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

If you have sold or transferred all your shares in the Company, you should at once hand this circular, together with the accompanying proxy forms, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



南京三寶科技股份有限公司 NANJING SAMPLE TECHNOLOGY CO., LTD.*

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

(Stock Code: 1708)

GENERAL MANDATE TO ISSUE SHARES, AMENDMENTS TO ARTICLES OF ASSOCIATION AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of 南京三寶科技股份有限公司 (Nanjing Sample Technology Company Limited*) to be held at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the People's Republic of China on 28 June 2024 at 10:00 a.m. is set out on pages 79 to 82 of this Circular.

Whether or not you intend to attend the AGM in person, you are requested to complete the accompanying proxy form(s) in accordance with the instructions printed thereon. In case of H Shares, the proxy form should be lodged with the Company's H Shares Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the AGM (or any adjournment thereof). In case of the Domestic Shares, the proxy form should be lodged with the Company's principal place of business in the PRC at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the People's Republic of China, not less than 24 hours before the time for holding the AGM (or any adjournment thereof). Completion and delivery of the proxy form(s) will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

This circular will remain on the website of The Stock Exchange of Hong Kong Limited at <https://www.hkexnews.hk> on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the Company's website at <http://www.samples.com.cn>.

* *for identification purpose only*

DEFINITIONS

“AGM”	the annual general meeting of the Company to be convened and held at 10:00 a.m. on 28 June 2024
“Articles of Association”	the articles of association of the Company, as may be amended from time to time
“Board”	the board of Directors
“Circular”	this circular to the Shareholders
“Company”	Nanjing Sample Technology Company Limited* (南京三寶科技股份有限公司), a joint stock limited company incorporated in the PRC with limited liability and whose H Shares are currently listed on the Stock Exchange (Stock Code: 1708)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary domestic share(s) of nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for in RMB, and all of such Shares are not listed on the Stock Exchange
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign invested share(s) of nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong Dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	28 May 2024, being the latest practicable date prior to the printing of the Circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region

* *for identification purpose only*

DEFINITIONS

“PRC Company Law”	the Company Law of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, modified and supplemented from time to time
“Share(s)”	the Domestic Share(s) and H Share(s)
“Shareholders”	holders of the Shares, including holders of the Domestic Shares and the H Shares, unless specified otherwise
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



南京三寶科技股份有限公司
NANJING SAMPLE TECHNOLOGY CO.,LTD.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1708)

Executive Directors:

Mr. Sha Min
Mr. Ma Fengkui
Mr. Liu Min

Non-executive Director:

Ms. Cai Lijuan

Independent non-executive Directors:

Mr. Hu Hanhui
Mr. Gao Lihui
Mr. Niu Zhongjie

Registered Office:

No. 10 Maqun Avenue
Qixia District
Nanjing City
Jiangsu Province
PRC

Principal place of business in

Hong Kong:
Room 1203, 12/F
Wing On Centre
111 Connaught Road Central
Hong Kong

30 May 2024

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATE TO ISSUE SHARES,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this Circular is, among other things, to give you notice of the AGM and to provide you with information in relation to the resolutions to be proposed at the AGM to enable you to make an informed decision on whether to vote for or against those resolutions at the AGM.

* for identification purpose only

LETTER FROM THE BOARD

2. GENERAL MANDATE TO ISSUE SHARES

In order to increase the flexibility and efficiency in operation, and to give discretion to the Board in the event that it becomes desirable to issue any Shares, the Company proposes to obtain Shareholders' approval for the general mandate to allot, issue and otherwise deal with additional Shares, whether Domestic Shares or H Shares, up to the limit of:

- (i) in case of Domestic Shares, 20 per cent. of the aggregate nominal amount of Domestic Shares in issue; and
- (ii) in case of H Shares, 20 per cent. of the aggregate nominal amount of H Shares in issue,

in each case as at the date of passing of the relevant resolution.

Any exercise of the power by the Directors under the general mandate shall comply with the relevant requirements of the PRC Company Law and the Listing Rules. The Board has no present plan to issue new Shares pursuant to the general mandate. The general mandate shall be effective from the date of passing the relevant resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of the relevant resolution;
- (ii) the expiry date of the period within which the next annual general meeting is required by the Articles of Association or any applicable law to be held; or
- (iii) the passing of a special resolution of the Company in a general meeting revoking or varying the authority set out in the relevant resolution.

As at the Latest Practicable Date, the Company had 792,058,500 Shares in issue including 562,558,500 Domestic Shares and 229,500,000 H Shares. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with the terms therein, the Company will be allowed to allot, issue and deal with up to a maximum of 112,511,700 Domestic Shares and 45,900,000 H Shares on the basis that no further Domestic Shares and H Shares will be issued by the Company prior to the AGM.

3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 30 May 2024 in relation to the Board's recommendation to make amendments to the Articles of Association.

Pursuant to the Stock Exchange's consultation conclusions on the "Proposals to Expand the Paperless Listing Regime and Other Rule Amendments" issued in June 2023, the relevant Listing Rules amendments have come into effect on 31 December 2023 such that, among other things, listed issuers must, to the extent permitted under all applicable laws and regulations, either (i) disseminate or otherwise make available the corporate communication

LETTER FROM THE BOARD

(as defined in the Listing Rules) to the relevant holders of their securities using electronic means; or (ii) make the corporate communication available on their own websites and the Stock Exchange's website.

Besides, on 29 December 2023, the amendments to the PRC Company Law were adopted and will take effect on 1 July 2024. The new PRC Company Law makes changes to the current PRC Company Law, including reforming the company's capital system, enhancement in protection for the interests of minority shareholders, and strengthening of responsibilities of controlling shareholders, directors, supervisors and senior management members. Listed issuers are required to make any necessary changes to their constitutional documents in accordance with the latest amendments to the PRC Company Law before the effective date.

Furthermore, the Company proposes amendments to its scope of business under Article 12 of the Articles of Association. These amendments are proposed to align with the business scope of the Company as indicated in the existing Company's business licence. Following the shareholders' approval of the amendments to Articles of Association passed on 29 June 2023 which, amongst the others, included the amendment to the Company's scope of business (the "**2023 Amendments**"), the Company submitted the filing for the change of business scope with Nanjing Municipal Bureau of Market Supervision for the update of the business licence. However, amendment opinion on the Company's business scope was included when Nanjing Municipal Bureau of Market Supervision issued the existing business licence. In fact, the business scope as amended by Nanjing Municipal Bureau of Market Supervision does not materially differ from the business scope as amended with the 2023 Amendments. To ensure alignment between the Articles of Association and the existing business licence, we now propose amendments to the Article 12.

In the light of the above, the Board proposes to adopt the proposed amendments to the Articles of Association in order to allow the Company to (i) comply with the latest amendments in the PRC Company Law; (ii) disseminate corporate communications electronically; and (iii) align the Company's business scope as stated in the Articles of Association with the existing business license (the "**Proposed Amendments**").

Details of the Proposed Amendments are set out in the Appendix to this circular. The Proposed Amendments to the Articles of Association are subject to the approval by way of special resolution by the Shareholders at the AGM. In particular, the amendments in relation to the Company's business scope (i.e. amended Article 12) and the dissemination of corporate communications electronically (i.e. amended Article 43, Article 104 and Article 153) contained in the comparison table of the proposed amendments to the Articles of Association set out in the Appendix of the Circular will become immediately effective upon obtaining the approval of Shareholders at the AGM, while all other amendments for compliance with the latest amendments in the PRC Company Law will be effective from 1 July 2024 upon obtaining the approval of Shareholders.

LETTER FROM THE BOARD

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

The English translation of the Proposed Amendments to the Articles of Association are included in the English version of the Circular. The original language version, i.e. the Chinese version, of the same is set out in the Chinese version of the Circular. The English translations are included for reference only and in the event of any inconsistency, the Chinese version shall prevail.

4. AGM

The AGM will be held at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the People's Republic of China on 28 June 2024 at 10:00 a.m. The notice convening the AGM is set out on pages 79 to 82 of this Circular.

Whether or not you intend to attend the AGM in person, you are requested to complete and return the accompanying proxy form(s) in accordance with the instructions printed thereon and such proxy form is also published on the designated website of the Stock Exchange at <https://www.hkexnews.hk> and the website of the Company at <http://www.samples.com.cn>. In case of H Shares, the proxy form should be lodged with the Company's H Shares Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the AGM (or any adjournment thereof). In case of the Domestic Shares, the proxy form should be lodged with the Company's principal place of business in the PRC at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the People's Republic of China, not less than 24 hours before the time for holding the AGM (or any adjournment thereof). Completion and delivery of the proxy form(s) will not preclude you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

5. RECOMMENDATIONS

The Directors consider that all resolutions set out in the notice of the AGM for consideration and approval by Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

Your faithfully,
By order of the Board
南京三寶科技股份有限公司
Nanjing Sample Technology Company Limited
Sha Min
Chairman

TABLE OF PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(The Articles of Association are formulated in accordance with the “Company Law of the People’s Republic of China” (hereinafter referred to as “Company Law”), “Securities Law of the People’s Republic of China” (hereinafter referred to as “Securities Law”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules”) and the other relevant laws, regulations and normative documents.</p>	<p>(The Articles of Association are formulated in accordance with the “Company Law of the People’s Republic of China (2023 Amendment)” (hereinafter referred to as “Company Law”), “Securities Law of the People’s Republic of China (2019 Amendment)” (hereinafter referred to as “Securities Law”), the “Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited” (hereinafter referred to as “Hong Kong Listing Rules”) and the other relevant laws, regulations and normative documents.</p>
<p>CHAPTER 1 GENERAL PROVISIONS</p>	<p>CHAPTER 1 GENERAL PROVISIONS</p>
<p>Article 1</p> <p>Nanjing Sample Technology Co., Ltd. (the “Company”) was established by way of promotion with the approval of the People’s Government of Nanjing City, Jiangsu Province, People’s Republic of China, as evidenced by the approval document Ning Zheng Fu [2000] No.119 Approval of the Municipal Government regarding the conversion of Nanjing Sample Computer Technology Company Limited to Nanjing Sample Technology Co., Ltd. dated 29 December 2000. It was registered with the Nanjing Administration for Industry and Commerce and was granted the Company’s Business License for Enterprises as a Legal Person on 29 December 2000. The number of the Company’s business license is: 3201082000869. The Company’s Unified Social Credit Identifier number is: 91320100726074332B.</p> <p>The Company was listed on the Main Board of the Hong Kong Stock Exchange on 1 December 2010.</p>	<p>Article 1</p> <p>Nanjing Sample Technology Co., Ltd. (the “Company”) was established by way of promotion with the approval of the People’s Government of Nanjing City, Jiangsu Province, People’s Republic of China, as evidenced by the approval document Ning Zheng Fu [2000] No.119 Approval of the Municipal Government regarding the conversion of Nanjing Sample Computer Technology Company Limited to Nanjing Sample Technology Co., Ltd. dated 29 December 2000. It was registered with the Nanjing Administration for Industry and Commerce and was granted the Company’s Business License for Enterprises as a Legal Person on 29 December 2000. The number of the Company’s business license is: 3201082000869.The Company’s Unified Social Credit Identifier number is: 91320100726074332B.</p> <p>The Company was listed on the Main Board of the Hong Kong Stock Exchange on 1 December 2010.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 3</p> <p>The Company’s legal domicile: No.10 Maqun Avenue, Qixia District, Nanjing City (南京市棲霞區馬群大道 10號)</p> <p>Telephone: 8625-84356666 Facsimile: 8625-84356650 Postcode: 210049</p>	<p>Article 3</p> <p>The Company’s legal domicile: No.10 Maqun Avenue, Qixia District, Nanjing City (南京市棲霞區馬群大道 10號)</p> <p>Telephone: 8625-84356666 Facsimile: 8625-84356650 Postcode: 210049</p>
<p>Article 5</p> <p>The Company’s legal representative is the chairman of the Board of the Company.</p>	<p>Article 5</p> <p>The Company’s legal representative is the chairman of the Board of the Company.</p> <p><u>If the chairman of the Board who serves as the legal representative resigns, he/she shall be deemed to have resigned as the legal representative at the same time. If the legal representative resigns, the Company shall appoint a new legal representative within thirty (30) days from the date of resignation of the legal representative.</u></p> <p><u>If the Company convenes a Board meeting and the chairman of the Board is elected or changed by the votes of over one-half of all the Directors, the new chairman shall be the legal representative of the Company. If the Company changes its legal representative, the application for registration of change shall be signed by the new legal representative.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 12</p> <p>The scope of business of the Company shall be based on the projects approved by the company registration authorities.</p> <p>Having legally registered, the scope of business of the Company: computer networks, engineering design and installation of industrial automation; electronic products, development, manufacturing, testing of electronic computer, sale of self-production products, system integration; electronic computer technology consulting and information services; technology testing and technical services of electronic products; computer software development; design, construction, maintenance of security engineering; research and development of ITS-based basic information collection technology and equipment (excluding commodities under the special control of the State and projects with special approval). (Projects that require approval under law, business can be carried out after the approval by the relevant departments). General projects: international freight forwarding agency; general goods warehousing services (excluding hazardous chemicals and other projects that require approval); domestic freight forwarding agency; sale of Class II and III X-ray devices; sale of medical devices. (Except for the projects subject to approval in accordance with the law, the business activities should be conducted independently with the business licence(s) in accordance with the law).</p>	<p>Article 12</p> <p>The scope of business of the Company shall be based on the projects approved by the company registration authorities.</p> <p>Having legally registered, the scope of business of the Company: computer networks, engineering design and installation of industrial automation; electronic products, development, manufacturing, testing of electronic computer, sale of self-production products, system integration; electronic computer technology consulting and information services; technology testing and technical services of electronic products; computer software development; design, construction, maintenance of security engineering; research and development of ITS-based basic information collection technology and equipment (excluding commodities under the special control of the State and projects with special approval). (Projects that require approval under law, business can be carried out after the approval by the relevant departments, <u>the specific business projects are subject to the approval results</u>). <u>Licensed projects: sale of Class II and Class III radiation devices (Projects that require approval according to the law can only be carried out after approval by relevant departments, and the specific business projects are subject to the approval results)</u>. General projects: international freight forwarding agency; general goods warehousing services (excluding hazardous chemicals and other projects that require approval); domestic freight forwarding agency; sale of Class II and III X-ray <u>medical</u> devices; sale of <u>Class II</u> medical devices. (Except for the projects subject to approval in accordance with the law, the business activities should be conducted independently with the business licence(s) in accordance with the law).</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
CHAPTER 3 SHARES	CHAPTER 3 SHARES
Section 1 Issuing of Shares	Section 1 Issuing of Shares
Add	<p data-bbox="810 406 916 438"><u>Article 13</u></p> <p data-bbox="810 491 1355 693"><u>The Company shall have ordinary shares, at all times, which include domestic shares and foreign shares. The Company may create other classes of shares as and when necessary after fulfilling the relevant necessary procedures.</u></p>
<p data-bbox="240 725 344 757">Article 14</p> <p data-bbox="240 810 783 927">Issuing of the Company shares shall adopt an open, fair and just principle. Shares of the same class shall rank pari passu with each other.</p> <p data-bbox="240 981 783 1225">For the same class of shares issued in the same tranche, each share shall be issued at the same price and subject to the same conditions. For the shares subscribed by any organization or individual under the same offering, the price payable for each of such shares shall be the same.</p>	<p data-bbox="810 725 940 757"><u>Article 14</u>15</p> <p data-bbox="810 810 1353 927">Issuing of the Company shares shall adopt an open, fair and just principle. Shares of the same class shall rank pari passu with each other.</p> <p data-bbox="810 981 1353 1225">For the same class of shares issued in the same tranche, each share shall be issued at the same price and subject to the same conditions. For the shares subscribed by any organization or individual under the same offering, the price payable for each of such shares shall be the same.</p>
<p data-bbox="240 1257 344 1289">Article 17</p> <p data-bbox="240 1342 783 1625">Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as overseas listed foreign shares.</p>	<p data-bbox="810 1257 940 1289"><u>Article 17</u>18</p> <p data-bbox="810 1342 1353 1625">Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as overseas listed foreign shares.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>The foreign currency referred to in the preceding paragraph is a legal currency (other than Renminbi) of other countries or regions which is recognized by the foreign exchange administration authority of the State and can be used for payment of the Company's shares.</p>	<p>The foreign currency referred to in the preceding paragraph is a legal currency (other than Renminbi) of other countries or regions which is recognized by the foreign exchange administration authority of the State and can be used for payment of the Company's shares.</p>
<p>Shareholders of the domestic invested shares of the Company may have their domestic unlisted shares converted into overseas listed shares and have them listed and circulated on overseas stock exchanges, but shall comply with the relevant regulations of the CSRC and entrust the Company to do the filing with the CSRC. The transferred or converted shares shall be listed and traded on overseas stock exchanges and shall comply with the regulatory procedures, rules and requirements of the overseas stock markets. A shareholders' general meeting is not required for listing and trading of the transferred shares on an overseas stock exchange or for the conversion of domestic invested shares into foreign invested shares and their listing and trading on an overseas stock exchange.</p>	<p>Shareholders of the domestic invested shares of the Company may have their domestic unlisted shares converted into overseas listed shares and have them listed and circulated on overseas stock exchanges, but shall comply with the relevant regulations of the CSRC and entrust the Company to do the filing with the CSRC. The transferred or converted shares shall be listed and traded on overseas stock exchanges and shall comply with the regulatory procedures, rules and requirements of the overseas stock markets. A shareholders' general class meeting is not required for listing and trading of the transferred shares on an overseas stock exchange or for the conversion of domestic invested shares into foreign invested shares and their listing and trading on an overseas stock exchange.</p>
<p>Overseas listed foreign shares issued by the Company and listed in Hong Kong as well as domestic shares after being filing with the CSRC and listed in Hong Kong shall be referred to as H shares. H shares refer to the shares approved to be listed on the Hong Kong Stock Exchange, the par value of which are denominated in Renminbi, and are subscribed for and traded in Hong Kong dollars.</p>	<p>Overseas listed foreign shares issued by the Company and listed in Hong Kong as well as domestic shares after being filing with the CSRC and listed in Hong Kong shall be referred to as H shares. H shares refer to the shares approved to be listed on the Hong Kong Stock Exchange, the par value of which are denominated in Renminbi, and are subscribed for and traded in Hong Kong dollars.</p>
	<p><u>Shareholders of domestic shares and shareholders of foreign shares are both shareholders of ordinary shares, and shall enjoy equal rights and assume equal obligations.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p data-bbox="229 283 347 314">Article 19</p> <p data-bbox="229 370 794 619">(1) The number of ordinary overseas listed foreign shares issued for the first capital increase after incorporation of the Company was 20,400,000 shares (including 19,500,000 new shares and 900,000 exiting sale shares), accounting for 31.63% of the issuable ordinary shares of the Company.</p> <p data-bbox="229 674 794 966">The equity structure of the Company is: 64,500,000 ordinary shares, including 44,100,000 shares held by the promoters, representing 68.37% of the issuable ordinary shares of the Company, and 20,400,000 overseas listed foreign shares held by H shares holders, representing 31.63% of the issuable ordinary shares of the Company.</p>	<p data-bbox="801 283 938 314">Article <u>19</u><u>20</u></p> <p data-bbox="801 370 1359 619">(1) The number of ordinary overseas listed foreign shares issued for the first capital increase after incorporation of the Company was 20,400,000 shares (including 19,500,000 new shares and 900,000 exiting sale shares), accounting for 31.63% of the issuable ordinary shares of the Company.</p> <p data-bbox="801 674 1359 966">The equity structure of the Company is: 64,500,000 ordinary shares, including 44,100,000 shares held by the promoters, representing 68.37% of the issuable ordinary shares of the Company, and 20,400,000 overseas listed foreign shares held by H shares holders, representing 31.63% of the issuable ordinary shares of the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(2) With the approval of the examination and approval authority authorized by the State Council, 12,000,000 shares acquired by Nanjing Zhongbei (Group) Co., Ltd. at the time of incorporation of the Company were all transferred to Jiangsu Century Gold Bull Technology and Trading Co., Ltd.</p>	<p>(2) With the approval of the examination and approval authority authorized by the State Council, 12,000,000 shares acquired by Nanjing Zhongbei (Group) Co., Ltd. at the time of incorporation of the Company were all transferred to Jiangsu Century Gold Bull Technology and Trading Co., Ltd.</p>
<p>(3) With the approval of the examination and approval authority authorized by the State Council, 12,000,000 shares acquired by Nanjing Huadong Electronics Information & Technology Co., Ltd. at the time of incorporation of the Company were all transferred to Active Gold Holding Limited.</p>	<p>(3) With the approval of the examination and approval authority authorized by the State Council, 12,000,000 shares acquired by Nanjing Huadong Electronics Information & Technology Co., Ltd. at the time of incorporation of the Company were all transferred to Active Gold Holding Limited.</p>
<p>(4) With the approval of the examination and approval authority authorized by the State Council, 4,515,000 shares held by the Company’s shareholder namely Jiangsu Century Gold Bull Technology and Trading Co., Ltd. were all transferred to foreign shareholder Active Gold Holding Limited.</p>	<p>(4) With the approval of the examination and approval authority authorized by the State Council, 4,515,000 shares held by the Company’s shareholder namely Jiangsu Century Gold Bull Technology and Trading Co., Ltd. were all transferred to foreign shareholder Active Gold Holding Limited.</p>
<p>(5) With the approval of the examination and approval authority authorized by the State Council, the Company issued 96,750,000 bonus shares (15 bonus shares for every 10 shares) and increased 32,250,000 shares by way of capitalization of capital reserve (5 capitalization shares for every 10 shares), thereafter the total equity of the Company changed to 193,500,000 shares, with 132,300,000 shares (68.37% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p> <p>54,000,000 shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 27.91% of the total number of the ordinary shares issued by the Company.</p>	<p>(5) With the approval of the examination and approval authority authorized by the State Council, the Company issued 96,750,000 bonus shares (15 bonus shares for every 10 shares) and increased 32,250,000 shares by way of capitalization of capital reserve (5 capitalization shares for every 10 shares), thereafter the total equity of the Company changed to 193,500,000 shares, with 132,300,000 shares (68.37% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p> <p>54,000,000 shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 27.91% of the total number of the ordinary shares issued by the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>22,455,000 shares held by Jiangsu Century Gold Bull Technology and Trading Co., Ltd., representing approximately 11.60% of the total number of the ordinary shares issued by the Company.</p>	<p>22,455,000 shares held by Jiangsu Century Gold Bull Technology and Trading Co., Ltd., representing approximately 11.60% of the total number of the ordinary shares issued by the Company.</p>
<p>49,545,000 shares held by Active Gold Holding Limited, representing approximately 25.60% of the total number of the ordinary shares issued by the Company.</p>	<p>49,545,000 shares held by Active Gold Holding Limited, representing approximately 25.60% of the total number of the ordinary shares issued by the Company.</p>
<p>4,950,000 shares held by Nanjing Sample Technology Commerce City Company Limited, representing approximately 2.56% of the total number of the ordinary shares issued by the Company.</p>	<p>4,950,000 shares held by Nanjing Sample Technology Commerce City Company Limited, representing approximately 2.56% of the total number of the ordinary shares issued by the Company.</p>
<p>1,350,000 shares held by Sha Min, representing 0.70% of the total number of the ordinary shares issued by the Company.</p>	<p>1,350,000 shares held by Sha Min, representing 0.70% of the total number of the ordinary shares issued by the Company.</p>
<p>61,200,000 overseas listed foreign shares held by H shareholders, representing 31.63% of the total number of the ordinary shares issued by the Company.</p>	<p>61,200,000 overseas listed foreign shares held by H shareholders, representing 31.63% of the total number of the ordinary shares issued by the Company.</p>
<p>(6) With the approval of the extraordinary general meeting of the Company held on 3 August 2009, the Company issued additional ordinary shares of 30,600,000 overseas listed foreign shares, thereafter the total equity of the Company changed to 224,100,000 shares, with 132,300,000 shares (59.04% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p>	<p>(6) With the approval of the extraordinary general meeting of the Company held on 3 August 2009, the Company issued additional ordinary shares of 30,600,000 overseas listed foreign shares, thereafter the total equity of the Company changed to 224,100,000 shares, with 132,300,000 shares (59.04% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>54,000,000 shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 24.10% of the total number of the ordinary shares issued by the Company.</p>	<p>54,000,000 shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 24.10% of the total number of the ordinary shares issued by the Company.</p>
<p>22,455,000 shares held by Jiangsu Century Gold Bull Technology and Trading Co., Ltd., representing approximately 10.02% of the total number of the ordinary shares issued by the Company.</p>	<p>22,455,000 shares held by Jiangsu Century Gold Bull Technology and Trading Co., Ltd., representing approximately 10.02% of the total number of the ordinary shares issued by the Company.</p>
<p>49,545,000 shares held by Active Gold Holding Limited, representing approximately 22.11% of the total number of the ordinary shares issued by the Company.</p>	<p>49,545,000 shares held by Active Gold Holding Limited, representing approximately 22.11% of the total number of the ordinary shares issued by the Company.</p>
<p>4,950,000 shares held by Nanjing Sample Technology Commerce City Company Limited, representing approximately 2.21% of the total number of the ordinary shares issued by the Company.</p>	<p>4,950,000 shares held by Nanjing Sample Technology Commerce City Company Limited, representing approximately 2.21% of the total number of the ordinary shares issued by the Company.</p>
<p>1,350,000 shares were subscribed by Sha Min, representing 0.60% of the total number of the ordinary shares issued by the Company.</p>	<p>1,350,000 shares were subscribed by Sha Min, representing 0.60% of the total number of the ordinary shares issued by the Company.</p>
<p>91,800,000 overseas listed foreign shares held by H shareholders, representing 40.96% of the total number of the ordinary shares issued by the Company.</p>	<p>91,800,000 overseas listed foreign shares held by H shareholders, representing 40.96% of the total number of the ordinary shares issued by the Company.</p>
<p>(7) With the approval of the examination and approval authority authorized by the State Council, 6,770,000 shares held by the Company's shareholder namely Jiangsu Century Gold Bull Technology and Trading Co., Ltd. were transferred to the Company's shareholder Nanjing Sample Technology Group Co., Ltd.</p>	<p>(7) With the approval of the examination and approval authority authorized by the State Council, 6,770,000 shares held by the Company's shareholder namely Jiangsu Century Gold Bull Technology and Trading Co., Ltd. were transferred to the Company's shareholder Nanjing Sample Technology Group Co., Ltd.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(8) With the approval of Jiangsu Administration for Industry and Commerce, the Company’s shareholder Jiangsu Century Gold Bull Technology and Trading Co., Ltd. changed its name to Jiangsu Red Stone Technology Corporation.</p>	<p>(8) With the approval of Jiangsu Administration for Industry and Commerce, the Company’s shareholder Jiangsu Century Gold Bull Technology and Trading Co., Ltd. changed its name to Jiangsu Red Stone Technology Corporation.</p>
<p>(9) With the approval of the examination and approval authority authorized by the State Council, 15,000,000 shares held by the Company’s shareholder namely Jiangsu Red Stone Technology Corporation were transferred to the Jiangsu Ruihua Investment Holding Group Company Ltd.</p>	<p>(9) With the approval of the examination and approval authority authorized by the State Council, 15,000,000 shares held by the Company’s shareholder namely Jiangsu Red Stone Technology Corporation were transferred to the Jiangsu Ruihua Investment Holding Group Company Ltd.</p>
<p>(10) With the approval of the extraordinary general meeting of the Company, the H shareholders class meeting and the domestic shareholders class meeting, the Company issued 92,723,400 new domestic shares, the total number of shares of the Company is changed to 316,823,400 shares, with 225,023,400 shares (accounting for approximately 71.02% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p> <p>153,493,400 shares held by Nanjing Sample Technology Group Company Ltd., accounting for approximately 48.45% of the total number of the ordinary shares issued by the Company.</p> <p>15,000,000 shares held by Jiangsu Ruihua Investment Holding Group Company Ltd., accounting for approximately 4.73% of the total number of the ordinary shares issued by the Company.</p>	<p>(10) With the approval of the extraordinary general meeting of the Company, the H shareholders class meeting and the domestic shareholders class meeting, the Company issued 92,723,400 new domestic shares, the total number of shares of the Company is changed to 316,823,400 shares, with 225,023,400 shares (accounting for approximately 71.02% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p> <p>153,493,400 shares held by Nanjing Sample Technology Group Company Ltd., accounting for approximately 48.45% of the total number of the ordinary shares issued by the Company.</p> <p>15,000,000 shares held by Jiangsu Ruihua Investment Holding Group Company Ltd., accounting for approximately 4.73% of the total number of the ordinary shares issued by the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>685,000 shares held by Jiangsu Hongshi Technology Industry Company Ltd., accounting for approximately 0.22% of the total number of the ordinary shares issued by the Company.</p>	<p>685,000 shares held by Jiangsu Hongshi Technology Industry Company Ltd., accounting for approximately 0.22% of the total number of the ordinary shares issued by the Company.</p>
<p>49,545,000 shares held by Active Gold Holding Limited, accounting for approximately 15.64% of the total number of the ordinary shares issued by the Company.</p>	<p>49,545,000 shares held by Active Gold Holding Limited, accounting for approximately 15.64% of the total number of the ordinary shares issued by the Company.</p>
<p>4,950,000 shares held by Nanjing Sample Commerce City Company Ltd., accounting for approximately 1.56% of the total number of the ordinary shares issued by the Company.</p>	<p>4,950,000 shares held by Nanjing Sample Commerce City Company Ltd., accounting for approximately 1.56% of the total number of the ordinary shares issued by the Company.</p>
<p>1,350,000 shares held by Sha Min, accounting for approximately 0.42% of the total number of the ordinary shares issued by the Company.</p>	<p>1,350,000 shares held by Sha Min, accounting for approximately 0.42% of the total number of the ordinary shares issued by the Company.</p>
<p>91,800,000 overseas listed foreign shares held by H shareholders, accounting for 28.98% of the total number of the ordinary shares issued by the Company.</p>	<p>91,800,000 overseas listed foreign shares held by H shareholders, accounting for 28.98% of the total number of the ordinary shares issued by the Company.</p>
<p>(11) With the approval of Nanjing City Administration for Industry and Commerce, Xuanwu Sub-branch, the Company's shareholder Nanjing Sample Technology Commerce City Company Limited changed its name to Nanjing Sample Investment Development Company Limited.</p>	<p>(11) With the approval of Nanjing City Administration for Industry and Commerce, Xuanwu Sub-branch, the Company's shareholder Nanjing Sample Technology Commerce City Company Limited changed its name to Nanjing Sample Investment Development Company Limited.</p>
<p>(12) With the approval of the examination and approval authority authorized by the State Council, 1,250,000 shares held by the Company's shareholder namely Jiangsu Ruihua Investment Holding Group Company Ltd. were transferred to Shandong Runbang Agricultural Development Co., Ltd.</p>	<p>(12) With the approval of the examination and approval authority authorized by the State Council, 1,250,000 shares held by the Company's shareholder namely Jiangsu Ruihua Investment Holding Group Company Ltd. were transferred to Shandong Runbang Agricultural Development Co., Ltd.</p>

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Original clause	Revised clause
<p>(13) With the approval of the examination and approval authority authorized by the State Council, 685,000 shares held by the Company’s shareholder namely Jiangsu Hongshi Technology Industry Company Ltd. were transferred to Nanjing Sample Technology Group Company Ltd.</p>	<p>(13) With the approval of the examination and approval authority authorized by the State Council, 685,000 shares held by the Company’s shareholder namely Jiangsu Hongshi Technology Industry Company Ltd. were transferred to Nanjing Sample Technology Group Company Ltd.</p>
<p>(14) With the approval of the examination and approval authority authorized by the State Council, 4,950,000 shares held by the Company’s shareholder namely Nanjing Sample Investment Development Company Ltd. were transferred to Nanjing Sample Technology Group Company Ltd.</p>	<p>(14) With the approval of the examination and approval authority authorized by the State Council, 4,950,000 shares held by the Company’s shareholder namely Nanjing Sample Investment Development Company Ltd. were transferred to Nanjing Sample Technology Group Company Ltd.</p>
<p>(15) With the approval of the examination and approval authority authorized by the State Council, the Company issued 158,411,700 bonus shares (2 bonus shares for every 1 share) and increased 316,823,400 shares by way of capitalization of capital reserve (1 capitalization share for every 1 share), thereafter the total equity of the Company changed to 792,058,500 shares, with 562,558,500 shares (71.02% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p> <p>397,821,000 Shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 50.22% of the total number of the ordinary shares issued by the Company.</p> <p>123,862,500 Shares held by Active Gold Holding Limited, representing approximately 15.64% of the total number of the ordinary shares issued by the Company.</p>	<p>(15) With the approval of the examination and approval authority authorized by the State Council, the Company issued 158,411,700 bonus shares (2 bonus shares for every 1 share) and increased 316,823,400 shares by way of capitalization of capital reserve (1 capitalization share for every 1 share), thereafter the total equity of the Company changed to 792,058,500 shares, with 562,558,500 shares (71.02% of the total number of the ordinary shares issued by the Company) held by domestic shareholders, including:</p> <p>397,821,000 Shares held by Nanjing Sample Technology Group Co., Ltd., representing approximately 50.22% of the total number of the ordinary shares issued by the Company.</p> <p>123,862,500 Shares held by Active Gold Holding Limited, representing approximately 15.64% of the total number of the ordinary shares issued by the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>34,375,000 Shares held by Jiangsu Ruihua Investment Holding Group Company Ltd, representing approximately 4.34% of the total number of the ordinary shares issued by the Company.</p>	<p>34,375,000 Shares held by Jiangsu Ruihua Investment Holding Group Company Ltd, representing approximately 4.34% of the total number of the ordinary shares issued by the Company.</p>
<p>3,125,000 Shares held by Shandong Runbang Agricultural Development Co., Ltd, representing approximately 0.39% of the total number of the ordinary shares issued by the Company.</p>	<p>3,125,000 Shares held by Shandong Runbang Agricultural Development Co., Ltd, representing approximately 0.39% of the total number of the ordinary shares issued by the Company.</p>
<p>3,375,000 Shares held by Sha Min, representing 0.43% of the total number of the ordinary shares issued by the Company; and</p>	<p>3,375,000 Shares held by Sha Min, representing 0.43% of the total number of the ordinary shares issued by the Company; and</p>
<p>229,500,000 overseas listed foreign Shares held by H shareholders, representing 28.98% of the total number of the ordinary shares issued by the Company.</p>	<p>229,500,000 overseas listed foreign Shares held by H shareholders, representing 28.98% of the total number of the ordinary shares issued by the Company.</p>
<p>Section 2 Increase, Decrease and Buy-back of Shares</p>	<p>Section 2 Increase, Decrease and Buy-back of Shares</p>
<p>Article 21</p> <p>The Company may, based on its requirements for operation and development and in accordance with laws and regulations, increase its capital in the following manners upon respective resolutions being adopted by the shareholders’ general meetings:</p> <p>(1) public offering of shares;</p> <p>(2) non-public offering of shares;</p> <p>(3) issuing bonus shares to its existing shareholders;</p>	<p>Article 21<u>22</u></p> <p>The Company may, based on its requirements for operation and development and in accordance with laws and regulations <u>and by special resolution of shareholders’ meeting</u>, increase its <u>share</u> capital in the following manners upon respective resolutions being adopted by the shareholders’ general meetings:</p> <p>(1) public offering of shares;</p> <p>(2) non-public offering of shares;</p> <p>(3) issuing bonus shares to its existing shareholders;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(4) transfer into share capital from the reserve;</p> <p>(5) by any other means which is permitted by laws and administrative regulations and the CSRC.</p>	<p>(4) transfer into share capital from the reserve <u>fund</u>;</p> <p>(5) by any other means which is permitted by laws and administrative regulations and the CSRC<u>regulatory authorities</u>.</p>
<p>Article 23</p> <p>The Company must prepare a balance sheet and an inventory of assets when it reduces its registered capital.</p> <p>The Company shall notify its creditors within ten (10) days from the date of the Company’s resolution on reduction of registered capital and shall publish an announcement in the newspaper within thirty (30) days from the date of such resolution. A creditor has the right, within thirty (30) days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty-five (45) days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.</p> <p>The registered share capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.</p>	<p>Article 23<u>24</u></p> <p>The Company must<u>shall</u> prepare a balance sheet and an inventory<u>a list</u> of assets when it reduces its registered <u>share</u> capital.</p> <p>The Company shall notify its creditors within ten (10) days from the date of the Company’s<u>resolution passed by shareholders’ meeting</u> on reduction of registered <u>share</u> capital and shall publish an announcement in the newspaper <u>or on the National Enterprise Credit Information Publicity System</u> within thirty (30) days from the date of such resolution. A creditor has the right, within thirty (30) days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty-five (45) days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.</p> <p><u>If the Company reduces its registered share capital, the reduction in its capital contribution or shares shall be in proportion to the capital contributions or shares held by the shareholders, unless otherwise provided by laws or the Articles of Association.</u></p> <p>The registered share capital of the Company following the reduction of <u>share</u> capital shall not fall below the minimum statutory requirement.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
Add	<p data-bbox="810 285 916 314"><u>Article 25</u></p> <p data-bbox="810 374 1353 655"><u>If the Company faces a shortfall in making up losses in accordance with the Company Law, it may reduce the registered share capital to make up losses. When the registered share capital is reduced to make up losses, the Company may neither make distributions to shareholders nor release them from obligation to pay for capital contributions or pay for shares.</u></p> <p data-bbox="810 715 1353 1081"><u>If the Company reduces its registered share capital according to the preceding paragraph, it is exempted from paragraph 2 of the Article 24 in the Articles of Association. However, the Company shall make a public announcement in a newspaper or on the National Enterprise Credit Information Publicity System within thirty (30) days after the shareholders' meeting to resolve the reduction of the registered share capital.</u></p> <p data-bbox="810 1140 1353 1336"><u>After a reduction of registered share capital under the preceding paragraphs, the Company shall not distribute profit before the cumulative amount of the statutory reserve fund and discretionary reserve fund reach 50% of the Company's registered share capital.</u></p>
Add	<p data-bbox="810 1372 916 1402"><u>Article 26</u></p> <p data-bbox="810 1461 1353 1868"><u>If a reduction of registered share capital is in violation of the requirements of the Company Law or the provisions of the Articles of Association, the shareholders shall return the funds so received, and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the responsible Directors, supervisors and senior management members shall be held liable for compensation to the Company.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 24</p> <p>Except any one of the following circumstances, the Company shall not acquire its own shares:</p> <p>(1) reduction of the registered capital of the Company;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) using shares for employee shareholding plans or for equity incentives;</p> <p>(4) purchasing the shares held by shareholders who have voted against the resolutions on the merger or division of the Company at a shareholder’s general meeting upon their request;</p> <p>(5) using the shares for conversion of convertible corporate bonds issued by the Company;</p> <p>(6) necessary acts by the Company to maintain its value and protect the interests of the shareholders.</p> <p>The Company’s repurchase of its shares may be carried out through open centralized trading or other methods recognized by laws, administrative regulations and CSRC.</p>	<p>Article 24<u>27</u></p> <p>Except any one of the following circumstances, the Company shall not acquire its own shares:</p> <p>(1) reduction of the registered <u>share</u> capital of the Company;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) using shares for employee shareholding plans or for equity incentives;</p> <p>(4) purchasing the shares held by shareholders who have voted against the resolutions on the merger or division of the Company at a shareholder’s general meeting upon their request;</p> <p>(5) using the shares for conversion of convertible corporate bonds issued by the Company;</p> <p>(6) necessary acts by the Company to maintain its value and protect the interests of the shareholders.</p> <p>The Company’s repurchase of its shares may be carried out through open centralized trading or other methods recognized by laws, administrative regulations and CSRC<u>regulatory authorities</u>.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Where the Company repurchases of its shares due to the circumstances set out in item (1) and item (2) of the first paragraph of this Article, it shall be approved by the resolution of the shareholders general meeting. If the Company repurchases of its shares for the circumstances set out in items (3), (5) and (6) of the first paragraph of this Article, it shall be resolved by more than two-thirds of the Directors attending the Board meeting according to the provisions of the Articles of Association or the authorization of the shareholders' general meeting.</p>	<p>Where the Company repurchases of its shares due to the circumstances set out in item (1) and item (2) of the first paragraph of this Article, it shall be approved by the resolution of the shareholders' general meeting. If the Company repurchases of its shares for the circumstances set out in items (3), (5) and (6) of the first paragraph of this Article, it shall be resolved by more than two-thirds of the Directors attending the Board meeting according to the provisions of the Articles of Association or the authorization of the shareholders' general meeting.</p>
<p>If the Company repurchases shares for the circumstances set out in the first paragraph of this Article, the shares repurchased under item (1) shall be cancelled within ten (10) days from the date of acquisition and the registered capital shall be deducted accordingly; shares repurchased under items (2) and (4) shall be transferred or cancelled within six (6) months; and shares repurchased by the Company under items (3), (5) and (6) shall not exceed 10% of the Company's total issued shares, and the shares acquired shall be transferred or cancelled within three (3) years.</p>	<p>If the Company repurchases shares for the circumstances set out in the first paragraph of this Article, the shares repurchased under item (1) shall be cancelled within ten (10) days from the date of acquisition and the registered <u>share</u> capital shall be deducted accordingly; shares repurchased under items (2) and (4) shall be transferred or cancelled within six (6) months; and shares repurchased by the Company under items (3), (5) and (6) shall not exceed 10% of the Company's total issued shares, and the shares acquired shall be transferred or cancelled within three (3) years.</p>
	<p><u>A controlled subsidiary of the Company shall not acquire shares of the Company. Where a controlled subsidiary of the Company holds shares of the Company due to a merger of the Company or the exercise of the right of pledge, it shall not exercise the voting right corresponding to the shares held and shall dispose of the relevant shares of the Company in a timely manner.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
Section 3 Transfer of Shares	Section 3 Transfer of Shares
<p>Article 26</p> <p>The Company shall not accept its shares being held as security under a pledge.</p>	<p>Article 26<u>29</u></p> <p>The Company shall not accept its shares being held as security under<u>the subject of</u> a pledge.</p>
Section 4 Shareholders	Section 4 Shareholders
<p>Article 27</p> <p>The Company shall maintain a register of shareholders based on the certificates provided by the securities registrar. The register of shareholders is sufficient evidence to prove the shareholdings of shareholders in the Company. Shareholders shall enjoy rights and bear obligations according to the type of shares they hold; shareholders holding the same type of shares shall enjoy the same rights and bear the same obligations.</p> <p>If at any time the share capital of the Company is divided into different classes of shares, the Company intends to change or abolish the rights of any class shareholders which shall be approved by way of special resolution of shareholders of the affected class at a separately convened shareholders' general meeting. Class meetings shall be conducted in a manner which is as similar as possible to that of shareholders' general meeting. The provisions of the Articles of Association relating to the manner for the holding of shareholders' general meeting are also applicable to class meetings.</p>	<p>Article 27<u>30</u></p> <p>The Company shall maintain a register of shareholders based on the certificates provided by the securities registrar. The register of shareholders is sufficient evidence to prove the shareholdings of shareholders in the Company. Shareholders shall enjoy rights and bear obligations according to the type of shares they hold; shareholders holding the same type of shares shall enjoy the same rights and bear the same obligations.</p> <p>If at any time the share capital of the Company is divided into different classes of shares, the Company intends to change or abolish the rights of any class shareholders which shall be approved by way of special resolution of shareholders of the affected class at a separately convened shareholders' general meeting. Class meetings shall be conducted in a manner which is as similar as possible to that of shareholders' general-meeting. The provisions of the Articles of Association relating to the manner for the holding of shareholders' general-meeting are also applicable to class meetings.</p>

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Original clause	Revised clause
<p>The Company’s branch register of shareholders in Hong Kong shall be open for inspection by shareholders during business hours. However, the Company may close the register in accordance with the terms equivalent to Section 632 of the Hong Kong Companies Ordinance (that is, a total of not more than 30 days per year by a Board resolution, or for an extension of up to 30 days by ordinary resolution).</p>	<p>The Company’s branch register of shareholders in Hong Kong shall be open for inspection by shareholders during business hours. However, the Company may close the register in accordance with the terms equivalent to Section 632 of the Hong Kong Companies Ordinance (that is, a total of not more than exceeding <u>thirty (30)</u> days per year by a Board resolution, or for an extension of up to <u>thirty (30)</u> days by ordinary resolution).</p>
<p>Article 28</p> <p>If the Company convenes a general meeting, distributes dividends and carries out liquidation and other actions that require the identification of shareholders, the Board or the convener of the general meeting shall determine the record date, and shareholders whose name appears on the register of shareholders after market close at the record date have relevant interests.</p>	<p>Article 28<u>31</u></p> <p>If the Company convenes a general shareholders’ meeting, distributes dividends and carries out liquidation and other actions that require <u>confirmation of</u> the identification of shareholders, the Board or the convener of the general shareholders’ meeting shall determine the record date, and shareholders whose name appears on the register of shareholders after market close at the record date have relevant interests.</p>
<p>Article 29</p> <p>The shareholders of the Company shall be entitled to the following rights:</p> <p>(1) the right to receiving dividends and other distributions in proportion to the number of shares held;</p> <p>(2) the right to file a petition to convene, to hold, attend or appoint a proxy to attend shareholders’ general meetings and to exercise the right to speak and the corresponding voting right thereat (except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration);</p>	<p>Article 29<u>32</u></p> <p>The shareholders of the Company shall be entitled to the following rights:</p> <p>(1) the right to receiving dividends and other distributions in proportion to the number of shares held;</p> <p>(2) the right to file a petition to convene, to hold, attend or appoint a proxy to attend shareholders’ general meetings and to exercise the right to speak and the corresponding voting right thereat (except where a shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration);</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(3) the right to supervise and manage the operation of the Company and to put forward proposals and raise inquiries;</p> <p>(4) the right to transfer, donate, or pledge shares held by them in accordance with the laws, administrative regulations and provisions of the Articles of Association;</p> <p>(5) the right to inspect the Articles of Association, the register of shareholders, counterfoils of the Company’s bonds, the minutes of the general meetings of shareholders, the resolutions of the board of directors, the resolutions of the supervisory committee and the published and disclosed financial and accounting reports;</p> <p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;</p> <p>(7) to request the Company to purchase their shares for the shareholders who object to the resolution on merger or division of the Company made at the general meetings;</p> <p>(8) other rights conferred by laws, administrative regulations and the Articles of Association.</p>	<p>(3) the right to supervise and manage the operation of the Company and to put forward proposals and raise inquiries;</p> <p>(4) the right to transfer, donate, or pledge shares held by them in accordance with the laws, administrative regulations and provisions of the Articles of Association;</p> <p>(5) the right to inspect <u>and make copies of</u> the Articles of Association, the register of shareholders, counterfoils of the Company’s bonds, the minutes of the <u>general shareholders’</u> meetings of shareholders, the resolutions of the board of directors, the resolutions of the supervisory committee and the published and disclosed financial and accounting reports;</p> <p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;</p> <p>(7) to request the Company to purchase their shares for the shareholders who object to the resolution on merger or division of the Company made at the <u>general shareholders’</u> meetings;</p> <p>(8) other rights conferred by laws, administrative regulations, <u>departmental rules</u> and the Articles of Association.</p>

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Original clause	Revised clause
<p>Any shareholder requesting for inspection of the relevant information as set forth in this Article or for obtaining information shall furnish with the Company written document evidencing the class and number of shares of the Company he/she holds and the Company shall comply with such shareholder’s request upon verification of the shareholder’s identity.</p>	<p>Any shareholder requesting for inspection <u>and copying</u> of the relevant information as set forth in this Article or for obtaining information shall furnish with the Company written document evidencing the class and number of shares of the Company he/she holds and the Company shall comply with such shareholder’s request upon verification of the shareholder’s identity.</p>
<p>CHAPTER 5 SHAREHOLDERS’ GENERAL MEETINGS</p>	<p>CHAPTER 5 SHAREHOLDERS’ GENERAL MEETINGS</p>
<p>Article 31</p> <p>The shareholders’ general meeting is the organ of authority of the Company and shall exercise its functions and powers in accordance with the law.</p>	<p>Article 31<u>34</u></p> <p>The shareholders’ general meeting is the organ of authority of the Company and shall exercise its functions and powers in accordance with the <u>laws</u>.</p>
<p>Article 32</p> <p>The shareholders’ general meeting may exercise the following functions and powers:</p> <p>(1) to decide on the operating policies and investment plans of the Company;</p> <p>(2) to elect and replace Directors, who are not staff representatives, and decide on matters relating to the remuneration of Directors;</p> <p>(3) to elect and replace the supervisors, who are not staff representatives, and decide on matters relating to the remuneration of supervisors;</p> <p>(4) to examine and approve reports of the Board;</p>	<p>Article 32<u>35</u></p> <p>The shareholders’ general meeting may exercise the following functions and powers:</p> <p>(1) to decide on the operating policies and investment plans of the Company;</p> <p>(2)(1) to elect and replace Directors, who are not staff representatives, and decide on matters relating to the remuneration of Directors;</p> <p>(3)(2) to elect and replace the supervisors, who are not staff representatives, and decide on matters relating to the remuneration of supervisors;</p> <p>(4)(3) to examine and approve reports of the Board;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
(5) to examine and approve reports of the Supervisory Committee;	(5) (4) to examine and approve reports of the Supervisory Committee;
(6) to examine and approve the Company’s proposed annual financial budgets and final accounts;	(6) to examine and approve the Company’s proposed annual financial budgets and final accounts;
(7) to examine and approve the Company’s profit distribution plans and plans for making up losses;	(7) (5) to examine and approve the Company’s profit distribution plans and plans for making up losses;
(8) to decide on increases or reductions in the Company’s registered capital;	(8) (6) to decide on increases or reductions in the Company’s registered <u>share</u> capital;
(9) to decide on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;	(9) (7) to decide on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;
(10) to decide on the issue of bonds by the Company;	(10) (8) to decide on the issue of bonds by the Company;
(11) to adopt resolutions on the Company’s appointments, dismissals or non-reappointments of accounting firms;	(11) (9) to adopt resolutions on the Company’s appointments, dismissals or non-reappointments of accounting firms;
(12) to amend the Articles of Association;	(12) (10) to amend the Articles of Association;
(13) to examine the motions submitted by shareholders holding not less than 3% of the Company’s voting shares;	(13) (11) to examine the motions submitted by shareholders holding not less than <u>at least 13%</u> of the Company’s voting shares;
(14) other matters required by the relevant laws, administrative regulations, departmental rules and the Articles of Association to be resolved by the general meeting of shareholders.	(14) (12) other matters required by the relevant laws, administrative regulations, departmental rules and the Articles of Association to be resolved by the <u>general shareholders’ meeting of shareholders.</u>
	<u>The shareholders' meeting may authorize the Board to make a resolution on the issuance of Company's bonds.</u>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 33</p> <p>Except in exceptional circumstances, such as when the Company is in crisis, unless prior approval by special resolution is obtained in a shareholders' general meeting, the Company shall not enter into any contract with any party other than the Directors, general managers and other senior management members pursuant to which such party shall be responsible for managing the whole or any substantial part of the Company's business.</p>	<p>Article 33<u>36</u></p> <p>Except in exceptional circumstances, such as when the Company is in crisis, unless prior approval by special resolution is obtained in a shareholders' general meeting, the Company shall not enter into any contract with any party other than the Directors, general managers and other senior management members pursuant to which such party shall be responsible for managing the whole or any substantial part of the Company's business.</p>
<p>Article 34</p> <p>General meetings of shareholders are divided into annual general meetings of shareholders and extraordinary general meetings of shareholders. An annual general meeting of shareholders shall be convened by the Board. The annual general meeting of shareholders shall be held once every year and within six months after the end of the previous financial year.</p> <p>The Board shall hold an extraordinary general meeting of shareholders within two months upon the occurrence of one of the following circumstances:</p> <p>(1) the number of Directors is less than the number required by the Company Law or less than two-thirds of the number required by the Articles of Association;</p> <p>(2) the uncovered losses are in excess of one third of the Company's total paid-up share capital;</p>	<p>Article 34<u>37</u></p> <p>General Shareholders' meetings of shareholders are divided into annual general meetings of shareholders and extraordinary general meetings of shareholders. An annual general meeting of shareholders shall be convened by the Board. The annual general meeting of shareholders shall be held once every year and within six <u>(6)</u> months after the end of the previous financial year.</p> <p>The Board shall hold an extraordinary general meeting of shareholders within two months upon the occurrence of one of the following circumstances:</p> <p>(1) the number of Directors is less than the number required by the Company Law or less than two-thirds of the number required by the Articles of Association;</p> <p>(2) the uncovered losses are in excess of <u>reach one</u> third of the Company's total paid-up share capital;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(3) upon request by shareholders individually or collectively holding not less than 10% of the Company’s shares;</p> <p>(4) the Board considers it necessary;</p> <p>(5) the Supervisory Committee proposes to convene;</p> <p>(6) other circumstances stipulated by laws, administrative regulations, departmental rules and the Articles of Association.</p>	<p>(3) upon request by shareholders individually or collectively holding not less than <u>at least</u> 10% of the Company’s shares;</p> <p>(4) the Board considers it necessary;</p> <p>(5) the Supervisory Committee proposes to convene;</p> <p>(6) other circumstances stipulated by laws, administrative regulations, departmental rules and the Articles of Association.</p>
<p>Article 35</p> <p>When the Company convenes a shareholders’ annual general meeting, it shall notify the shareholders twenty-one (21) days prior to the meeting in relation to the time and place of the meeting as well as the matters to be examined at the meeting. When the Company convenes a shareholders’ extraordinary general meeting, it shall notify the shareholders fifteen (15) days prior to the meeting in relation to the time and place of the meeting as well as the matters to be examined at the meeting.</p>	<p>Article 35<u>38</u></p> <p>When the Company convenes an <u>shareholders’</u> annual general meeting, it shall notify the shareholders twenty-one (21) days prior to the meeting in relation to the time and place of the meeting as well as the matters to be examined at the meeting. When the Company convenes an <u>shareholders’</u> extraordinary general meeting, it shall notify the shareholders fifteen (15) days prior to the meeting in relation to the time and place of the meeting as well as the matters to be examined at the meeting. <u>For the purpose of calculating the starting date of the aforesaid periods for convening a shareholders’ meeting, the date of the meeting shall be excluded.</u></p>
<p>Article 36</p> <p>The contents of the motions to be raised should be within the scope of duties of the shareholders’ general meetings. It should have a specified subject and specific resolution to be decided, in compliance with the laws, administrative regulations and the Articles of Association.</p>	<p>Article 36<u>39</u></p> <p>The contents of the motions to be raised should be within the scope of duties of the shareholders’ general meetings. It should have a specified subject and specific resolution to be decided, in compliance with the laws, administrative regulations and the Articles of Association.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 37</p> <p>When the Company convenes a shareholders’ general meeting, the Board of Directors and the Supervisory Committee as well as shareholder(s), who hold more than 3% of the Company’s shares individually or in aggregate, shall have the right to propose motions.</p> <p>Shareholder(s) individually or jointly holding more than 3% of the Company’s shares may submit a provisional motion in writing to the convener ten (10) days before the general meeting is convened; the convener shall issue a supplementary notice of the general meeting to announce the content of the provisional motion within two (2) days after receipt of the motion.</p> <p>Except for circumstances stipulated in the preceding paragraph, upon announcement of the notice of shareholders’ general meeting, the convener shall not amend the motions set out in the notice of shareholders’ general meeting or insert new motions.</p>	<p>Article 37<u>40</u></p> <p>When the Company convenes a shareholders’ general meeting, the Board of Directors and the Supervisory Committee as well as shareholder(s), who hold more than<u>individually or jointly holding at least 31%</u> of the Company’s shares individually or in aggregate, shall have the right to propose motions.</p> <p>Shareholder(s) individually or jointly holding more than<u>at least 31%</u> of the Company’s shares may submit a provisional motion in writing to the convener ten (10) days before the general<u>shareholders’</u> meeting is convened; the convener shall issue a supplementary notice of the shareholders’ general meeting to announce the content of the provisional motion within two (2) days after receipt of the motion.</p> <p>Except for circumstances stipulated in the preceding paragraph, upon announcement of the notice of shareholders’ general meeting, the convener shall not amend the motions set out in the notice of shareholders’ general meeting or insert new motions.</p>
<p>Article 38</p> <p>A shareholders’ general meeting shall not vote on or pass the resolutions which are not stated in the notice convening the general meeting or do not meet the motions as stipulated in the Articles 36 and 37 of the Articles of Association.</p>	<p>Article 38<u>41</u></p> <p>A shareholders’ general meeting shall not vote on or pass the resolutions which are not stated in the notice convening the general<u>shareholders’</u> meeting or do not meet the motions as stipulated in the Articles 36 and 37 of the Articles of Association.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 39</p> <p>A notice of the shareholders’ general meeting shall be in writing and including the following contents:</p> <p>(1) the place, date and duration of the meeting;</p> <p>(2) the matters and motions raised for consideration at the meeting;</p> <p>(3) a clear statement to state that: all ordinary shareholders (including the preferred shareholders who has resumed their voting rights) are entitled to attend the shareholders’ general meeting and entrust a proxy in writing to attend the meeting and vote, and that such proxy need not be a shareholder;</p> <p>(4) the date of registration of equity entitlements for shareholders entitled to attend the shareholders’ general meeting;</p> <p>(5) other matters specified in laws, administrative regulations, departmental rules or the Listing Rules.</p>	<p>Article 39<u>42</u></p> <p>A notice of the shareholders’ general meeting shall be in writing and including the following contents:</p> <p>(1) the place, date and duration of the meeting;</p> <p>(2) the matters and motions raised for consideration at the meeting;</p> <p>(3) a clear statement to state that: all ordinary shareholders (including the preferred shareholders who has resumed their voting rights) are entitled to attend the shareholders’ general meeting and entrust a proxy in writing to attend the meeting and vote, and that such proxy need not be a shareholder;</p> <p>(4) the date of registration of equity entitlements for shareholders entitled to attend the shareholders’ general meeting;</p> <p>(5) other matters specified in laws, administrative regulations, departmental rules or the <u>Hong Kong</u> Listing Rules.</p>
<p>Article 40</p> <p>Notice of shareholders’ general meetings shall be served on each shareholder (whether or not such shareholder is entitled to vote at the meeting), by personal delivery or prepaid airmail to the address of the shareholder as shown in the register of shareholders (whether such addresses are within Hong Kong or in regions outside Hong Kong).</p>	<p>Article 40<u>43</u></p> <p>Notice of shareholders’ general meetings shall be served on <u>to</u> each shareholder (whether or not such shareholder is entitled to vote at the <u>shareholders’</u> meeting), by personal delivery or prepaid airmail to the address of the shareholder as shown in the register of shareholders (whether such addresses are within Hong Kong or in regions outside Hong Kong).</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Notice of shareholders' general meeting issued to holders of domestic shares can also be made in the form of announcement. Announcements to holders of domestic shares shall be published on the media that meets the conditions prescribed by CSRC. Once the announcement has been published, all holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>Notice of the shareholders' general meeting issued to the holders of overseas listed shares may be published on the designated website of the Hong Kong Stock Exchange and the Company's website. Once the announcement has been published, all holders of overseas listed shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p>	<p>Notice of shareholders' general meeting issued to holders of domestic shares can also be made in the form of announcement. Announcements to holders of domestic shares shall be published on the media that meets the conditions prescribed by CSRC. Once the announcement has been published, all holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p><u>Subject to the compliance with the laws and regulations of the place where the Company's shares are listed and the relevant rules governing the listing of securities, corporate communications issued to the holders of overseas listed shares including</u> Notice <u>notice</u> of the shareholders' general meeting issued to the holders of overseas listed shares may be published on the designated website of the Hong Kong Stock Exchange and the Company's website. Once the announcement has been published, all holders of overseas listed shares shall be deemed to have received the notice of the relevant shareholders' general meeting. <u>shall be sent by the Company to shareholders by electronic means, announcement, or any other means as provided in the Articles of Association.</u></p> <p><u>Corporate communication as mentioned in the preceding clause shall have the meaning as defined in the Hong Kong Listing Rules.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 41</p> <p>Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one (1) or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. Any shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting and, where a corporation is so represented, it shall be treated as being present at any meeting in person. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:</p> <p>(1) the right which the shareholder has to speak at the meeting;</p> <p>(2) the right to demand a poll alone or jointly with others;</p> <p>(3) the right to exercise voting rights on a show of hands or on a poll, provided that where more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.</p> <p>If the said shareholder is a recognized clearing house by the Law of Hong Kong, the shareholder may authorize suitable representative or corporate representative to act as its representative at any shareholders' general meeting and creditors' meeting; representative or corporate representative so authorized shall have the same statutory rights as other shareholders, including the right to speak and vote.</p>	<p>Article 41<u>44</u></p> <p>Any shareholder entitled to attend and vote at the general<u>shareholders'</u> meeting shall have the right to appoint one (1) or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. Any shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general<u>shareholders'</u> meeting and, where a corporation is so represented, it shall be treated as being present at any meeting in person. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:</p> <p>(1) the right which the shareholder has to speak at the <u>shareholders'</u> meeting;</p> <p>(2) the right to demand a poll alone or jointly with others;</p> <p>(3) the right to exercise voting rights on a show of hands or on a poll, provided that where <u>two or more</u> than one proxy is <u>proxies are</u> appointed, the proxies may only exercise such voting rights on a poll.</p> <p>If the said shareholder is a recognized clearing house by the Law of Hong Kong, the shareholder may authorize suitable representative or corporate representative to act as its representative at any shareholders' general meeting and creditors' meeting; representative or corporate representative so authorized shall have the same statutory rights as other shareholders, including the right to speak and vote.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 45</p> <p>The Company is entitled to ask the proxy who represents an individual shareholder to attend the shareholders’ general meeting to provide his identification document as well as the power of attorney signed by the appointer or the representative authorized by the appointer.</p> <p>In the case of a corporate shareholder appoints its legal representative to attend the meeting, the Company is entitled to ask the legal representative to provide the valid copy of the resolution or the power of attorney by which the board of directors or other authoritative department of the corporate shareholder appoints the legal representative and which has been notarized (other than a recognized clearing house) as well as valid copy of the corporate shareholder’s identification document and power of attorney.</p>	<p>Article 45<u>48</u></p> <p>The Company is entitled to ask the proxy who represents an individual shareholder to attend the shareholders’ general meeting to provide his identification document as well as the power of attorney signed by the appointer or the representative authorized by the appointer.</p> <p>In the case of a corporate shareholder appoints its legal representative to attend the meeting, the Company is entitled to ask the legal representative to provide the valid copy of the resolution or the power of attorney by which the board of directors or other authoritative department of the corporate shareholder appoints the legal representative and which has been notarized (other than a recognized clearing house) as well as valid copy of the corporate shareholder’s identification document and power of attorney.</p>
<p>Article 47</p> <p>There shall be two (2) types of resolutions of shareholders’ general meetings, namely ordinary resolutions and special resolutions.</p> <p>To adopt an ordinary resolution, votes representing more than one-half of the voting rights represented by the shareholders (including proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.</p> <p>To adopt a special resolution, votes representing not less than two-thirds of the voting rights represented by the shareholders (including proxies) present at the meeting must be exercised in favour of the resolution in order for it to be passed.</p>	<p>Article 47<u>50</u></p> <p>There shall be two (2) types of resolutions of shareholders’ general meetings, namely ordinary resolutions and special resolutions.</p> <p>To adopt an ordinary resolution <u>of shareholders’ meeting</u>, votes representing more than<u>over</u> one-half of the voting rights represented by the shareholders (including proxies) present at the <u>shareholders’</u> meeting must be exercised in favour of the resolution in order for it to be passed.</p> <p>To adopt a special resolution <u>of shareholders’ meeting</u>, votes representing not less than<u>at least</u> two-thirds of the voting rights represented by the shareholders (including proxies) present at the <u>shareholders’</u> meeting must be exercised in favour of the resolution in order for it to be passed.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>A shareholder (including his proxy) attending the meeting shall vote in favour of or against each resolution relating to every matter which has been put to vote at the relevant meeting. If such shareholder or his proxy abstains from voting, which will be deemed that the voter has waived his rights to vote, the Company shall not treat it as vote with voting right when calculating the voting results of the such matter.</p>	<p>A shareholder (including his proxy) attending the meeting shall vote in favour of or against each resolution relating to every matter which has been put to vote at the relevant meeting. If such shareholder or his proxy abstains from voting, which will be deemed that the voter has waived his rights to vote, the Company shall not treat it as vote with voting right when calculating the voting results of the such matter.</p>
<p>Article 48</p> <p>A shareholder (including proxy) when voting at a shareholders' general meeting may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote.</p> <p>Shares held by the Company have no voting rights. This portion of shares is not considered as part of the total number of shares with voting rights and present at the shareholders' general meetings.</p> <p>Where any shareholder is, under the Hong Kong Listing Rules and/or any applicable laws and regulations, required to abstain from voting on a particular resolution or restricted to voting only in favour of or against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.</p>	<p>Article 48<u>51</u></p> <p>A shareholder (including proxy) when voting at a shareholders' general meeting may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote.</p> <p>Shares held by the Company have no voting rights. This portion of shares is not considered as part of the total number of shares with voting rights and present at the shareholders' general meetings.</p> <p>Where any shareholder is, under the Hong Kong Listing Rules and/or any applicable laws and regulations, required to abstain from voting on a particular resolution or restricted to voting only in favour of or against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 49</p> <p>Except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, all votes of the shareholders at the Company's general meeting shall be taken by poll.</p>	<p>Article 49<u>52</u></p> <p>Except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands, all votes of the shareholders at the Company's general<u>shareholders'</u> meeting shall be taken by poll.</p>
<p>Article 50</p> <p>When the shareholders' general meeting resolves on the related party transactions of the Company or on a particular resolution for which any shareholders shall be refrained from voting or shall be restricted to vote for (or against) in accordance with the Hong Kong Listing Rules, any votes cast by such shareholders or their representative in contravention of such requirement or restriction shall not be counted in the total number of valid voting. The public announcement of the shareholders' general meeting shall fully disclose the voting of non-related shareholders.</p>	<p>Article 50<u>53</u></p> <p>When the shareholders' general meeting resolves on the related party transactions of the Company or on a particular resolution for which any shareholders shall be refrained from voting or shall be restricted to vote for (or against) in accordance with the Hong Kong Listing Rules, any votes cast by such shareholders or their representative in contravention of such requirement or restriction shall not be counted in the total number of valid voting. The public announcement of the shareholders' general meeting shall fully disclose the voting of non-related shareholders.</p>
<p>Article 51</p> <p>The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:</p> <p>(1) work reports of the Board and the Supervisory Committee;</p> <p>(2) plans formulated by the Board for distribution of profits and for making up losses;</p>	<p>Article 51<u>54</u></p> <p>The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:</p> <p>(1) work reports of the Board and the Supervisory Committee;</p> <p>(2) plans formulated by the Board for distribution of profits and for making up losses;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(3) the appointment and removal of members of the Board and their remuneration and payment methods;</p> <p>(4) the appointment and removal of members of the Supervisory Committee and their remuneration and payment methods;</p> <p>(5) the Company’s annual budgets plan and final accounting plan;</p> <p>(6) the Company’s annual report;</p> <p>(7) matters other than these required by the laws and administrative regulations or by the Articles of Association to be adopted by special resolutions.</p>	<p>(3) the appointment and removal of members of the Board and their remuneration and payment methods;</p> <p>(4) the appointment and removal of members of the Supervisory Committee and their remuneration and payment methods;</p> <p>(5) the Company’s annual budgets plan and final accounting plan;</p> <p>(6)<u>(5)</u> the Company’s annual report;</p> <p>(7)<u>(6)</u> matters other than these required by the laws and administrative regulations or by the Articles of Association to be adopted by special resolutions.</p>
<p>Article 52</p> <p>The following matters shall be resolved by a special resolution at a shareholders’ general meeting:</p> <p>(1) increase or reduction of the registered share capital of the Company;</p> <p>(2) division, merger, dissolution, liquidation of the Company;</p> <p>(3) amendments to the Articles of Association;</p> <p>(4) other matters which are provided for by the laws, administrative regulations or these Articles of Association and considered by the shareholders’ general meeting, by way of an ordinary resolution, to have a substantial impact on the Company and require approval by a special resolution.</p>	<p>Article 52<u>55</u></p> <p>The following matters shall be resolved by a special resolution at a shareholders’ general meeting:</p> <p>(1) increase or reduction of the registered share capital of the Company;</p> <p>(2) division, merger, dissolution, liquidation of the Company;</p> <p>(3) amendments to the Articles of Association;</p> <p><u>(4) purchase or sale of major assets, or provision of guarantee by the Company in excess of 30% of the Company’s latest audited total assets within one year;</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
	<p><u>(5) the equity incentive plans</u></p> <p>(4)<u>(6)</u> other matters which are provided for by the laws, administrative regulations or these<u>the</u> Articles of Association and considered by the shareholders' general meeting, by way of an ordinary resolution, to have a substantial impact on the Company and require approval by a special resolution;</p> <p><u>(7) other matters required by the listing rules of the stock exchange where the Company's shares are listed and other normative documents.</u></p>
<p>Article 53</p> <p>Shareholders who request for the convening of an extraordinary general meeting shall comply with the following procedures:</p> <p>(1) Shareholders individually and jointly holding more than 10% of the shares shall have right requiring the Board to convene a shareholders' extraordinary general meeting, and shall make such request to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback on approval or disapproval of the convening of an extraordinary general meeting within 10 days after receiving the request.</p>	<p>Article 53<u>56</u></p> <p>Shareholders who request for the convening of an extraordinary general meeting shall comply with the following procedures:</p> <p>(1) Shareholders individually and<u>or</u> jointly holding more than<u>at least</u> 10% of the shares shall have right requiring the Board to convene an <u>shareholders'</u> extraordinary general meeting, and shall make such request to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback on approval or disapproval off<u>or</u> the convening of an extraordinary general meeting within ten <u>(10)</u> days after receiving the request.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>If the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.</p>	<p>If the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such <u>shareholders'</u> meeting within five <u>(5)</u> days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.</p>
<p>(2) If the Board does not agree to hold the extraordinary general meeting or fails to give a reply within 10 days after receipt of the request, shareholders severally or jointly holding more than 10% of the shares shall be entitled to propose and request in writing to the Supervisory Committee to convene an extraordinary general meeting.</p>	<p>(2) If the Board does not agree to hold the extraordinary general meeting or fails to give a reply within <u>ten (10)</u> days after receipt of the request, shareholders severally<u>individually</u> or jointly holding more than<u>at least</u> 10% of the shares shall be entitled to propose and request in writing to the Supervisory Committee to convene an extraordinary general meeting. <u>The Supervisory Committee shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback on approval or disapproval for the convening of an extraordinary general meeting within ten (10) days after receiving the request.</u></p>
<p>If the Supervisory Committee agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within 5 days after receipt of the request. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.</p>	<p><u>The Supervisory Committee shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback on approval or disapproval for the convening of an extraordinary general meeting within ten (10) days after receiving the request.</u></p>
<p>(3) If the Supervisory Committee fails to give the notice of such a meeting within the specified time limit, it shall be deemed to have failed to convene or preside over the meeting, in which case, shareholders who individually or collectively hold more than 10% of the shares for more than 90 consecutive days may convene and preside over the meeting themselves.</p>	<p>If the Supervisory Committee agrees to convene an extraordinary general meeting, it shall serve a notice of such <u>shareholders'</u> meeting within <u>five (5)</u> days after receipt of the request. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.</p>
	<p>(3) If the Supervisory Committee fails to give the notice of such a <u>shareholders'</u> meeting within the specified time limit, it shall be deemed to have failed to convene or preside over the <u>shareholders'</u> meeting, in which case, shareholders who individually or collectively hold more than<u>jointly holding at least</u> 10% of the shares for more than<u>or more</u> 90 consecutive days may convene and preside over the meeting themselves.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 54</p> <p>The Supervisory Committee shall have right requiring the Board to convene a shareholders’ extraordinary general meeting, and shall make such request to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback on approval or disapproval of the convening of an extraordinary general meeting within 10 days after receiving the request.</p> <p>If the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders.</p> <p>If the Board does not agree to hold an extraordinary general meeting or fails to give a reply within 10 days after receipt of the request, the Board shall be considered to be unable or fail to perform the duty of convening an extraordinary general meeting. The Supervisory Committee can convene and preside over the meeting on its own.</p> <p>If the Supervisory Committee or shareholders convene a general meeting on their own, the Company shall bear the reasonable expenses incurred thereby.</p>	<p>Article 54⁵⁷</p> <p>The Supervisory Committee shall have right requiring the Board to convene an <u>shareholders’</u> extraordinary general meeting, and shall make such request to the Board in writing. The Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, give a written feedback on approval or disapproval off<u>for</u> the convening of an extraordinary general meeting within <u>ten (10)</u> days after receiving the request.</p> <p>If the Board agrees to convene an extraordinary general meeting, it shall serve a notice of such<u>shareholders’</u> meeting within five <u>(5)</u> days after the resolution is made by the Board. Changes in the original proposal in the notice shall be subject to the approval of relevant shareholders<u>Supervisory Committee</u>.</p> <p>If the Board does not agree to hold an extraordinary general meeting or fails to give a reply within <u>ten (10)</u> days after receipt of the request, the Board shall be considered to be unable or fail to perform the duty of convening an extraordinary general a<u>shareholders’</u> meeting. The Supervisory Committee can convene and preside over the meeting on its own.</p> <p>If the Supervisory Committee or shareholders convene a general<u>shareholders’</u> meeting on their own, the Company shall bear the reasonable expenses incurred thereby.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 55</p> <p>Shareholders’ general meetings convened by the Board shall be presided over by the Chairman of the Board. If the Chairman cannot or fails to fulfill the duty thereof, one Director shall be elected to preside over the meeting with the approval of not less than half of the Directors.</p> <p>Shareholders’ general meeting convened by the Supervisory Committee, the chairman of the Supervisory Committee shall preside over such meeting. When the chairman of the Supervisory Committee cannot or fails to fulfill the duty thereof, one supervisor shall be elected to preside over the meeting with the approval of not less than half of the supervisors.</p> <p>A shareholders’ general meeting convened by shareholders themselves shall be presided over by a representative elected by the convener.</p>	<p>Article 55<u>58</u></p> <p>Shareholders’ general meetings convened by the Board shall be presided over by the Chairman of the Board. If the Chairman cannot or fails to fulfill the duty thereof, one Director shall be elected to preside over the meeting with the approval of not less than<u>over one-half</u> of the Directors.</p> <p><u>If the Board is unable or fails to perform its duty in convening a shareholders’ meeting, the Supervisory Committee shall timely convene and preside over such meeting. If the Supervisory Committee fails to convene and preside over such meeting, shareholders who individually or collectively hold at least 10% of the shares for 90 consecutive days or more may convene and preside over the meeting themselves.</u></p> <p>Shareholders’ general meeting convened by the Supervisory Committee, the chairman of the Supervisory Committee shall preside over such meeting. When the chairman of the Supervisory Committee cannot or fails to fulfill the duty thereof, one supervisor shall be elected to preside over the meeting with the approval of not less than<u>over one-half</u> of the supervisors.</p> <p>A shareholders’ general meeting convened by shareholders themselves shall be presided over by a representative elected by the convener.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 56</p> <p>The chairman of the meeting shall announce the vote and result of each proposal and the decision on whether a resolution of the shareholders' general meeting shall be adopted. His decision shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.</p>	<p>Article <u>5659</u></p> <p><u>The shareholders' meeting can be convened and votes can be conducted using either on-site meetings or electronic communication means.</u> The chairman of the meeting shall announce the vote and result of each proposal and the decision on whether a resolution of the shareholders' general-meeting shall be adopted. His decision shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.</p>
<p>Article 58</p> <p>In the event that the votes are counted at the shareholders' general meeting, the counting results shall be recorded in the minutes of the meeting. The minutes of the meeting and the summary minutes of the meeting along with the signature book of the shareholders attending the meeting and the power of attorney for the proxies shall be kept in the Company.</p>	<p>Article <u>5861</u></p> <p>In the event that the votes are counted at the shareholders' general-meeting, the counting results shall be recorded in the minutes of the meeting. The minutes of the meeting and the summary minutes of the meeting along with the signature book of the shareholders attending the meeting and the power of attorney for the proxies shall be kept in the Company.</p>
<p>CHAPTER 6 BOARD OF DIRECTORS</p>	<p>CHAPTER 6 BOARD OF DIRECTORS</p>
<p>Article 59</p> <p>The Company sets a Board which is responsible for the shareholders' general meeting. The Board shall comprise 7 Directors, including three independent Directors. The Board shall have a Chairman.</p>	<p>Article <u>5962</u></p> <p>The Company sets a Board which is responsible for <u>to</u> the shareholders' general-meeting. The Board shall comprise <u>seven (7) to eleven (11)</u> Directors, including three <u>and the number of independent (non-executive) Directors shall not be less than three (3)</u> at any time and shall account for at least <u>one-third</u> of the total number of Directors of the Board. The Board shall have a Chairman.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 60</p> <p>Directors shall be elected or replaced at shareholders’ general meeting and may be removed from office prior to the expiry of their tenure. The term of office of each session of the Board shall be three (3) years. Upon maturity of the term of office, a Director shall be eligible to offer himself for re-election and reappointment.</p> <p>The written notice of an intention to nominate a candidate of director and that of a willingness to accept the nomination by the candidate shall be delivered no earlier than one (1) day after the dispatch of the notice of the meeting for election of the relevant director and end no later than seven (7) days prior to the date of such meeting.</p> <p>The Chairman of the Board shall be elected and removed by more than one-half of all Directors. The term of office of the Chairman shall be three (3) years, renewable upon re-election.</p> <p>The shareholders’ general meeting may by ordinary resolution remove any Director before the expiration of his term of office (but without prejudice to such Director’s right to claim damages based on any contract), subject to full compliance with relevant laws and administrative regulations.</p> <p>Any person who has been appointed by the Board to fill any casual vacancy in the office of the Board or serve as an additional Director, his term of office shall expire at the next shareholders’ annual general meeting and such person shall be eligible for election for successive terms.</p> <p>The Directors shall not be required to hold shares of the Company.</p>	<p>Article 60<u>63</u></p> <p>Directors shall be elected or replaced at shareholders’ general-meeting and may be removed from office prior to the expiry of their tenure <u>by shareholders’ meeting</u>. The term of office of each session of the Board shall be three (3) years. Upon maturity of the term of office, a Director shall be eligible to offer himself/<u>herself</u> for re-election and re-<u>ap</u>pointment.</p> <p>The written notice of an intention to nominate a candidate of director and that of a willingness to accept the nomination by the candidate shall be delivered no earlier than one (1) day after the dispatch of the notice of the meeting for election of the relevant director and end no later than seven (7) days prior to the date of such meeting.</p> <p>The Chairman of the Board shall be elected and removed by more than<u>over</u> one-half of all Directors. The term of office of the Chairman shall be three (3) years, renewable upon re-election.</p> <p>The shareholders’ general-meeting may by ordinary resolution remove any Director before the expiration of his/<u>her</u> term of office (but without prejudice to such Director’s right to claim damages based on any contract), subject to full compliance with relevant laws and administrative regulations.</p> <p>Any person who has been appointed by the Board to fill any casual vacancy in the office of the Board or serve as an additional Director, his term of office shall expire at the next shareholders’ annual general meeting and such person shall be eligible for election for successive terms.</p> <p>The Directors shall not be required to hold shares of the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 61</p> <p>A Director may resign before the expiry of his/her term of office, subject to submission of a written resignation report to the Board.</p> <p>The Board shall make disclosure of relevant information within 2 days. Where the number of members of the Board falls below the quorum due to the resignation of any director, the original director shall, before the newly-elected director assumes his post, carry out duties as a director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Except for the circumstances specified in the preceding paragraph, the resignation of a director shall become effective when the resignation report is delivered to the Board.</p>	<p>Article 61<u>64</u></p> <p>A Director may resign before the expiry of his/her term of office, subject to submission of a written resignation report to the Board.</p> <p>The Board shall make disclosure of relevant information within <u>two (2)</u> days. Where the number of members of the Board falls below the quorum due to the resignation of any director, the original director shall, before the newly-elected director assumes his/<u>her</u> post, carry out duties as a director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Except for the circumstances specified in the preceding paragraph, the resignation of a director shall become effective when the resignation report is delivered to the Board.</p> <p><u>Where a Director resigns, he/she shall notify the Company in writing, and the resignation shall take effect on the day the Company receives the notice, however, if the circumstances specified in the preceding paragraph exist, the Director shall continue to perform his/her duties.</u></p>
<p>Article 62</p> <p>The Board shall report to the shareholders' general meeting and exercises the following powers:</p> <p>(1) to convene shareholders' general meetings and report its work to the shareholders' general meeting;</p>	<p>Article 62<u>65</u></p> <p>The Board shall report to the shareholders' general meeting and exercises the following powers:</p> <p>(1) to convene shareholders' general meetings and report its work to the shareholders' general meeting;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
(2) to implement the resolutions of shareholders' general meetings;	(2) to implement the resolutions of shareholders' general meetings;
(3) to decide on the Company's business plans and investment plans;	(3) to decide on the Company's business plans and investment plans;
(4) to formulate the Company's plans on annual financial budgets and final accounts;	(4) to formulate <u>approve</u> the Company's plans on annual financial budgets and final accounts;
(5) to formulate the Company's profit distribution plans (including final dividends plan) and plans on making up losses;	(5) to formulate the Company's profit distribution plans (including final dividends plan) and plans on making up losses;
(6) to formulate the proposals for increase or decrease of the registered capital of the Company and issue and listing of bonds or other securities of the Company;	(6) to formulate the proposals for <u>the</u> increase or decrease of the registered <u>share</u> capital of the Company and <u>the</u> issue and listing of <u>the Company's</u> bonds or other securities of the Company ;
(7) to formulate plans for merger, division, dissolution and change the form of the Company;	(7) to formulate plans for merger, division, dissolution and change the form of the Company;
(8) to determine the establishment of the Company's internal management structure;	(8) to determine the establishment of the Company's internal management structure;
(9) to appoint or remove the general manager of the Company and to appoint or remove the deputy manager and other senior management members of the Company based on the nomination by the general manager and to decide on their remunerations and incentives and penalties;	(9) to appoint or remove the general manager of the Company and to appoint or remove the deputy manager and other senior management members of the Company based on the nomination by the general manager and to decide on their remunerations and incentives and penalties;
(10) to formulate the basic management system of the Company;	(10) to formulate the basic management system of the Company;

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(11) to formulate proposals for amendment to the Articles of Association;</p> <p>(12) within the scope authorized by the shareholders' general meeting, to decide the Company's external investment, acquisition and disposal of assets, assets pledge, external guarantees, consigned financial management, connected transactions, external donations and such matters;</p> <p>(13) to propose the appointment or removal of the Company's auditors to the general meetings of the shareholders;</p> <p>(14) other duties conferred by the provisions of the laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Except for the Board resolutions in respect of the matters specified in items (6), (7) and (11) of the preceding paragraph which shall be passed by more than two-thirds of the Directors, the above Board resolutions in respect of all other matters may be passed by more than one-half of the Directors.</p> <p>Board resolutions in respect of the Company's related party transactions must be endorsed by Independent (non-executive) Director before they can become effective.</p>	<p>(11) to formulate proposals for amendment to the Articles of Association;</p> <p>(12) within the scope authorized by the shareholders' general meeting, to decide the Company's external investment, acquisition and disposal of assets, assets pledge, external guarantees, consigned financial management, connected transactions, external donations and such matters;</p> <p>(13) to propose the appointment or removal<u>change</u> of the Company's auditors to the general<u>shareholders'</u> meetings of the shareholders;</p> <p>(14) other duties conferred by the provisions of the laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Except for the Board resolutions in respect of the matters specified in items (6), (7) and (11) of the preceding paragraph which shall be passed by more than two-thirds of the Directors, the above Board resolutions in respect of all other matters may be passed by more than<u>over</u> one-half of the Directors.</p> <p>Board resolutions in respect of the Company's related party transactions must be endorsed by Independent (non-executive) Director before they can become effective.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 63</p> <p>The Chairman of the Board is entitled to the following powers:</p> <p>(1) to preside over shareholders' general meetings and to convene and preside over Board meetings;</p> <p>(2) to supervise and review the implementation of resolutions of the Board;</p> <p>(3) to sign the share certificates, bonds or other marketable securities issued by the Company;</p> <p>(4) to sign important documents of the Board and other documents that require signing by the Company's authorized representative;</p> <p>(5) to exercise the power of authorized representative;</p> <p>(6) to exercise the power to handle corporate affairs in accordance with the law and the Company's interests in cases of emergency caused by natural disasters or other force majeure, and report to the Board and shareholders' general meeting thereafter;</p> <p>(7) to exercise other powers conferred by the Board.</p> <p>If the Chairman is unable or fails to perform his duties, a Director jointly elected by not less than half members of the Board shall perform the duties of the Chairman.</p>	<p>Article 63<u>66</u></p> <p>The Chairman of the Board is entitled to the following powers:</p> <p>(1) to preside over shareholders' general meetings and to convene and preside over Board meetings;</p> <p>(2) to supervise and review the implementation of resolutions of the Board;</p> <p>(3) to sign the share certificates, bonds or other marketable securities issued by the Company;</p> <p>(4) to sign important documents of the Board and other documents that require signing by the Company's authorized<u>legal</u> representative;</p> <p>(5) to exercise the power of authorized<u>legal</u> representative;</p> <p>(6) to exercise the power to handle corporate affairs in accordance with the law<u>s</u> and the Company's interests in cases of emergency caused by natural disasters or other force majeure, and report to the Board and shareholders' general meeting thereafter;</p> <p>(7) to exercise other powers conferred by the Board.</p> <p>If the Chairman is unable or fails to perform his duties, a Director jointly elected by not less than<u>over one-half of</u> members of the Board shall perform the duties of the Chairman.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 65</p> <p>Meetings of the Board shall be held at least twice every year and shall be convened by the Chairman of the Board. All of the Directors and supervisors shall be notified in writing about the meeting ten (10) days beforehand.</p> <p>Shareholders representing more than one-tenth of the voting rights, more than one-third of the Board or the Supervisory Committee may propose to hold an extraordinary Board meeting. The chairman should convene and preside over a Board meeting within ten (10) days after the proposal is received.</p>	<p>Article 65<u>68</u></p> <p>Meetings of the Board shall be held at least twice every four times a year <u>at approximately quarterly intervals, and shall be convened by the Chairman of the Board.</u> When the Board convenes a regular meeting, it shall notify A<u>all</u> of the Directors and supervisors shall be notified in writing about the meeting ten (10)<u>fourteen (14) days beforehand</u>before the meeting. <u>When the Board convenes an extraordinary meeting, it shall notify all Directors and supervisors three (3) days before the meeting.</u></p> <p>Shareholders representing more than <u>at least</u> one-tenth of the voting rights, or more than <u>at least</u> one-third of the Board or the Supervisory Committee may propose to hold an extraordinary Board meeting. The chairman should convene and preside over a Board meeting within ten (10) days after the proposal is received.</p>
<p>Article 66</p> <p>Regular and extraordinary Board meetings shall be noticed by way as follows:</p> <p>(1) A notice of a Board meeting includes the following contents: date and place of meeting, duration of the meeting, reasons and discussion items, date of issuance of notice.</p>	<p>Article 66<u>69</u></p> <p>Regular and extraordinary Board meetings shall be noticed by way as follows:</p> <p>(1) A notice of a Board meeting includes the following contents: date and place of meeting, duration of the meeting, reasons and discussion items, date of issuance of notice.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(2) If the Board has not decided the time and place of the Board meeting in advance, the Chairman of the Board shall, at least ten (10) days beforehand, inform the Directors and Supervisors the time and the place of the Board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person.</p> <p>(3) If there is a need to hold a Board meeting in case of emergency, the Chairman of the Board shall ask the Secretary to the Board to, not less than three (3) days and not more than five (5) days prior to the day when the special Board meeting is held, inform all the Directors and supervisors the time and the place of the Board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person.</p> <p>(4) The notice shall be written in Chinese, if necessary, the English version can be attached, including the agenda for the meeting. Any Director may waive the right of receiving the notice of Board meeting.</p>	<p>(2) <u>The Company shall be responsible to serve a written notice of convening a meeting to all</u> If the Board has not decided the time and place of the Board meeting in advance, the Chairman of the Board shall, at least ten (10) days beforehand, inform the Directors and Supervisors the time and the place of the Board meeting by way of telegraph, telex,<u>by direct delivery, fax, courier, registered mail or by specially designated person; or other electronic communication means. If service is made indirectly, confirmation shall be made by telephone and the appropriate record thereof shall be made.</u></p> <p>(3) If there is a need to hold a Board meeting in case of emergency, the Chairman of the Board shall ask the Secretary to the Board to, not less than three (3) days and not more than five (5) days prior to the day when the special <u>Where an extraordinary Board meeting is held, inform all the Directors and supervisors the time and the place of the Board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person; needs to be convened as soon as possible in an emergency, the notice of meeting may be given by telephone or by other verbal means at any time, but the convener shall make explanations at the meeting.</u></p> <p>(4) The notice shall be written in Chinese, if necessary, the English version can be attached, including the agenda for the meeting. Any Director may waive the right of receiving the notice of Board meeting.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 69</p> <p>The Board meeting may not be held unless not less than half of the Directors are present. Voting on board resolutions shall be on a one vote per person basis.</p> <p>Resolutions of the Board shall be passed by more than half of all Directors, unless otherwise required by the Articles of Association.</p> <p>In the case of equal division of votes, the Chairman of the Board of Directors is entitled to a casting vote.</p> <p>Where a Director who has associated relationship with the enterprises involved in any resolution proposed at a Board meeting shall abstain from voting for the Board resolution and shall not represent another Director in exercise of voting rights. The Board meeting may be held with the quorum of a simple majority of unrelated Directors, and resolutions passed by the Board meeting shall require a simple majority of votes of unrelated Directors. Where the number of unrelated Directors present at the Board meeting is less than three, the said matter shall be tabled at a shareholders' general meeting for deliberation.</p>	<p>Article 69<u>72</u></p> <p>The Board meeting may not be held unless not less than<u>over one-half</u> of the Directors are present. Voting on board resolutions shall be on a one vote per person basis.</p> <p>Resolutions of the Board shall be passed by more than<u>over one-half</u> of all Directors, unless otherwise required by the Articles of Association.</p> <p>In the case of equal division of votes, the Chairman of the Board of Directors is entitled to a casting vote.</p> <p>Where a Director who has associated relationship with the enterprises involved in any resolution proposed at a Board meeting shall abstain from voting for the Board resolution and shall not represent another Director in exercise of voting rights. The Board meeting may be held with the quorum of a simple majority<u>over one-half</u> of unrelated Directors, and resolutions passed by the Board meeting shall require a simple majority<u>over one-half</u> of votes of unrelated Directors. Where the number of unrelated Directors present at the Board meeting is less than three, the said matter shall be tabled at a shareholders' general meeting for deliberation.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 72</p> <p>In respect of any matter which needs to be determined by the Board at an extraordinary Board meeting, where the Board has already sent out written notice of matters to be decided at such meeting to all Directors and the number of Directors who have given their written consent thereto reaches the quorum required for making a resolution pursuant to Article 69, a valid resolution shall be deemed to be passed and there is no need to hold a Board meeting.</p>	<p>Article 7<u>2</u><u>5</u></p> <p>In respect of any matter which needs to be determined by the Board at an extraordinary Board meeting, where the Board has already sent out written notice of matters to be decided at such meeting to all Directors and the number of Directors who have given their written consent thereto reaches the quorum required for making a resolution pursuant to Article 69<u>72</u>, a valid resolution shall be deemed to be passed and there is no need to hold a Board meeting.</p>
<p>CHAPTER 8 GENERAL MANAGER</p>	<p>CHAPTER 8 GENERAL MANAGER</p>
<p>Article 81</p> <p>In exercising the duties, the general manager and the deputy general manager shall not alter the resolutions of the shareholders meeting and the Board meeting or act beyond his scope of authority.</p>	<p>Article 8<u>1</u><u>84</u></p> <p>In exercising the duties<u>powers</u>, the general manager and the deputy general manager shall not alter the resolutions of the shareholders' meeting and the Board meeting or act beyond his scope of authority.</p>
<p>CHAPTER 9 SUPERVISORY COMMITTEE</p>	<p>CHAPTER 9 SUPERVISORY COMMITTEE</p>
<p>Article 83</p> <p>The Company shall have a supervisory committee which shall be composed of 3 Supervisors. One of the members of the Supervisory Committee shall act as the chairman of the Committee. The term of office of a Supervisor shall be three years, renewable upon re-election and re-appointment.</p> <p>The appointment and dismissal of the chairman of the Supervisory Committee shall be passed by not less than one-half of its members.</p>	<p>Article 8<u>3</u><u>86</u></p> <p>The Company shall have a supervisory committee which shall be composed of <u>three (3) or more</u> Supervisors<u>members</u>. One of the members of the Supervisory Committee shall act as the chairman of the Committee. The term of office of a Supervisor shall be three <u>(3)</u> years, renewable upon re-election and re-appointment.</p> <p>The appointment and dismissal of the chairman of the Supervisory Committee shall be passed by not less than<u>over</u> one-half of its members.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 84</p> <p>The Supervisory Committee shall include one staff representative. The staff representative shall be democratically elected and dismissed by the Company’s staff. All other supervisors shall be elected and dismissed by the shareholders’ general meeting.</p>	<p>Article 8<u>4</u>87</p> <p>The Supervisory Committee shall include <u>one</u> consist of at least one-third of staff-employee <u>staff-employee</u> representatives. The staff-employee <u>supervisors</u> representative shall be democratically elected and dismissed by the Company’s staff<u>employees</u>. All other <u>Non-employee</u> representative supervisors shall be elected and dismissed by the shareholders’ general meeting.</p>
<p>Article 87</p> <p>The Supervisory Committee shall be accountable to the shareholders’ general meeting and exercise the following powers in accordance with the laws:</p> <p>(1) to examine the Company’s financial affairs;</p> <p>(2) to supervise Directors, general managers and other senior management members on the violation of laws, administrative regulations or the Articles of Association in performing their duties to the Company;</p> <p>(3) to demand rectification from a Director, the general manager and any other senior management members when the acts of such persons are harmful to the Company’s interest;</p>	<p>Article 87<u>9</u>0</p> <p>The Supervisory Committee shall be accountable to the shareholders’ general meeting and exercise the following powers in accordance with the laws:</p> <p>(1) to examine the Company’s financial affairs;</p> <p>(2) to supervise Directors, general managers and other senior management members on the <u>in respect of their acts for performing their duties and make recommendations on dismissal of such Directors and senior management members who are in violation of laws, administrative regulations, or the</u> Articles of Association in performing their duties to the Company <u>or the resolutions of shareholders’ meetings</u>;</p> <p>(3) to demand rectification from a Director, the general manager and any other senior management members when the acts of such persons are harmful to the Company’s interest;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(4) to examine the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board to the shareholders’ general meetings and, should any queries arise, to engage, in the name of the Company, certified public accountants and practicing auditors to conduct a re-examination;</p> <p>(5) to propose the convening of a shareholders’ extraordinary general meeting;</p> <p>(6) to deal with or take legal actions against Directors on behalf of the Company.</p> <p>The supervisors shall attend Board meetings.</p>	<p>(4) to examine the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board to the shareholders’ general meetings and, should any queries arise, to engage, in the name of the Company, certified public accountants and practicing auditors to conduct a re-examination;</p> <p>(5) to propose the convening of a shareholders’ extraordinary general meeting; <u>to convene and chair a shareholders’ meeting if the Board is unable to fulfill its duties in convening and chairing a shareholders’ meeting as required by the Company Law;</u></p> <p>(6) to make proposals to shareholders’ meetings;</p> <p>(6)(7) to deal with or take <u>initiate</u> legal actions against Directors <u>or senior management members</u> on behalf of the Company <u>in accordance with the relevant requirements of the Company Law;</u></p> <p>(8) <u>other powers granted by laws, administrative regulations, departmental rules or the Articles of Association.</u></p> <p>The supervisors shall attend Board meetings.</p>
<p>Article 89</p> <p>All reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors as are required by the Supervisory Committee in discharging its duties shall be borne by the Company.</p>	<p>Article 89<u>92</u></p> <p>All reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors as are required by <u>necessary for</u> the Supervisory Committee in discharging its duties shall be borne by the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>CHAPTER 10 QUALIFICATIONS AND DUTIES OF THE DIRECTORS, SUPERVISORS, GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS OF THE COMPANY</p>	<p>CHAPTER 10 QUALIFICATIONS AND DUTIES OF THE DIRECTORS, SUPERVISORS, GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS OF THE COMPANY</p>
<p>Article 91</p> <p>A person may not serve as a Director, supervisor, general manager or any other senior management member of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal or with restricted legal capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five (5) years have elapsed since the date of the completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is a former director, factory manager, general manager of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date of the completion of the insolvent liquidation of the company or enterprise;</p>	<p>Article 9194</p> <p>A person may not serve as a Director, supervisor, general manager or any other senior management member of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal or with restricted legal capacity;</p> <p>(2) a person who has committed an offence <u>was sentenced for crimes</u> of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights <u>for committing a crime</u>, in each case where less than five (5) years have elapsed since the date of the completion of implementation of such punishment or deprivation <u>not lapsed following the serving of the sentence, or a person who was given a suspended sentence, where two (2) years have not lapsed following the expiration of probation</u>;</p> <p>(3) a person who is a former director, factory manager, general manager of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date of the completion of the insolvent liquidation of the company or enterprise;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked or is ordered to close down due to a violation of the law and who incurred personal liability, where less than three (3) years has elapsed since the date of the revocation of the business license;</p>	<p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked or is ordered to close down due to a violation of the law and who incurred personal liability, where less than three (3) years has elapsed since the date of the revocation of the business license <u>or being ordered to close;</u></p>
<p>(5) a person who has a relatively large amount of debts due and outstanding;</p>	<p>(5) a person who has a relatively large amount of debts due and outstanding <u>and was listed as dishonest person subject to enforcement by the people’s court;</u></p>
<p>(6) a person who was prohibited by the CSRC from entering the securities market and the prohibition period has not expired;</p>	<p>(6) a person who was prohibited by the CSRC from entering the securities market and the prohibition period has not expired;</p>
<p>(7) other content as stipulated by laws, administrative regulations or departmental rules;</p>	<p>(7) other content as stipulated by laws, administrative regulations or departmental rules;.</p>
<p>Where the Company elects or appoints Directors, supervisors or engages senior management staff in violation of the provisions of the preceding paragraph, the election, appointment or engagement shall be ineffective. The Company shall remove the Directors, supervisors and senior management staff from their positions if any of the circumstances set out in the first paragraph of this Article occurs during their term of office.</p>	<p>Where the Company elects or appoints Directors, supervisors or engages senior management staff in violation of the provisions of the preceding paragraph, the election, appointment or engagement shall be ineffective. The Company shall remove the Directors, supervisors and senior management staff from their positions if any of the circumstances set out in the first paragraph of this Article occurs during their term of office.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 93</p> <p>Directors shall comply with the laws, administrative regulations and the Articles of Association and bear the following fiduciary obligations towards the Company:</p> <p>(1) shall not make use of powers to accept bribes or other illegal income or encroach upon the Company’s assets;</p> <p>(2) shall not misappropriate the Company’s funds;</p> <p>(3) shall not deposit the Company’s assets or funds into an account opened in his own name or the name of another individual;</p> <p>(4) shall not violate the provisions of the Articles of Association in providing a loan to others using the Company’s funds or providing guarantee for others using the Company’s assets without the consent of a shareholders’ general meeting or the Board of Directors;</p> <p>(5) shall not enter into a contract or transaction with the Company which violates the provisions of the Articles of Association or without the consent of a shareholders’ general meeting;</p> <p>(6) shall not make use of powers to seek business opportunities which rightfully belong to the Company for himself/herself or others without the consent of a shareholders’ general meeting, or engage in the same type of businesses as the Company on his own or for others;</p>	<p>Article 93<u>96</u></p> <p>Directors shall comply with the laws, administrative regulations and the Articles of Association and bear the following fiduciary obligations towards the Company:</p> <p>(1) shall not make use of powers to accept bribes or other illegal income or encroach upon the Company’s assets;</p> <p>(2) shall not misappropriate the Company’s funds;</p> <p>(3) shall not deposit the Company’s assets or funds into an account opened in his/<u>her</u> own name or the name of another individual;</p> <p>(4) shall not violate the provisions of the Articles of Association in providing a loan to others using the Company’s funds or providing guarantee for others using the Company’s assets without the consent of a shareholders’ generalmeeting or the Board of Directors;</p> <p>(5) shall not enter into a contract or transaction with the Company which violates the provisions of the Articles of Association or without the consent of a shareholders’ generalmeeting;</p> <p>(6) shall not make use of powers to seek business opportunities which rightfully belong to the Company for himself/herself or others without the consent of a shareholders’ generalmeeting, or engage in the same type of businesses as the Company on his/<u>her</u> own or for others, <u>unless otherwise provided by relevant laws and regulations;</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(7) shall not pocket commissions of transactions with the Company;</p> <p>(8) shall not disclose Company secrets without authorization;</p> <p>(9) shall not make use of their relationships to compromise the interests of the Company;</p> <p>(10) any other fiduciary obligations stipulated by laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Income derived by a Director from violation of the provisions of this Article shall belong to the Company; where the Company suffers losses thereto, the Director shall be liable for compensation.</p> <p>The provisions relating to the fiduciary obligation of this Article are also applicable to senior management members.</p>	<p>(7) shall not pocket commissions of transactions with the Company;</p> <p>(8) shall not disclose Company secrets without authorization;</p> <p>(9) shall not make use of their relationships to compromise the interests of the Company;</p> <p>(10) any other fiduciary obligations stipulated by laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Income derived by a Director from violation of the provisions of this Article shall belong to the Company; where the Company suffers losses thereto, the Director shall be liable for compensation.</p> <p>The provisions relating to the fiduciary obligation of this Article are also applicable to senior management members.</p>
<p>CHAPTER 11 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT</p>	<p>CHAPTER 11 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT</p>
<p>Article 100</p> <p>The Board shall place before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or directives promulgated by competent regional and central governmental authorities to be prepared by the Company.</p>	<p>Article 100<u>103</u></p> <p>The Board shall place before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or directives<u>normative documents</u> promulgated by <u>local government and</u> competent regional and central governmental authorities to be prepared by the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 101</p> <p>The Company’s financial reports shall be made available for shareholders’ inspection at the Company twenty (20) days before the date of every annual shareholders’ general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.</p> <p>The Company shall at least deliver or send to each shareholder by prepaid mail the abovementioned reports together with the report of directors not later than twenty-one (21) days before the date of every annual shareholders’ general meeting. The address of the recipient shall be the address registered in the share register.</p>	<p>Article 101<u>104</u></p> <p><u>The Company’s financial reports shall include directors’ report, balance sheet (including documents to be attached in accordance with PRC laws, other laws, and administrative regulations), income statement, cash flow statement or (under condition of not violating PRC laws) summary financial report approved by the Hong Kong Stock Exchange.</u> The Company’s financial reports shall be made available for shareholders’ inspection at the Company twenty (20) days before the date of every<u>an</u> annual shareholders’ general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter<u>Article</u>.</p> <p>The Company shall at least deliver or send to each shareholder by prepaid mail the abovementioned reports together with the report of directors not later than <u>provide the aforesaid report together with the directors’ report to shareholders in the form prescribed in Article 153 of the Articles of Association at least</u> twenty-one (21) days before the date of every<u>an</u> annual shareholders’ general meeting. The address of the recipient shall be the address registered in the share register.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p data-bbox="229 283 359 314">Article 108</p> <p data-bbox="229 370 794 442">Profit after taxation of the Company is used in the following order:</p> <p data-bbox="229 497 438 529">(1) to offset losses;</p> <p data-bbox="229 585 654 617">(2) to provide for statutory reserve fund;</p> <p data-bbox="229 672 794 744">(3) to provide for discretionary reserve fund as resolved at shareholders' general meeting;</p> <p data-bbox="229 800 678 832">(4) to pay for dividends of ordinary shares.</p> <p data-bbox="229 887 794 1042">The Company shall not distribute dividends or proceed with other distributions in the form of bonuses before offsetting against losses and allocation to the statutory reserve fund.</p>	<p data-bbox="801 283 965 314">Article 108<u>111</u></p> <p data-bbox="801 370 1359 442">Profit after taxation of the Company is used in the following order:</p> <p data-bbox="801 497 1010 529">(1) to offset losses;</p> <p data-bbox="801 585 1225 617">(2) to provide for statutory reserve fund;</p> <p data-bbox="801 672 1359 744">(3) to provide for discretionary reserve fund as resolved at shareholders' general meeting;</p> <p data-bbox="801 800 1249 832">(4) to pay for dividends of ordinary shares.</p> <p data-bbox="801 887 1359 1042">The Company shall not distribute dividends or proceed with other distributions in the form of bonuses before offsetting against losses and allocation to the statutory reserve fund.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 110</p> <p>When distributing each year’s after-tax profits, the Company shall set aside 10 per cent of its after-tax profits for the Company’s statutory surplus reserve fund. When the aggregate balance in the statutory surplus reserve fund has reached 50 per cent or more of the Company’s registered capital, the Company need not make any further allocations to that fund.</p> <p>Where the Company’s statutory surplus reserve fund is not enough to make up losses of the Company for the previous years, the current year’s profits shall be applied firstly to make up the losses before being allocated to the statutory surplus reserve fund in accordance with the preceding paragraph.</p> <p>Subject to a resolution of the shareholders’ general meeting, after allocation has been made to the Company’s statutory surplus reserve fund from its after-tax profits, the Company may set aside funds for the discretionary surplus reserve fund.</p> <p>The remaining profit after making up of losses and appropriation of surplus reserve fund shall be distributed to shareholders in proportion to their shareholdings.</p> <p>If a shareholders’ general meeting violates the provisions in the preceding paragraph of this Article and profits are distributed to the shareholders before the Company makes up losses or makes allocations to the statutory reserve fund, the profits distributed in violation of the provisions must be returned to the Company.</p> <p>The Company’s shares held by the Company are not entitled to any profit distribution.</p>	<p>Article 110<u>113</u></p> <p>When distributing each year’s after-tax profits, the Company shall set aside 10 per cent of its after-tax profits for the Company’s statutory surplus reserve fund. When the aggregate balance in the statutory surplus reserve fund has reached 50 per cent or more of the Company’s registered <u>share</u> capital, the Company need not make any further allocations to that fund.</p> <p>Where the Company’s statutory surplus reserve fund is not enough to make up losses of the Company for the previous years, the current year’s profits shall be applied firstly to make up the losses before being allocated to the statutory surplus reserve fund in accordance with the preceding paragraph.</p> <p>Subject to a resolution of the shareholders’ general meeting, after allocation has been made to the Company’s statutory surplus reserve fund from its after-tax profits, the Company may set aside funds for the discretionary surplus reserve fund.</p> <p>The remaining profit after making up of losses and appropriation of surplus reserve fund shall be distributed to shareholders in proportion to their shareholdings.</p> <p>If a shareholders’ general meeting violates the provisions in the preceding paragraph of this Article and profits are distributed to the shareholders before the Company makes up losses or makes allocations to the statutory <u>surplus</u> reserve fund, the profits distributed in violation of the provisions must be returned to the Company.</p> <p>The Company’s shares held by the Company are not entitled to any profit distribution.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 112</p> <p>The common reserve funds of the Company can be used for making up the Company’s losses, expansion of the Company’s production and operation or conversion to increase the capital of the Company. However, the capital reserve fund shall not be used to make up for the losses of the Company.</p> <p>When the statutory reserve fund is converted into capital, such retained reserve shall not be less than 25% of the Company’s registered capital before conversion.</p>	<p>Article H2<u>115</u></p> <p>The common-reserve funds of the Company can be used for making up the Company’s losses, expansion of the Company’s production and operation or conversion to increase the <u>registered share capital</u> of the Company. However, the capital reserve fund shall not be used to make up for the losses of the Company. <u>When the reserve fund is used to make up the Company’s losses, the discretionary surplus reserve fund and the statutory surplus reserve fund shall be prioritized; the capital reserve fund may be used in accordance with the regulations if such reserves is not sufficient to cover the losses.</u></p> <p>When the statutory <u>surplus</u> reserve fund is converted into<u>to increase the registered share capital</u>, such retained reserve <u>fund</u> shall not be less than 25% of the Company’s registered <u>share capital</u> before conversion.</p>
<p>Article 113</p> <p>Dividends shall be distributed in proportion to the shareholdings of the shareholders within six (6) months after the end of each fiscal year. Annual dividends shall be approved by shareholders’ general meeting, and the amount of any dividends to be distributed is recommended by the Board.</p> <p>After approval by the shareholders’ general meeting, the Board may decide to distribute interim dividend or bonus.</p> <p>After the shareholders’ general meeting of the Company makes a resolution on the profit distribution plan, the Company’s Board shall complete the distribution of dividends (or shares) within two months after the general meeting of shareholders.</p>	<p>Article H3<u>116</u></p> <p>Dividends shall be distributed in proportion to the shareholdings of the shareholders within six (6) months after the end of each fiscal year. Annual dividends shall be approved by shareholders’ general meeting, and the amount of any dividends to be distributed is recommended by the Board.</p> <p>After approval by the shareholders’ general-meeting, the Board may decide to distribute interim dividend or bonus.</p> <p>After the shareholders’ general-meeting of the Company makes a resolution on the profit distribution plan, the Company’s Board shall complete the distribution of dividends (or shares) within two <u>(2)</u> months after the general<u>shareholders’</u> meeting of shareholders.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p align="center">CHAPTER 12 APPOINTMENT OF ACCOUNTING FIRM</p>	<p align="center">CHAPTER 12 APPOINTMENT OF ACCOUNTING FIRM</p>
<p>Article 120</p> <p>In the event of termination or the non-renewal of the appointment of an accounting firm, the Company shall notify the accounting firm at least 15 days in advance. When the Company’s general meeting of shareholders votes on termination of appointment of an accounting firm, the accounting firm shall be entitled to make its representation. Where the accounting firm resigns from its post, it shall make clear to the shareholders’ general meeting whether there has been any impropriety on the part of the Company.</p> <p>An accounting firm may resign from its office by depositing at the Company’s legal address a resignation notice which 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:</p> <p>(1) 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; or</p>	<p>Article 120<u>123</u></p> <p>In the event of termination or the non-renewal of the appointment of an accounting firm, the Company shall notify the accounting firm at least <u>fifteen (15)</u> days in advance. When the Company’s general shareholders’ meeting of shareholders votes<u>voting at shareholders’ meeting</u>, the accounting firm shall be entitled to make its representation. Where the accounting firm resigns from its post, it shall make clear to the shareholders’ general meeting whether there has been any impropriety on the part of the Company.</p> <p>An accounting firm may resign from its office by depositing at the Company’s legal address a resignation notice which 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:</p> <p>(1) 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; or</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(2) a statement of any matters of which an account should be given.</p> <p>Where a notice is deposited under the preceding paragraph, the Company shall within fourteen (14) days send a copy of the notice to the competent authority. If the notice contains a statement referred to in subparagraph (2) above, a copy of such statement shall be placed at the Company’s registered office for shareholders’ inspection. The Company shall also send a copy of such statement to every shareholder by prepaid post, and it shall be sent to the addresses recorded in the register of shareholders.</p> <p>Where the notice of resignation of an accounting firm contains a statement of any matters of which an account should be given, the certified public accountants’ firm may require the Board to convene a shareholders’ extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.</p>	<p>(2) a statement of any matters of which an account should be given.</p> <p>Where a notice is deposited under the preceding paragraph, the Company shall within fourteen (14) days send a copy of the notice to the competent authority. If the notice contains a statement referred to in subparagraph (2) above, a copy of such statement shall be placed at the Company’s registered office for shareholders’ inspection. The Company shall also send a copy of such statement to every shareholder by prepaid post<u>means as permitted under the securities regulatory rules of the place where shares of the Company are listed</u>, and it shall be sent to the addresses recorded in the register of shareholders.</p> <p>Where the notice of resignation of an accounting firm contains a statement of any matters of which an account should be given, the certified public accountants’<u>accounting</u> firm may require the Board to convene a shareholders’<u>an</u> extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
CHAPTER 15 PARTY ORGANIZATION	CHAPTER 15 PARTY ORGANIZATION
<p>Article 127</p> <p>As required by the Constitution of the Communist Party of the PRC, the Company shall establish an organization of the Communist Party of the PRC, in which the Party Committee shall play the core leadership role, providing direction, managing the overall situation and ensuring implementation, and discussing and determining major issues of enterprises in accordance with the regulations. The Company shall establish the working institutions of the Party, which shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.</p>	<p>Article 127<u>130</u></p> <p>As required by the Constitution of the Communist Party of the PRC, the Company shall establish an organization of the Communist Party of the PRC, in which the Party Committee shall play the core leadership role, providing direction, managing the overall situation and ensuring implementation, and discussing and determining major issues of enterprises in accordance with the regulations. The Company shall establish the working institutions of the Party, which shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization, <u>so as to provide necessary conditions for the activities of the Party organization.</u></p>
<p>Article 130</p> <p>The Party Committee of the Company shall perform its duties pursuant to the Constitution of the Communist Party of China and other regulations of the Party.</p> <p>(1) To ensure and supervise the effective implementation of directions and policies of the Party and the State as well as the execution of material strategic decisions of the Party Central Committee and the State Council and the arrangement on relevant material works of the Party Committee of the SASAC and Party organizations of higher levels;</p>	<p>Article 130<u>133</u></p> <p>The Party Committee of the Company shall perform its duties pursuant to the Constitution of the Communist Party of China and other <u>the relevant</u> regulations of the Party.;</p> <p>(1) To ensure and supervise the effective implementation of directions and policies of the Party and the State as well as the execution of material strategic decisions of the Party Central Committee and the State Council and the arrangement on relevant material works of the Party Committee of the SASAC and Party organizations of higher levels;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(2) To adhere to the principle of the Party exercising leadership over the cadres, the principle of the legitimate selection of operators by the Board, and the exercise of power as regards the right of cadres' appointment by the operators in accordance with laws. The Party Committee shall deliberate and give opinions on the proposed candidates nominated by the Board or the President or recommend candidates to be nominated to the Board or the President as well as assess the proposed candidates and give opinions collectively upon inspection over such candidates with the Board;</p>	<p>(2) To adhere to the principle of the Party exercising leadership over the cadres, the principle of the legitimate selection of operators by the Board, and the exercise of power as regards the right of cadres' appointment by the operators in accordance with laws. The Party Committee shall deliberate and give opinions on the proposed candidates nominated by the Board or the President<u>general manager</u> or recommend candidates to be nominated to the Board or the President<u>general manager</u> as well as assess the proposed candidates and give opinions collectively upon inspection over such candidates with the Board;</p>
<p>(3) To study and discuss reform, development and stability of the Company, and substantial matters on operation and management decided by the Company as well as material issues relating to the interests of the Company's staff, and provide advice and recommendations in this regard;</p>	<p>(3) To study and discuss reform, development and stability of the Company, and substantial matters on operation and management decided by the Company as well as material issues relating to the interests of the Company's staff, and provide advice and recommendations in this regard;</p>
<p>(4) To assume full responsibility for enforcing strict discipline of the Party. To lead the Company's ideological and political work, united front work, creation of spiritual civilization, creation of corporate culture as well as mass organizations such as the labor union and the Communist Youth League. To play a leading role in the construction of a clean and honest government and support the disciplinary committee in fulfilling its responsibility of supervision in practice.</p>	<p>(4) To assume full responsibility for enforcing strict discipline of the Party. To lead the Company's ideological and political work, united front work, creation of spiritual civilization, creation of corporate culture as well as mass organizations such as the labor union and the Communist Youth League. To play a leading role in the construction of a clean and honest government and support the disciplinary committee in fulfilling its responsibility of supervision in practice.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>CHAPTER 17 MERGER AND DIVISION OF THE COMPANY</p>	<p>CHAPTER 17 MERGER AND DIVISION OF THE COMPANY</p>
<p>Article 133</p> <p>The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the case of merger by absorption, the company being absorbed shall be dissolved. Merger by establishment of a new company shall refer to the establishment of a new company as a result of merger of two or more companies and dissolution of the merger parties.</p> <p>In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten (10) days of the date of the Company’s resolution on merger and shall make newspaper announcement specified by the CSRC within thirty (30) days of the date of the Company’s resolution on merger.</p> <p>Creditors may require the Company to repay the debts or to provide corresponding guarantee within 30 days from receipt of notification or within 45 days from the day of announcement if they do not receive notification.</p> <p>After the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.</p>	<p>Article 133<u>136</u></p> <p>The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the case of merger by absorption, the company being absorbed shall be dissolved. Merger by establishment of a new company shall refer to the establishment of a new company as a result of merger of two or more companies and dissolution of the merger parties <u>shall be dissolved</u>.</p> <p>In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories <u>list</u> of assets. The Company shall notify its creditors within ten (10) days of, <u>and shall make an announcement in newspaper or on the National Enterprise Credit Information Publicity System within thirty (30) days of,</u> the date of the Company’s resolution on merger and shall make newspaper announcement specified by the CSRC within thirty (30) days of the date of the Company’s resolution on merger.</p> <p><u>When the Company merges with another company in which it holds 90% or more of the shares, the merged company does not need to pass a resolution at the shareholders’ meeting, unless otherwise provided by the Articles of Association and the stock exchange and securities regulatory authority in the place where the Company’s shares are listed. However, other shareholders should be notified and they have right to request the Company to purchase their equity or shares at a reasonable price.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
	<p><u>If the price paid by the Company for the merger does not exceed 10% of the Company’s net assets, it may be decided without a resolution of the shareholders’ meeting, unless otherwise provided by the Articles of Association or the stock exchange and securities regulatory authority in the place where the Company’s shares are listed.</u></p> <p><u>If the Company merges in accordance with the fourth and fifth paragraphs of this Article without a resolution of the shreholders’ meeting, it should be decided by a resolution of the Board.</u></p> <p>Creditors may require the Company to repay the debts or to provide corresponding guarantee within <u>thirty (30) days</u> from receipt of notification or within <u>forty-five (45) days</u> from the day<u>date</u> of announcement if they do not receive notification.</p> <p>After the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.</p>
<p>Article 134</p> <p>When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten (10) days of the date of the Company’s resolution on division and shall make a newspaper announcement within thirty (30) days of the date of the Company’s resolution on division.</p>	<p>Article 134<u>137</u></p> <p>When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare <u>the</u> balance sheets and inventories<u>list</u> of assets. The Company shall notify its creditors within ten (10) days of, the date of the Company’s resolution on division and shall make a newspaper <u>an announcement in newspaper or on the National Enterprise Credit Information Publicity System</u> within thirty (30) days of, the date of the Company’s resolution on division.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Debts incurred by the Company before its division shall be borne by the companies jointly and severally after the division, except as otherwise stated in the written agreement entered into between the Company and the creditors for debt settlement prior to the division.</p>	<p>Debts incurred by the Company before its division shall be borne by the companies jointly and severally after the division, except as otherwise stated in the written agreement entered into between the Company and the creditors for debt settlement prior to the division.</p>
<p>CHAPTER 18 DISSOLUTION AND LIQUIDATION OF THE COMPANY</p>	<p>CHAPTER 18 DISSOLUTION AND LIQUIDATION OF THE COMPANY</p>
<p>Article 136</p> <p>The Company shall be dissolved due to the following reasons:</p> <p>(1) Expiry of term of business stipulated in the Articles of Association or occurrence of any other trigger for dissolution stipulated in the Articles of Association;</p> <p>(2) a special resolution on dissolution is passed by shareholders at a general meeting;</p> <p>(3) dissolution is necessary due to a merger or division of the Company;</p> <p>(4) the Company’s business license is revoked or it is ordered to close down or it is cancelled according to law.</p> <p>(5) where the Company gets into serious trouble in operations and management and its continuation may cause substantial loss to the interests of its shareholders, and no solution can be found through any other channel, shareholders representing 10% or more of the total voting rights of the Company may request the people’s court to dissolve the Company.</p>	<p>Article 136<u>139</u></p> <p>The Company shall be dissolved due to the following reasons:</p> <p>(1) Expiry of term of business stipulated in the Articles of Association or occurrence of any other trigger for dissolution stipulated in the Articles of Association;</p> <p>(2) a special resolution on dissolution is passed by shareholders’ <u>at a general</u> meeting;</p> <p>(3) dissolution is necessary due to a merger or division of the Company;</p> <p>(4) the Company’s business license is revoked or it is ordered to close down or it is cancelled according to law.</p> <p>(5) where the Company gets into serious trouble in operations and management and its continuation may cause substantial loss to the interests of its shareholders, and no solution can be found through any other channel, shareholders representing <u>at least 10%</u> or more of the total voting rights of the Company may request the people’s court to dissolve the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 137</p> <p>Under the circumstances specified set out in item (1) of Article 136 of the Articles of Association, it may subsist by amending the Articles of Association.</p> <p>Amendments to the Articles of Association in accordance with the provisions of the preceding paragraph must be approved by shareholders who hold more than two-thirds of the voting rights present at the shareholders’ general meeting.</p>	<p>Article 137<u>140</u></p> <p>Under the circumstances specified set out in items (1) <u>and (2)</u> of Article 136<u>9</u> of the Articles of Association <u>and distribution of assets has not yet made to shareholders</u>, it may subsist by amending the Articles of Association <u>or by a resolution of shareholders’ meeting</u>.</p> <p>Amendments to the Articles of Association <u>or resolution made by shareholders’ meeting</u> in accordance with the provisions of the preceding paragraph must be approved by shareholders who hold more than <u>at least</u> two-thirds of the voting rights present at the shareholders’ general meeting.</p>
<p>Article 138</p> <p>Where the Company is dissolved under items (1), (2) (4), (5) of the Article 136, a liquidation committee shall be set up within fifteen (15) days of the occurrence of the dissolution events and commence liquidation afterwards, and its members shall be determined by Directors or determined at a general meeting. If a liquidation committee is not set up within the specified period to carry out liquidation procedures, creditors may apply to the people’s court for appointment of relevant persons to form a liquidation committee so as to proceed with the liquidation.</p>	<p>Article 138<u>141</u></p> <p>Where the Company is <u>to be dissolved</u> under items (1), (2) (4), (5) of the Article 136<u>9</u>, <u>it shall be liquidated. The Directors shall be the Company’s liquidation obligor and</u> a liquidation committee shall be set up within fifteen (15) days <u>from the day of the occurrence of the cause of dissolution events</u> and commence <u>carry out the liquidation afterwards,</u> and its members shall be determined by <u>The liquidation committee is composed of Directors, unless the shareholders’ meeting decides to elect another person. or determined at a general meeting.</u> <u>The liquidation obligors shall bear the liability for damages suffered by the Company or creditors due to their failure to perform the obligations of liquidation in a timely manner.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
	<p><u>The Company shall be liquidated in accordance with the provisions of the preceding paragraph. If a liquidation committee is not set up within the specified period or failure to liquidate after establishing a liquidation committee, to carry out liquidation procedures, creditors interested parties may apply to the people’s court for appointment of relevant persons to form a liquidation committee so as to proceed with the liquidation.</u></p>
<p>Article 139</p> <p>The liquidation committee shall notify creditors within ten (10) days from the date of its establishment and make newspaper announcement within sixty (60) days of that date.</p> <p>Creditors should, within thirty (30) days after receipt of the notice, or for those who do not receive the notice, within forty-five (45) days from the date of the first announcement, declare their claims to the liquidation committee.</p> <p>When declaring their claims, creditors shall explain relevant particulars of their claims and provide supporting materials. The liquidation committee shall register the claims.</p> <p>During the period for declaration of creditor’s rights, the liquidation committee shall not make repayment to creditors.</p>	<p>Article 139<u>142</u></p> <p>The liquidation committee shall notify creditors within ten (10) days, <u>and shall make an announcement in newspaper or on the National Enterprise Credit Information Publicity System within sixty (60) days, from the date of its establishment</u> and make newspaper announcement within sixty (60) days of that date.</p> <p>Creditors should, within thirty (30) days after receipt of the notice, or for those who do not receive the notice, <u>within forty-five (45) days from the date of the first announcement for those who have not received notice,</u> declare their claims to the liquidation committee.</p> <p>When declaring their claims, creditors shall explain relevant particulars of their claims and provide supporting materials. The liquidation committee shall register the claims.</p> <p>During the period for declaration of creditor’s rights<u>claims</u>, the liquidation committee shall not make repayment to creditors.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 141</p> <p>After checking the Company’s assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit the same to a shareholders’ general meeting or the people’s court for confirmation.</p> <p>The Company’s assets shall be applied respectively for payment of liquidation expenses, employees’ wages, social security premiums and statutory compensation, and payment of tax in arrears and the Company’s debts. The remaining assets of the Company thereafter shall be distributed in accordance with the shareholders’ percentage of the shareholdings.</p> <p>During the liquidation period, the Company shall subsist but shall not engage in business activities unrelated to liquidation. The Company’s assets shall not be distributed to shareholders prior to making repayment pursuant to the provisions of the preceding paragraph.</p>	<p>Article 141<u>144</u></p> <p>After checking the Company’s assets and preparing a balance sheet and an inventory of assets <u>list</u>, the liquidation committee shall formulate a liquidation plan and submit the same to a shareholders’ general meeting or the people’s court for confirmation.</p> <p>The Company’s assets shall be applied respectively for payment of liquidation expenses, employees’ wages, social security premiums and statutory compensation, and payment of tax in arrears and the Company’s debts. The remaining assets of the Company thereafter shall be distributed in accordance with the shareholders’ percentage of the shareholdings.</p> <p>During the liquidation period, the Company shall subsist but shall not engage in business activities unrelated to liquidation. The Company’s assets shall not be distributed to shareholders prior to making repayment pursuant to the provisions of the preceding paragraph.</p>
<p>Article 143</p> <p>Following the completion of liquidation, the liquidation committee shall compile a liquidation report which shall be submitted to the shareholders’ general meeting or the people’s court for confirmation and shall also be submitted to the company registration authorities for the cancellation of the registration of the Company and announce the termination of the Company.</p>	<p>Article 143<u>146</u></p> <p>Following the completion of liquidation, the liquidation committee shall compile a liquidation report which shall be submitted to the shareholders’ general meeting or the people’s court for confirmation and shall also be submitted to the company registration authorities for the cancellation of the registration of the Company and announce the termination of the Company.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 144</p> <p>The members of the liquidation committee shall devote themselves to their duties and fulfill their obligations of liquidation according to laws. None of the members of the liquidation committee may take any bribe or any other illegal proceeds by taking advantage of his/her position, nor may he/she misappropriate any of the properties of the Company.</p> <p>Where any members of the liquidation committee cause any loss to the Company or any creditor with intention or due to gross negligence, he/she shall be liable to make indemnification.</p>	<p>Article 144144<u>147</u></p> <p>The members of the liquidation committee shall devote themselves to their duties and fulfill their obligations of liquidation according to laws. None of the members of the liquidation committee may take any bribe or any other illegal proceeds by taking advantage of his/her position, nor may he/she misappropriate any of the properties of the Company <u>perform their obligations of liquidation and bear duties of loyalty and diligence.</u></p> <p>Where any members <u>Members</u> of the liquidation committee <u>shall bear the liability for damages suffered by the Company due to their negligence to perform the obligations of liquidation and shall bear the liability for damages suffered</u> cause any loss to the Company or any creditor with <u>due to their intentional</u> or due to gross negligence, he/she shall be liable to make indemnification.</p>
<p align="center">CHAPTER 19 PROCEDURES FOR AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p align="center">CHAPTER 19 PROCEDURES FOR AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>
<p>Article 146</p> <p>The Company may, pursuant to the requirements of the laws, administrative regulations and the Articles of Association, amend the Articles of Association.</p> <p>In any of the following circumstances, the Company shall amend the Articles of Association:</p> <p>(1) if upon amendments to the Company Law, relevant laws, administrative regulations, any terms contained in the Articles of Association become inconsistent with the provisions of the amended laws and administrative regulations;</p>	<p>Article 146146<u>149</u></p> <p>The Company may, pursuant to the requirements of the laws, administrative regulations and the Articles of Association, amend the Articles of Association.</p> <p>In any of the following circumstances, the Company shall amend the Articles of Association:</p> <p>(1) if upon amendments to the Company Law, relevant laws, administrative regulations, any terms contained in the Articles of Association become inconsistent with the provisions of the amended laws and administrative regulations;</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>(2) a change in the Company causes inconsistency with those contained in the Articles of Association;</p> <p>(3) a special resolution passed at the shareholders' general meeting to amend the Articles of Association.</p>	<p>(2) a change in the Company causes inconsistency with those contained in the Articles of Association;</p> <p>(3) a special resolution passed at the shareholders' general meeting to amend the Articles of Association.</p>
<p>Article 147</p> <p>Where the approval from the competent authority is required for the amendments to the Articles of Association passed by the shareholders' general meetings, such amendments shall be submitted to the competent authority for approval. Where an amendment to the Articles of Association involves the Company's registration particulars, change registration formalities shall be completed pursuant to the law.</p>	<p>Article 147<u>150</u></p> <p>Where the approval from the competent authority is required for the amendments to the Articles of Association passed by the shareholders' general meetings, such amendments shall be submitted to the competent authority for approval. Where an amendment to the Articles of Association involves the Company's registration particulars, change registration formalities shall be completed pursuant to the law<u>s</u>.</p>
<p>Article 148</p> <p>The Board shall amend the Articles of Association pursuant to the special resolution of the shareholders' general meeting on amendment of Articles of Association and the examination and approval opinion of the authorities in charge.</p>	<p>Article 148<u>151</u></p> <p>The Board shall amend the Articles of Association pursuant to the special resolution of the shareholders' general meeting on amendment of Articles of Association and the examination and approval opinion of the authorities in charge.</p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
CHAPTER 20 NOTICE	CHAPTER 20 NOTICE
<p>Article 150</p> <p>Unless otherwise stated in this Articles of Association, the notices, information or written statements issued by the Company to the shareholders of the overseas listed foreign shares listed in Hong Kong shall be despatched to such shareholders by hand or by mail to the addresses of such shareholders as shown in the register of the overseas listed foreign shareholders (whether such registered addresses are within Hong Kong or in regions outside Hong Kong). Notices given to the shareholders of the overseas listed foreign shares listed in Hong Kong shall, to the practicable extent, be sent in Hong Kong.</p> <p>As to the notices to be issued by the Company to the holder of Domestic Shares, the Company shall publish an announcement on one or more newspaper designated by CSRC; once the announcement is published, the holder of Domestic Shares shall be deemed to have received the relevant notice.</p>	<p>Article 150<u>153</u></p> <p>Unless otherwise stated in this Articles of Association, the notices, information or written statements issued by the Company to the shareholders of the overseas listed foreign shares listed in Hong Kong shall be despatched to such shareholders by hand or by mail to the addresses of such shareholders as shown in the register of the overseas listed foreign shareholders (whether such registered addresses are within Hong Kong or in regions outside Hong Kong). Notices given to the shareholders of the overseas listed foreign shares listed in Hong Kong shall, to the practicable extent, be sent in Hong Kong. <u>Subject to the laws, regulations and the relevant rules governing the listing of securities of the place where the Company's shares are listed, corporate communications, including notice of the Company, may be sent by any of the following means, unless otherwise stated in the Articles of Association:</u></p> <p><u>(1) by hand;</u></p> <p><u>(2) by post;</u></p> <p><u>(3) by public announcements;</u></p> <p><u>(4) by email;</u></p> <p><u>(5) by publishing on the website of the Company and the website designated by the stock exchanges where the Company's shares are listed;</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
	<p><u>(6) by any other means recognised by the securities regulatory authorities and stock exchange where the Company’s shares are listed or provided in the Articles of Association</u></p> <p><u>As to the notices to be issued by the Company to the holder of Domestic Shares, the Company shall publish an announcement on one or more newspaper designated by CSRC; once the announcement is published, the holder of Domestic Shares shall be deemed to have received the relevant notice. Unless otherwise provided in the Articles of Association, all means of notice given by the Company may also be applicable to notices for shareholders’ meetings, meetings of Board and the Supervisory Committee of the Company.</u></p>
<p>Article 151</p> <p>Where a notice is to be sent by post, it shall be placed in an envelope properly addressed with postage prepaid, and any such notice is deemed to be served to shareholders five (5) days after the date of dispatch.</p>	<p>Article 15<u>154</u></p> <p><u>Where the Company’s corporate communications is served in the form of announcements. Upon its publication, all relevant persons are deemed to have received the notice. Where a notice the corporate communications is to be sent by hand or by post, it shall be placed in an envelope properly addressed with postage prepaid; and anyAny such notice is deemed to be served to shareholders five (5) on the fifth working days after the date of dispatchpostage, the address of the recipients shall be the address registered in the register of shareholders. Where it is to be sent by way of public announcement, the date of first publication shall be the date of service; where it is to be sent by email or publication on the website, the date of sending out/publication shall be the date of service.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 152</p> <p>Any notice, document, information or written statement given by a shareholder or Director to the Company shall be delivered by hand or by registered mail to the legal address of the Company.</p>	<p>Article 152<u>155</u></p> <p>Any notice, document, information or written statement given by a shareholder or Director to the Company shall be delivered by hand or₂ by registered mail <u>or by email</u> to the legal address of the Company.</p>
<p>Article 153</p> <p>Shareholders or Directors of the Company who want to prove that certain notices, documents, information or written statements have been served on the Company shall provide evidential materials showing the same has been served on the Company within the designated periods by common practice of delivery, or evidential materials showing that the mailing address is correct and the postage is fully paid.</p>	<p>Article 153<u>156</u></p> <p>Shareholders or Directors of the Company who want to prove that certain notices, documents, information or written statements have been served on the Company shall provide evidential materials showing the same has been served on the Company within the designated periods by common practice of delivery, or evidential materials showing that the mailing address is correct<u>it is sent to the correct address</u> and <u>they</u> <u>post with fully paid postage is fully paid</u> <u>or by email.</u></p>

APPENDIX PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Original clause	Revised clause
<p>Article 154</p> <p>All “over”, “within” and “under” in these Articles of Association include themselves;</p> <p>“less than”, “except” does not include themselves.</p>	<p>Article 154<u>7</u></p> <p>All <u>expressions of “overmore than” and “withinat least” and “under” in these the</u> Articles of Association <u>include themselves</u> shall be inclusive of the stated figure; “less than”, “<u>exceptover one-half</u>” <u>does not include themselves</u> and “below” shall be inclusive of the stated figure.</p>
CHAPTER 21 MISCELLANCES	CHAPTER 21 MISCELLANCES
<p>Article 156</p> <p>The Articles of Association is written in Chinese. In case of any discrepancy between versions in other languages or different versions and the Articles of Association, the latest Chinese version approved for registration with the Nanjing Municipal Administration for Industry & Commerce shall prevail.</p>	<p>Article 156<u>159</u></p> <p>The Articles of Association is written in Chinese. In case of any discrepancy between versions in other languages or different versions and the Articles of Association, the latest Chinese version approved for registration with the <u>company registration authorities, Nanjing Municipal Administration for Industry & Commerce</u> shall prevail.</p>

Remarks:

- In addition to the amendments as set in the above table, due to the addition or deletion of articles and the adjustment of the order of articles, the chapter and serial number of the articles of the Articles of Association will be adjusted accordingly. If the serial number of the articles that refer to each other in the original Articles of Association is changed, the amended Articles of Association shall also be changed accordingly.
- The article 15 and article 20 shown in the above table in English version are without any amendments proposed as the relevant English translation need not be updated corresponding to the amendments made to these two articles in Chinese version.
- Amended articles 12, 43, 104 and 153 will become immediately effective upon obtaining the approval of Shareholders at the AGM, while all other amended articles will be effective from 1 July 2024 upon obtaining the approval of Shareholders at the AGM.

NOTICE OF AGM



南京三寶科技股份有限公司 NANJING SAMPLE TECHNOLOGY CO.,LTD.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1708)

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “Annual General Meeting”) of Nanjing Sample Technology Company Limited (the “**Company**”) will be held at No.10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the PRC on Friday, 28 June 2024 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

- I. To consider and, if thought fit, pass the following ordinary resolutions:
- (1) To consider and approve the report of the directors of the Company for 2023;
 - (2) To consider and approve the report of the supervisory committee of the Company for 2023;
 - (3) To consider and approve the audited consolidated financial statements of the Group for 2023;
 - (4) To consider and approve the profit distribution plan for 2023;
 - (5) To authorise the board of directors (the “Board”) to appoint auditors and to fix their remuneration for the year ending 2024;
 - (6) To consider and approve the resolution for appropriation to statutory reserve fund for 2023;

* *for identification purpose only*

NOTICE OF AGM

SPECIAL RESOLUTIONS

II. To consider and, if thought fit, approve the following resolutions as special resolutions:

(7) **THAT:**

① there be granted to the Board an unconditional general mandate to allot, issue and deal with additional Shares in the capital of the Company, whether Domestic Shares or H Shares, and to make or grant offers or agreements in respect thereof, subject to the following conditions:

(a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers or agreements which might require the exercise of such powers after the end of the Relevant Period;

(b) the aggregate nominal amount of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board otherwise than pursuant to any scrip dividends or similar arrangement providing for the allotment of such shares in lieu of the whole or part of a dividend on such shares or any share option scheme adopted by the Company and in accordance with the Articles of Association, shall not exceed:

(i) in case of Domestic Shares, 20 per cent. of the aggregate nominal amount of Domestic Shares in issue; and

(ii) in case of H Shares, 20 per cent. of the aggregate nominal amount of H Shares in issue;

in each case as at the date of passing of this resolution; and

(c) the Board will only exercise its power under such mandate in accordance with the PRC Company Law and the Listing Rules (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC governmental authorities are obtained; and

(d) For the purposes of this resolution:

“Relevant Period” means the period from the date of passing this resolution until the earliest of:

(i) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or

NOTICE OF AGM

- (ii) the expiry date of the period within which the next annual general meeting is required by the Articles of Association or any applicable law to be held; or
 - (iii) the passing of a special resolution of the Company in a general meeting revoking or varying the authority set out in this resolution.
- ② contingent on the Board resolving to issue Shares pursuant to this resolution, the Board be authorised:
- (a) to approve, execute and do or procure to be executed and done all such documents and matters which it may consider necessary in connection with the issue of such new shares, including but not limited to the time, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);
 - (b) to determine the use of proceeds and to make necessary filings and registration with the relevant authorities in the PRC, and/or Hong Kong and any other places and jurisdictions (as appropriate); and
 - (c) to increase the registered share capital of the Company and make any amendments to the Articles of Association in accordance with such increase and to register the increased share capital with the relevant authorities in the PRC and/or Hong Kong and any other places and jurisdictions (as appropriate) so as to reflect the new share capital and/or share capital structure of the Company resulting from the intended allotment and issue of the shares of the Company pursuant to paragraph ① of this resolution.
- (8) **THAT:**

the proposed amendments, details of which was set out in “Appendix – Proposed amendments to the Articles of Association” in the Circular, be and are hereby approved and any one Director be and is hereby authorized to make such other modifications to the proposed amendments to the Articles of Association, where appropriate.”

By Order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

Nanjing, the PRC
30 May 2024

NOTICE OF AGM

Notes:

1. Any member of the Company (“Member”) entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. In the case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the meeting, whether in person or by proxy, that one of the joint holders whose name stands first on the register of Members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
2. To be valid, a proxy form and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of such authority must be deposited at the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong (“H Share Registrar”) and in case of holders of domestic shares, to the Company’s mailing address at No. 10 Maqun Avenue, Qixia District, Nanjing City, Jiangsu Province, the PRC not less than 24 hours before the time appointed for the holding of the AGM or 24 hours before the time appointed for taking the poll. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Members or their proxies shall present identity proof (and form of proxy in case of proxies) upon attending the AGM.
4. In order to determine the identify of the shareholders to attend and vote at the AGM, the register of Members in Hong Kong will be closed from 19 June 2024 (Wednesday) to 28 June 2024 (Friday), (both days inclusive). Instruments of transfer accompanied by relevant share certificates must be lodged with the H Share Registrar by 4:30 p.m. on 18 June 2024 (Tuesday).

As at the date hereof, the executive Directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive Director is Ms. Cai Lijuan; and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie.