan has been resolved at the general meeting, the Board of Directors of the Company shall complete the dividend (or share) distribution within two months after the holding of the general meeting.</p> <p>Any amount paid up in advance of calls on any shares may bear interest. The holders of the prepaid shares are not entitled to dividends subsequently declared.</p> <p>Subject to the relevant laws, regulations, rules and regulatory documents, the Company may exercise the power to forfeit unclaimed dividends, provided that it does so only after the expiration of the applicable relevant period.</p> <p>The Company has the power to cease sending dividend warrants by post to a holder of overseas listed foreign shares, but may exercise such power only if such warrants fail to be redeemed for two consecutive occasions. However, the Company may exercise such power after the first occasion on which such a warrant is returned undelivered.</p> <p>In relation to the exercise of right to issue warrants to bearer holder, no new warrant thereof shall be issued to replace the one that has been lost unless the Company is satisfied beyond reasonable doubt that the original warrant thereof has been destroyed.</p> <p>In accordance with applicable laws and regulations, the Company has the power to sell by a method deemed fit by the Board the shares of a holder of overseas-listed foreign shares who is untraceable, provided that it complies with the following conditions:-</p> <p>(I) the Company has distributed dividends on such shares for at least three times in 12 years, and dividends are not claimed by anybody during the period;-</p> <p>(II) upon expiration of the 12-year period, the Company makes an announcement of its intention to sell such shares in one or more newspapers, and notify the local securities regulatory authority, at the place where the stock of the Company is listed.-</p>	<p>Article 229 <u>After the profit distribution plan has been resolved at the general meeting, or upon the Board of Directors formulated the specific plan based on the interim dividend distribution condition and cap of the next year as considered and approved at the annual general meeting, the dividend (or share) distribution shall be completed within two months.</u></p>	<p>The time limit of dividend distribution was amended in accordance with Article 155 of the Guidelines for the Articles of Association; and in accordance with the amendments to the Hong Kong Listing Rules, there is no longer any requirements of relevant matters on dividend warrants distribution and forfeit in the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 230 For the distribution of profits, the Company shall pay attention to the reasonable return of investors and give consideration to the sustainable growth of the Company. On the basis of profitable operation by the Company and monitoring maintained on net capital required by business development of the Company, the profit distribution policy of the Company shall maintain a certain level of continuity and stability.</p> <p>The Company may distribute dividends in cash, stock or by the combination of cash and stock. When the Company has no any material investment plans or any material cash expenditures, provided the funds requirements for normal operation of the Company has been satisfied, the dividend distribution policy of cash dividend payment shall be adopted by the Company in preference. In any three consecutive years, the aggregate profits distributed by the Company in cash shall not be less than 30% of the annual distributable profits for such three years. Subject to the satisfaction by the Company of the percentage of the above cash dividend distribution, the Company may distribute profits by issuing bonus shares.</p> <p><u>The Company generally makes annual profit distribution. The Board of Directors of the Company may recommend the Company to pay cash interim dividend distribution based on the business operation performance of the Company.</u></p>	<p>Article 230 For the distribution of profits, the Company shall pay attention to the reasonable return of investors and give consideration to the sustainable growth of the Company. On the basis of profitable operation by the Company and monitoring maintained on net capital required by business development of the Company, the profit distribution policy of the Company shall maintain a certain level of continuity and stability.</p> <p>The Company may distribute dividends in cash, stock or by the combination of cash and stock. When the Company has no any material investment plans or any material cash expenditures, provided the funds requirements for normal operation of the Company has been satisfied, the dividend distribution policy of cash dividend payment shall be adopted by the Company in preference. In any three consecutive years, the aggregate profits distributed by the Company in cash shall not be less than 30% of the annual distributable profits for such three years. Subject to the satisfaction by the Company of the percentage of the above cash dividend distribution, the Company may distribute profits by issuing bonus shares.</p> <p><u>When the Company holds an annual general meeting to consider the annual profit distribution plan, it may consider and approve the conditions, the cap of the proportion and the cap of the interim cash dividend of the next year. The cap of the interim dividend of the next year considered at the annual general meeting shall not exceed the net profit attributable to the shareholders of the listed company during the corresponding period. The Board of Directors of the Company shall formulate a specific interim dividend distribution plan based on the resolution of the general meeting and on the condition of satisfying the profit distribution.</u></p>	<p>The interim dividend distribution procedures were simplified and relevant description was improved in accordance with Article 7 of the Guidelines No. 3 on the Supervision of Listed Companies — Distribution of Cash Dividends by Listed Companies.</p>

Existing Article	Amended Article	Reason for amendments
<p>The Board of the Company shall take into comprehensive consideration of factors such as industry characteristics, the Company's phase of the development stage, its own business operation mode, profitability level, as well as any potential substantial capital expenditure arrangement, and formulate specific cash dividend distribution policy applicable to the following situations:</p> <p>(I) Where the Company is in a maturity phase of the development stage with no substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 80% of the total profits distributed when carrying out profits distribution;</p> <p>(II) Where the Company is in a maturity phase of the development stage with substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 40% of the total profits distributed when carrying out profits distribution;</p> <p>(III) Where the Company is in a growth phase of the development stage with substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 20% of the total profits distributed when carrying out profits distribution;</p> <p>Where the phase of the development stage of the Company is difficult to define but Company has substantial capital expenditure arrangements, the profit distribution may be dealt with pursuant to the preceding provisions.</p>	<p>The Board of the Company shall take into comprehensive consideration of factors such as industry characteristics, the Company's phase of the development stage, its own business operation mode, profitability level, <u>debt repayment ability</u>, as well as any potential substantial capital expenditure arrangement <u>as well as investors' returns</u>, and formulate specific cash dividend distribution policy applicable to the following situations:</p> <p>(I) Where the Company is in a maturity phase of the development stage with no substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 80% of the total profits distributed when carrying out profits distribution;</p> <p>(II) Where the Company is in a maturity phase of the development stage with substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 40% of the total profits distributed when carrying out profits distribution;</p> <p>(III) Where the Company is in a growth phase of the development stage with substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 20% of the total profits distributed when carrying out profits distribution;</p> <p>Where the phase of the development stage of the Company is difficult to define but Company has substantial capital expenditure arrangements, the profit distribution may be dealt with pursuant to the preceding provisions.</p>	

Existing Article	Amended Article	Reason for amendments
<p>Article 231 Where the Company needs to adjust its existing profit distribution policy in light of business operations, investment plans and the requirement of long-term development of the Company, the adjusted profit distribution policy shall not violate relevant requirements of the CSRC and the Shenzhen Stock Exchanges. The proposal on the adjustment to the profit distribution policy shall be deliberated by the Board of Directors before it is submitted to the general meeting for consideration.</p> <p>When the Company formulates its cash dividend distribution plan, the Board of Directors shall carefully study the matters concerning the Company’s cash dividend distribution, including intervals, conditions, the minimum payout ratio, conditions for adjustment and the decision-making procedures. Independent non-executive directors <u>shall</u> express their specific opinion thereon. Before any specific cash dividend distribution plan is deliberated at a general meeting for consideration, the Company shall sufficiently listen to the comments from the minority shareholders.</p>	<p>Article 231 Where the Company needs to adjust its existing profit distribution policy in light of business operations, investment plans and the requirement of long-term development of the Company, the adjusted profit distribution policy shall not violate relevant requirements of the CSRC and the Shenzhen Stock Exchanges. The proposal on the adjustment to the profit distribution policy shall be deliberated by the Board of Directors before it is submitted to the general meeting for consideration.</p> <p>When the Company formulates its cash dividend distribution plan, the Board of Directors shall carefully study the matters concerning the Company’s cash dividend distribution, including intervals, conditions, the minimum payout ratio, conditions for adjustment and the decision-making procedures. Independent non-executive directors <u>are entitled to</u> express their specific opinion thereon <u>when they are of the opinion that the specific cash dividend distribution plan may damage to the interests of the listed company or minority shareholders</u>. Before any specific cash dividend distribution plan is deliberated at a general meeting for consideration, the Company shall sufficiently listen to the comments from the minority shareholders.</p>	<p>The compulsory requirements that independent directors shall express opinions were deleted in accordance with Article 6 of the Guidelines No. 3 on the Supervision of Listed Companies — Distribution of Cash Dividends by Listed Companies.</p>
<p>Article 242 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined at the general meeting. The remuneration of an accounting firm appointed by the Board shall be determined by the Board.</p>	<p>Article 242 The remuneration of an accounting firm shall be determined at the general meeting.</p>	<p>Amended in accordance with Article 17 of Appendix A1 of the Hong Kong Listing Rules.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 243 Where the Company dismisses or ceases to re-appoint an accounting firm, a thirty-day prior notice shall be given to the accounting firm, and the accounting firm shall have the right to state its opinions at the general meeting where a voting process concerning the dismissal of such accounting firm is carried out.</p> <p>Where the accounting firm resigns its post, it shall make clear to the general meeting whether there has been any improper situations existed in the Company.</p> <p>An accounting firm may resign its office by depositing a written resignation notice at the Company's legal address. Such notice shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include the following statements:</p> <p>(I) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company;</p> <p>(II) A statement of any such circumstances.</p> <p>Where a notice is deposited as mentioned in the above, the Company shall within fourteen days send a copy of the notice to the relevant governing authority. If the notice contains a statement under clause (ii) of the preceding Article, a copy of such statement shall be placed at the Company for the inspection of shareholders. Unless otherwise stated in the Articles of Association, the Company shall also send a copy of such statement by prepaid mail to every holder of overseas-listed foreign-invested Shares at the address registered in the register of shareholders.</p> <p>Where the accountant firm's notice of resignation contains a statement of any circumstance which should be brought to the notice of the shareholders or creditors of the Company, it may require the Board to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances connected with its resignation.</p>	<p>Article 243 Where the Company dismisses or ceases to re-appoint an accounting firm, a thirty-day prior notice shall be given to the accounting firm, and the accounting firm shall have the right to state its opinions at the general meeting where a voting process concerning the dismissal of such accounting firm is carried out.</p> <p>Where the accounting firm resigns its post, it shall make clear to the general meeting whether there has been any improper situations existed in the Company.</p>	<p>According to the amendments to the Listing Rules of the Stock Exchange and based on the actual corporate governance, there is no longer requirements for inclusion of the delivery, display, explanation of resignation letter in written of the accountant in the Articles of Association.</p>

Existing Article	Amended Article	Reason for amendments
<p>Article 260 Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days from the date of the resolution for reduction of registered capital and shall publish an announcement in the newspapers designated for information disclosure by the Articles of Association within 30 days from the date of such resolution. A creditor has the right, within 30 days of receipt of the notice or, in the case of a creditor who does not receive such notice, within 45 days of the date of the announcement, to demand the Company to repay its debts or to provide a guarantee for such debts.</p>	<p>Article 260 Where the Company needs to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days from the date of the resolution for reduction of registered capital and shall publish an announcement in the newspapers designated for information disclosure by the Articles of Association within 30 days from the date of such resolution. A creditor has the right, within 30 days of receipt of the notice or, in the case of a creditor who does not receive such notice, within 45 days of the date of the announcement, to demand the Company to repay its debts or to provide a guarantee for such debts.</p> <p><u>The registered capital of the Company after capital decrease shall not less than the statutory minimum.</u></p>	<p>Added in accordance with Article 177 of the Guidelines for the Articles of Association.</p>
<p>Article 283 Definitions</p> <p>(I) A “Controlling Shareholder” <u>shall refer to the shareholders satisfying any of the following conditions:</u></p> <p><u>1. holding shares representing more than 30% of the total capital of the Company when acting alone or together with others; exercising more than 30% of the voting rights in the Company or controlling the exercise of more than 30% of the voting rights in the Company when acting alone or together with others; holding less than 30 % of shares in the Company, but the voting rights vested by the shares held by him/her have a material effect on any resolutions made at a general meeting;</u></p> <p><u>2. may decide more than half of the candidates for the directors when acting alone or together with others;</u></p> <p><u>3. may actually control the Company in any other manner when acting alone or together with others.</u></p>	<p>Article 283 Definitions</p> <p>(I) A “Controlling Shareholder” <u>shall refer to the shareholder whose ordinary shares (including the preferred shares with restored voting rights) account for more than fifty percent of the total share capital of the Company; and the shareholder who holds less than fifty percent of the shares, but whose voting rights are sufficient to have a significant impact on the resolution of the general meeting according to the shares he/she holds. The person who was defined as the controlling shareholder according to the listing rules of the place where the Company’s shares are listed, shall be abide by any requirements regarding the controlling shareholder of the listing rules of the place where the Company’s shares are listed.</u></p>	<p>Amended in accordance with Article 193 of the Guidelines for the Articles of Association and based on the actual condition of the Company.</p>

Existing Article	Amended Article	Reason for amendments
<p>(II) The “de facto controller” refers to the person who is not a shareholder of the Company but could actually control the acts of the Company through investments, agreements or other arrangements.</p> <p>(III) The “associated relationship” refers to the relationship between the Company and its Controlling Shareholders, de facto controllers, directors, supervisors, senior management members or enterprises directly or indirectly controlled by them or under common control, as well as other relationships which may possibly cause the transfer of the Company’s interests. However, enterprises owned by the state will not be regarded as having associated relationships among themselves because they are owned by the state.</p> <p>(IV) The “general manager” stated herein has the same meaning as the “manager” in Company Law.</p>	<p>(II) The “de facto controller” refers to the person who is not a shareholder of the Company but could actually control the acts of the Company through investments, agreements or other arrangements.</p> <p>(III) The “associated relationship” refers to the relationship between the Company and its Controlling Shareholders, de facto controllers, directors, supervisors, senior management members or enterprises directly or indirectly controlled by them or under common control, as well as other relationships which may possibly cause the transfer of the Company’s interests. However, enterprises owned by the state will not be regarded as having associated relationships among themselves because they are owned by the state.</p> <p>(IV) The “general manager” stated herein has the same meaning as the “manager” in Company Law.</p>	