

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

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

**If you have sold or transferred** all your Shares in China Galaxy Securities Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



*(Incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 06881)**

**FINAL ACCOUNTS PLAN FOR 2023**  
**PROFIT DISTRIBUTION PLAN FOR 2023**  
**ANNUAL REPORT 2023**  
**WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023**  
**WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023**  
**APPOINTMENT OF THE EXTERNAL AUDITORS OF THE**  
**COMPANY FOR 2024**  
**DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**  
**RELEVANT ARRANGEMENT FOR INTERIM PROFIT**  
**DISTRIBUTION FOR 2024**  
**AMENDMENTS TO THE PROCEDURAL RULES OF THE BOARD**  
**OF DIRECTORS, THE WORKING RULES FOR INDEPENDENT**  
**DIRECTORS AND THE MEASURES FOR THE MANAGEMENT OF**  
**PROCEEDS**  
**INCREASE OF REGISTERED CAPITAL AND AMENDMENTS TO**  
**THE ARTICLES OF ASSOCIATION**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

---

The AGM of China Galaxy Securities Co., Ltd. will be held at Conference Room M1919, Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing, the PRC on Friday, 28 June 2024 at 10:00 a.m. The notice convening the AGM is set out on pages 13 to 16 of this circular.

If you intend to appoint a proxy to attend the AGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited (for H Shareholders) and the Office of the Board of Directors of the Company (for A Shareholders) not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof in person or by post. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

7 June 2024

---

## CONTENTS

---

		<i>Page</i>
<b>DEFINITIONS</b>	.....	1
<b>LETTER FROM THE BOARD</b>	.....	4
<b>NOTICE OF ANNUAL GENERAL MEETING</b>	.....	13
<b>APPENDIX I</b>	<b>WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023</b> .....	I-1
<b>APPENDIX II</b>	<b>WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023</b> .....	II-1
<b>APPENDIX III</b>	<b>DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023</b> .....	III-1
<b>APPENDIX IV</b>	<b>PROPOSED AMENDMENTS TO THE PROCEDURAL RULES OF THE BOARD OF DIRECTORS</b> .....	IV-1
<b>APPENDIX V</b>	<b>PROPOSED AMENDMENTS TO THE WORKING RULES FOR INDEPENDENT DIRECTORS</b> .....	V-1
<b>APPENDIX VI</b>	<b>PROPOSED AMENDMENTS TO THE MEASURES FOR THE MANAGEMENT OF PROCEEDS</b> .....	VI-1
<b>APPENDIX VII</b>	<b>PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION</b> .....	VII-1

---

## DEFINITIONS

---

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

“A Share(s)”	domestic share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the SSE and traded in RMB
“A Shareholder(s)”	holder(s) of A Shares
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Conference Room M1919, Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing, the PRC on Friday, 28 June 2024 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“BSE”	the Beijing Stock Exchange
“Company”, “the Company” or “Galaxy Securities”	China Galaxy Securities Co., Ltd. (中國銀河證券股份有限公司), a joint stock company with limited liability incorporated in the PRC on 26 January 2007, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 6881) and A Shares are listed on the SSE (Stock Code: 601881)
“Controlling Shareholder(s)”	has the meaning ascribed to it under the HKSE Listing Rules
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“Galaxy Capital Management”	Galaxy Capital Management Co., Ltd. (銀河創新資本管理有限公司), a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Galaxy Derivatives”	Galaxy Derivatives Company (銀河德睿資本管理有限公司), a company incorporated in the PRC with limited liability, which is owned as to 100% by Galaxy Futures, and an indirect wholly-owned subsidiary of the Company

---

## DEFINITIONS

---

“Galaxy Financial Holdings”	China Galaxy Financial Holdings Limited (中國銀河金融控股有限責任公司), a limited liability company incorporated in the PRC on 8 August 2005, and the controlling shareholder of the Company
“Galaxy Futures”	Galaxy Futures Company Limited (銀河期貨有限公司), a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Galaxy Jinhui”	Galaxy Jinhui Securities Asset Management Co., Ltd. (銀河金匯證券資產管理有限公司), a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Galaxy Yuanhui”	Galaxy Yuanhui Investment Co., Ltd. (銀河源匯投資有限公司), a company incorporated in the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of H Shares
“HK\$” or “HK dollars” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSE Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent non-executive Director(s) of the Company
“PBOC”	the People’s Bank of China, the central bank of the PRC

---

## DEFINITIONS

---

“PRC” or “China”	the People’s Republic of China, but for the purposes of this circular only, excluding Hong Kong, Macau Special Administrative Region and Taiwan region
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company, including A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“SSE”	Shanghai Stock Exchange
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, as amended from time to time
“subsidiary(ies)”	has the meaning ascribed to it under the HKSE Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company

*In case of any discrepancy between the English and Chinese versions of this circular, the Chinese version shall prevail.*

---

LETTER FROM THE BOARD

---



*(Incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 06881)**

**The Board of Directors:**

*Executive Directors:*

Mr. Wang Sheng (*Chairman*)

Mr. Xue Jun (*Vice Chairman and President*)

*Non-executive Directors:*

Mr. Yang Tijun

Ms. Li Hui

Ms. Liu Chang

Mr. Liu Zhihong

*Independent Non-executive Directors:*

Mr. Wang Zhenjun

Ms. Liu Chun

Mr. Law Cheuk Kin Stephen

Mr. Liu Li

*Registered Office and*

*Headquarters in the PRC:*

No. 101, 7/F-18/F,

Building 1, No. 8 Xiying Street,

Fengtai District, Beijing, the PRC

*Principal Place of Business*

*in Hong Kong:*

20th Floor, Wing On Centre,

111 Connaught Road Central,

Sheung Wan, Hong Kong

7 June 2024

*To the Shareholders*

Dear Sir or Madam,

**FINAL ACCOUNTS PLAN FOR 2023**  
**PROFIT DISTRIBUTION PLAN FOR 2023**  
**ANNUAL REPORT 2023**  
**WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023**  
**WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023**  
**APPOINTMENT OF THE EXTERNAL AUDITORS OF THE**  
**COMPANY FOR 2024**  
**DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**  
**RELEVANT ARRANGEMENT FOR INTERIM PROFIT**  
**DISTRIBUTION FOR 2024**  
**AMENDMENTS TO THE PROCEDURAL RULES OF THE BOARD**  
**OF DIRECTORS, THE WORKING RULES FOR INDEPENDENT**  
**DIRECTORS AND THE MEASURES FOR THE MANAGEMENT OF**  
**PROCEEDS**  
**INCREASE OF REGISTERED CAPITAL AND AMENDMENTS TO**  
**THE ARTICLES OF ASSOCIATION**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

---

## LETTER FROM THE BOARD

---

### INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the AGM to be held at Conference Room M1919, Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing, the PRC on Friday, 28 June 2024 at 10:00 a.m.

The purpose of this circular is to give you notice of the AGM and to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

### BUSINESSES TO BE CONSIDERED AT THE AGM

Ordinary resolutions will be proposed at the AGM to approve: (1) the final accounts plan for 2023; (2) the profit distribution plan for 2023; (3) the annual report 2023; (4) the work report of the Board of Directors for 2023; (5) the work report of the Supervisory Committee for 2023; (6) the appointment of the external auditors of the Company for 2024; (7) the duty reports of the independent Directors for 2023; (8) the relevant arrangement for interim profit distribution for 2024; (9) the amendments to the *Procedural Rules of the Board of Directors*; (10) the amendments to the *Working Rules for Independent Directors*; and (11) the amendments to the *Measures for the Management of Proceeds*.

A special resolution will be proposed at the AGM to approve: (12) the increase of registered capital and the amendments to the Articles of Association.

### ORDINARY RESOLUTIONS:

#### 1. FINAL ACCOUNTS PLAN FOR 2023

The final accounts plan for 2023 was considered and approved by the Board on 28 March 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval. For details of the final accounts plan, please refer to the financial statements in the Company's annual report 2023.

#### 2. PROFIT DISTRIBUTION PLAN FOR 2023

The Company achieved consolidated net profit attributable to shareholders of the listed company of RMB7,878,769,252.91 in 2023. The profit available for distribution of the parent company amounted to RMB27,213,271,531.12 as at the end of 2023. As resolved by the Board of Directors, the Company intends to distribute profits for 2023 on the basis of the total share capital registered on the record date of the equity distribution. The profit distribution plan is as follows:

- (a) The Company proposes to distribute its profit for 2023 by way of a cash dividend for the A Shareholders and H Shareholders registered on the record date for the distribution of the cash dividend for 2023. The Company proposed to distribute a total cash dividend of RMB2,405,568,496.32 (tax inclusive) for 2023 (the “**2023 Final Dividend**”), representing 30.53% of the net profit attributable to

---

## LETTER FROM THE BOARD

---

shareholders of the listed company for 2023. Based on the Company's total number of issued Shares of 10,934,402,256 Shares as at 31 December 2023, a cash dividend of RMB2.20 (tax inclusive) for every 10 Shares is proposed to be distributed. In the event of changes in the total share capital of the Company between the date of this circular and the record date of the equity distribution (i.e. 15 July 2024), the Company intends to maintain the total cash dividend unchanged and adjust the cash distribution amount per Share accordingly. The remaining profits available for distribution to investors for 2023 will be carried forward to the following year.

- (b) The 2023 Final Dividend will be denominated and declared in RMB, and paid in RMB and in HK dollar to A Shareholders and H Shareholders, respectively. The actual amount distributed in HK dollar will be calculated based on the average benchmark exchange rate for conversion between RMB and HK dollar as announced by the PBOC for the five working days prior to the date of the AGM.

The above profit distribution plan for 2023 was considered and approved by the Board on 28 March 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval.

For the purpose of determining the entitlement of H Shareholders to the 2023 Final Dividend, the H Share register of members of the Company will be closed from Wednesday, 10 July 2024 to Monday, 15 July 2024 (both days inclusive), during which period no transfer of H Shares will be registered. H Shareholders whose names appear on the H Share register of members of the Company on Monday, 15 July 2024 are entitled to the 2023 Final Dividend. In order to be entitled to receive the 2023 Final Dividend, all share certificates, together with the instruments of transfers, must be lodged for registration with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders) at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Tuesday, 9 July 2024. The last trading day for H Shares before ex-dividend will be Friday, 5 July 2024, and trading of ex-dividend H Shares shall commence on Monday, 8 July 2024.

The 2023 Final Dividend (if approved by Shareholders at the AGM) is expected to be distributed on or before Tuesday, 27 August 2024 to H Shareholders whose names appear on the H Share register of members of the Company on Monday, 15 July 2024.

As for the distribution of the 2023 Final Dividend to the A Shareholders, the record date is Monday, 15 July 2024, and the ex-dividend date and the dividend distribution date are Tuesday, 16 July 2024. The Company will announce separately on the SSE details of the arrangements regarding the distribution of the 2023 Final Dividend to its A Shareholders.

For Hong Kong investors (including enterprises and individuals) investing in the Company's A Shares via the Shanghai Stock Connect Program, the 2023 Final Dividend will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such A



---

## LETTER FROM THE BOARD

---

Shares. The record date, the dividend distribution date and other arrangements for investors via the Shanghai Stock Connect Program will be the same as those for the Company's A Shareholders.

For Mainland investors (including enterprises and individuals) investing in the Company's H Shares via the Hong Kong Stock Connect Program, the Shanghai Branch and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the investors via the Hong Kong Stock Connect Program, will receive the 2023 Final Dividend distributed by the Company and distribute such 2023 Final Dividend in RMB to the relevant investors of H Shares through its depository and clearing system. The record date, the dividend distribution date and other arrangements for investors via the Hong Kong Stock Connect Program will be the same as those for the Company's H Shareholders.

### **3. ANNUAL REPORT 2023**

The annual report 2023 was considered and approved by the Board on 28 March 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval. The annual report has been published on the HKExnews website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the website of the Company (<http://www.chinastock.com.cn>).

### **4. WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023**

The work report of the Board of Directors for 2023 was considered and approved by the Board on 28 March 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval. Details of the report are set out in Appendix I to this circular.

### **5. WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023**

The work report of the Supervisory Committee for 2023 was considered and approved by the Supervisory Committee on 28 March 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval. Details of the report are set out in Appendix II to this circular.

### **6. APPOINTMENT OF THE EXTERNAL AUDITORS OF THE COMPANY FOR 2024**

The Board proposed to engage Ernst & Young Hua Ming LLP and Ernst & Young as the external auditors of the Company for 2024, which shall be responsible for the provision of related audit services and review services in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively. The external audit fee for 2024 will be RMB5.52 million, including the agreed-upon procedure fee for the first and third quarters of RMB0.60 million, the interim review fee of RMB1.50 million, the annual audit fee of RMB2.965 million, the annual internal control audit fee of RMB0.34 million and the assurance service fee relating to the environmental, social and governance report of RMB0.115 million.

The above resolution was considered and approved by the Board on 28 March 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval.

---

## LETTER FROM THE BOARD

---

### **7. DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

According to relevant provisions of the *Measures for the Management of Independent Directors of Listed Companies*, the *Measures for the Supervision and Management of the Directors, Supervisors, Senior Management, and Practitioners of Securities and Fund Business Institutions*, and the Articles of Association, the duty reports of the Independent Directors for the year shall be heard and reviewed at the annual general meeting. Ms. Liu Chun, Mr. Law Cheuk Kin Stephen and Mr. Wang Zhenjun, the existing Independent Directors of the Company, and Mr. Liu Ruizhong, the resigned Independent Director of the Company, have each prepared a duty report of the Independent Directors for 2023 after taking into account their actual performance of duties during 2023.

The duty reports of the independent Directors for 2023 were considered and approved by the Board on 28 March 2024 and are hereby proposed at the AGM for Shareholders' consideration and approval. Details of these reports are set out in Appendix III to this circular.

### **8. RELEVANT ARRANGEMENT FOR INTERIM PROFIT DISTRIBUTION FOR 2024**

In accordance with the Articles of Association, the profit distribution plan of the Company shall be reviewed and approved at a general meeting. If the relevant conditions are satisfied, interim profit distribution may be made by the Company. In accordance with the relevant provisions of the *Guidelines on the Articles of Association of Listed Companies*, the *Regulatory Guidelines for Listed Companies No. 3 – Cash Dividends of Listed Companies*, the *Opinions on Strengthening the Supervision and Management of Listed Companies (for Trial Implementation)*, the *Provisions on Strengthening the Supervision and Management of Listed Securities Companies* of the CSRC and the *Self-regulatory Guidelines for Listed Companies No. 1 – Standardized Operations* of the SSE, and other regulations, listed companies are encouraged to increase the frequency of cash dividends upon satisfaction of the conditions for profit distribution to stabilize the expectation of investors on dividends.

---

## LETTER FROM THE BOARD

---

In view of the above, the Company has proposed the following arrangements related to the interim profit distribution for 2024:

Based on the reviewed financial report for the first half of 2024, taking into reasonable consideration of the results, capital position and the requirements of the risk control indicators for the current period, and subject to the condition that there will be profit available for distribution for the first half of 2024, the Company proposes to implement the interim dividend distribution for 2024, with the total amount of interim dividend accounting for no more than 30% of the Group's net profit attributable to the Shareholders of the parent company for the first half of 2024. The profit distribution plan for 2024 will be subsequently formulated after taking into account the distribution of interim profit that has been declared.

The above resolution (including the above conditions for interim profit distribution and the upper limit of the distribution ratio) was considered and approved by the Board on 31 May 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval. The Company will formulate a specific plan for interim profit distribution for 2024 in accordance with the resolution of the AGM and implement it after fulfilling the corporate governance procedures in accordance with relevant laws and regulations and the relevant provisions of the Articles of Association.

### **9. AMENDMENTS TO THE PROCEDURAL RULES OF THE BOARD OF DIRECTORS**

In accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Code of Corporate Governance for Listed Companies*, the SSE Listing Rules, the HKSE Listing Rules and other laws and regulations and the Articles of Association, it is hereby proposed that the *Procedural Rules of the Board of Directors* of the Company be amended, the details of which are set out in Appendix IV to this circular.

The above resolution was considered and approved by the Board on 31 May 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval.

### **10. AMENDMENTS TO THE WORKING RULES FOR INDEPENDENT DIRECTORS**

In accordance with the *Securities Law of the People's Republic of China*, the Measures for the *Management of Independent Directors of Listed Companies* of the CSRC, the SSE Listing Rules, the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations* and other relevant rules with respect to the latest requirements for independent directors of listed companies, it is hereby proposed that the *Working Rules for Independent Directors of the Company* be amended, the details of which are set out in Appendix V to this circular.

The above resolution was considered and approved by the Board on 31 May 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval.

---

## LETTER FROM THE BOARD

---

### 11. AMENDMENTS TO THE *MEASURES FOR THE MANAGEMENT OF PROCEEDS*

In accordance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Administrative Measures for the Registration of Initial Public Offerings of Shares*, the *Administrative Measures for the Registration of Securities Issuances by Listed Companies*, the *Guidelines for the Application of Regulatory Rules – Offering No. 7*, the *Regulatory Guidelines for Listed Companies No. 2 – Regulatory Requirements for the Management and Utilization of Proceeds by Listed Companies (2022 Revision)*, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, it is hereby proposed that the *Measures for the Management of Proceeds* be amended, the details of which are set out in Appendix VI to this circular.

The above resolution was considered and approved by the Board on 31 May 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval.

### SPECIAL RESOLUTION:

### 12. INCREASE OF REGISTERED CAPITAL AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to further improve the corporate governance structure of the Company, the Company intends to increase the registered capital of the Company and to amend certain provisions of the Articles of Association in accordance with the provisions and requirements of laws and regulations and regulatory documents such as the *Measures for the Management of Independent Directors of Listed Companies*, the *Guidelines on the Articles of Association of Listed Companies*, the *Measures for the Supervision and Management of the Directors, Supervisors, Senior Management, and Practitioners of Securities and Fund Business Institutions*, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, and the conversion of the Company's A-share Convertible Bonds (as defined below) and in light of the needs of the Company's business operation and management, the details of which are set out below:

#### (1) Increase of registered capital of the Company

Pursuant to the *Approval on the Public Issuance of Convertible Corporate Bonds of China Galaxy Securities Co., Ltd. (CSRC Permit [2022] No. 547)* issued by the CSRC on 16 March 2022, the Company issued 78,000,000 A-share convertible corporate bonds (the "**A-share Convertible Bonds**") at par with a nominal value of RMB100 each by way of public issuance, to raise proceeds of RMB7,800,000,000 in total with a maturity period of six years from the date of issuance, i.e., from 24 March 2022 to 23 March 2028. The redemption of the A-share Convertible Bonds was completed on 18 December 2023.

The conversion of the A-share Convertible Bonds commenced on 30 September 2022. As of the redemption registration date (being 18 December 2023), the A-share Convertible Bonds with a cumulative amount of RMB7,780,609,000 were converted into A Shares, and 797,143,499 Shares in aggregate arose from conversion, which

---

## LETTER FROM THE BOARD

---

increased the total number of the Company's Shares to 10,934,402,256 Shares. The registered capital of the Company is proposed to be increased from RMB10,137,258,757 to RMB10,934,402,256 accordingly.

### (2) Amendments to certain provisions of the Articles of Association

Amendments to the Articles of Association mainly includes the following:

- (a) To amend the relevant provisions in the Articles of Association in respect of Independent Directors in accordance with the *Measures for the Management of Independent Directors of Listed Companies*, the SSE Listing Rules, the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations* and other relevant laws and regulations with respect to the latest requirements for Independent Directors;
- (b) To amend certain corporate governance-related provisions in the Articles of Association in accordance with the *Guidelines on the Articles of Association of Listed Companies*, the SSE Listing Rules and other laws and regulations;
- (c) To amend and improve the relevant provisions on the qualifications for the appointment of Directors, Supervisors, general managers (presidents) or other senior management of the Company in accordance with the *Measures for the Supervision and Management of the Directors, Supervisors, Senior Management, and Practitioners of Securities and Fund Business Institutions*;
- (d) To amend and improve certain provisions of the Articles of Association in accordance with the core shareholder protection standards as set out in Appendix A1 to the HKSE Listing Rules and as a result of the repeal of Part D of the original Appendix 13 of the HKSE Listing Rules;
- (e) To amend certain provisions based on changes in the Company's share capital resulting from the conversion of A-share Convertible Bonds and other actual circumstances;
- (f) To add the objectives of business integrity management in accordance with the *Opinions on Strengthening the Supervision of Intermediaries' Business Integrity under the Registration System* and the *Implementation Rules for the Business Integrity of Securities Firms and Their Employees*; and
- (g) To standardize the description of the scope of business in the Articles of Association in accordance with Article 12 of the *Implementation Rules of the Regulations on the Administration of Registration of Market Entities of the People's Republic of China* and in conjunction with the catalogue of standardized scope of business issued by the State Administration for Market Supervision.

Details of the specific amendments to the Articles of Association are set out in Appendix VII to this circular.

---

## LETTER FROM THE BOARD

---

The above resolution was considered and approved by the Board on 31 May 2024 and is hereby proposed at the AGM for Shareholders' consideration and approval. It is also proposed that the AGM authorizes the Board to and the Board delegates to the Company's business management or other persons to handle relevant matters such as the approval of relevant changes and the registration with the department in charge of industrial and commercial administration. The amendments to the Articles of Association shall be subject to the contents approved by or filed with the company registration authorities.

### THE AGM

The form of proxy of the AGM is enclosed herewith.

If you intend to appoint a proxy to attend the AGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited (for H Shareholders) and the Office of the Board of Directors of the Company (for A Shareholders) not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof in person or by post. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

### VOTING BY POLL

Pursuant to Rule 13.39(4) of the HKSE Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, the chairman of the AGM will exercise his power under the Articles of Association to demand a poll for all resolutions proposed at the AGM.

### RECOMMENDATION

The Board considers that all resolutions proposed at the AGM are in the interests of the Company and its Shareholders as a whole. As such, the Board recommends you to vote in favour of all the resolutions proposed at the AGM.

Yours faithfully,  
By order of the Board  
**China Galaxy Securities Co., Ltd.**  
**Wang Sheng**  
*Chairman and Executive Director*

---

## NOTICE OF ANNUAL GENERAL MEETING

---



*(Incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 06881)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of China Galaxy Securities Co., Ltd. (the “Company”) will be held at Conference Room M1919, Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing, the PRC on Friday, 28 June 2024 at 10:00 a.m. for the following purposes:

#### ORDINARY RESOLUTIONS

1. To consider and approve the final accounts plan of the Company for 2023;
2. To consider and approve the profit distribution plan of the Company for 2023;
3. To consider and approve the 2023 annual report of the Company;
4. To consider and approve the work report of the board of directors of the Company for 2023;
5. To consider and approve the work report of the supervisory committee of the Company for 2023;
6. To consider and approve the appointment of the external auditors of the Company for 2024;
7. To consider and approve the duty reports of the independent directors for 2023:
  - 7.01. To consider and approve the duty report of Ms. Liu Chun for 2023;
  - 7.02. To consider and approve the duty report of Mr. Law Cheuk Kin Stephen for 2023;
  - 7.03. To consider and approve the duty report of Mr. Wang Zhenjun for 2023;
  - 7.04. To consider and approve the duty report of Mr. Liu Ruizhong for 2023;
8. To consider and approve the relevant arrangement for interim profit distribution of the Company for 2024;
9. To consider and approve the amendments to the *Procedural Rules of the Board of Directors* of the Company;



---

## NOTICE OF ANNUAL GENERAL MEETING

---

10. To consider and approve the amendments to the *Working Rules for Independent Directors* of the Company;
11. To consider and approve the amendments to the *Measures for the Management of Proceeds* of the Company;

### SPECIAL RESOLUTION

12. To consider and approve the increase of registered capital of the Company and the amendments to the Articles of Association.

By order of the Board  
**China Galaxy Securities Co., Ltd.**  
**Wang Sheng**  
*Chairman and Executive Director*

Beijing, the PRC, 7 June 2024

*Notes:*

1. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. As such, each of the resolutions set out in the notice of AGM will be voted by poll. Results of the poll voting will be published on the Company's website at [www.chinastock.com.cn](http://www.chinastock.com.cn) and the HKExnews website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) after the AGM.
2. Any shareholder entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy needs not be a shareholder of the Company.
3. In order to be valid, the form of proxy together with the notarized power of attorney or other documents of authorization, if any, must be completed and returned to the Office of the Board of Directors of the Company (for A Shareholders) or the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited (for H Shareholders), not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof. Computershare Hong Kong Investor Services Limited is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the AGM or any adjournment thereof should he/she so wish.
4. For the purpose of determining the entitlement of H Shareholders to attend the AGM, the H Share register of members of the Company will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024 (both days inclusive), during which period no transfer of H Shares will be registered. In order to attend the AGM, all share certificates, together with the instruments of transfers, must be lodged for registration with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders) at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Monday, 24 June 2024.

The Company will announce separately on the Shanghai Stock Exchange details of A Shareholders' eligibility for attending the AGM.

5. The Company proposed to distribute a cash dividend of RMB2,405,568,496.32 (tax inclusive) for 2023 (the "**2023 Final Dividend**"). Based on the Company's total number of issued shares of 10,934,402,256 shares as at 31 December 2023, a cash dividend of RMB2.20 for every 10 shares is proposed to be distributed. In the event of changes in the total share capital of the Company between the date of this notice and the record date of the equity distribution (i.e. 15 July 2024), the Company intends to maintain the total cash dividend unchanged and adjust the cash distribution amount per share accordingly.



---

## NOTICE OF ANNUAL GENERAL MEETING

---

The 2023 Final Dividend will be denominated and declared in RMB, and paid in RMB and in HK dollar to A Shareholders and H Shareholders, respectively. The actual amount distributed in HK dollar will be calculated based on the average benchmark exchange rate for conversion between RMB and HK dollar as announced by the People's Bank of China for the five working days prior to the date of the AGM.

For the purpose of determining the entitlement of H Shareholders to the 2023 Final Dividend, the H Share register of members of the Company will be closed from Wednesday, 10 July 2024 to Monday, 15 July 2024 (both days inclusive), during which period no transfer of H Shares will be registered. H Shareholders whose names appear on the H Share register of members of the Company on Monday, 15 July 2024 are entitled to the 2023 Final Dividend. In order to be entitled to receive the 2023 Final Dividend, all share certificates, together with the instruments of transfers, must be lodged for registration with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders) at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Tuesday, 9 July 2024. The last trading day for H Shares of the Company before ex-dividend will be Friday, 5 July 2024, and trading of ex-dividend H Shares shall commence on Monday, 8 July 2024.

The 2023 Final Dividend (if approved by shareholders of the Company at the AGM) is expected to be distributed on or before Tuesday, 27 August 2024 to H Shareholders whose names appear on the H Share register of members of the Company on Monday, 15 July 2024.

As for the distribution of the 2023 Final Dividend to the A Shareholders, the record date is Monday, 15 July 2024, and the ex-dividend date and the dividend distribution date are Tuesday, 16 July 2024. The Company will announce separately on the Shanghai Stock Exchange details of the arrangements regarding the distribution of the 2023 Final Dividend to its A Shareholders.

For Hong Kong investors (including enterprises and individuals) investing in the Company's A Shares via the Shanghai Stock Connect Program, the 2023 Final Dividend will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such A Shares. The record date, the dividend distribution date and other arrangements for investors via the Shanghai Stock Connect Program will be the same as those for the Company's A Shareholders.

For Mainland investors (including enterprises and individuals) investing in the Company's H Shares via the Hong Kong Stock Connect Program, the Shanghai Branch and the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the investors via the Hong Kong Stock Connect Program, will receive the 2023 Final Dividend distributed by the Company and distribute such 2023 Final Dividend in RMB to the relevant investors of H Shares through its depository and clearing system. The record date, the dividend distribution date and other arrangements for investors via the Hong Kong Stock Connect Program will be the same as those for the Company's H Shareholders.

6. Where there are joint holders of any shares, the one whose name stands first in the register of members shall be entitled to attend and vote at the AGM in respect of such shares.
7. Shareholder or his/her proxy shall produce proof of identity when attending the AGM:
  - (a) Legal representatives of legal person shareholders who attend the meeting shall produce their own identity cards and effective proof of their capacity as legal representatives. Proxies of legal person shareholders shall produce their own identity cards and the form of proxy duly signed by the legal representatives or the board of directors or other governing body of the legal person shareholders according to laws; and
  - (b) Individual shareholders who attend the meeting in person shall produce their identity cards or other effective document or proof of identity and stock account cards. Proxies of individual shareholders shall produce effective proof of identity and form of proxy.
8. The AGM is expected to be held for less than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.

---

## NOTICE OF ANNUAL GENERAL MEETING

---

9. The Office of the Board of Directors of the Company is located at Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing, the PRC

Tel: 86 (10) 8092 9800

Fax: 86 (10) 8092 6725

*As at the date of this notice, the executive directors of the Company are Mr. WANG Sheng (Chairman) and Mr. XUE Jun (Vice Chairman and President); the non-executive Directors are Mr. YANG Tijun, Ms. LI Hui, Ms. LIU Chang and Mr. LIU Zhihong; and the independent non-executive directors are Mr. WANG Zhenjun, Ms. LIU Chun and Mr. LAW Cheuk Kin Stephen and Mr. LIU Li.*

---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

### WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

Dear Shareholders,

According to the relevant requirements of the *Company Law*, related laws and regulations, and the Articles of Association, the major work carried out by the Board in 2023 is reported as follows:

In 2023, the Board studied and implemented Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era and the spirits of the 20th National Congress of the Chinese Communist Party (CCP) and the central financial work conference in great depth and upheld the regulatory requirements of the securities industry of "Four Aves and One Joint Effort". Deeply leveraging the macro-economic situation and changes in the market environment, the Board actively fulfilled the duties of "developing strategies, making decisions, and preventing risks", made scientific decisions and performed duties efficiently in accordance with the Articles of Association, procedural rules and relevant regulations. The Board strictly adhered to the financial essence of serving the real economy and concentrated on its core business. Centering on the development philosophy of creating a "Five-in-One" business model and building a "Three Plus One" system and mechanism, the Board also adhered to the principles of seeking progress while maintaining stability and promoting stability with progress, coordinated the Company's development and security to comprehensively strengthen the building of corporate governance capacity within the Group, and improved the comprehensive risk management and internal control compliance supervision systems, for the purpose of continuously improving the Company's comprehensive financial capabilities to serve national strategies and promote the development of the real economy. The Company achieved consistent advancements in operational performance and made significant breakthroughs in key businesses, maintaining a positive upward trend in its overall development.

#### Part I Major Work of the Board in 2023

In 2023, the Board conscientiously performed the duties stipulated by laws and regulations and the Articles of Association. It convened two general meetings, at which 13 matters were considered and one matter was heard. It convened 11 Board meetings, at which 40 matters were considered and 10 matters were heard. The specialized committees under the Board convened 19 meetings. In particular, the Strategy and Development Committee convened four meetings and considered 11 matters. The Compliance and Risk Management Committee convened two meetings, considered five matters and heard three matters. The Nomination and Remuneration Committee convened seven meetings and considered 11 matters. The Audit Committee convened six meetings, considered 18 matters and heard five matters.

---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

In 2023, the Board focused on carrying out the following tasks:

### I. Insisting on planning ahead to make the strategic management of a modern investment bank more scientifically

The Board prioritized strategic planning as the key element for guiding business development. It concentrated on the consideration and decision-making process, publicity and guidance, organization for implementation, and assessment and oversight of strategic planning to establish a closed loop management system, facilitating the implementation of its strategic blueprint. In accordance with the spirit of the 20th National Congress of the CCP and the latest arrangements made by the Party Central Committee on financial work, the Board considered and approved the *Strategic Development Plan of China Galaxy Securities (2023-2025)* to define the strategic mission of the Company as “serving the country with finance and putting customers first” and to set its strategic goal as building a first-class domestic and international modern investment bank. The Board also specified in the strategic planning the responsibilities and missions of the Company as a state-owned financial company and transformed them into concrete actions. Meanwhile, the Board developed the *Implementation Proposal for the Strategic Development Plan of China Galaxy Securities (2023-2025)* by focusing on the main objectives and tasks of the strategic planning, and made the action plans for business lines and subsidiaries covering “five major business lines + four subsidiaries” and the action plans for supporting and safeguarding internal control, capital, culture, platform and digital construction, which enhanced the efficiency in implementing the strategic planning.

### II. Prioritising core business to enhance both quality and efficiency of business under the “Five-in-One” business model

The Board focused on expediting the building of a world-class investment bank and prioritising key areas to promote the Company’s continuous improvement of its core competitiveness. **Firstly, the Board continuously deepened the transformation and development of wealth management business.** It accelerated the business transformation and upgrade of the Company by introducing an entrepreneur office service system called “Xingyao” and facilitating the launch of “family trust + fund investment advisory” services. As a result, the Company maintained a steady credit business scale and became the first batch of companies obtaining qualifications for the margin financing and securities lending business from BSE, with its industry leading position retaining in terms of public securities lending volume. **Secondly, the Board advanced professional reforms in the investment banking business** by leveraging the opportunities presented by the registration system reform, optimising team structure, recruiting skilled professionals and improving management systems and mechanisms to broaden client resources through collaborative efforts. **Thirdly, the Board improved both quality and efficiency of the investment business with joint efforts.** The Board adjusted and optimized the Company’s asset allocation by taking advantage of market development pace, as a result of which a steady growth was seen in fixed income investments, the strict control of risk exposure was made in equity investments, and the overall investment size remained stable, with a significant year-on-year increase in business revenue and net profit. **Fourthly, the Board made every effort to advance the development of institutional business.** It established a new institutional business line to coordinate the integrated development of institutional

---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

investment trading, institutional sales, custody outsourcing and market making businesses, and launched “Galaxy Sky Bow (銀河天弓)” as the one-stop institutional service platform. **Fifthly, the Board enhanced integrated development domestically and internationally.** The Company became the sole owner of CIMB after completing the final stage of the exercise of option for the CIMB merger and acquisition project. The Board continuously enhanced the coordinated management of overseas institutions, solidified the foundation for cross-border business development, and increased the capabilities of the Company in cross-border business, enabling the Company to take a new step forward in maintaining its advantageous position in the key Southeast Asian markets and building the interconnection of capital markets between China and ASEAN.

The Board further advanced the integration of businesses between all subsidiaries and the parent company to offer customers with better comprehensive financial services within the Group’s framework. Despite the market downturn, Galaxy Futures outperformed the market in terms of year-on-year growth in trading volumes and turnover, while Galaxy Derivatives maintained its industry-leading net profit. Galaxy Capital Management concentrated on the investment and operation of the Hainan Free Trade Port Fund to build a mother-sub-fund ecosystem. Galaxy Jinhui continued to promote product deployment and channel building and actively address risk events, with the proportion of assets under active management growing year on year and the scale of products basically remaining stable. Galaxy Yuanhui made robust deployment for the investment business and adopted a flexible allocation strategy for investment in financial products, maintaining stable returns from investment portfolios.

### III. Promoting the “Three Plus One” Mechanism to Improve the Capability of the Company for Long-Term Development

The Board facilitated the improvement of the “Three Plus One” system and mechanism by sticking to market-oriented reforms, deepening digital transformation and expediting the construction of platforms, to achieve synergy in all aspects. **Firstly**, it steadfastly pursued market-oriented reforms by promoting the setup of five management committees and enhancing the functions of frontline departments to meet the needs of strategic arrangement for a modern investment bank. **Secondly**, it continued to deepen digital and platform construction through the improvement of IT infrastructures and the upgrading of integrated data service platform, in order to enhance the level of data sharing. **Thirdly**, it persisted in pursuing synergy in all aspects. The Board continued to strengthen the concept and culture of synergy by optimising the synergy incentive mechanism for cross-border, investment and financing, and OTC derivatives businesses, so as to fully stimulate synergic development.

### IV. Improving and optimising the corporate governance system

Centering on the “scientific, standardized, simple and effective” concepts for governance systems, the Board revised the relevant contents of the Articles of Association, the *Management Measures for Strategic Planning of China Galaxy Securities Co., Ltd.*, and other systems in 2023 in accordance with regulatory policies and the needs of the Company for business development to ensure that the corporate governance system was aligned with new laws and regulations, the needs of the Company for business development and the requirements of Shareholders. Meanwhile, the Board guided and supervised the formulation

---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

by the Company of the *Management Rules of the Group's Remuneration* and the *Management Measures for the Evaluation and Remuneration of Directors, Supervisors, and Senior Management* to implement the specific requirements of regulators for the management of remuneration of financial institutions.

### **V. Enhancing the capability in building corporate governance**

The Board continued to enhance its capability of corporate governance. **Firstly**, the Board devised and implemented various arrangements of the year for work highlights by deeply implementing strategic plans and achieving overarching objectives, so that its work will be carried out in a more systematic, forward-thinking and scientific manner. **Secondly**, it conducted in-depth investigation and research activities on branches, subsidiaries and industry peers and listened to the reports on special topics from relevant business departments, so as to keep updated of the Company's operation and management and obtain first-hand information for decision making. **Thirdly**, the Board completed the replacement and appointment of the chairman and vice chairman of the Board and the resignation and by-election of Independent Directors in compliance with laws and regulations to further optimize the composition of the Board. **Fourthly**, with the improvement of the Directors' ability to perform their duties as the starting point, the Board conducted special training on new regulatory requirements to increase its capability in strategic management, deliberation and decision making, risk control, and compliance operation.

### **VI. Improving capital management capability to achieve costs reduction and efficiency enhancement in a practical manner**

The Board focused on the development strategy of the Company, continued to study and determine the situation of the capital market and the development trend of the securities industry, and continuously promoted the optimization of the structure of the Company's assets and liabilities on the condition that risk control indicators were ensured to meet the external regulatory and internal control requirements. In 2023, the Company completed the continual conversion of A-share convertible bonds, with its total share capital growing to RMB10.934 billion and its net assets surpassing the mark of RMB130 billion. This made it at the first place among all top-tier securities firms in terms of net asset growth rate, with enhanced capacities in capital strength and risk resistance. In 2023, the Company issued bonds in a cumulative amount of RMB87.7 billion, with its cost of financial liabilities decreasing by 13 basis points from 2022 to 2.99%. The total cost of liabilities was below the average value of top-tier securities firms, while the financial leverage remained at a healthy level.

### **VII. Strictly holding on to the bottom line of compliance and risk control to coordinate development and security**

The Board strictly held on to the "bottom line of compliance" and continued to strengthen the construction of the Company's internal control system. **Firstly**, it consistently improved compliance management capabilities for new businesses and further optimized the compliance management system of the Company by focusing on conducting compliance training, with an aim to foster the development of a compliance culture on an ongoing basis. **Secondly**, the Board diligently advanced the effective implementation of anti-money



laundering measures and established an integrated prevention and control mechanism for anti-money laundering monitoring, assessment, early warning, and response. **Thirdly**, it strengthened integrity management by incorporating integrity risk prevention and control into the business process and operation, which enhanced supervision and accountability, and urged employees to fulfil their duties in compliance with laws and regulations.

The Board actively fulfilled the responsibility of “comprehensive risk management” and held on to the bottom line of zero major risks. **Firstly**, it comprehensively strengthened the risk management and control of the Group and improved the penetrating full-coverage risk management operation mechanism covering subsidiaries and off-balance sheet businesses, so as to enhance risk management in a proactive, professional, and forward-looking manner. **Secondly**, the Board and the Compliance and Risk Management Committee consistently conducted research and study on market risks, listened to the reports on compliance and risk management in several occasions, offered several opinions and advice targeted at relevant issues, and steadfastly pursued the approach of “moving ahead of the market in addressing risks”, thus playing a crucial guiding role in the early identification, warning, prevention, and mitigation of risks. In 2023, the Company did not have any major risk events and all of its businesses operated in an orderly manner.

#### **VIII. Giving full play to financial advantages for the fulfilment of social responsibilities**

The Board recognized the importance of meeting political and people’s needs in finance, and prioritized the key national strategies as well as the requirements of the latest deployment under the “Five Major Sectors” for serving the real economy, with an aim to facilitate the implementation of the strategic mission of “serving the country with finance”. **Firstly, it focused on technology finance.** The Board established “Big NeoBay Fund (大零號灣基金)”, the first “key and core technology” venture capital fund in Minhang District, Shanghai, and explored the business model of “investment banking + cross-border + OTC” to facilitate the successful issuance of GDRs by a leading carbon product company, enhancing the international competitiveness of high-tech enterprises in China. **Secondly, it focused on green finance.** The Board pioneered the business model of “investment banking + market making + risk management” that effectively reduced the costs of issuance of bonds by green and low-carbon enterprises. The Company issued the first local government green bonds in Macau, which contributed to the development of green finance in the Guangdong-Hong Kong-Macao Greater Bay Area. **Thirdly, it focused on inclusive finance.** The Board enhanced the development and availability of inclusive financial products and organized investment education activities that covered 56.33 million individuals, contributing to revitalising the capital market and enhancing investor confidence. The Company served 1,052 micro, small and medium-sized enterprises through the application of hedging and OTC derivatives. The Board diligently carried out targeted assistance to continuously support rural revitalization. The “insurance + futures” project benefited 39,200 rural households, creating a Galaxy paradigm in the practice of inclusive finance. **Fourthly, it focused on pension finance.** The Board actively participated in the building of a multi-tiered pension system, with individual pension trading accounts surpassing 56,000 and the scale of pension finance reaching RMB320 million. **Fifthly, it focused on digital finance.** The Company continued to make innovation in its digital RMB business and took the lead in the industry to launch smart trading tools online on the BSE to become one of the first batch of securities firms on the “Investor Service e-Station” selected by the BSE,

---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

resulting in further enhancement of its capability in digital empowerment development. Meanwhile, the Board facilitated the Company to incorporate ESG concepts into its long-term business strategy and to integrate ESG factors into the every aspect of corporate management and business operations in a practical manner, so as to drive efficient and robust advancements in ESG initiatives.

### **IX. Properly completing the tasks in relation to information disclosure, investor management and connected transactions**

The Board attached great importance to the efficiency in managing matters associated with information disclosure and the quality of information disclosure. It was also deeply engaged in the disclosure of information in a “true, accurate, complete, timely and fair” manner in strict compliance with laws and regulations, the Articles of Association and the provisions of the *Management System for Information Disclosure of the Company*, which ensured the timeliness and fairness of information disclosure and protected the legitimate rights and interests of investors. In 2023, the Company prepared and released a total of 345 disclosure documents for both A-share and H-share markets.

The Board attached great importance to the management of investor relations. It dynamically analysed the institutions through which the Company’s Shareholders held shares and monitored changes, consistently enhanced interactions and communication with investors by building various communication channels (including communication on-site, by telephone and Internet) and an investor relationship management platform covering various communication methods such as results briefings, roadshows, reception of investors for investigation and research, company website, investor hotline and email, and promptly conveyed the Company’s strategic planning and business highlights to investors by arranging the Company to actively participate in the SSE’s e-interaction platform, organize open day activities for investors, attend investment strategy meetings of securities companies or the SSE meetings for exchange of opinions and any other forms of activities, thereby demonstrating the corporate brand image and boosting investors’ confidence in the Company’s development.

The Board conducted connected transactions in strict compliance with the SSE Listing Rules, the HKSE Listing Rules and the *Measures for the Administration of Connected Transactions of the Company*. The connected transactions were conducted based on the principles of impartiality, openness and fairness, and the connected transaction agreements were entered into based on the principles of equality, voluntariness, equivalence and compensation. The Board continued to strengthen the confirmation of connected parties, compliance review of connected transactions, and organization and decision making of major connected transactions, and strictly implemented the requirements of internal rules and regulations such as the provision of independent opinions by Independent Directors in respect of major connected transactions and the abstention of connected Directors, with a view to safeguarding the legitimate rights and interests of all Shareholders.



---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

### X. Convening general meetings in accordance with laws and regulations and efficiently implementing any resolutions adopted by the general meetings

The Board diligently performed the duties of the convener of general meetings in accordance with the relevant provisions of laws, regulations and the Articles of Association. In 2023, the Board convened two general meetings, considered and approved 13 resolutions and heard one report. The Board performed duties in strict accordance with the Articles of Association, the *Plan for the Authorization Granted to the Board of Directors by the General Meeting* and others, and there were no decisions on any matters that were outside the scope of authorization throughout the year. The Board actively and effectively organized and implemented the resolutions adopted by the Shareholders at general meetings, and successfully completed the election of Directors, profit distribution, and re-appointment of accounting firms.

### Part II Directors' Performance of Duties in 2023

In 2023, all Directors strictly abided by laws and regulations and the Articles of Association, and performed their statutory duties diligently, responsibly, in good faith and in compliance with laws and regulations. They attended the meetings of the Board and specialized committees in a timely manner and made scientific decisions. The Directors gained an understanding of the actual situation of the Company's operation and management in a timely manner and obtained first-hand information for decision making by conducting in-depth seminar, investigation and study on branch offices, securities branches and the departments of the headquarters and listening to reports. The Directors actively participated in various trainings to constantly enhance their ability to perform duties. In 2023, the professional advantages of the specialized committees under the Board and Independent Directors were fully exerted in aspects such as the optimization and implementation of strategic plan, establishment of governance systems, capital replenishment, financial technology, compliance risk control, performance assessment, information disclosure, and social responsibility.

### I. Attendance of Directors at Board Meetings in 2023

Name of Director	Required attendance	Attendance in person	Attendance by proxy	Absence	Number of resolutions required for voting	Number of resolutions actually voted
WANG Sheng <sup>1</sup>	11	11	0	0	39	39
CHEN Liang <sup>2</sup> (Resigned)	6	6	0	0	30	30
YANG Tijun	10	10	0	0	39	39
LI Hui <sup>3</sup>	9	9	0	0	38	38
LIU Chang	10	10	0	0	39	39
LIU Zhihong	10	9	1	0	39	39
WANG Zhenjun	11	11	0	0	40	40
LIU Chun	11	11	0	0	40	40
LAW Cheuk Kin Stephen	11	10	1	0	40	40
LIU Ruizhong <sup>4</sup> (Resigned)	9	9	0	0	37	37
JIANG Yuesheng <sup>5</sup>	10	10	0	0	40	40

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

### Notes:

1. On 23 October 2023, it was approved at the twentieth meeting (extraordinary) of the fourth session of the Board that Mr. WANG Sheng would serve as the Chairman of the Board of the Company and as the chairman of the Strategy and Development Committee of the Board in accordance with the Articles of Association.
2. On 20 October 2023, Mr. CHEN Liang tendered his resignation to the Company from his positions as a Director and the Chairman of the Board, the chairman of the Strategy and Development Committee of the Board, the chairman of the Executive Committee of the Company and other related positions due to his work arrangements. His resignation report was served on the Board and became effective on that day.
3. On 10 March 2023, Ms. LI Hui was elected as a non-executive Director of the Company at the first extraordinary general meeting of the Company for 2023.
4. On 13 December 2023, Mr. LIU Ruizhong applied for resignation from his positions as an independent non-executive Director, the chairman of the Nomination and Remuneration Committee under the Board, and a member of each of the Strategy and Development Committee and the Audit Committee under the Board of the Company as he had served as an independent non-executive Director for six years. His resignation report was served on the Board and became effective on that day.
5. On 15 January 2024, the Board received a written resignation application from Mr. JIANG Yuesheng, an employee Director. Mr. JIANG Yuesheng resigned from his positions as an employee Director, a member of the Compliance and Risk Management Committee under the Board and other positions of the Company as he reached the statutory retirement age. The application became effective on the day of delivery to the Board.

Pursuant to Appendix C1 (formerly Appendix 14) Corporate Governance Code of the HKSE Listing Rules, which provides that “The chairman should at least annually hold a meeting with independent non-executive directors without the presence of other directors”. Mr. YANG Tijun, Ms. LI Hui, Ms. LIU Chang, Mr. LIU Zhihong and Mr. JIANG Yuesheng attended all of the Board meetings which they were required to attend, except the third Independent Non-executive Director meeting of the fourth session of the Board held on 20 December 2023 which the above Directors were not required to attend.

### II. Participation by Directors of training courses in 2023

No.	Training date	Main content	Directors who participated in the training
1	14 February 2023	“Standardized Operations and Information Disclosure of Listed Companies”	CHEN Liang, WANG Sheng, YANG Tijun, LIU Chang, LIU Zhihong, LIU Ruizhong, WANG Zhenjun, LIU Chun, LAW Cheuk Kin Stephen, and JIANG Yuesheng
2	22 August 2023	Sixth session of special training for directors and supervisors of the listed company in the Beijing Area in 2023	LI Hui

---

**APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023**

---

<b>No.</b>	<b>Training date</b>	<b>Main content</b>	<b>Directors who participated in the training</b>
3	4 September 2023	Reform of independent director system of listed companies	CHEN Liang and WANG Sheng
4	8 September 2023	Strengthening investor relations management to enhance value realization/public opinion response and guidance in the era of all-media	YANG Tijun, LI Hui, LIU Chang, LIU Zhihong, and JIANG Yuesheng
5	15 September 2023	Fifth session of initial training for directors, supervisors and senior management of listed companies in 2023 organized by the SSE	LI Hui
6	15 September 2023	Compliance training organized by the Company's Legal and Compliance Headquarters	YANG Tijun, LI Hui
7	6 December 2023	Anti-money laundering training for directors, supervisors and senior management in 2023	YANG Tijun, LI Hui
8	14 December 2023	Sixth session of follow-up training for independent directors of listed companies in 2023 organized by the SSE	WANG Zhenjun
9	14 December 2023	Special training on the Management Measures for Independent Directors of SSE Listed Companies in the Beijing Area	YANG Tijun, LIU Chang, LIU Zhihong and JIANG Yuesheng

**Part III Work Highlights for 2024**

The year 2024 is a critical year for the Board to fully implement the spirit of the 20th National Congress of the CCP and the *Strategic Development Plan of China Galaxy Securities (2023-2025)*. The Board will resolutely implement the decisions and deployments made at the 20th National Congress of the CCP with a focus on strategic planning objectives. It will adhere to the present while planning for the long term and integrate its own business development into the overall national development agenda to promote the transformation of the Company from a traditional securities firm into a modern investment bank.

---

## APPENDIX I WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023

---

### I. Pushing forward the implementation of the Strategic Development Plan of China Galaxy Securities (2023-2025)

In 2024, the Board will strengthen the organization and coordination of the implementation of the *Strategic Development Plan of China Galaxy Securities (2023-2025)*, supervise the process of implementing the strategic plan, promote the strategic development plan that covers every aspect of operations and management in 2024, and conduct a mid-term assessment on the strategy.

### II. Effectively fulfilling the social responsibilities of the Company as a state-owned enterprise

In 2024, the Board will continue to consolidate the achievements from serving the national strategy and the real economy. Steadfast efforts will be made in the Five Major Sectors, namely technology finance, green finance, inclusive finance, pension finance and digital finance, to support a high-level scientific and technological self-reliance framework and the construction of a modernized industrial system and to pursue the high-quality development of the real economy.

### III. Comprehensively enhancing the competitiveness of the Company's businesses

In 2024, the Board will continuously promote the “Five-in-One” business system to comprehensively enhance the competitiveness of the Company's businesses. **Firstly**, in respect of the wealth management business, the Board will be required to cultivate the Company's capabilities in investment advisory services as a buyer, expand AUM, and create the Galaxy Grand Wealth brand. **Secondly**, in respect of the investment banking business, the Board will consistently proceed with in-depth professional reforms by introducing professional talents and teams, with an aim to establish a good brand for the investment banking business. **Thirdly**, in respect of the institutional business, the Board will address the comprehensive needs of customers by adopting the “1+N” institutional customer service model and strengthen the “Galaxy Sky Bow” institutional business brand. **Fourthly**, in respect of the international business, the Board will persist in promoting the integration of domestic and overseas synergies, improve coordination and management of overseas institutions, and solidify the foundation for cross-border business development, for the purpose of increasing the Company's cross-border business capabilities. **Fifthly**, in respect of the investment trading business, the Board will continue to strengthen its traditional proprietary business, optimize the allocation of major assets, and enhance the quality of portfolio assets, with a view to leveraging the professional capabilities developed through proprietary business to empower its client need-driven business.

### IV. Deepening system and mechanism reforms in an orderly manner

In 2024, the Board will continue to optimize the “Three Plus One” system and mechanism by upholding market-oriented reforms, advancing digital transformation, accelerating platform construction, and achieving synergy in all aspects, so that robust reforms in systems and mechanisms will offer support to the Company's transformation into a modern investment bank.

**V. Constantly managing the capital of the Company in a proper manner**

In 2024, the Board will put “asset structure adjustment and resources allocation optimization” as the top priority of capital management, promote the transformation of the Company’s capital management from “business-driven financing” to “resources allocation optimization”, and increase capital investment in core business.

**VI. Accelerating the high-quality development of subsidiaries**

In 2024, the Board will continue to focus on professional and coordinated development and push forward the integration of businesses between the parent company and subsidiaries, so as to provide clients with comprehensive financial services. Galaxy Futures will focus on breakthroughs in key areas such as OTC derivatives business, financial institution business, investment research, and spot & futures business. Galaxy Jinhui will strengthen the construction of its product system, introduce diversified clients and enhance its investment management capability. Galaxy Yuanhui will concentrate mainly on equity investment and collaborate with investment banks to improve overall efficiency and optimize the investment portfolio of financial products. With a focus on AUM growth, Galaxy Capital Management will emphasize on enhancing investment capacity, strengthen coordinated development, and implement key fund initiatives.

**VII. Further improving compliance and risk control management**

In 2024, the Board will comprehensively implement various regulatory requirements, promote the optimization of internal control culture, systems and processes, and internal control system, and strictly hold on to the bottom line of compliance risk control. It will further focus on risk-prone areas and key business areas and enhance the capabilities of risk source management, process control, risk emergency response and risk mitigation.

**VIII. Continuously improving corporate governance**

In 2024, the Board will continue to improve the governance systems and mechanisms of group companies and subsidiaries at all levels, strengthen its own construction, enhance efficiency in corporate governance in accordance with the latest regulatory standards, with an aim to further stimulate the Company’s internal dynamics and boost its development vitality. The Board will offer additional trainings to Directors to improve their performance capabilities, strengthen the advisory functions of the specialized committees under the Board, and further improve its own strategic decision-making and management capabilities.

The work report of the Board of Directors for 2023 was considered and approved at the twenty-fifth meeting (regular) of the fourth session of the Board of the Company on 28 March 2024 and is hereby proposed at the general meeting for consideration.

**WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023**

Dear Shareholders,

With the vigorous support from the Shareholders throughout the year, the Board, the Supervisory Committee and the business management earnestly performed their respective duties, and continued to promote the reforms and development of the Company. The Company maintained stable operating results, with its industry ranking continuing to improve. The Group recorded consolidated operating income of RMB33.6 billion, ranking 4th in the industry. The net profit amounted to RMB7.88 billion, ranking 5th in the industry, up one place from last year. In accordance with the requirements of the *Company Law*, the *Securities Law*, and the relevant regulations of the CSRC, the SSE and the Hong Kong Stock Exchange, the Supervisory Committee implemented the decisions and arrangements made by the higher authority and the Party Committee of the Company. The Supervisory Committee deeply understood the significance of the 20th National Congress of the Chinese Communist Party (CCP). Pursuant to the responsibilities and requirements stipulated by laws and regulations and the Articles of Association, the Supervisory Committee focused on practising the core values of “stressing political awareness, strengthening supervision, preventing risks and promoting development”, effectively performed duties and responsibilities, and enhanced the standards of deliberation. The Supervisory Committee made steadfast efforts in promoting the implementation of the decisions and arrangements made by the Party Committee, facilitating the effective coordination of relationships between corporate governance players, and consolidating and improving normalized systems and mechanisms. All these protected the legitimate rights and interests of the Shareholders, the Company and employees and facilitated the Company’s standardized, steady operations. The work report of the Supervisory Committee for 2023 is hereby mainly presented as follows:

**I. MEETINGS AND ATTENDANCE DURING THE REPORTING PERIOD****(I) Meetings of the Supervisory Committee and attendance**

The Supervisory Committee convened a total of five meetings, at which 17 resolutions were considered and approved. The details are as follows:

1. The 2023 first meeting (regular) of the fourth session of the Supervisory Committee was convened on 29 March 2023, at which the “Resolution on Reviewing the Work Report of the Supervisory Committee of China Galaxy Securities Co., Ltd. for 2022”, the “Resolution on Reviewing the 2023 Work Highlights of the Supervisory Committee of China Galaxy Securities Co., Ltd.”, the “Resolution on Reviewing the 2022 Annual Report of China Galaxy Securities Co., Ltd.”, the “Resolution on the 2023 Annual Work Plan of China Galaxy Securities Co., Ltd.”, the “Resolution on Reviewing the 2022 Final Accounts Plan of China Galaxy Securities Co., Ltd.”, the “Resolution on Reviewing the 2022 Profit Distribution Plan of China Galaxy Securities Co., Ltd.”, the “Resolution on Reviewing the 2022 Compliance Report of China Galaxy Securities Co., Ltd.”, the “Resolution on Reviewing the 2022 Risk Management Report of China Galaxy Securities Co., Ltd.”, the “Resolution on Reviewing the 2022 Internal Control Evaluation Report

of the Company”, the “Resolution on Reviewing the 2022 Social Responsibility & Environmental, Social and Governance Report of China Galaxy Securities Co., Ltd.”, the “Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025”, and the “Resolution on Reviewing the Special Report on the Deposit and Actual Use of the Proceeds for 2022” were considered and approved, and the 2022 report on anti-money laundering work of the Company, the 2022 report on integrity management of the Company, and reports on finance-related resolutions and the audit of the Company’s annual report were heard.

2. The 2023 second meeting (regular) of the fourth session of the Supervisory Committee was convened on 27 April 2023, at which the “Resolution on Reviewing the 2023 First Quarterly Report of China Galaxy Securities Co., Ltd.” was considered and approved, and the reports on the compensation for duty performance and business expenditures of the leading team members of the Company for 2022 and the preparation of the 2023 budget were heard.
3. The 2023 third meeting (regular) of the fourth session of the Supervisory Committee was convened on 30 August 2023, at which the “Resolution on Reviewing the 2023 Interim Report of China Galaxy Securities Co., Ltd.” and the “Resolution on Reviewing the Management Measures for the Evaluation and Remuneration of Directors, Supervisors, and Senior Management of China Galaxy Securities Co., Ltd.” were considered and approved, and the report on deficiencies found in the evaluation of internal control and rectification of problems in 2022 was heard.
4. The 2023 fourth meeting (regular) of the fourth session of the Supervisory Committee was convened on 30 October 2023, at which the “Resolution on Reviewing the 2023 Third Quarterly Report of China Galaxy Securities Co., Ltd.” was considered and approved.
5. The 2023 fifth meeting (extraordinary) of the fourth session of the Supervisory Committee was convened on 20 December 2023, at which the “Resolution on Reviewing the Subsidy Standard for External Supervisors” was considered and approved.

The attendance of Supervisors at meetings of the Supervisory Committee is as follows:



## APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023

Name of Supervisor	Position	Required attendance during the year	Actual attendance	Of which		
				On-site attendance	Attendance by telephone	Attendance by proxy
QU Yanping	Shareholder Supervisor and Chairperson of the Supervisory Committee	5	5	4	1	0
WEI Guoqiang	Shareholder Supervisor	5	5	5	0	0
TAO Libin	External Supervisor	5	5	4	1	0
CHEN Jijiang	Employee Supervisor	5	5	5	0	0
FAN Minfei	Employee Supervisor	5	5	5	0	0

### (II) General meetings and attendance

During the reporting period, the Supervisors attended all general meetings, including the 2023 first extraordinary general meeting and the 2022 annual general meeting.

During the year, the Supervisory Committee submitted one resolution to the general meeting: the “Work Report of the Supervisory Committee for 2022”.

## II. MAJOR WORK OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

In accordance with the relevant requirements of the Articles of Association and the *Measures for the Supervision of the Supervisory Committee*, the Supervisory Committee performed its supervisory duties in compliance with laws and regulations, strengthened supervision in four aspects, urged the Company to enhance its operation and management standard, and reinforced risk prevention capabilities, thus achieving the sustainable development of the Company.

**(I) Oversight of the performance of duties.** During the year, four meetings of the Performance Monitoring Committee were held. Supervisors attended the meetings of the Board and its specialized committees as well as relevant meetings of the business management as non-voting participants, maintained written records of the attendances of and any speeches made by the members of the Board and business management at such meetings, supervised the legality and compliance for convening of meetings, review and approval of resolutions, and decision-making process, and kept abreast of the operation and management of the Company and the progress of implementing major decisions and arrangements, thereby exercising the oversight of the performance of duties by the Board, the business



management and their respective members in an objective and fair manner. Supervisors also issued an evaluation of performance of duties to the parties associated with governance in accordance with the *Measures for the Supervision and Management of Directors, Supervisors, Senior Management and Practitioners of Securities and Fund Management Institutions*.

**1. Oversight of the performance of duties by the Board and its members.**

The Board held 11 Board meetings and 19 specialized committee meetings throughout the year. Supervisors attended all the on-site meetings and supervised the whole process of the procedures for the convening of the Board meetings to ensure compliance with laws and regulations.

The Supervisory Committee was of the view that in 2023, the Board performed its duties pursuant to the requirements of the *Company Law*, the Articles of Association and the *Procedural Rules of the Board of Directors*, observed the market supervision policies of the Mainland China and Hong Kong, and maintained regulated operation in the aspects such as corporate governance, information disclosure and investor relations. Directors were able to perform their duties diligently and give full play to their professional advantages to actively express their opinions. No Directors of the Company were found to have violated laws and regulations, the Articles of Association, or causing harm to the legitimate rights and interests of Shareholders, the Company, and employees when performing their duties.

**2. Oversight of the performance of duties by the business management and its members.**

The business management held 25 Executive Committee meetings throughout the year, and Supervisors attended 19 on-site meetings as non-voting participants. The Supervisory Committee reviewed the semi-annual written report on the duty performance of senior management officers, organized and listened to the special reports given by relevant functional departments such as finance, risk, audit and compliance, and raised questions regarding key issues. The Supervisory Committee made a true and objective evaluation of the duty performance of the senior management officers in aspects such as the compliance with laws and regulations, due diligence, and their ability to perform duties, and offered management advices to the business management of the Company.

The Supervisory Committee was of the view that in 2023, the business management of the Company implemented the decisions of the Party Committee and the Board of the Company with firm determination and actively promoted the implementation of various decisions as required under the arrangement of the higher authority, thereby better improving its performance ranking. The Company did not have any major risk events throughout the year and maintained its AA rating in Category A. The senior management officers of the Company were able to perform duties conscientiously. No senior management officer was found in any violation of

laws and regulations and the Articles of Association, or causing harm to the legitimate rights and interests of Shareholders, the Company, and employees when performing their duties.

3. **Oversight of the compensation for duty performance and business expenditures of the leading team members.** The Supervisory Committee heard the report on the 2023 budget for the expenditures for duty performance of the Company's leading team members and the implementation of the 2022 budget as well as the amendments to the *Implementation Rules for the Compensation for Duty Performance and Business Expenditures of the Management*.
4. **Economic liabilities audit on senior management officers.** Pursuant to the Articles of Association and relevant requirements, one resignation audit and two in-office audits on senior management officers were conducted during the year with the Supervisory Committee as the main responsible body and supplemented by the audit headquarters and an external accounting firm, and audit reports were submitted in accordance with regulatory requirements.

(II) **Financial oversight.** During the year, four meetings of the Financial Monitoring Committee were held. The Supervisory Committee strengthened the supervision and review of the preparation of regular reports, paid close attention to major financial incomes and expenditures, important financial decision-making matters, implementation of accounting policies, accomplishment of the major financial and operating indicators of the Company, and management advice on an annual review of the Company, etc. and facilitated the Company to continuously enhance the quality of its financial information and the standard of financial management.

1. **Issuing written review opinions on the regular reports prepared by the Board during the Reporting Period.** The contents and format of the quarterly, half-year, and annual reports of the Company were compliant with the requirements of regulatory authorities, which could reflect the actual situation of the operation and management as well as the financial position of the Company in a true, accurate and complete manner. The preparation and review procedures of the reports were compliant with relevant laws and regulations, the Articles of Association, and the requirements of the internal management rules of the Company. No personnel involving in the preparation and review of the reports was found in any violation of the provisions of confidentiality.
2. **Receiving the independent report of Ernst & Young Hua Ming LLP on the Company's annual report audit.** The Committee members communicated among themselves with respect to the overall work of the Company's annual audit and major concerns. Ernst & Young Hua Ming LLP audited the 2022 financial report of the Company and issued a standard audit report with unqualified opinions, which gave an objective view of the Company's financial position and operating results.

- 3. Receiving the independent special report on important business performance indicators and financial indicators by relevant financial controller.** The Supervisory Committee reviewed the resolutions on the annual business and financial plan, final accounts plan and profit distribution plan of the Company and other resolutions, paid close attention to important events and major changes in relevant data, and promoted the improvement of the asset and liability management level of the Company.

**(III) Oversight of risk compliance and internal control.** The Supervisory Committee reviewed the annual compliance report, annual risk management report and annual internal control evaluation report of the Company during the reporting period, and had no objection to the contents contained therein. The Supervisory Committee also received the report of the Compliance Director on the Company's compliance management, anti-money laundering and integrity management, and issued supervisory opinions based on his comprehensive understanding of the overall operation of the Company and the current situation of compliance management, risk management, and internal control management of the Company. The Supervisory Committee strengthened the effectiveness of risk compliance and internal control management, promoted the Company to persistently establish and improve a "clear, accessible and manageable" risk prevention and control system, and held on to the bottom line of zero systemic risk.

- 1. Strengthening the oversight of money laundering risk management of the Company.** Pursuant to the *Guidelines for the Management of Money Laundering and Terrorist Financing Risks by Corporate Financial Institutions* and other regulatory requirements, the Supervisory Committee paid close attention to rectifications in respect of the anti-money laundering law enforcement and inspection conducted by the PBOC and on-site inspections conducted by the Beijing Securities Regulatory Bureau and maintained regular communication with the Compliance Director and the Legal and Compliance Department. The Committee kept a close eye on money laundering risk management and the results of preventing and mitigating major risks, made recommendations in relation to such money laundering risks, required the Company to adhere strictly to the guidelines outlined in the Central Bank's conference on enforcement and inspection for anti-money laundering, and coordinated and improve the development of supporting rules and mechanisms for the anti-money laundering system. The Supervisory Committee intensified its efforts to combat money laundering through technology, offering technical support for the management of anti-money laundering initiatives in an efficient manner. It delivered anti-money laundering training at different levels and for different target audience to increase the initiativeness of the Board and senior management to perform their duties on anti-money laundering and the standard of their duty performance, so as to jointly promote the further enhancement of the Company's capabilities in managing money laundering risks.

2. **Receiving the independent report on special issues of risk management of the Company.** The Supervisory Committee emphasised risk-related matters, including risk prevention and control in critical areas, disclosure of risk incidents, communicated on relevant issues in a timely manner, stayed informed about the handling of key risk events, and enhanced oversight in managing major and potential risks that the Company is exposed to at different stages.
  
3. **Receiving the independent report on deficiencies found in the evaluation of internal control and rectification of problems.** All Supervisors fully exchanged views with the Compliance Director and the Audit Department on the difficulties encountered in rectifications and put forward three supervisory recommendations for preparation of the “Supervision Report of the Supervisory Committee on the Company’s Internal Control Evaluation and Rectification”, which was then sent to the business management of the Company and requested them to monitor the progress of rectification measures.

(IV) **Information disclosure and supervision.** The Supervisory Committee strengthened its role in the supervision of information disclosure and urged the Company to make simultaneous amendments to the relevant policies of the Company in accordance with the *Measures for the Administration of Information Disclosure by Listed Companies* issued by the CSRC. The “Resolution on the Amendments to the Measures for the Administration of Information Disclosure of the Company” was considered and approved at the thirty-ninth meeting of the Party Committee of the Company and the thirteenth meeting (extraordinary) of the fourth session of the Board, and was printed and distributed in January 2023. The Supervisory Committee actively supported, cooperated with and supervised the Board to make information disclosure for performing the obligation of the Company as a A+H listed company. The Company disclosed 344 announcements and other information, including regular reports, provisional announcements and corporate governance documents, in a true and accurate manner for the year.

During the reporting period, the Supervisory Committee did not discover any violation of laws and regulations in the information disclosure of the Company.

(V) **Investigation and research.** The Supervisory Committee insisted on enhancing the depth and breadth of investigation and research, conducted frontline investigation and research on the Shenzhen Branch at the grassroots level to promote the implementation of the Company’s “Five-in-One and Three Plus One” strategies, and actively explored innovative ways to fulfil the functions of the Supervisory Committee. The Supervisory Committee also held discussions with Huawei’s board of supervisors on corporate governance, strategy implementation, internal control supervision, talent development, and other areas to deliver corporate culture concepts and value pursuits, and prepared a research report for submission to the Company’s leadership.

(VI) **Democratic supervision.** In accordance with the requirements of the Articles of Association and the *Procedural Rules of the Supervisory Committee*, the employee Supervisors solicited opinions from all employees of the Company before the regular meeting of the Supervisory Committee, and reported the employees' appeals to the Supervisory Committee at regular meetings. The Supervisory Committee, after discussion, sent such appeals to relevant departments in the form of the *Memorandum on Soliciting Opinions from Employees by Employee Supervisors* for their study and urged them to give replies in respect thereof, which gave full play to the function of democratic supervision in solving the problems reflected by employees on a collective basis and effectively safeguarded their rights and interests.

(VII) **Learning and training.** All Supervisors completed trainings on the *Standardized Operations and Information Disclosure of Listed Companies*, the *Implementation Rules for the Professional Integrity of Securities Firms and Their Employees*, and the *Management Rules for Directors, Supervisors, Senior Management and Practitioners of Securities Companies*, trainings associated with integrity, anti-money laundering and counter-terrorist financing, and the *Special Training on the Management Measures for Independent Directors of SSE Listed Companies in Beijing Area*, with 25 participants and 125 class hours, and all Supervisors completed the learning objectives as required.

### **III. OPINIONS GIVEN BY THE SUPERVISORY COMMITTEE WITH RESPECT TO THE RELEVANT ISSUES OF THE COMPANY**

During the reporting period, the Supervisory Committee supervised the material issues including the documents prepared by the Board for the issuance of securities and the management of the Company's connected transactions, seriously performed the duties of supervision and inspection, and expressed its opinions on that basis as follows:

- (I) The Supervisory Committee gave the review opinions on the "Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025" as follows: The Company's review and voting procedures of the connected transaction were in compliance with the relevant laws and regulations and the Articles of Association, and the voting results were legitimate and valid.
- (II) The Supervisory Committee issued a statement by all supervisors of the issuer in respect of the application for the 2023 non-public issuance of corporate bonds of not exceeding RMB30 billion and the 2023 public issuance of subordinated bonds of not exceeding RMB20 billion, the review opinions and confirmation opinions respectively on the authenticity, accuracy, and integrity of the prospectus and application documents for issuance, and a statement by all supervisors of the issuer in respect of the 2023 public issuance of subordinated bonds of RMB7.5 billion, the 2023 public issuance of perpetual subordinated bonds of RMB15 billion, the 2023 public issuance of corporate bonds of RMB20 billion, and the 2023 non-public issuance of corporate bonds of RMB12.7 billion.

**IV. EVALUATION OF THE PERFORMANCE OF DUTIES BY SUPERVISORS**

During the reporting period, all Supervisors voluntarily complied with laws and regulations, regulatory rules and the Articles of Association, insisted on faithfully and diligently performing their duties as Supervisors in compliance with laws, and had good professional ethics and standards, integrity and business capability. The Supervisory Committee performed its duties to supervise the Board, the business management and its members, as well as the operation and management of the Company, attended meetings of the Supervisory Committee as scheduled according to the Company's governance procedures and requirements, and earnestly considered and voted on resolutions. The Supervisory Committee attended general meetings according to law, participated in the Board meetings and other important operation and management meetings as non-voting participants, seriously listened to and reviewed relevant reports, and provided supervisory opinions and recommendations. Based on serving the national strategy and the overall situation of the Company's high-quality development, the Supervisory Committee completed a substantial amount of work in various aspects, including implementing the decisions and arrangements made by the higher authority and the Company, improving and optimising systems and mechanisms, proactively carrying out training, investigation and research, effectively exercising the functions as employee Supervisors, enhancing the political position of supervision and the ability to perform duties, strengthening the Supervisory Committee's self-development, and facilitating the Company to increase its governance standard. The Supervisory Committee has completed its duties well, earnestly protected the rights and interests of the Shareholders and employees, and made positive contributions to the scientific, stable and healthy development of the Company.

**V. MAJOR TASKS OF THE SUPERVISORY COMMITTEE IN 2024**

Based on the duties conferred by the *Company Law* and the Articles of Association, the Supervisory Committee will further introduce targeted supervision work and enhance the effectiveness thereof for the purposes of better improving the quality and efficiency of the Company and achieving high-quality development.

- (I) The Supervisory Committee will supervise the implementation by the Board of the resolutions adopted by the general meeting, and the exercise of powers and the performance of obligations by the Board in business management and major decision-making in accordance with law; supervise the implementation by the business management of relevant resolutions adopted by the general meetings, the Board and the Supervisory Committee, and the performance of operation and management duties within their terms of reference; and supervise the due performance of duties by Directors and senior management of the Company in accordance with the practice norms and restrictions on duty performance.
- (II) Oversight of the authenticity of financial reports. The Supervisory Committee will strengthen the review of financial information such as periodic report, profit distribution plan and final accounts plan, and inspect the legal compliance of preparation and review procedures of financial reports according to law, with an aim to improve the financial management standard of the Company.



---

**APPENDIX II      WORK REPORT OF THE SUPERVISORY COMMITTEE FOR 2023**

---

- (III) Oversight of risk compliance and internal control. The Supervisory Committee will supervise the implementation of regulatory requirements by the Company, focus on the risk prevention, control and mitigation, and pay attention to the implementation of rectification of outstanding issues and the improved results brought by the management advice.
  
- (IV) The Supervisory Committee will supervise the performance by the Board, business management and related personnel of the Company of their duties of information disclosure pursuant to relevant requirements, the implementation of the insider policies and the administrative system for information disclosure, and the information disclosure of the Company.
  
- (V) The Supervisory Committee will conduct investigation and research on overseas subsidiaries based on the business focus of the Company and according to its annual investigation and research plan, and provide supervisory recommendations or investigation and research reports in respect thereof.
  
- (VI) The Supervisory Committee will strengthen its capability of duty performance and complete the tasks for annual training according to the annual training plan.

The work report of the Supervisory Committee for 2023 was considered and approved at the 2024 first meeting (regular) of the fourth session of the Supervisory Committee of the Company on 28 March 2024 and is hereby proposed at the general meeting for consideration.

The Supervisory Committee of China Galaxy Securities Co., Ltd.  
28 March 2024

**DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

Dear Shareholders,

According to relevant provisions of the *Measures for the Management of Independent Directors of Listed Companies*, the *Measures for the Supervision and Management of the Directors, Supervisors, Senior Management, and Practitioners of Securities and Fund Business Institutions*, and the Articles of Association, the duty reports of the Independent Directors of the Company are subject to review by the Shareholders at an annual general meeting. The current Independent Directors of the Company, namely Ms. LIU Chun, Mr. LAW Cheuk Kin Stephen and Mr. WANG Zhenjun, along with the resigned Independent Director Mr. LIU Ruizhong, have individually prepared their respective duty reports of the Independent Directors for 2023 based on their actual performance of duties throughout the year.

The duty reports of the Independent Directors for 2023 were considered and approved at the 25th (regular) meeting of the fourth session of the Board of the Company on 28 March 2024 and are hereby proposed at the general meeting for consideration.

Annexes:

“Duty Report of the Independent Director for 2023” (LIU Chun)

“Duty Report of the Independent Director for 2023” (LAW Cheuk Kin Stephen)

“Duty Report of the Independent Director for 2023” (WANG Zhenjun)

“Duty Report of the Independent Director for 2023” (LIU Ruizhong)



**DUTY REPORT OF THE INDEPENDENT DIRECTOR FOR 2023 (LIU CHUN)**

Dear Shareholders,

In accordance with relevant provisions of the *Code of Corporate Governance for Listed Companies*, the *Measures for the Management of Independent Directors of Listed Companies*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, I, as an Independent Director of the Company, kept abreast of and conducted regular inspections on the Company’s operations and fulfilled the duties and responsibilities as required for Independent Directors in a diligent and conscientious manner. I conducted investigation and research on a voluntary basis to gain an in-depth understanding of the Company’s operations and successively carried out on-site investigation and research on Galaxy Securities Shanghai Branch, Galaxy Futures, Galaxy Derivatives and Galaxy Capital Management to obtain first-hand information, which provided strong support for the decision-making process. As the Chairman of the Audit Committee under the Board of the Company, I worked together with other members of the specialized committees to maintain the Company’s financial soundness and effective operations and to deepen the communication between the committees and external auditors in respect of the annual audit work plan and audit process, with a view to further improving the corporate governance of the Company. I hereby report my work in 2023 as follows:

**I. BASIC INFORMATION OF THE INDEPENDENT DIRECTOR**

I have been an Independent Non-Executive Director of Galaxy Securities since February 2019. My detailed biography is set out in the 2023 annual report disclosed by the Company on 28 March 2024.

**As at the end of the reporting period, my part-time employment is as follows:**

Name	Position	Positions in Other Entities	
		Name of Organization	Position
LIU Chun	Independent Director	Wonder Information Co., Ltd.	Deputy general manager of the finance centre
		Hexie Health Insurance	Non-executive Director

**Statement of my independence:** I perform my duties independently, and have no connected relationship with the substantial Shareholders or de facto controller of the Company or other entities or individuals having any interest in the Company. There are no circumstances that will affect my independence. My independence is in compliance with the relevant requirements of the *Measures for the Management of Independent Directors of Listed Companies* and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*.

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

**II. PERFORMANCE OF DUTIES BY INDEPENDENT DIRECTOR FOR THE YEAR****(I) Attendance at Board meetings and general meetings**

During 2023, the Company held two general meetings and 11 Board meetings. All resolutions considered at the said Board meetings were considered and approved, and I voted in favour of the resolutions during the voting process, with no opposing or abstention votes. My attendance at the Board meetings and general meetings are shown in the table below:

Name	Attendance at Board meetings					Attendance at general meetings
	Required attendance at Board meetings	Number of resolutions voted	Attendance in person	Attendance by proxy	Absence	
LIU Chun	11	40	11	0	0	2

**(II) Attendance at meetings of the specialized committees under the Board**

During 2023, the positions held by me on the specialized committees under the Board are as follows:

Name	Position
LIU Chun	Chairperson of the Audit Committee, and member of each of the Compliance and Risk Management Committee and the Nomination and Remuneration Committee

During 2023, I proactively convened meetings of the Audit Committee, attended meetings of the specialized committees and seriously performed my duties in accordance with the procedural rules of the specialized committees under the Board. In 2023, a total of 19 meetings of the specialized committees under the Board were held, including two of the Compliance and Risk Management Committee, seven of the Nomination and Remuneration Committee, and six of the Audit Committee. My attendance at the meetings of specialized committees under the Board is as follows:

Name	Compliance and Risk Management Committee	Nomination and Remuneration Committee	Audit Committee
LIU Chun	2/2	7/7	6/6

*Note:* The format of the above table is “Number of actual attendance/Number of required attendance”

**(III) Participation of training courses**

The training course I attended during 2023 is as follows:

<b>Date of training</b>	<b>Content of training</b>
14 February 2023	Standardized Operations and Information Disclosure of Listed Companies

**III. KEY ISSUES CONCERNING INDEPENDENT DIRECTOR'S PERFORMANCE OF DUTIES FOR THE YEAR****(I) Connected transactions**

During 2023, the Company managed connected transactions in strict compliance with the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Connected Transactions of the Company*. On 27 March 2023, the “Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board of the Company. After a careful review of the information relating to the above resolution provided by the Company, I issued the prior approval opinions and the independent opinions on connected transactions.

**(II) External guarantees and misappropriation of funds**

During 2023, the Company did not provide any external guarantees in violation of the stipulated procedures, nor did it provide any guarantees to the controlling shareholder and its connected parties. There was no misappropriation of funds by the controlling shareholder and its connected parties for non-operating purposes.

**(III) Use of proceeds**

In accordance with relevant laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, as well as the *Measures for the Management of Proceeds of China Galaxy Securities Co., Ltd.*, the Company made provisions for the deposit, use, alteration, management and supervision of proceeds, implemented special account management for the proceeds, deposited, used and managed them pursuant to the requirements, and fulfilled relevant obligations without violation of laws and regulations.

The Company completed the public issuance of convertible corporate bonds of RMB7.8 billion in March 2022. The proceeds from the issuance had been fully utilized and the special account therefor had been closed as of 31 December 2022. As at the end of the reporting period, the Company did not have any unutilized proceeds.

**(IV) Nomination and remuneration of Directors and senior management**

On 20 December 2023, the “Resolution on Reviewing the Remuneration Plan for Senior Management in 2022” was considered and approved at the twenty-third meeting (extraordinary) of the fourth session of the Board of the Company. On 27 April 2023, the “Resolution on Reviewing the Cessation of Mr. DU Pengfei to Serve as the Business Director, the Secretary of the Board of Directors, and a Member of the Executive Committee of the Company” was considered and approved at the seventeenth meeting (regular) of the fourth session of the Board of the Company. On 10 August 2023, the “Resolution on Appointing Mr. LIU Bing as the Business Director and a Member of the Executive Committee of the Company” was considered and approved at the eighteenth meeting (extraordinary) of the fourth session of the Board of the Company. On 30 August 2023, the “Resolution on Reviewing the Assessment Results of the Compliance Director in 2022 by the Board of Directors” was considered and approved at the nineteenth meeting (regular) of the fourth session of the Board of the Company. On 26 October 2023, the “Resolution on Reviewing the Appointment of Mr. WANG Sheng to Serve as the Chairman of the Board of the Company” was considered and approved at the twentieth meeting (extraordinary) of the fourth session of the Board of the Company. On 24 November 2023, the “Resolution on Reviewing the Cessation of Mr. WANG Sheng to Serve as the President of the Company” and the “Resolution on Reviewing the Appointment of Mr. XUE Jun to Serve as an Executive Director, the President, and the Vice Chairman of the Executive Committee of the Company” were considered and approved at the twenty-second meeting (extraordinary) of the fourth session of the Board of the Company. On 20 December 2023, the “Resolution on Recommending Mr. LIU Li as the Candidate for an Independent Director of the Company” was considered and approved at the twenty-third meeting (extraordinary) of the fourth session of the Board of the Company.

I considered that the procedures for the appointment of Mr. WANG Sheng as the Chairman of the Board of the Company, Mr. XUE Jun as an Executive Director and the President of the Company, and Mr. LIU Bing as the Business Director and a member of the Executive Committee of the Company, and the procedures for the recommendation of Mr. LIU Li as the candidate for a Director of the Company were in compliance with the relevant provisions of laws, regulations and the Articles of Association. The procedures for the departure of Mr. CHEN Liang and Mr. DU Pengfei, and the procedures for the cessation of Mr. WANG Sheng to serve as the President of the Company were in compliance with the relevant provisions of laws, regulations and the Articles of Association. I had no objection to the remuneration plan of the senior management of the Company for 2022 and the assessment results of the Compliance Director in 2022.

**(V) Performance forecast and preliminary results**

During 2023, the Company did not publish any performance forecast and preliminary results as no disclosure standards in relation thereto were triggered.

**(VI) Appointment of accounting firms**

On 29 March 2023, the “Resolution on the Appointment of the External Auditors of the Company for 2023” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board, pursuant to which it was agreed to appoint Ernst & Young Hua Ming LLP (for A Shares) and Ernst & Young (for H Shares) as the Company’s external auditors for 2023 for the provision of related audit services and review services in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively. The external audit fee for 2023 was RMB5.3 million, of which RMB0.58 million was for the agreed-upon procedure in the first and third quarters, RMB1.44 million for the interim review, RMB2.84 million for the annual audit, RMB0.33 million for the annual internal control audit, and RMB0.11 million for assurance services relating to the environment, society and governance. On 29 June 2023, the resolution was considered and approved at the 2022 annual general meeting of the Company.

I was of the view that Ernst & Young Hua Ming LLP and Ernst & Young possessed the experience and capability to provide audit services for the Company, the appointment of the above accounting firms was in line with the Company’s requirements for audit work, and the decision-making procedure of the appointment was in compliance with laws and regulations and the Articles of Association, which did not harm the interests of the Company and its Shareholders. I agreed to their appointment as the Company’s external auditors for 2023, and submitted the resolution to the general meeting of the Company for consideration.

**(VII) Cash dividends and other returns for investors**

On 29 March 2023, the “Resolution on Reviewing the 2022 Profit Distribution Plan of China Galaxy Securities Co., Ltd.” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board of the Company, pursuant to which the Company agreed to distribute a cash dividend of RMB2.30 (tax inclusive and the actual amount distributed may be slightly different due to rounding) for every 10 shares for 2022, totalling RMB2,331,574,325.48 (tax inclusive), and the resolution was submitted to the general meeting for consideration. On 29 June 2023, the resolution was considered and approved at the 2022 annual general meeting of the Company.

I was of the view that the profit distribution plan of the Company for 2022 was in compliance with relevant laws and regulations, normative documents and the actual situation of the Company, was beneficial to the long-term development of the Company, and was in the interest of the Shareholders as a whole and their long-term interests. I approved the profit distribution plan and submitted the same to the general meeting for consideration.

**(VIII) Fulfilment of undertakings by the Company and its Shareholders**

During 2023, all relevant undertakings made by the Company and its controlling Shareholders upon the initial public issuance of A shares and the public issuance of A share convertible bonds were performed in accordance with law.

**(IX) Implementation of information disclosure**

During 2023, the Company performed its information disclosure obligations in strict compliance with the relevant laws and regulations, including the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Information Disclosure by Listed Companies*. The content of announcements was true, accurate, complete, and contained no false representations, misleading statements or material omissions. This guaranteed that the information was disclosed in a timely and fair manner, ensured that investors kept abreast of the significant matters of the Company in a timely manner, and effectively protected the legitimate rights and interests of Shareholders.

**(X) Implementation of internal control**

During 2023, the Company improved internal control mechanisms, standardized business processes and improved management systems in accordance with regulatory requirements to ensure that internal control was carried out during the full process from decision-making, implementation to monitoring, and covered all business and management sectors of the Company. The Company has established and effectively implemented internal control mechanisms for the businesses and matters within the scope of assessment, and thus achieved its goal of internal control.

I considered that after carefully reviewing the *Internal Control Evaluation Report for 2022*, there was no material defect in the Company's internal control over the financial reporting, nor was there any material defect in the Company's internal control over non-financial reporting, as at the reference date of the Internal Control Evaluation Report. The Company has maintained, in all material respects, effective internal control in accordance with the Basic Standards for Internal Control of Enterprises and their relevant provisions.

**(XI) Operation of the Board and its specialized committees**

During 2023, the Board and its specialized committees carried out their work in accordance with laws and regulations, the Articles of Association and working rules. The specialized committees fully fulfilled the decision-making and consulting functions, provided professional advice on significant matters required for discussion and decision, and assisted the Board in making decisions in a scientific manner.

I was of the view that the Board and its specialized committees operated in compliance with laws and regulations. All significant matters were fully discussed and reviewed, decisions were made in a scientific and efficient manner, and the Board and its specialized committees performed their duties as decision-making institutions.

As the Chairperson of the Audit Committee, I made tremendous efforts to foster the communication of the Audit Committee members with the internal audit departments and accountants. Firstly, I initiated pre-communication on key and major aspects of the audit plan before the commencement of an annual audit by the external auditors. Secondly, I consistently strengthened communication with the Audit Headquarters to oversee the tasks in relation to the appointment of external auditors and the evaluation of internal control, etc. during the whole process to ensure the diligent performance of my duties. Additionally, I continued to step up efforts with respect to the confirmation of connected parties, compliance review of connected transactions, organization and decision making of major connected transactions, strictly implemented the requirements of internal rules and regulations such as the provision of independent opinions of Independent Directors in respect of major connected transactions and the abstention of connected Directors, with a view to safeguarding the lawful rights and interests of all Shareholders.

**(XII) Other matters that need to be improved in the opinion of Independent Director**

During 2023, I raised no objection to any resolution of the Board or of any specialized committee of the Company.

**IV. OVERALL EVALUATION**

During 2023, I carried out my responsibilities with dedication, fully fulfilled my obligations of integrity and diligence, and earnestly performed my duties in accordance with the requirements of relevant laws, regulations and the Articles of Association, thereby promoting the standardized operations and healthy development of the Company, and effectively safeguarding the overall interests of the Company and the legitimate rights and interests of all Shareholders.



**DUTY REPORT OF THE INDEPENDENT DIRECTOR FOR 2023  
(LAW CHEUK KIN STEPHEN)**

Dear Shareholders,

In accordance with relevant provisions of the *Code of Corporate Governance for Listed Companies*, the *Measures for the Management of Independent Directors of Listed Companies*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, I, as an Independent Director of the Company, hereby report my work in 2023 as follows:

**I. BASIC INFORMATION ON THE INDEPENDENT DIRECTOR**

I have been an Independent Non-Executive Director of the Company since June 2020. My detailed biography is set out in the 2023 annual report disclosed by the Company on 28 March 2024.

**As at the end of the reporting period, my part-time employment is as follows:**

Name	Position	Positions in Other Entities	
		Name of Organization	Position
LAW Cheuk Kin Stephen	Independent Director	ANS Capital	Managing director
		China Everbright Limited	Independent Non-executive Director
		Somerley Capital Holdings Limited	Independent Non-executive Director
		CSPC Pharmaceutical Group Limited	Independent Non-executive Director
		Keymed Biosciences Inc.	Independent Non-executive Director

**Statement of my independence:** I perform my duties independently, and have no connected relationship with the substantial Shareholders or de facto controller of the Company or other entities or individuals having any interest in the Company. There are no circumstances that will affect my independence. My independence is in compliance with the relevant requirements of the *Measures for the Management of Independent Directors of Listed Companies* and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*.

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

**II. PERFORMANCE OF DUTIES BY THE INDEPENDENT DIRECTOR FOR THE YEAR****(I) Attendance at Board meetings and general meetings**

During 2023, the Company held two general meetings and 11 Board meetings. In particular, Mr. LIU Ruizhong, a Director of the Company, attended and voted on my behalf at the fifteenth (extraordinary) meeting of the fourth session of the Board. All resolutions considered at the said Board meetings were approved, and I voted in favour of the resolutions during the voting process, with no opposing or abstention votes. My attendance at the Board meetings and general meetings are shown in the table below:

Name	Attendance at Board meetings					Attendance at general meetings
	Required attendance at Board meetings	Number of resolutions voted	Attendance in person	Attendance by proxy	Absence	
LAW Cheuk Kin Stephen	11	40	10	1	0	1

**(II) Attendance at meetings of the specialized committees under the Board**

During 2023, the positions held by me on the specialized committees under the Board are as follows:

Name	Position
LAW Cheuk Kin Stephen	Member of each of the Nomination and Remuneration Committee and the Audit Committee

During 2023, I proactively attended meetings of the specialized committees and seriously performed my duties in accordance with the procedural rules of the specialized committees under the Board. In 2023, the Company held a total of 19 meetings of the specialized committees under the Board, including seven of the Nomination and Remuneration Committee and six of the Audit Committee. My attendance at the meetings of specialized committees under the Board is as follows:

Name	Nomination and Remuneration Committee	Audit Committee
LAW Cheuk Kin Stephen	7/7	6/6

*Note:* The format of the above table is “Number of actual attendance/Number of required attendance”

**(III) Participation of training courses**

The training course I attended during 2023 is as follows:

<b>Date of training</b>	<b>Content of training</b>
14 February 2023	Standardized Operations and Information Disclosure of Listed Companies

**III. KEY ISSUES CONCERNING THE INDEPENDENT DIRECTOR'S PERFORMANCE OF DUTIES FOR THE YEAR****(I) Connected transactions**

During 2023, the Company managed connected transactions in strict compliance with the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Connected Transactions of the Company*. On 27 March 2023, the “Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board of the Company. After a careful review of the information relating to the above resolution provided by the Company, I issued the prior approval opinions and the independent opinions on connected transactions.

**(II) External guarantees and misappropriation of funds**

During 2023, the Company did not provide any external guarantees in violation of the stipulated procedures, nor did it provide any guarantees to the controlling shareholder and its connected parties. There was no misappropriation of funds by the controlling shareholder and its connected parties for non-operating purposes.

**(III) Use of proceeds**

In accordance with relevant laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, as well as the *Measures for the Management of Proceeds of China Galaxy Securities Co., Ltd.*, the Company made provisions for the deposit, use, alteration, management and supervision of proceeds, implemented special account management for the proceeds, deposited, used and managed them pursuant to the requirements, and fulfilled relevant obligations without violation of laws and regulations.

The Company completed the public issuance of convertible corporate bonds of RMB7.8 billion in March 2022. The proceeds from the issuance had been fully utilized and the special account therefor had been closed as of 31 December 2022. As at the end of the reporting period, the Company did not have any unutilized proceeds.

**(IV) Nomination and remuneration of Directors and senior management**

On 20 December 2023, the “Resolution on Reviewing the Remuneration Plan for Senior Management in 2022” was considered and approved at the twenty-third meeting (extraordinary) of the fourth session of the Board of the Company. On 27 April 2023, the “Resolution on Reviewing the Cessation of Mr. DU Pengfei to Serve as the Business Director, the Secretary of the Board of Directors, and a Member of the Executive Committee of the Company” was considered and approved at the seventeenth meeting (regular) of the fourth session of the Board of the Company. On 10 August 2023, the “Resolution on Appointing Mr. LIU Bing as the Business Director and a Member of the Executive Committee of the Company” was considered and adopted at the eighteenth meeting (extraordinary) of the fourth session of the Board. On 30 August 2023, the “Resolution on Reviewing the Assessment Results of the Compliance Director in 2022 by the Board of Directors” was considered and approved at the nineteenth meeting (regular) of the fourth session of the Board of the Company. On 26 October 2023, the “Resolution on Reviewing the Appointment of Mr. WANG Sheng to Serve as the Chairman of the Board of the Company” was considered and approved at the twentieth meeting (extraordinary) of the fourth session of the Board of the Company. On 24 November 2023, the “Resolution on Reviewing the Cessation of Mr. WANG Sheng to Serve as the President of the Company” and the “Resolution on Reviewing the Appointment of Mr. XUE Jun to Serve as an Executive Director, the President, and the Vice Chairman of the Executive Committee of the Company” were considered and approved at the twenty-second meeting (extraordinary) of the fourth session of the Board of the Company. On 20 December 2023, the “Resolution on Recommending Mr. LIU Li as the Candidate for an Independent Director of the Company” was considered and approved at the twenty-third meeting (extraordinary) of the fourth session of the Board of the Company.

I considered that the procedures for the appointment of Mr. WANG Sheng as the Chairman of the Board of the Company, Mr. XUE Jun as an Executive Director and the President of the Company, and Mr. LIU Bing as the Business Director and a member of the Executive Committee of the Company, and the procedures for the recommendation of Mr. LIU Li as the candidate for a Director of the Company were in compliance with the relevant provisions of laws, regulations and the Articles of Association. The procedures for the departure of Mr. CHEN Liang and Mr. DU Pengfei, and the procedures for the cessation of Mr. WANG Sheng to serve as the President of the Company were in compliance with the relevant provisions of laws, regulations and the Articles of Association. I had no objection to the remuneration plan of the senior management of the Company for 2022 and the assessment results of the Compliance Director in 2022.

**(V) Performance forecast and preliminary results**

During 2023, the Company did not publish any performance forecast and preliminary results as no disclosure standards in relation thereto were triggered.

**(VI) Appointment of accounting firms**

On 29 March 2023, the “Resolution on the Appointment of the External Auditors of the Company for 2023” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board, pursuant to which it was agreed to appoint Ernst & Young Hua Ming LLP (for A Shares) and Ernst & Young (for H Shares) as the Company’s external auditors for 2023 for the provision of related audit services and review services in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively. The external audit fee for 2023 was RMB5.3 million, of which RMB0.58 million was for the agreed-upon procedure in the first and third quarters, RMB1.44 million for the interim review, RMB2.84 million for the annual audit, RMB0.33 million for the annual internal control audit, and RMB0.11 million for assurance services relating to the environment, society and governance. On 29 June 2023, the resolution was considered and approved at the 2022 annual general meeting of the Company.

I was of the view that Ernst & Young Hua Ming LLP and Ernst & Young possessed the experience and capability to provide audit services for the Company, the appointment of the above accounting firms was in line with the Company’s requirements for audit work, and the decision-making procedure of the appointment was in compliance with laws and regulations and the Articles of Association, which did not harm the interests of the Company and its Shareholders. I agreed to their appointment as the Company’s external auditors for 2023, and submitted the resolution to the general meeting of the Company for consideration.

**(VII) Cash dividends and other returns for investors**

On 29 March 2023, the “Resolution on Reviewing the 2022 Profit Distribution Plan of China Galaxy Securities Co., Ltd.” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board of the Company, pursuant to which the Company agreed to distribute a cash dividend of RMB2.30 (tax inclusive and the actual amount distributed may be slightly different due to rounding) for every 10 shares for 2022, totalling RMB2,331,574,325.48 (tax inclusive), and the resolution was submitted to the general meeting for consideration. On 29 June 2023, the resolution was considered and approved at the 2022 annual general meeting of the Company.

I was of the view that the profit distribution plan of the Company for 2022 was in compliance with relevant laws and regulations, normative documents and the actual situation of the Company, was beneficial to the long-term development of the Company, and was in the interest of the Shareholders as a whole and their long-term interests. I approved the profit distribution plan and submitted the same to the general meeting for consideration.

**(VIII) Fulfilment of undertakings by the Company and its Shareholders**

During 2023, all relevant undertakings made by the Company and its controlling Shareholders upon the initial public issuance of A shares and the public issuance of A share convertible bonds were performed in accordance with law.

**(IX) Implementation of information disclosure**

During 2023, the Company performed its information disclosure obligations in strict compliance with the relevant laws and regulations, including the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Information Disclosure by Listed Companies*. The content of announcements was true, accurate, complete, and contained no false representations, misleading statements or material omissions. This guaranteed that the information was disclosed in a timely and fair manner, ensured that investors kept abreast of the significant matters of the Company in a timely manner, and effectively protected the legitimate rights and interests of Shareholders.

**(X) Implementation of internal control**

During 2023, the Company improved internal control mechanisms, standardized business processes and improved management systems in accordance with regulatory requirements to ensure that internal control was carried out during the full process from decision-making, implementation to monitoring, and covered all business and management sectors of the Company. The Company has established and effectively implemented internal control mechanisms for the businesses and matters within the scope of assessment, and thus achieved its goal of internal control.

I considered that after carefully reviewing the *Internal Control Evaluation Report for 2022*, there was no material defect in the Company's internal control over the financial reporting, nor was there any material defect in the Company's internal control over non-financial reporting, as at the reference date of the Internal Control Evaluation Report. The Company has maintained, in all material respects, effective internal control in accordance with the Basic Standards for Internal Control of Enterprises and their relevant provisions.

**(XI) Operation of the Board and its specialized committees**

During 2023, the Board and its specialized committees carried out their work in accordance with laws and regulations, the Articles of Association and working rules. The specialized committees fully fulfilled the decision-making and consulting functions, provided professional advice on significant matters required for discussion and decision, and assisted the Board in making decisions in a scientific manner.

I was of the view that the Board and its specialized committees operated in compliance with laws and regulations. All significant matters were fully discussed and reviewed, decisions were made in a scientific and efficient manner, and the Board and its specialized committees performed their duties as decision-making institutions.

**(XII) Other matters that need to be improved in the opinion of Independent Director**

During 2023, I raised no objection to any resolution of the Board or of any specialized committee of the Company.

**IV. OVERALL EVALUATION**

During 2023, I provided the Company with advice and recommendations several times on the accurate application of international accounting standards, expansion of international business, identification of new growth opportunities, and mitigation of financial risks by leveraging my expertise in accounting and international experience. I fully fulfilled my obligations of integrity and diligence, and earnestly performed my duties in accordance with the requirements of relevant laws, regulations and the Articles of Association, thereby promoting the standardized operations and healthy development of the Company, and effectively safeguarding the overall interests of the Company and the legitimate rights and interests of all Shareholders.



---

## APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023

---

### DUTY REPORT OF THE INDEPENDENT DIRECTOR FOR 2023 (WANG ZHENJUN)

Dear Shareholders,

In accordance with relevant provisions of the *Code of Corporate Governance for Listed Companies*, the *Measures for the Management of Independent Directors of Listed Companies*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, I, as an Independent Director of the Company, hereby report my work in 2023 as follows:

#### I. BASIC INFORMATION ON THE INDEPENDENT DIRECTOR

I have been an Independent Non-Executive Director of the Company since February 2018. My detailed biography is set out in the 2023 annual report disclosed by the Company on 28 March 2024.

**As at the end of the reporting period, my part-time employment is as follows:**

Name	Position	Positions in Other Entities	
		Name of Organization	Position
WANG Zhenjun	Independent Director	Bank of Dalian Co., Ltd.	Independent Non-executive Director

**Statement of my independence:** I perform my duties independently, and have no connected relationship with the substantial Shareholders or de facto controller of the Company or other entities or individuals having any interest in the Company. There are no circumstances that will affect my independence. My independence is in compliance with the relevant requirements of the *Measures for the Management of Independent Directors of Listed Companies* and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*.

#### II. PERFORMANCE OF DUTIES BY THE INDEPENDENT DIRECTOR FOR THE YEAR

##### (I) Attendance at Board meetings and general meetings

During 2023, the Company held two general meetings and 11 Board meetings. All resolutions considered at the said Board meetings were considered and approved, and I voted in favour of the resolutions during the voting process, with no opposing or abstention votes. My attendance at the Board meetings and general meetings are shown in the table below:

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

Name	Attendance at Board meetings					Attendance at general meetings
	Required attendance at Board meetings	Number of resolutions voted	Attendance in person	Attendance by proxy	Absence	
WANG Zhenjun	11	40	11	0	0	2

**(II) Attendance at meetings of the specialized committees under the Board**

During 2023, the positions held by me on the specialized committees under the Board are as follows:

Name	Position
WANG Zhenjun	Member of each of the Strategy and Development Committee, the Compliance and Risk Management Committee, the Nomination and Remuneration Committee and the Audit Committee

During 2023, I proactively attended meetings of the specialized committees and seriously performed my duties in accordance with the procedural rules of the specialized committees under the Board. In 2023, the Company held a total of 19 meetings of the specialized committees under the Board, including four of the Strategy and Development Committee, two of the Compliance and Risk Management Committee, seven of the Nomination and Remuneration Committee, and six of the Audit Committee. My attendance at the meetings of specialized committees under the Board is as follows:

Name	Strategy and Development Committee	Compliance and Risk Management Committee	Nomination and Remuneration Committee	Audit Committee
WANG Zhenjun	4/4	2/2	7/7	6/6

*Note:* The format of the above table is “Number of actual attendance/Number of required attendance”

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

**(III) Participation of training courses**

The training courses I attended during 2023 are as follows:

<b>Date of training</b>	<b>Content of training</b>
14 February 2023	Standardized Operations and Information Disclosure of Listed Companies
14 December 2023	Sixth session of follow-up training for independent directors of listed companies in 2023

**III. MATTERS FOR WHICH PRIOR APPROVAL OPINIONS/INDEPENDENT OPINIONS WERE GIVEN BY THE INDEPENDENT DIRECTOR DURING PERFORMANCE OF DUTIES FOR THE YEAR**

<b>Date of meeting</b>	<b>Session of meeting</b>	<b>Matters for which prior approval opinions/independent opinions were given</b>	<b>Type of opinions</b>
27 March 2023	Sixteenth meeting (regular) of the fourth session of the Board of the Company	“Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025” “Resolution on the Appointment of the External Auditors of the Company for 2023” “Resolution on Reviewing the 2022 Profit Distribution Plan of China Galaxy Securities Co., Ltd.” “Internal Control Evaluation Report of the Company for 2022”	Approved
27 April 2023	Seventeenth meeting (regular) of the fourth session of the Board of the Company	“Resolution on Reviewing the Cessation of Mr. DU Pengfei to Serve as the Business Director, the Secretary of the Board of Directors, and a Member of the Executive Committee of the Company”	Approved
10 August 2023	Eighteenth meeting (extraordinary) of the fourth session of the Board	“Resolution on Appointing Mr. LIU Bing as the Business Director and a Member of the Executive Committee of the Company”	Approved
30 August 2023	Nineteenth meeting (regular) of the fourth session of the Board	“Resolution on Reviewing the Assessment Results of the Compliance Director in 2022 by the Board of Directors”	Approved

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

<b>Date of meeting</b>	<b>Session of meeting</b>	<b>Matters for which prior approval opinions/ independent opinions were given</b>	<b>Type of opinions</b>
26 October 2023	Twentieth meeting (extraordinary) of the fourth session of the Board	“Resolution on Reviewing the Appointment of Mr. WANG Sheng to Serve as the Chairman of the Board of the Company”	Approved
24 November 2023	Twenty-second meeting (extraordinary) of the fourth session of the Board	“Resolution on Reviewing the Cessation of Mr. WANG Sheng to Serve as the President of the Company”	Approved
20 December 2023	Twenty-third meeting (extraordinary) of the fourth session of the Board	“Resolution on Recommending Mr. LIU Li as the Candidate for an Independent Director of the Company” “Resolution on Reviewing the Appointment of Mr. XUE Jun to Serve as an Executive Director, the President, and the Vice Chairman of the Executive Committee of the Company” “Resolution on Reviewing the Remuneration Plan for Senior Management in 2022”	Approved

**IV. KEY ISSUES CONCERNING THE INDEPENDENT DIRECTOR’S PERFORMANCE OF DUTIES FOR THE YEAR****(I) Connected transactions**

During 2023, the Company managed connected transactions in strict compliance with the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Connected Transactions of the Company*. On 27 March 2023, the “Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board of the Company. After a careful review of the information relating to the above resolution provided by the Company, I issued the prior approval opinions and the independent opinions on connected transactions.

**(II) External guarantees and misappropriation of funds**

During 2023, the Company did not provide any external guarantees in violation of the stipulated procedures, nor did it provide any guarantees to the controlling shareholder and its connected parties. There was no misappropriation of funds by the controlling shareholder and its connected parties for non-operating purposes.

**(III) Use of proceeds**

In accordance with relevant laws and regulations such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, as well as the *Measures for the Management of Proceeds of China Galaxy Securities Co., Ltd.*, the Company made provisions for the deposit, use, alteration, management and supervision of proceeds, implemented special account management for the proceeds, deposited, used and managed them pursuant to the requirements, and fulfilled relevant obligations without violation of laws and regulations.

The Company completed the public issuance of convertible corporate bonds of RMB7.8 billion in March 2022. The proceeds had been fully utilized and the special account therefor had been closed as of 31 December 2022. As at the end of the reporting period, the Company did not have any unutilized proceeds.

**(IV) Nomination and remuneration of Directors and senior management**

On 20 December 2023, the “Resolution on Reviewing the Remuneration Plan for Senior Management in 2022” was considered and approved at the twenty-third meeting (extraordinary) of the fourth session of the Board of the Company. On 27 April 2023, the “Resolution on Reviewing the Cessation of Mr. DU Pengfei to Serve as the Business Director, the Secretary of the Board of Directors, and a Member of the Executive Committee of the Company” was considered and approved at the seventeenth meeting (regular) of the fourth session of the Board of the Company. On 10 August 2023, the “Resolution on Appointing Mr. LIU Bing as the Business Director and a Member of the Executive Committee of the Company” was considered and approved at the eighteenth meeting (extraordinary) of the fourth session of the Board of the Company. On 30 August 2023, the “Resolution on Reviewing the Assessment Results of the Compliance Director in 2022 by the Board of Directors” was considered and approved at the nineteenth meeting (regular) of the fourth session of the Board of the Company. On 26 October 2023, the “Resolution on Reviewing the Appointment of Mr. WANG Sheng to Serve as the Chairman of the Board of the Company” was considered and approved at the twentieth meeting (extraordinary) of the fourth session of the Board of the Company. On 24 November 2023, the “Resolution on Reviewing the Cessation of Mr. WANG Sheng to Serve as the President of the Company” and the “Resolution on Reviewing the Appointment of Mr. XUE Jun to Serve as an Executive Director, the President, and the Vice Chairman of the Executive Committee of the Company” were considered and approved at the twenty-second meeting (extraordinary) of the fourth session of the Board of the Company. On 20 December 2023, the “Resolution on Recommending Mr. LIU Li as the Candidate for an Independent Director of the Company” was considered and approved at the twenty-third meeting (extraordinary) of the fourth session of the Board of the Company.

I considered that the procedures for the appointment of Mr. WANG Sheng as the Chairman of the Board of the Company, Mr. XUE Jun as an Executive Director and the President of the Company, and Mr. LIU Bing as the Business Director and a member of

the Executive Committee of the Company, and the procedures for the recommendation of Mr. LIU Li as the candidate for a Director of the Company were in compliance with the relevant provisions of laws, regulations and the Articles of Association. The procedures for the departure of Mr. CHEN Liang and Mr. DU Pengfei, and the procedures for the cessation of Mr. WANG Sheng to serve as the President of the Company were in compliance with the relevant provisions of laws, regulations and the Articles of Association. There was no objection to the remuneration plan of the senior management of the Company for 2022 and the assessment results of the Compliance Director in 2022.

**(V) Performance forecast and preliminary results**

During 2023, the Company did not publish any performance forecast and preliminary results as no disclosure standards in relation thereto were triggered.

**(VI) Appointment of accounting firms**

On 29 March 2023, the “Resolution on the Appointment of the External Auditors of the Company for 2023” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board, pursuant to which it was agreed to appoint Ernst & Young Hua Ming LLP (for A Shares) and Ernst & Young (for H Shares) as the Company’s external auditors for 2023 for the provision of related audit services and review services in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively. The external audit fee for 2023 was RMB5.3 million, of which RMB0.58 million was for the agreed-upon procedure in the first and third quarters, RMB1.44 million for the interim review, RMB2.84 million for the annual audit, RMB0.33 million for the annual internal control audit, and RMB0.11 million for assurance services relating to the environment, society and governance. On 29 June 2023, the resolution was considered and approved at the 2022 annual general meeting of the Company.

I was of the view that Ernst & Young Hua Ming LLP and Ernst & Young possessed the experience and capability to provide audit services for the Company, the appointment of the above accounting firms was in line with the Company’s requirements for audit work, and the decision-making procedure of the appointment was in compliance with laws and regulations and the Articles of Association, which did not harm the interests of the Company and its Shareholders. I agreed to their appointment as the Company’s external auditors for 2023, and submitted the resolution to the general meeting of the Company for consideration.

**(VII) Cash dividends and other returns for investors**

On 29 March 2023, the “Resolution on Reviewing the 2022 Profit Distribution Plan of China Galaxy Securities Co., Ltd.” was considered and approved at the sixteenth meeting (regular) of the fourth session of the Board of the Company, pursuant to which the Company agreed to distribute a cash dividend of RMB2.30 (tax inclusive and the actual amount distributed may be slightly different due to rounding) for every 10 shares for 2022, totalling RMB2,331,574,325.48 (tax inclusive), and the resolution

was submitted to the general meeting for consideration. On 29 June 2023, the resolution was considered and approved at the 2022 annual general meeting of the Company.

I was of the view that the profit distribution plan of the Company for 2022 was in compliance with relevant laws and regulations, normative documents and the actual situation of the Company, was beneficial to the long-term development of the Company, and was in the interest of the Shareholders as a whole and their long-term interests. I approved the profit distribution plan and submitted the same to the general meeting for consideration.

**(VIII) Fulfilment of undertakings by the Company and its Shareholders**

During 2023, all relevant undertakings made by the Company and its controlling Shareholders upon the initial public issuance of A shares and the public issuance of A share convertible bonds were performed in accordance with law.

**(IX) Implementation of information disclosure**

During 2023, the Company performed its information disclosure obligations in strict compliance with the relevant laws and regulations, including the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Information Disclosure by Listed Companies*. The content of announcements was true, accurate, complete, and contained no false representations, misleading statements or material omissions. This guaranteed that the information was disclosed in a timely and fair manner, ensured that investors kept abreast of the significant matters of the Company in a timely manner, and effectively protected the legitimate rights and interests of Shareholders.

**(X) Implementation of internal control**

During 2023, the Company improved internal control mechanisms, standardized business processes and improved management systems in accordance with regulatory requirements to ensure that internal control was carried out during the full process from decision-making, implementation to monitoring, and covered all business and management sectors of the Company. The Company has established and effectively implemented internal control mechanisms for the businesses and matters within the scope of assessment, and thus achieved its goal of internal control.

I considered that after carefully reviewing the *Internal Control Evaluation Report for 2022*, there was no material defect in the Company's internal control over the financial reporting, nor was there any material defect in the Company's internal control over non-financial reporting, as at the reference date of the Internal Control Evaluation Report. The Company has maintained, in all material respects, effective internal control in accordance with the Basic Standards for Internal Control of Enterprises and their relevant provisions.



**(XI) Operation of the Board and its specialized committees**

During 2023, the Board and its specialized committees carried out their work in accordance with laws and regulations, the Articles of Association and working rules. The specialized committees fully fulfilled the decision-making and consulting functions, provided professional advice on significant matters required for discussion and decision, and assisted the Board in making decisions in a scientific manner.

I was of the view that the Board and its specialized committees operated in compliance with laws and regulations. All significant matters were fully discussed and reviewed, decisions were made in a scientific and efficient manner, and the Board and its specialized committees performed their duties as decision-making institutions.

**(XII) Other matters that need to be improved in the opinion of Independent Director**

During 2023, I raised no objection to any resolution of the Board or of any specialized committee of the Company.

**V. ON-SITE INVESTIGATION AND RESEARCH AND COMMUNICATION WITH SMALL AND MEDIUM SHAREHOLDERS**

During 2023, I actively fulfilled my responsibilities as an Independent Director to engage in communication for understanding the Company's business operations and financial position through participation in its general meetings and on-site investigation and research activities of the Company. I stayed in touch with other Directors, senior management and relevant staff of the Company, paid attention to any impacts of external environment and market changes on the Company at all times, kept updated on the progress of significant matters of the Company, and monitored its production and operations. During the reporting period, I attended the 2022 annual general meeting and the first extraordinary general meeting of 2023 as an Independent Director, and communicated and exchanged views with the small and medium-sized investors attended the meetings on the resolutions to be considered and their concerns about the Company's business operations.

On 27 April 2023, I conducted an on-site investigation and research on Galaxy Capital Management and proposed the following requirements as the next steps for Galaxy Capital Management to be taken: firstly, it should properly proceed with risk prevention and control measures to guard against the bottom line of compliance risk control. Secondly, it should further increase collaboration awareness, expand the scope of collaboration, explore collaborative opportunities with companies within the Galaxy Group, and leverage the benefits of possessing all necessary licenses to foster synergies in business development and enhance business competitiveness.

#### **VI. OVERALL EVALUATION**

During 2023, I fully fulfilled my obligations of integrity and diligence, and earnestly performed my duties in accordance with the requirements of relevant laws, regulations and the Articles of Association, thereby promoting the standardized operations and healthy development of the Company, and effectively safeguarding the overall interests of the Company and the legitimate rights and interests of all Shareholders.

**DUTY REPORT OF THE INDEPENDENT DIRECTOR FOR 2023 (LIU RUIZHONG)**

Dear Shareholders,

In accordance with relevant provisions of the *Code of Corporate Governance for Listed Companies*, the *Measures for the Management of Independent Directors of Listed Companies*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, I kept abreast of and conducted regular inspections on the Company's operations and fulfilled the duties and responsibilities as required for Independent Directors in a diligent and conscientious manner during my term of office in 2023. I actively attended relevant meetings, carefully reviewed in detail the resolutions and related materials presented at the meetings, participated in the discussions of issues and put forward reasonable advice thereon, and gave the prior approval and independent opinions on the relevant matters of the Board, which fully played my role as an Independent Director and safeguarded the legitimate rights and interests of the Company and all Shareholders, in particular small and medium shareholders.

I resigned from my role as an Independent Non-executive Director of the Company in December 2023 as my six-year term as an Independent Director had come to an end. I hereby report on the fulfilment of my duties as an Independent Director during my term of office in 2023 as follows:

**I. BASIC INFORMATION ON THE INDEPENDENT DIRECTOR**

I served as an Independent Non-Executive Director of Galaxy Securities between September 2017 and December 2023. My detailed biography is set out below:

I was born in July 1953. I was a teacher of Tongling Finance and Economics College in Anhui Province from September 1982 to September 1984. I served as the deputy director of the Information Department of Chinese Economic System Reform Research Institute from December 1986 to May 1992, and the director of the Information Department of China International Futures Brokerage Co., Ltd. from May 1992 to May 1993. I served as the executive vice president of Beijing Commodity Exchange from May 1993 to July 1997, the consultant of Shenzhen Special Zone Securities Company from July 1997 to September 2000, an independent director of Essence Securities Co., Ltd. from 2007 to 2013, and an independent director of PPM (Shenzhen) Inc. from June 2015 to August 2021. As at the end of the reporting period, I was an independent director of Harfor Fund Management Co., Ltd. from 2006, an independent director of Shenhua Futures Co., Ltd. from 2010, and an independent director of Guantong Futures Brokerage Co., Ltd. from 2012. I graduated from the Department of Economics of Anhui University in 1982 with a bachelor's degree in economics, and graduated from the Department of Economics of Peking University in December 1986 with a master's degree in economics.

## APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023

As at the end of the reporting period, my part-time employment is as follows:

Name	Position	Positions in Other Entities	
		Name of Organization	Position
LIU Ruizhong	Independent Director	Harfor Fund Management Co., Ltd.	Independent Non-executive Director
		Shenhua Futures Co., Ltd.	Independent Non-executive Director
		Guantong Futures Brokerage Co., Ltd.	Independent Non-executive Director

**Statement of my independence:** I perform my duties independently, and have no connected relationship with the substantial Shareholders or de facto controller of the Company or other entities or individuals having any interest in the Company. There are no circumstances that will affect my independence. My independence is in compliance with the relevant requirements of the *Measures for the Management of Independent Directors of Listed Companies* and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*.

### II. PERFORMANCE OF DUTIES BY THE INDEPENDENT DIRECTOR FOR THE YEAR

#### (I) Attendance at Board meetings and general meetings

During my term of office in 2023, the Company held two general meetings and nine Board meetings. All resolutions considered at the said Board meetings were considered approved, and I voted in favour of the resolutions during the voting process, with no opposing or abstention votes. My attendance at the Board meetings and general meetings are shown in the table below:

Name	Attendance at Board meetings					Attendance at general meetings
	Required attendance at Board meetings	Number of resolutions voted	Attendance in person	Attendance by proxy	Absence	
LIU Ruizhong	9	37	9	0	0	2

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

**(II) Attendance at meetings of the specialized committees under the Board**

During my term of office in 2023, the positions held by me on the specialized committees under the Board are as follows:

<b>Name</b>	<b>Position</b>
LIU Ruizhong	Chairman of the Nomination and Remuneration Committee, member of each of the Strategy and Development Committee and the Audit Committee

During my term of office in 2023, I actively attended meetings of the specialized committees and seriously performed my duties in accordance with the procedural rules of the specialized committees under the Board. During my term of office in 2023, the Company held a total of 17 meetings of the specialized committees under the Board, including four of the Strategy and Development Committee, six of the Nomination and Remuneration Committee and five of the Audit Committee. My attendance at the meetings of specialized committees under the Board is as follows:

<b>Name</b>	<b>Strategy and Development Committee</b>	<b>Nomination and Remuneration Committee</b>	<b>Audit Committee</b>
LIU Ruizhong	4/4	6/6	5/5

*Note:* The format of the above table is “Number of actual attendance/Number of required attendance”

**(II) Participation of training courses**

The training course I attended during my term of office in 2023 is as follows:

<b>Date of training</b>	<b>Content of training</b>
14 February 2023	Standardized Operations and Information Disclosure of Listed Companies

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

**III. MATTERS FOR WHICH PRIOR APPROVAL OPINIONS/INDEPENDENT OPINIONS WERE GIVEN BY THE INDEPENDENT DIRECTOR DURING PERFORMANCE OF DUTIES FOR THE YEAR**

<b>Date of meeting</b>	<b>Session of meeting</b>	<b>Matters for which prior approval opinions/independent opinions were given</b>	<b>Type of opinions</b>
27 March 2023	Sixteenth meeting (regular) of the fourth session of the Board of the Company	“Resolution on the Signing of the Securities and Financial Products Transactions Framework Agreement between the Company and Galaxy Financial Holdings and Ceilings to Be Set for Connected Transactions from 2023 to 2025” “Resolution on the Appointment of the External Auditors of the Company for 2023” “Resolution on Reviewing the 2022 Profit Distribution Plan of the Company” “Internal Control Evaluation Report of the Company for 2022”	Approved
27 April 2023	Seventeenth meeting (regular) of the fourth session of the Board of the Company	“Resolution on Reviewing the Cessation of Mr. DU Pengfei to Serve as the Business Director, the Secretary of the Board of Directors, and a Member of the Executive Committee of the Company”	Approved
10 August 2023	Eighteenth meeting (extraordinary) of the fourth session of the Board	“Resolution on Appointing Mr. LIU Bing as the Business Director and a Member of the Executive Committee of the Company”	Approved
30 August 2023	Nineteenth meeting (regular) of the fourth session of the Board	“Resolution on Reviewing the Assessment Results of the Compliance Director in 2022 by the Board of Directors”	Approved
26 October 2023	Twentieth meeting (extraordinary) of the fourth session of the Board	“Resolution on Reviewing the Appointment of Mr. WANG Sheng to Serve as the Chairman of the Board of the Company”	Approved

---

**APPENDIX III DUTY REPORTS OF THE INDEPENDENT DIRECTORS FOR 2023**

---

<b>Date of meeting</b>	<b>Session of meeting</b>	<b>Matters for which prior approval opinions/ independent opinions were given</b>	<b>Type of opinions</b>
24 November 2023	Twenty-second meeting (extraordinary) of the fourth session of the Board	“Resolution on Reviewing the Cessation of Mr. WANG Sheng to Serve as the President of the Company” “Resolution on Reviewing the Appointment of Mr. XUE Jun to Serve as an Executive Director, the President, and the Vice Chairman of the Executive Committee of the Company”	Approved

**IV. OTHER EXPLANATIONS****(I) Use of proceeds**

In accordance with relevant laws and regulations such as the *Company Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China*, the HKSE Listing Rules, the SSE Listing Rules, and the *Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations*, as well as the *Measures for the Management of Proceeds of China Galaxy Securities Co., Ltd.*, the Company made provisions for the deposit, use, alteration, management and supervision of proceeds, implemented special account management for the proceeds, deposited, used and managed them pursuant to the requirements, and fulfilled relevant obligations without violation of laws and regulations.

The Company completed the public issuance of convertible corporate bonds of RMB7.8 billion in March 2022. The proceeds had been fully utilized and the special account therefor had been closed as of 31 December 2022. As at the end of the reporting period, the Company did not have any unutilized proceeds.

**(II) Performance forecast and preliminary results**

During my term of office in 2023, the Company did not publish any performance forecast and preliminary results as no disclosure standards in relation thereto were triggered.

**(III) Fulfilment of undertakings by the Company and its Shareholders**

During the term of office in 2023, all relevant undertakings made by the Company and its controlling Shareholders upon the initial public issuance of A shares and the public issuance of A share convertible bonds were performed in accordance with law.



**(IV) Implementation of information disclosure**

During my term of office in 2023, the Company performed its information disclosure obligations in strict compliance with the relevant laws and regulations, including the HKSE Listing Rules, the SSE Listing Rules and the *Measures for the Administration of Information Disclosure by Listed Companies*. The content of announcements was true, accurate, complete, and contained no false representations, misleading statements or material omissions. This guaranteed that the information was disclosed in a timely and fair manner, ensured that investors kept abreast of the significant matters of the Company in a timely manner, and effectively protected the legitimate rights and interests of Shareholders.

**(V) Operation of the Board and its specialized committees**

During my term of office in 2023, the Board and its specialized committees carried out their work in accordance with laws and regulations, the Articles of Association and working rules. The specialized committees fully fulfilled the decision-making and consulting functions, provided professional advice on significant matters required for discussion and decision, and assisted the Board in making decisions in a scientific manner.

I was of the view that the Board and its specialized committees operated in compliance with laws and regulations. All significant matters were fully discussed and reviewed, decisions were made in a scientific and efficient manner, and the Board and its specialized committees performed their duties as decision-making institutions.

**(VI) Other matters that need to be improved in the opinion of Independent Director**

During my term of office in 2023, I raised no objection to any resolution of the Board or of any specialized committee of the Company.

**V. OVERALL EVALUATION**

During my term of office in 2023, I fully fulfilled my obligations of integrity and diligence, and earnestly performed my duties in accordance with the requirements of relevant laws, regulations and the Articles of Association, thereby promoting the standardized operations and healthy development of the Company, and effectively safeguarding the overall interests of the Company and the legitimate rights and interests of all Shareholders.

The above is the report on my duty performance in 2023. I resigned from my position in December 2023 and would like to express my gratitude to the Board and the relevant staff of the Company for their effective cooperation and support during my tenure.

---

**APPENDIX IV      PROPOSED AMENDMENTS TO THE PROCEDURAL  
RULES OF THE BOARD OF DIRECTORS**

---

The proposed amendments to the *Procedural Rules of the Board of Directors* are set out below:

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<p><b>Article 1</b> In order to regulate the procedural rules and decision-making process of the board of directors of China Galaxy Securities Co., Ltd. (the “Company”), ensure the effective duty performance of the directors and the board of the directors and improve the operational efficiency and decision-making level of the board of directors, these Rules are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guidelines on Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Mandatory Provisions of the Articles of Association of Companies Listed Overseas, the Opinion Letter on the Supplementary Amendments to the Articles of Association Upon Listing in Hong Kong, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other laws and regulations as well as the provisions of the Articles of Association, and with reference to the Model Procedural Rules of the Board of Directors of Listed Companies of the Shanghai Stock Exchange.</p>	<p><b>Article 1</b> In order to regulate the procedural rules and decision-making process of the board of directors of China Galaxy Securities Co., Ltd. (the “Company”), ensure the effective duty performance of the directors and the board of the directors and improve the operational efficiency and decision-making level of the board of directors, these Rules are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Guidelines on Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, <del>the Mandatory Provisions of the Articles of Association of Companies Listed Overseas, the Opinion Letter on the Supplementary Amendments to the Articles of Association Upon Listing in Hong Kong,</del> the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other laws and regulations as well as the provisions of the Articles of Association, <del>and with reference to the Model Procedural Rules of the Board of Directors of Listed Companies of the Shanghai Stock Exchange.</del></p>

---

**APPENDIX IV      PROPOSED AMENDMENTS TO THE PROCEDURAL  
RULES OF THE BOARD OF DIRECTORS**

---

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<p><b>Article 18</b> The chairman of the meeting shall call upon the directors present at the board meeting to express their views on each resolution individually.</p> <p>For resolutions requiring prior approval of independent directors in accordance with the regulations, the chairman of the meeting shall designate one of the independent directors to read out the written approval reached by the independent directors prior to the discussion of the relevant resolutions.</p> <p>No vote shall be taken at a board meeting on a resolution not included in the notice of the meeting except with the unanimous consent of all the directors present at the meeting. A director who is a proxy appointed by another director to attend a board meeting shall not vote on behalf of the other director on a resolution not included in the notice of the meeting.</p>	<p><b>Article 18</b> The chairman of the meeting shall call upon the directors present at the board meeting to express their views on each resolution individually.</p> <p>For resolutions requiring <del>prior approval</del> <u>the consent of the majority of all independent directors and submitted to the board of directors for consideration</u> in accordance with the regulations, the chairman of the meeting shall designate one of the independent directors to read out the <del>written approval</del> <u>review opinions reached</u> <del>approved</del> by the independent directors' <u>special meetings</u> prior to the discussion of the relevant resolutions.</p> <p>No vote shall be taken at a board meeting on a resolution not included in the notice of the meeting except with the unanimous consent of all the directors present at the meeting. A director who is a proxy appointed by another director to attend a board meeting shall not vote on behalf of the other director on a resolution not included in the notice of the meeting.</p>

---

**APPENDIX IV      PROPOSED AMENDMENTS TO THE PROCEDURAL  
RULES OF THE BOARD OF DIRECTORS**

---

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<p>If a director attending the meeting requests for a reply or explanation of the relevant circumstances after he/she has spoken on a resolution, the chairman of the meeting may reply in person, or designate a relevant person or a professional person sitting in on the meeting to reply, and his/her speaking time shall normally not exceed 15 minutes.</p> <p>The chairman of the board of directors or the chairman of the meeting shall fully listen to the opinions of the directors present at the meeting, control the progress of the meeting, and enhance the discussion efficiency and the scientific decision-making. If a director repeats himself/herself on the same resolution with his/her speech irrelevant to the resolution, thereby affecting the speeches of other directors or obstructing the normal progress of the meeting, the chairman of the meeting shall promptly discontinue such director’s speech. All resolutions shall be considered at the meeting one by one in accordance with the agenda set out in the notice of meeting.</p>	<p>If a director attending the meeting requests for a reply or explanation of the relevant circumstances after he/she has spoken on a resolution, the chairman of the meeting may reply in person, or designate a relevant person or a professional person sitting in on the meeting to reply, and his/her speaking time shall normally not exceed 15 minutes.</p> <p>The chairman of the board of directors or the chairman of the meeting shall fully listen to the opinions of the directors present at the meeting, control the progress of the meeting, and enhance the discussion efficiency and the scientific decision-making. If a director repeats himself/herself on the same resolution with his/her speech irrelevant to the resolution, thereby affecting the speeches of other directors or obstructing the normal progress of the meeting, the chairman of the meeting shall promptly discontinue such director’s speech. All resolutions shall be considered at the meeting one by one in accordance with the agenda set out in the notice of meeting.</p>

---

**APPENDIX IV      PROPOSED AMENDMENTS TO THE PROCEDURAL  
RULES OF THE BOARD OF DIRECTORS**

---

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<p><b>Article 35</b>    Miscellaneous</p> <p>These Rules shall be amended in any of the following cases:</p> <p>(1) The Company Law, the Securities Law, the Hong Kong Listing Rules or other relevant laws and regulations and the Articles of Association are amended to the extent that the provisions of these Rules conflict with them;</p> <p>(2) Amendments to these Rules are decided at a general meeting.</p> <p>Unless otherwise specified, terms used in these Rules shall have the same meanings as in the Articles of Association.</p> <p>The interpretation of these Rules shall be vested to the board of directors of the Company.</p> <p>These Rules shall be attached as an annex to the Articles of Association and shall become effective on the date of the initial public offering and listing of the Company’s shares after being considered and approved at the general meeting.</p> <p>The original Procedural Rules of the Board of Directors of the Company shall automatically lapse from the date when these Rules take effect.</p>	<p><b>Article 35</b>    Miscellaneous</p> <p>These Rules shall be amended in any of the following cases:</p> <p>(1) The Company Law, the Securities Law, the Hong Kong Listing Rules or other relevant laws and regulations and the Articles of Association are amended to the extent that the provisions of these Rules conflict with them;</p> <p>(2) Amendments to these Rules are decided at a general meeting.</p> <p>Unless otherwise specified, terms used in these Rules shall have the same meanings as in the Articles of Association.</p> <p>The interpretation of these Rules shall be vested to the board of directors of the Company.</p> <p>These Rules shall be attached as an annex to the Articles of Association and shall become effective on the date of <del>the initial public offering and listing of the Company’s shares after being considered and approved</del> <u>consideration and approval</u> at the general meeting.</p> <p>The original Procedural Rules of the Board of Directors of the Company shall automatically lapse from the date when these Rules take effect.</p>

The proposed amendments to the *Working Rules for Independent Directors* are set out below:

Articles Before Revision	Articles After Revision
Chapter 1 General Provisions	Chapter 1 General Provisions
<p><b>Article 1</b> In order to improve the corporate governance of China Galaxy Securities Co., Ltd. (the “Company”) and facilitate the standardization of the Company’s operations, protect the practical interests of shareholders, and effectively avoid the risk of decision-making, these Rules are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Guidance Opinions on the Establishment of an Independent Directors’ System in Listed Companies (the “Guidance Opinions”), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Guidelines on the Governance of Securities Companies, the Measures for the Supervision of Qualifications for Appointment of Directors, Supervisors and Senior Management of Securities Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other laws and regulations as well as the provisions of the Articles of Association.</p>	<p><b>Article 1</b> In order to improve the corporate governance of China Galaxy Securities Co., Ltd. (the “Company”) and facilitate the standardization of the Company’s operations, protect the practical interests of shareholders, and effectively avoid the risk of decision-making, these Rules are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), <del>the Guidance Opinions on the Establishment of an Independent Directors’ System in Listed Companies (the “Guidance Opinions”)</del> <u>the Measures for the Management of Independent Directors of Listed Companies (the “ID Management Measures”)</u>, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “Stock Listing Rules”), the Guidelines on the Governance of Securities Companies, <del>the Measures for the Supervision of Qualifications for Appointment of Directors, Supervisors and Senior Management of Securities Companies</del> <u>the Measures for the Supervision and Management of the Directors, Supervisors, Senior Management, and Practitioners of Securities and Fund Business Institutions</u>, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other laws and regulations as well as the provisions of the Articles of Association.</p>

Articles Before Revision	Articles After Revision
<b>Chapter 2 General Rules</b>	<b>Chapter 2 General Rules</b>
<p><b>Article 2</b> Independent directors refer to the directors who hold no position in the Company other than the position of director and have no relationship with the Company and its substantial shareholder(s) that could prevent them from making independent and objective judgment.</p>	<p><b>Article 2</b> Independent directors refer to the directors who hold no position in the Company other than the position of director and have no <u>direct or indirect interest</u> relationship with the Company and its substantial shareholder(s) <u>and de facto controller(s), or other relationship</u> that could <del>affect</del><del>prevent</del> them from making independent and objective judgment.</p>
<p><b>Article 3</b> Independent directors owe a duty of good faith and diligence to the Company and all shareholders.</p> <p><b>Article 4</b> Independent directors shall faithfully perform their duties in accordance with the requirements of the relevant laws and regulations, the Articles of Association and these Rules to safeguard the interests of the Company as a whole, with particular attention to ensuring that the legitimate rights and interests of the minority shareholders are not jeopardized. Independent directors shall perform their duties independently without being influenced by the Company’s controlling shareholders, de facto controllers, or other entities or individuals who have an interest in the Company, its substantial shareholders or de facto controllers.</p>	<p><b>Article 3</b> Independent directors owe a duty of good faith and diligence to the Company and all shareholders. <del>Independent directors</del> <u>They shall faithfully conscientiously</u> perform their duties in accordance with the requirements of the relevant laws and regulations, <u>the relevant requirements of securities regulatory authorities and stock exchanges of the place where the Company’s shares are listed,</u> the Articles of Association and these Rules. <u>They shall perform the roles of participation in decision-making, supervision, checks and balances, and professional consultation on the board of directors,</u> to safeguard the interests of the Company as a whole, <del>with particular attention to ensuring that</del> <u>and to protect</u> the legitimate rights and interests of the minority shareholders <del>are not jeopardized</del>.</p> <p><b>Article 4</b> Independent directors shall perform their duties independently without being influenced by the Company’s controlling shareholders, de facto controllers, or other entities or individuals who have an interest in the Company, its substantial shareholders or de facto controllers.</p>



Articles Before Revision	Articles After Revision
<p><b>Article 5</b> An independent director shall, in principle, hold independent directorships in a maximum of five listed companies or two securities companies, including the Company, and shall ensure that he/she has sufficient time and energy to fulfil his/her duties as an independent director effectively.</p>	<p><b>Article 5</b> An independent director shall, in principle, hold independent directorships in a maximum of <del>five</del> <u>three domestically</u> listed companies or two securities companies, including the Company, and shall ensure that he/she has sufficient time and energy to fulfil his/her duties as an independent director effectively.</p>
<p><b>Article 7</b> Independent directors shall meet the qualification requirements set forth in laws and regulations.</p>	<p><b>Article 7</b> Independent directors shall meet the qualification requirements set forth in laws and regulations, <u>the relevant requirements of securities regulatory authorities and stock exchanges of the place where the Company is listed.</u></p>
Chapter 3 Composition of Independent Directors	Chapter 3 Composition of Independent Directors
<p><b>Article 8</b> More than one-third of the members of the board of directors shall be independent directors, including at least one accounting professional (an accounting professional is defined as a person with a senior title or a certified public accountant qualification).</p>	<p><del>Article 8 More than one-third of the members of the board of directors shall be independent directors, including</del> <u>The proportion of independent directors in the board of directors of the Company shall not be less than one-third, with at least one independent director being an accounting professional (an accounting professional is defined as a person with a senior title or a certified public accountant qualification).</u> <u>Those who are nominated as independent director candidates in their capacity as accounting professionals shall possess rich accounting expertise and experience and meet at least one of the following criteria:</u></p> <p><u>(1) being qualified as a certified public accountant;</u></p> <p><u>(2) possessing a senior title, title of associate professor or above, or a doctoral degree in accounting, audit or financial management;</u></p> <p><u>(3) possessing a senior title in economic management with more than 5 years of full-time working experience in a professional position in accounting, audit or financial management.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 9</b> When the number of independent directors is less than one-third of the board of directors, the Company shall immediately notify the Hong Kong Stock Exchange in accordance with the requirements of the Hong Kong Listing Rules and publish an announcement to publicise the situation and the reasons thereof, and shall appoint a corresponding number of independent directors to fill the vacancy within three months.</p>	<p><del><b>Article 9</b> When the number of independent directors is less than one-third of the board of directors, the Company shall immediately notify the Hong Kong Stock Exchange in accordance with the requirements of the Hong Kong Listing Rules and publish an announcement to publicise the situation and the reasons thereof, and shall appoint a corresponding number of independent directors to fill the vacancy within three months.</del></p>
<p style="text-align: center;"><b>Chapter 4 Qualifications of Independent Directors</b></p>	<p style="text-align: center;"><b>Chapter 4 Qualifications of Independent Directors</b></p>
<p><b>Article 10</b> In addition to meeting the qualifications for directorship as set forth in the Articles of Association, an independent director shall have the following qualifications:</p> <p>(1) he/she shall have five years or more of experience in the areas of securities, finance, law or accounting;</p> <p>(2) he/she shall have the basic knowledge of the operation of a financial institution and be well-acquainted with the relevant laws, regulations and rules, and shall have good reputation;</p> <p>(3) he/she shall have the necessary time and effort to perform his/her duties as an independent director;</p> <p>(4) he/she shall be at least a university graduate and possess at least a bachelor's degree;</p> <p>(5) he/she shall have the independence required by Article 11 of these Rules;</p> <p>(6) other conditions stipulated by laws and regulations and the Articles of Association.</p>	<p><del><b>Article 109</b> In addition to meeting the qualifications for directorship as set forth in the Articles of Association, an</del> <u>An independent director shall have the following qualifications meet the following conditions:</u></p> <p><u>(1) he/she shall have the qualifications of acting as a director of listed companies in accordance with laws, regulations, and the requirements of securities regulatory authorities and stock exchanges of the place where the Company is listed, and the Articles of Association;</u></p> <p><del>(2)</del> <u>he/she shall have five years or more of experience in the areas of securities, finance, law, or accounting or economics which is necessary in performing duties of an independent director;</u></p> <p><del>(3)</del> <u>he/she shall have the necessary time and effort to perform his/her duties as an independent director;</u></p> <p><del>(23)</del> <u>he/she shall have the basic knowledge of the operation of a listed company and financial institution and be well-acquainted with the relevant laws, regulations and rules; and shall have good reputation;</u></p>

Articles Before Revision	Articles After Revision
	<p>(4) <del>he/she shall be at least a university graduate and possess at least a bachelor's degree;</del> <u>have good personal character without major breach of trust or other adverse records;</u></p> <p>(5) he/she shall have the independence required by Article <del>11</del><u>10</u> of these Rules;</p> <p>(6) other conditions stipulated by laws and regulations, <u>and the requirements of securities regulatory authorities and stock exchanges of the place where the Company is listed,</u> and the Articles of Association.</p>
<p><b>Article 11</b> Independent directors must be independent. To ensure their independence, the following persons shall not act as independent directors of the Company:</p> <p>(1) persons who are specified in Article 124 of the Securities Law;</p> <p>(2) persons who are employed by the Company or its subsidiaries and their lineal relatives and affiliates with close social relationship (lineal relatives refer to, among others, spouses, parents and children, while affiliates with close social relationship refer to, among others, brothers and sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, brothers-in-law and sisters-in-law);</p> <p>(3) persons who are employed by corporate shareholder(s) directly or indirectly holding 5% or more of the Company's shares or other companies which have business or interest relationship with the Company or the top five corporate shareholders of the Company and their lineal relatives and affiliates with close social relationship;</p>	<p><b>Article <del>11</del><u>10</u></b> Independent directors must be independent. <del>To ensure their independence, the following persons shall not act as independent directors of the Company and shall not be the person described in the following circumstances:</del></p> <p>(1) <del>persons who are specified in Article 124 of the Securities Law;</del></p> <p>(<del>2</del><u>1</u>) <del>persons who are employed by the Company or its subsidiaries and their lineal relatives and affiliates with close social relationship (lineal relatives refer to, among others, spouses, parents and children, while as well as affiliates with close social relationship refer to, among others, brothers and sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, brothers-in-law and sisters-in-law);</del></p> <p>(<del>2</del><u>1</u>) <del>persons who are employed by subsidiaries of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;</del></p> <p>(3) persons who are employed by corporate shareholder(s) directly or indirectly holding 5% or more of the Company's <u>issued</u> shares <del>or other companies which have business or interest relationship with the Company or the top five corporate shareholders of the Company and their lineal relatives and affiliates with close social relationship</del> spouses, parents and children;</p>

Articles Before Revision	Articles After Revision
<p>(4) natural person shareholders who directly or indirectly hold 1% or more of the Company's shares and the top 10 natural person Shareholders of the Company and their lineal relatives;</p> <p>(5) persons who provide financial, legal or consultation services to the Company or any of its subsidiaries and their lineal relatives;</p> <p>(6) persons who had been the persons under items (2) to (5) in the past one year;</p> <p>(7) persons who are employed by other securities companies in a capacity other than independent directors;</p> <p>(8) other persons specified by laws, regulations, the listing rules in the place where the Company's shares are listed and the Articles of Association; and</p> <p>(9) other persons considered unfit by the securities regulatory authorities in the place where the Company's shares are listed or by the shareholders' general meeting of the Company.</p> <p>In the event that any of the aforesaid circumstances occurs during the term of office of an independent director, the Company shall dismiss such independent director in a timely fashion and report to the securities regulatory authorities in the place where the Company is domiciled.</p>	<p>(4) natural person shareholders who directly or indirectly hold 1% or more of the Company's <u>issued shares and, or are</u> the top 10 <del>natural person</del> shareholders of the Company and their <del>lineal relatives</del> <u>spouses, parents and children</u>;</p> <p>(5) persons who provide financial, legal, <u>or</u> consultation <u>or sponsorship</u> services to the Company <u>and its controlling shareholders and de facto controllers</u> or any of <del>its</del> <u>their</u> <del>respective</del> <u>respective</u> subsidiaries <del>and their lineal relatives, including but not limited to all the project team personnel of the intermediary providing services, review personnel at all levels, personnel signing the report, partners, directors, senior management and principal persons</del>;</p> <p>(6) <u>persons who have major business transactions with the Company and its controlling shareholders and de facto controllers or their respective subsidiaries, or are employed by entities and their controlling shareholders and de facto controllers with whom major business transactions are dealt with</u>;</p> <p>(67) persons who had been the persons under <u>the preceding six</u> items <del>(2) to (5)</del> in the past <del>one year</del> <u>12 months</u>;</p> <p>(8) <u>persons who are employed by the Company and its connected parties for the last 3 years</u>;</p> <p>(9) <u>persons whose lineal relatives and affiliates with close social relationship are employed by the Company and its connected parties</u>;</p> <p>(10) <u>persons who have interested relationship with the senior management, other directors, supervisors and other key personnel of the Company and its connected parties</u>;</p> <p>(11) <u>persons who are employed by an organization which the Company has business dealings with or interests in</u>;</p>

Articles Before Revision	Articles After Revision
	<p>(<del>7</del>12) persons who are employed by other securities <del>companies</del><u>fund business institutions</u> in a capacity other than independent directors;</p> <p>(<del>8</del>13) <u>other circumstances that may impede the exercise of independent and objective judgement by independent directors and other persons specified by laws, regulations, the listing rules in the place where the Company's shares are listed and the Articles of Association; and,</u></p> <p>(9) <del>other persons considered unfit by the securities regulatory authorities in the place where the Company's shares are listed or by the shareholders' general meeting of the Company.</del></p> <p><del>In the event that any of the aforesaid circumstances occurs during the term of office of an independent director, the Company shall dismiss such independent director in a timely fashion and report to the securities regulatory authorities in the place where the Company is domiciled.</del></p> <p><u>The term "affiliates with close social relationship" as stipulated in the preceding items refers to siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, and parents of children's spouses. The term "major business transactions" means matters which are required to be submitted to the shareholders' general meeting for consideration in accordance with the listing rules of the place where the Company's shares are listed or the Articles of Association, or any other material matters recognized by the securities regulatory authorities or stock exchange(s) of the place where the Company's shares are listed; The term "employed" refers to being employed as directors, supervisors, senior management and other staff. Subsidiaries of the Company's controlling shareholders and de facto controllers exclude enterprises controlled by the same state-owned asset management organization as the Company and not forming a connected relationship with the Company in accordance with relevant regulations.</u></p>

Articles Before Revision	Articles After Revision
	<p><u>Independent directors shall also meet the independence requirements under Rule 3.13 of the Hong Kong Listing Rules.</u></p> <p><u>The independent directors shall conduct an annual self-examination of their independence and submit the self-examination to the board of directors of the Company. The board of directors of the Company shall evaluate the independence of the incumbent independent directors and issue a specific opinion on an annual basis, which shall be disclosed at the same time as the annual report.</u></p>
<p><b>Chapter 5 Nomination, Election and Replacement of Independent Directors</b></p>	<p><b>Chapter 5 Nomination, Election and Replacement of Independent Directors</b></p>
<p><b>Article 12</b> The board of directors, the supervisory committee or shareholders individually or jointly holding 1% or more of the issued shares of the Company may nominate the candidates for independent directors for election by the shareholders' general meeting.</p>	<p><b>Article <del>12</del>11</b> The board of directors, the supervisory committee or shareholders individually or jointly holding 1% or more of the issued shares of the Company may nominate the candidates for independent directors for election by the shareholders' general meeting.</p> <p><u>An investor protection institution established in accordance with law may publicly request shareholders to appoint it to exercise the right to nominate independent directors on their behalf.</u></p> <p><u>The nominator provided for in paragraph 1 of this article shall not nominate any person with whom he/she has an interest or any other closely related person who may affect the independent performance of his/her duties as a candidate for independent director.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 13</b> The nominator of independent directors shall obtain the consent of the nominee before making the nomination. The nominator shall be fully aware of the nominee’s occupation, academic qualifications, title, detailed work history, all part-time jobs, etc., and shall be responsible for providing the Company with written information on the above. The nominator of independent directors shall express the opinions on the nominee’s qualifications and independence as independent directors, and the nominee shall make public statements regarding the absence of any relationship between him/her and the Company that would affect his/her independent and objective judgment. The board of directors of the Company shall announce the foregoing in accordance with the regulations prior to the shareholders’ general meeting at which the independent directors are elected.</p>	<p><b>Article 1312</b> <u>Candidates for independent directors shall make declarations and undertakings as to whether or not they meet the relevant provisions of laws and regulations, the securities regulatory authorities and stock exchanges of the place where the Company’s shares are listed in relation to the conditions for appointment of independent directors, their qualifications for appointment, and the requirements for their independence.</u></p> <p>The nominator of independent directors shall obtain the consent of the nominee before making the nomination. The nominator shall be fully aware of the nominee’s occupation, academic qualifications, title, detailed work history, all part-time jobs, etc. <u>and whether he/she has any major breach of trust or other adverse records, and shall be responsible for providing the Company with written information on the above.</u> The nominator of independent directors shall <u>carefully verify whether the independent director candidate meets the conditions and qualifications for appointment, the ability to perform duties, and whether there are any circumstances</u> <del>express the opinions on the nominee’s qualifications and independence as independent directors, and the nominee shall make public statements regarding the absence of any relationship between him/her and the Company that would affecting his/her independence, and shall make a declaration and undertaking regarding the verification results independent and objective judgment.</del> The board of directors of the Company shall announce the foregoing in accordance with the regulations prior to the shareholders’ general meeting at which the independent directors are elected.</p>



Articles Before Revision	Articles After Revision
<p><b>Article 14</b> Prior to convention of the shareholders' general meeting for election of independent directors, the Company shall simultaneously submit all relevant materials of the nominees (including but not limited to the nominator's statement, candidate statement, and independent director's resume) to the securities regulatory authorities and the Shanghai Stock Exchange. If the board of directors of the Company raises any objection against the nominees in any respect, it shall also submit the written opinions of the board of directors.</p> <p>After the securities regulatory authorities have reviewed the qualifications and independence of the independent directors, if the nominee is opposed by the securities regulatory authorities, he/she may only act as the Company's director candidate, instead of the independent director candidate.</p>	<p><del><b>Article 14</b> Prior to convention of the shareholders' general meeting for election of independent directors, the Company shall simultaneously submit all relevant materials of the nominees (including but not limited to the nominator's statement, candidate statement, and independent director's resume) to the securities regulatory authorities and the Shanghai Stock Exchange. If the board of directors of the Company raises any objection against the nominees in any respect, it shall also submit the written opinions of the board of directors.</del></p> <p><del>After the securities regulatory authorities have reviewed the qualifications and independence of the independent directors, if the nominee is opposed by the securities regulatory authorities, he/she may only act as the Company's director candidate, instead of the independent director candidate.</del></p>
<p>–</p>	<p><b>Article 13</b> <u>The Company shall submit to the Shanghai Stock Exchange the relevant materials of the independent director candidates, including written documents such as the Declaration and Undertaking of Independent Director Candidates, the Declaration and Undertaking of Independent Director Nominators, the Independent Director Candidates' Resume and other written documents, disclosing the relevant declarations and undertakings as well as the nomination committee's examination opinions, and guaranteeing that the contents of the announcements are true, accurate and complete, no later than the time when the Company publishes its announcement of notice of the shareholders' general meeting for the election of the independent directors.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 15</b> When convening a shareholders' general meeting for the election of independent directors, the board of directors shall state and explain whether the independent director candidates have been opposed by the securities regulatory authorities and the Shanghai Stock Exchange.</p>	<p><del>Article 15</del> <b>Article 14</b> <u>In the event that a candidate for independent director does not meet the conditions for appointment as an independent director or the independence requirements, and if the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed raise objections to the conditions for appointment and independence of the candidate for independent director, the Company shall disclose the same in a timely manner in accordance with the relevant regulations of the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed.</u></p> <p>When convening a shareholders' general meeting for the election of independent directors, the board of directors shall state and explain whether the independent director candidates have been opposed by the securities regulatory authorities and <del>the Shanghai Stock Exchange</del> <u>stock exchanges of the place where the Company's shares are listed.</u> The Company shall not submit to the shareholders' general meeting any candidate for independent director for election if such candidate is opposed by the securities regulatory authorities and stock exchanges of the place where the Company's shares are listed. <u>If the proposal has already been submitted for consideration at the shareholders' general meeting, it shall be cancelled.</u></p>
<p><b>Article 16</b> Where a shareholder holds solely or jointly holds with connected parties 50% or more of the shares of the Company or a controlling shareholder controls 30% or more of the shares of the Company, the election of independent directors shall be by way of a cumulative voting system.</p>	<p><del>Article 16</del> <b>15</b> <u>Where a shareholder holds solely or jointly holds with connected parties 50% or more of the shares of the Company or a controlling shareholder controls 30% or more of the shares of the Company, the</u> <u>The election of two or more independent directors shall be by way of a cumulative voting system.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 17</b> The tenure of the independent directors is the same as those of other directors of the Company. Independent directors are eligible for re-election after the expiration of their tenure, but shall not serve for more than six years. The Company shall file the relevant information of the independent directors with the securities regulatory authorities.</p>	<p><b>Article <del>17</del>16</b> The tenure of the independent directors is the same as those of other directors of the Company, <u>with each term of three years.</u> Independent directors are eligible for re-election after the expiration of their tenure, but shall not serve for more than six years. <u>An independent director who has served the Company for six consecutive years shall be prohibited from being nominated as a candidate for the position of independent director of the Company for a period of 36 months from the date of such fact.</u> The Company shall file the relevant information of the independent directors with the securities regulatory authorities.</p>
<p><b>Article 18</b> If an independent director fails to attend in person for three consecutive board meetings, the board of directors shall propose to remove such independent director at the shareholders' general meeting. Except for the above-mentioned and the circumstances that a person may not act as a director as provided for in the Companies Law, as well as those stipulated in Article 11 of these Rules, an independent director shall not be removed without any reason from his/her office before the expiry of his/her term of office. Where an independent director is removed from office before his/her term of office expires, the Company shall make special disclosure in relation thereto. The so removed independent director may make a public statement and report to the securities regulatory authorities in the place where the Company is domiciled if he/she believes that he/she has been improperly removed from his/her office by the Company.</p>	<p><b>Article <del>18</del>17</b> <u>An independent director who fails to meet the conditions of office or the independence requirements after his/her appointment shall immediately cease to perform his/her duties and resign from his/her office. If an independent director fails to submit his/her resignation as scheduled, the board of directors shall immediately relieve him/her of his/her duties as required after the board of directors has become aware of, or should have become aware of, the occurrence of such fact.</u></p> <p>If an independent director fails to attend in person for <del>three</del> <u>two</u> consecutive the board meetings, <del>the board of directors shall propose to remove such independent director at the shareholders' general meeting and does not appoint other independent directors to attend on his/her behalf,</del> <u>the board of directors shall propose the convening of a shareholders' general meeting to dismiss such independent director's position within 30 days from the date of such fact.</u></p>

Articles Before Revision	Articles After Revision
	<p><u>In the event that the proportion of independent directors on the board of directors or its special committees does not comply with the provisions of laws and regulations or the Articles of Association due to the resignation or dismissal of an independent director, or that there is a lack of accounting professionals among the independent directors, the Company shall complete the by-election within 60 days from the date of the aforesaid fact. Where the Hong Kong Listing Rules impose other requirements in respect of the number and proportion of independent directors and the resignation and election of independent directors, the requirements of the Hong Kong Listing Rules shall be satisfied at the same time.</u></p> <p><del>Except for the above-mentioned and the circumstances that a person may not act as a director as provided for in the Companies Law, as well as those stipulated in Article 11 of these Rules, an independent director shall not be removed without any reason before the expiry of his/her office during his/her term of office. Where an independent director is removed from office before his/her term of office expires, the Company shall make special disclosure in relation thereto. The so removed independent director may make a public statement and report to the securities regulatory authorities in the place where the Company is domiciled if he/she believes that he/she has been improperly removed from his/her office by the Company.</del><u>If an independent director is removed from office prior to the expiration of his/her term of office and believes that the reasons for removal are inappropriate, he/she may submit a dissenting opinion and the reasons therefor, and the Company shall disclose the same in a timely manner.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 19</b> An independent director may resign before the expiration of his/her term of office. An independent director who resigns shall submit a written resignation report to the board of directors describing any circumstances relating to his/her resignation or which he/she considers necessary to bring to the attention of the shareholders and creditors of the Company. In the event that the proportion of independent directors on the board of directors of the Company falls below the minimum requirements set forth by law or the Articles of Association due to the resignation of an independent director, such independent director shall continue to perform his/her duties in accordance with the provisions of laws, regulations and the Articles of Association until a new independent director is appointed and assumes office. The board of directors of the Company shall convene a shareholders' general meeting to re-elect an independent director for replacement within two months. If no shareholders' general meeting is convened upon expiry of the period, such independent director may cease to fulfil his/her duties.</p>	<p><b>Article 1918</b> An independent director may resign before the expiration of his/her term of office. An independent director who resigns shall submit a written resignation report to the board of directors describing any circumstances relating to his/her resignation or which he/she considers necessary to bring to the attention of the shareholders and creditors of the Company. <u>The Company shall disclose the reasons and concerns of the independent director's resignation.</u> In the event that the proportion of independent directors on the board of directors of the Company <u>or its special committees falls below does not comply with</u> the minimum requirements set forth by law <del>or</del> the Articles of Association <u>and these Rules</u> due to the resignation of an independent director, <u>or there is a lack of accounting professional among independent directors,</u> such independent director shall continue to perform his/her duties in accordance with the provisions of laws, regulations and the Articles of Association until a new independent director is appointed and assumes office. The board of directors of the Company shall <u>complete by-election within 60 days from the date of resignation rendered by the independent director convene a shareholders' general meeting to re-elect an independent director for replacement within two months. If no shareholders' general meeting is convened upon expiry of the period, such independent director may cease to fulfil his/her duties.</u> <u>Where the Hong Kong Listing Rules impose other requirements in respect of the number and proportion of independent directors and the resignation and election of independent directors, the requirements of the Hong Kong Listing Rules shall be satisfied at the same time.</u></p>

Articles Before Revision	Articles After Revision
<b>Chapter 6 Duties of Independent Directors</b>	<b>Chapter 6 Duties of Independent Directors</b>
<p><b>Article 22</b> Independent directors shall attend board meetings on a regular basis to understand the business and operation of the Company, and take the initiative to investigate circumstances and obtain information necessary for making decisions.</p>	<p><del><b>Article 22</b> Independent directors shall attend board meetings on a regular basis to understand the business and operation of the Company, and take the initiative to investigate circumstances and obtain information necessary for making decisions.</del></p>
–	<p><b>Article 21</b> Independent directors shall perform the following duties:</p> <p><u>(1) to participate in the decision-making of the board of directors and express a clear opinion on the matters discussed;</u></p> <p><u>(2) to supervise the matters to be considered by the audit committee, the matters proposed by the nomination and remuneration committee, and the matters listed in Article 22 of these Rules regarding potential material conflicts of interest between the Company and its controlling shareholders, de facto controllers, directors, and senior management, so as to ensure that the decision-making of the board of directors is in line with the interests of the Company as a whole, and to protect the lawful rights and interests of the minority shareholders;</u></p> <p><u>(3) to provide professional and objective advice on the Company’s operation and development, and to promote and improve the decision-making level of the board of directors;</u></p> <p><u>(4) to perform other duties as stipulated by laws and regulations, securities regulatory authorities, stock exchanges of the place where the Company is listed and relevant regulations and the Articles of Association.</u></p>

Articles Before Revision	Articles After Revision
	<p><u>Independent directors shall perform their duties independently and impartially and shall not be subject to the influence of the Company, its substantial shareholders, de facto controllers and other entities or individuals. If it is found that there are matters under consideration affecting their independence, independent directors shall make a declaration to the Company and abstain from such consideration. In the event that any situation that clearly affects their independence occurs during the term of office, independent directors shall notify the Company in a timely manner, and propose resolutions thereof, and if necessary, render their resignation.</u></p>
-	<p><b>Article 22</b> <u>The following matters shall be submitted to the board of directors for consideration after being approved by a majority of all independent directors of the Company:</u></p> <p><u>(1) connected transactions that shall be disclosed;</u></p> <p><u>(2) plans for the Company and related parties to change or waive their commitments;</u></p> <p><u>(3) decisions made and measures taken by the board of directors of the Company in relation to any acquisition;</u></p> <p><u>(4) other matters as stipulated by laws and regulations, relevant regulations of securities regulatory authorities, stock exchanges of the place where the Company is listed and the Articles of Association.</u></p>



Articles Before Revision	Articles After Revision
<p><b>Article 23</b> In addition to the functions and powers conferred by the Company Law and other relevant laws and regulations, the independent directors shall have the following special functions and powers:</p> <p>(1) to give independent opinions on major connected transactions of the Company (as defined under the standards issued by the stock exchanges of the place where the Company's shares are listed); to approve major connected transactions before submission to the board of directors for discussion; to retain an intermediary to prepare an independent financial advisor's report as the basis of their judgment before any judgment is made;</p> <p>(2) to propose the appointment or dismissal of accounting firms to the board of directors;</p> <p>(3) to propose the convening of extraordinary shareholders' general meetings to the board of directors;</p> <p>(4) to propose the convening of board meetings;</p> <p>(5) to engage external auditing firms or consultancy firms independently;</p> <p>(6) to publicly solicit proxies from shareholders before the convening of shareholders' general meetings; and</p> <p>(7) to perform other functions and powers stipulated by laws, regulations, the listing rules of the place where the Company's shares are listed and the Articles of Association.</p> <p>The consent of one-half or more of all independent directors shall be obtained for the exercise of any of the above special functions and powers by an independent director.</p> <p>Where the above proposals are not accepted or the above functions and powers cannot be duly exercised, the Company shall disclose the relevant situations accordingly.</p>	<p><b>Article 23</b> <del>In addition to the functions and powers conferred by the Company Law and other relevant laws and regulations, the</del> <u>The</u> independent directors shall <del>have</del> <u>exercise</u> the following special functions and powers:</p> <p><del>(1) to give independent opinions on major connected transactions of the Company (as defined under the standards issued by the stock exchanges of the place where the Company's shares are listed); to approve major connected transactions before submission to the board of directors for discussion; to retain an intermediary to prepare an independent financial advisor's report as the basis of their judgment before any judgment is made;</del></p> <p><del>(2) to propose the appointment or dismissal of accounting firms to the board of directors;</del></p> <p><del>(3) to propose the convening of extraordinary shareholders' general meetings to the board of directors;</del></p> <p><del>(4) to propose the convening of board meetings;</del></p> <p><del>(5) to engage external auditing firms or consultancy firms independently;</del></p> <p><del>(6) to publicly solicit proxies from shareholders before the convening of shareholders' general meetings; and</del></p> <p><del>(7) to perform other functions and powers stipulated by laws, regulations, the listing rules of the place where the Company's shares are listed and the Articles of Association.</del></p> <p><u>(1) to independently engage an intermediary to conduct audit, consultation or check on specific matters of the Company;</u></p> <p><u>(2) to propose the convening of extraordinary shareholders' general meetings to the board of directors;</u></p> <p><u>(3) to propose the convening of board meetings;</u></p> <p><u>(4) to legally and publicly solicit shareholders' rights from shareholders;</u></p>

Articles Before Revision	Articles After Revision
	<p><u>(5) to issue independent opinions on matters that may prejudice the interest of the Company or its minority shareholders;</u></p> <p><u>(6) to perform other functions and powers stipulated by laws, administrative regulations, the requirements of securities regulatory authorities and listing rules of the place where the Company's shares are listed and the Articles of Association.</u></p> <p>The consent of <del>one-half or more</del> a majority of all independent directors shall be obtained for the exercise of <del>any of the above special</del> <u>the</u> functions and powers <u>under the preceding items (1) to (3)</u> by an independent director.</p> <p><u>If independent directors exercise the functions and powers under the first item of this article, the Company shall make timely disclosure. Where <del>the above proposals are not accepted or</del> the above functions and powers cannot be duly exercised, the Company shall disclose the relevant specific situations and reasons accordingly.</u></p> <p><u>Independent directors shall perform the duties of directors independently in accordance with laws, administrative regulations and the requirements of the securities regulatory authorities and the stock exchange(s), and submit their duty report at an annual general meeting of shareholders.</u></p> <p><u>Any independent director who fails to perform his duties shall undertake the corresponding responsibilities.</u></p> <p><u>Fees for the hiring of intermediaries by independent directors and other expenses necessary for the exercise of their duties shall be borne by the Company.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 24</b> The Company's board of directors shall establish an audit committee and a nomination and remuneration committee, where independent directors shall constitute a majority of the members and serve as the person in charge (convenor). At least one of the independent directors on the audit committee shall be an accounting professional.</p>	<p><b>Article 24</b> The Company's board of directors shall establish an audit committee and a nomination and remuneration committee, where independent directors shall constitute a majority of the members and serve as the person in charge (convenor). <del>At least one of the independent directors on the audit committee shall be an accounting professional.</del> <u>The members of the audit committee shall be directors who do not serve as senior management of the Company. Among the audit committee, a majority of members shall be independent directors, and an accounting professional among the independent directors shall serve as the convenor. An accounting professional is a person who fulfils the requirements of paragraph 2 of Article 8 of these Rules and Rule 3.10(2) of the Hong Kong Listing Rules.</u></p>
<p><b>Article 25</b> In addition to performing the above duties, the independent directors shall express their independent opinions on the following matters to the board of directors or the shareholders' general meeting:</p> <ol style="list-style-type: none"> <li>(1) nomination, appointment and removal of directors;</li> <li>(2) appointment or dismissal of senior management;</li> <li>(3) remuneration of directors and senior management of the Company;</li> <li>(4) circumstances under which the independent directors are required to give an opinion on connected transactions under the relevant provisions of the listing rules of the place where the Company's shares are listed;</li> <li>(5) matters which, in the opinion of the independent directors, may prejudice the interests of minority shareholders;</li> <li>(6) other matters provided for in the Articles of Association.</li> </ol>	<p><del><b>Article 25</b> In addition to performing the above duties, the independent directors shall express their independent opinions on the following matters to the board of directors or the shareholders' general meeting:</del></p> <ol style="list-style-type: none"> <li><del>(1) nomination, appointment and removal of directors;</del></li> <li><del>(2) appointment or dismissal of senior management;</del></li> <li><del>(3) remuneration of directors and senior management of the Company;</del></li> <li><del>(4) circumstances under which the independent directors are required to give an opinion on connected transactions under the relevant provisions of the listing rules of the place where the Company's shares are listed;</del></li> <li><del>(5) matters which, in the opinion of the independent directors, may prejudice the interests of minority shareholders;</del></li> <li><del>(6) other matters provided for in the Articles of Association.</del></li> </ol>

Articles Before Revision	Articles After Revision
<p><b>Article 26</b> Independent directors shall express one of the following types of opinion on the matters set out in Article 25 of these Rules:</p> <p>(1) consent;</p> <p>(2) qualified opinions and their justifications;</p> <p>(3) objections and their justifications;</p> <p>(4) disclaimer of opinion and obstacles thereof.</p>	<p><del><b>Article 26</b> Independent directors shall express one of the following types of opinion on the matters set out in Article 25 of these Rules:</del></p> <p><del>(1) consent;</del></p> <p><del>(2) qualified opinions and their justifications;</del></p> <p><del>(3) objections and their justifications;</del></p> <p><del>(4) disclaimer of opinion and obstacles thereof.</del></p>
<p><b>Article 27</b> The Company shall announce the opinions of independent directors if such matters are required to be disclosed, and the board shall disclose the opinions of each independent director separately if the independent directors are unable to reach a consensus when there is a divergence in their opinions.</p>	<p><del><b>Article 27</b> The Company shall announce the opinions of independent directors if such matters are required to be disclosed, and the board shall disclose the opinions of each independent director separately if the independent directors are unable to reach a consensus when there is a divergence in their opinions.</del></p>
<p>–</p>	<p><b>Article 25</b> <u>Where an independent director gives an independent opinion on a material matter, the independent opinion shall include at least the following:</u></p> <p><u>(1) underlying circumstances of the material matter;</u></p> <p><u>(2) basis for the opinion, including the procedures performed, documents verified, contents of on-site inspections, etc;</u></p> <p><u>(3) legal compliance of the material matter;</u></p> <p><u>(4) impact on the interests of the Company and the minority shareholders, the possible risks and the effectiveness of the measures taken by the Company;</u></p> <p><u>(5) concluding observations. Where reservations, objections or disclaimer of opinion on a material matter are raised, the relevant independent director shall clearly state the reasons and the impediment for disclaimer of opinion.</u></p> <p><u>The independent directors shall sign and confirm the independent opinion issued and report the said opinion to the board of directors in a timely manner and disclose the same together with the relevant announcement of the Company.</u></p>

Articles Before Revision	Articles After Revision
–	<u><b>Article 26</b> The independent directors shall spend not less than 15 days per year on-site at the Company.</u>
<b>Article 28</b> Independent directors who fail to fulfil their due diligence shall be held accountable accordingly.	<del><b>Article 28</b></del> <u><b>Article 27</b> In addition to attending shareholders' general meetings, meetings of the board of directors and their special committees, and special meetings of independent directors as required, independent directors may perform their duties by various means, including obtaining information on the Company's operations on a regular basis, receiving reports from management, communicating with intermediaries, such as the head of the internal audit organization and the accounting firm that undertakes the Company's audit, conducting on-site inspections, and communicating with minority shareholders. Independent directors who fail to fulfil their due diligence shall be held accountable accordingly.</u>

Articles Before Revision	Articles After Revision
<p align="center"><b>Chapter 7 Working Conditions of Independent Directors</b></p>	<p align="center"><b>Chapter 7 Working Conditions of Independent Directors</b></p>
<p><b>Article 29</b> In order to ensure the effective exercise of duties by independent directors, the Company shall provide the working conditions necessary for the independent directors to fulfil their duties.</p>	<p><b>Article <del>29</del>28</b> In order to ensure the effective exercise of duties by independent directors, the Company shall provide the working conditions <u>and personnel support</u> necessary for the independent directors to fulfil their duties.</p> <p><u>When an independent director exercises his/her duties and powers, the Company's directors, senior management and other relevant personnel shall cooperate with him/her, and shall not refuse or obstruct the exercise of his/her independent duties and powers, or conceal relevant information, or interfere with the exercise of his/her independent duties and powers. If an independent director encounters obstruction in the exercise of his/her duties and powers in accordance with law, he/she may explain the situation to the board of directors, request cooperation from the directors, senior management and other relevant personnel, and record the specific circumstances of the obstruction and the resolution of the situation in his/her work record. If the obstruction still cannot be removed, a report may be made in accordance with the requirements of the securities regulatory authorities and stock exchanges of the place where the Company is listed.</u></p> <p><u>Where the performance of duties by an independent director involves the disclosure of information, the Company shall make the disclosure in a timely manner. If the Company does not disclose the information, the independent director may apply for disclosure directly or report in accordance with the requirements of the securities regulatory authorities and stock exchanges of the place where the Company is listed.</u></p>

Articles Before Revision	Articles After Revision
–	<p><b>Article 29</b> <u>Prior to the convening of a board meeting, independent directors may communicate with the board secretary. The board of directors and the relevant personnel shall seriously study the questions, requests and opinions put forward by the independent directors and provide timely feedback to them on the implementation of amendments to resolutions and other matters.</u></p>
<p><b>Article 30</b> The board secretary shall actively assist the independent directors in the performance of their duties. The board secretary shall make timely announcements on the Shanghai Stock Exchange of the independent opinions, motions and written explanations expressed by independent directors, where such announcements are required.</p> <p>The Company shall ensure that independent directors enjoy the same right to information as other directors. For any matter that requires a decision by the board of directors, the Company shall notify independent directors in advance and provide sufficient information in accordance with the statutory timeframe, and the independent directors may request for additional information if they consider that the information is insufficient. When two or more independent directors consider that the information is insufficient or the arguments are not clear, they may jointly request the board of directors in writing to adjourn the meeting of the board or to adjourn the deliberation of the matter, and the board of directors shall accept such request.</p>	<p><b>Article 30</b> <del>The board secretary shall actively assist the independent directors in the performance of their duties. The board secretary shall make timely announcements on the Shanghai Stock Exchange of the independent opinions, motions and written explanations expressed by independent directors, where such announcements are required.</del></p> <p><u>The Company shall ensure that independent directors enjoy the same right to information as other directors. For any matter that requires a decision by the board of directors, the Company shall notify independent directors in advance and provide sufficient information in accordance with the statutory timeframe, and the independent directors may request for additional information if they consider that the information is insufficient. In order to ensure the effective exercise of the independent directors' powers and duties, the Company shall keep the independent directors regularly informed of the Company's operations, provide them with information, and organize or cooperate with them in carrying out on-site inspections and other work.</u></p>



Articles Before Revision	Articles After Revision
	<p><u>The Company may organize independent directors to participate in the research and discussion sessions before the board of directors considers major and complicated matters, so as to fully listen to the views of the independent directors and provide timely feedback to the independent directors on the adoption of their views.</u></p> <p>When two or more independent directors consider that the information is <del>insufficient or the arguments are not clear</del> <u>incomplete, insufficiently argued or not provided in a timely manner</u>, they may <del>jointly request propose to</del> the board of directors in writing to adjourn the meeting <del>of the board</del> or to adjourn the deliberation of the matter, and the board of directors shall accept such request.</p>
<p><b>Article 31</b> Information provided by the Company to independent directors shall be retained by the Company and the independent directors themselves for at least twenty years.</p>	<p><del><b>Article 31</b> Information provided by the Company to independent directors shall be retained by the Company and the independent directors themselves for at least twenty years.</del></p>
<p><b>Article 32</b> When an independent director exercises his/her duties and powers, the relevant personnel of the Company shall actively cooperate with him/her, and shall not refuse, obstruct or conceal the exercise of his/her independent duties and powers, or interfere with the exercise of his/her independent duties and powers.</p>	<p><del><b>Article 32</b> When an independent director exercises his/her duties and powers, the relevant personnel of the Company shall actively cooperate with him/her, and shall not refuse, obstruct or conceal the exercise of his/her independent duties and powers; or interfere with the exercise of his/her independent duties and powers.</del></p>
<p><b>Article 33</b> Fees for the hiring of intermediaries by independent directors and other expenses necessary for the exercise of their duties shall be borne by the Company.</p>	<p><del><b>Article 33</b> Fees for the hiring of intermediaries by independent directors and other expenses necessary for the exercise of their duties shall be borne by the Company.</del></p>

Articles Before Revision	Articles After Revision
–	<p><b>Article 31</b> <u>If an independent director votes against or abstains from voting on a board resolution, he/she shall state the specific reasons and basis for such vote, the legality and compliance of the matter to which the resolution relates, the risks that may exist, and the impact on the interests of the Company and the minority shareholders. The dissenting opinion of the independent directors shall be disclosed at the same time when the Company discloses the board resolutions and shall be set out in the board resolutions and the minutes of the meeting.</u></p>
–	<p><b>Article 32</b> <u>The independent directors shall pay continuous attention to the implementation of board resolutions relating to Article 22 of these Rules, matters reviewed by the audit committee and matters proposed by the nomination and remuneration committee, and shall report to the board of directors in a timely manner if they find any violation of laws and regulations, the relevant provisions of the securities regulatory authorities and the stock exchanges of the place where the Company is listed, as well as the provisions of the Articles of Association, or any violation of the resolutions of the shareholders' general meetings and the board of directors, and may also request the Company to give a written explanation. Where disclosure is involved, the Company shall make timely disclosure. If the Company fails to provide an explanation or make timely disclosure, the independent directors may make a report in accordance with the requirements of the securities regulatory authorities and stock exchanges of the place where the Company is listed.</u></p>

Articles Before Revision	Articles After Revision
-	<p><b>Article 33</b> <u>The Company shall convene special meetings of independent directors on a regular or irregular basis. The matters set out in Article 22 and Article 23(1)(b) to (d) of these Rules shall be considered at special meetings of independent directors. The special meeting of independent directors may study and discuss other matters of the Company as needed.</u></p> <p><u>The special meeting of independent directors shall be convened and chaired by an independent director jointly elected by a majority of the independent directors. In the event that the convenor does not perform his/her duties or is unable to perform his/her duties, two or more independent directors may convene themselves and elect a representative to preside over the meeting.</u></p> <p><u>The Company shall facilitate and support the convening of special meetings of independent directors.</u></p>
-	<p><b>Article 34</b> <u>Minutes of special meetings of independent directors shall be prepared in accordance with the regulations, which shall be true, accurate and complete and shall fully reflect the opinions of attendees on matters under consideration.</u></p> <p><u>Directors, the board secretary, the recorder and other relevant personnel present at the meeting shall sign and confirm the minutes of the meeting. Minutes of the board meetings shall be properly kept.</u></p>

Articles Before Revision	Articles After Revision
–	<p><b>Article 35</b> <u>The independent directors should keep a record of their work and record in detail the performance of their duties. Information obtained by the independent directors in the course of performing their duties, minutes of relevant meetings, and records of communications with staff of the Company and intermediaries constitute the components of the work records. For important contents in the work records, the independent directors may request the board secretary and other relevant personnel to sign and confirm, and the Company and the relevant personnel shall cooperate with them.</u> <u>Work records of the independent directors and information provided by the Company to the independent directors shall be kept by the Company and the independent directors themselves for at least ten years.</u></p>
–	<p><b>Article 36</b> <u>Where any of the following circumstances occurs, the independent directors shall promptly report in accordance with the requirements of the securities regulatory authorities and stock exchanges of the place where the Company is listed:</u> <u>(1) he/she is dismissed by the Company for reasons that he/she considers are improper;</u> <u>(2) an independent director resigns due to the fact that the Company impedes the discharge of duties by the independent director in accordance with law;</u> <u>(3) the proposal of two or more independent directors requesting in writing to adjourn a board meeting or to adjourn the deliberation of relevant matters due to incomplete materials or insufficient arguments for the board meeting is not adopted;</u> <u>(4) the board of directors fails to take effective measures after reporting to the board of directors the suspected illegal and unlawful behaviour of the Company or its directors, supervisors and senior management;</u> <u>(5) other circumstances that seriously impede the performance of duties by independent directors.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 34</b> The Company shall provide appropriate allowances to independent directors. The allowances shall be proposed by the board of directors for review and approval by the shareholders' general meeting, and disclosed in the Company's annual report.</p> <p>Except for the above allowances, the independent directors shall not receive other undisclosed benefits from the Company and its substantial shareholders or other interested entities or persons.</p>	<p><b>Article <del>34</del>37</b> The Company shall provide <del>appropriate allowances to independent directors</del> <u>any allowances commensurate with the duties undertaken by them.</u> The allowances shall be proposed by the board of directors for review and approval by the shareholders' general meeting, and disclosed in the Company's annual report.</p> <p>Except for the above allowances, the independent directors shall not receive other <del>undisclosed benefits from the Company,</del> <u>and its substantial shareholders and de facto controllers</u> or other interested entities or persons.</p>
Chapter 9 Miscellaneous	Chapter 9 Miscellaneous
<p><b>Article 44</b> These Rules shall become effective on the date of the initial public offering and listing of the Company's shares after being considered and approved at the general meeting.</p>	<p><b>Article <del>44</del>47</b> These Rules shall become effective on the date of <del>the initial public offering and listing of the Company's Shares</del> <u>after being considered and approved consideration and approval</u> at the general meeting.</p>

In accordance with the above amendments to the *Working Rules for Independent Directors*, corresponding adjustments will be made to the article number of the *Working Rules for Independent Directors*.

**APPENDIX VI                      PROPOSED AMENDMENTS TO THE MEASURES  
FOR THE MANAGEMENT OF PROCEEDS**

The proposed amendments to the *Measures for the Management of Proceeds* are set out below:

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<b>Chapter 1 General Provisions</b>	<b>Chapter 1 General Provisions</b>
<p><b>Article 1</b> In order to regulate the management and use of the proceeds of China Galaxy Securities Co., Ltd. (the “Company”) for the protection of the legitimate rights and interests of all shareholders, these Measures are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Measures for the Administration of Initial Public Offering and Listing of Shares, the Measures for the Administration of Securities Issuance by Listed Companies, the Rules on the Report on the Use of Previously Raised Funds, the Regulatory Guidelines for Listed Companies No. 2 – Regulatory Requirements for the Management and Use of Proceeds by Listed Companies (2022 Revision), the Rules Governing the Listing of Shares on the Shanghai Stock Exchange, the Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations and other laws and regulations and the Articles of Association.</p>	<p><b>Article 1</b> In order to regulate the management and use of the proceeds of China Galaxy Securities Co., Ltd. (the “Company”) for the protection of the legitimate rights and interests of all shareholders, these Measures are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), <del>the Measures for the Administration of Initial Public Offering and Listing of Shares, the Measures for the Administration of Securities Issuance by Listed Companies, the Rules on the Report on the Use of Previously Raised Funds</del><u>the Administrative Measures for the Registration of Initial Public Offerings of Shares, the Administrative Measures for the Registration of Securities Issuance by Listed Companies, the Guidelines for the Application of Regulatory Rules - Offering No. 7,</u> the Regulatory Guidelines for Listed Companies No. 2 – Regulatory Requirements for the Management and Use of Proceeds by Listed Companies (2022 Revision), the Rules Governing the Listing of Shares on the Shanghai Stock Exchange, the Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange No. 1 – Standardized Operations and other laws and regulations and the Articles of Association.</p>

**APPENDIX VI                      PROPOSED AMENDMENTS TO THE MEASURES  
FOR THE MANAGEMENT OF PROCEEDS**

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<b>Chapter 3 Use of the Proceeds and Risk Control</b>	<b>Chapter 3 Use of the Proceeds and Risk Control</b>
<p><b>Article 23</b> Where the Company invests in products with the idle proceeds, it shall, upon consideration and approval by the board of directors, promptly make an announcement containing the followings:</p> <p>(1) basic information of the proceeds, including the timing of raising the proceeds, the amount of proceeds, the Net Proceeds and investment plan, etc.;</p> <p>(2) use of proceeds;</p> <p>(3) amount and duration of the investment products financed with idle proceeds, whether there is any essential change of the use of the proceeds and measures to ensure that the normal operation of projects financed with the proceeds will not be affected;</p> <p>(4) income distribution method, investment scope and safety of the investment products;</p> <p>(5) opinions issued by the independent directors, the supervisory committee, the Sponsor(s) or independent financial adviser.</p> <p>In the event of any deterioration in the financial conditions of the issuer of the products, loss suffered from the invested products and other material risks, the Company shall make a risk alert announcement in a timely manner and indicate the risk control measures adopted by the Company to ensure the safety of its funds.</p>	<p><b>Article 23</b> Where the Company invests in products with the idle proceeds, it shall, upon consideration and approval by the board of directors, promptly make an announcement containing the followings:</p> <p>(1) basic information of the proceeds, including the timing of raising the proceeds, the amount of proceeds, the Net Proceeds and investment plan, etc.;</p> <p>(2) use of proceeds;</p> <p>(3) amount and duration of the investment products financed with idle proceeds, whether there is any essential change of the use of the proceeds and measures to ensure that the normal operation of projects financed with the proceeds will not be affected;</p> <p>(4) income distribution method, investment scope and safety of the investment products;</p> <p>(5) opinions issued by <del>the independent directors</del>, the supervisory committee, the Sponsor(s) or independent financial adviser.</p> <p>In the event of any deterioration in the financial conditions of the issuer of the products, loss suffered from the invested products and other material risks, the Company shall make a risk alert announcement in a timely manner and indicate the risk control measures adopted by the Company to ensure the safety of its funds.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 26</b> Where the Company proposes to use the remaining proceeds (including interest income) upon completion of an individual investment projects financed with the proceeds for the purpose of other investment projects financed with the proceeds, its use shall be subject to the consideration and approval by the board of directors and the opinions given by the independent directors, the Sponsor(s) and the supervisory committee. The Company shall make an announcement in a timely manner after consideration by the board of directors.</p> <p>If the remaining proceeds (including interest income) are less than RMB1 million or 5% of the committed investment amount of such project, the procedures stipulated in the preceding clause may be waived and the use of such proceeds shall be disclosed in the annual report.</p> <p>If the Company applies the remaining proceeds (including interest income) from individual investment projects financed with the proceeds to projects not financed with the proceeds (including replenishment of working capital), it shall undergo relevant procedures by reference to the requirements for the change of investment projects financed with the proceeds under these Measures.</p>	<p><b>Article 26</b> Where the Company proposes to use the remaining proceeds (including interest income) upon completion of an individual investment projects financed with the proceeds for the purpose of other investment projects financed with the proceeds, its use shall be subject to the consideration and approval by the board of directors and the opinions given by <del>the independent directors</del>, the Sponsor(s) and the supervisory committee. The Company shall make an announcement in a timely manner after consideration by the board of directors.</p> <p>If the remaining proceeds (including interest income) are less than RMB1 million or 5% of the committed investment amount of such project, the procedures stipulated in the preceding clause may be waived and the use of such proceeds shall be disclosed in the annual report.</p> <p>If the Company applies the remaining proceeds (including interest income) from individual investment projects financed with the proceeds to projects not financed with the proceeds (including replenishment of working capital), it shall undergo relevant procedures by reference to the requirements for the change of investment projects financed with the proceeds under these Measures.</p>



Articles Before Revision	Articles After Revision
<p><b>Article 27</b> After the completion of all investment projects financed with the proceeds, the use of the remaining proceeds (including interest income) by the Company shall be subject to the consideration and approval by the board of directors and the express consents given by independent directors, the Sponsor(s) and the supervisory committee. The Company shall make an announcement in a timely manner after consideration by the board of directors.</p> <p>If the remaining proceeds (including interest income) represent more than 10% of the Net Proceeds, its use shall also be subject to the consideration and approval by the general meeting.</p> <p>If the remaining proceeds (including interest income) are less than RMB 5 million or 5% of the Net Proceeds, its use shall be subject to the consideration and approval by the board of directors and the opinions given by independent directors, the Sponsor(s) and the supervisory committee.</p> <p>If the remaining proceeds (including interest income) are less than RMB5 million or 5% of the Net Proceeds, the implementation of the procedures stipulated in the preceding clause may be waived, and the use of such proceeds shall be disclosed in the latest periodic report.</p>	<p><b>Article 27</b> After the completion of all investment projects financed with the proceeds, the use of the remaining proceeds (including interest income) by the Company shall be subject to the consideration and approval by the board of directors and the express consents given by <del>independent directors</del>; the Sponsor(s) and the supervisory committee. The Company shall make an announcement in a timely manner after consideration by the board of directors.</p> <p>If the remaining proceeds (including interest income) represent more than 10% of the Net Proceeds, its use shall also be subject to the consideration and approval by the general meeting.</p> <p><del>If the remaining proceeds (including interest income) are less than RMB 5 million or 5% of the Net Proceeds, its use shall be subject to the consideration and approval by the board of directors and the opinions given by independent directors, the Sponsor(s) and the supervisory committee.</del></p> <p>If the remaining proceeds (including interest income) are less than RMB5 million or 5% of the Net Proceeds, the implementation of the procedures stipulated in the preceding clause may be waived, and the use of such proceeds shall be disclosed in the latest periodic report.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 29</b> The surplus proceeds of the Company may be used to permanently replenish working capital or repay bank loans, but the cumulative amount for use in every 12 months shall not exceed 30% of the total amount of the surplus proceeds and the Company shall undertake that it will not make any high risk investments or provide financial assistance to targets other than its holding subsidiaries within 12 months after replenishing its working capital.</p> <p>If the surplus proceeds are used for the purpose of permanently replenishing the working capital or repayment of bank loans, it shall be considered and approved by the board of directors and the general meeting of the Company where shareholders would be provided with online voting means, and the express consent given by independent directors, the supervisory committee, the Sponsor(s) or independent financial advisers shall be obtained. The Company shall promptly make an announcement containing the followings upon consideration and approval by the board of directors:</p> <ol style="list-style-type: none"> <li>(1) basic information of the proceeds, including the timing of raising the proceeds, the amount of proceeds, the Net Proceeds, surplus proceeds and investment plan, etc.;</li> <li>(2) use of proceeds;</li> <li>(3) the necessity of and detailed plan for using the surplus proceeds to permanently replenish the working capital or repay bank loans;</li> <li>(4) the undertaking of not making any high risk investments or providing financial assistance for others within 12 months after replenishing the working capital;</li> <li>(5) the impact of the use of the surplus proceeds for permanently replenishing the working capital or repaying bank loans on the Company;</li> <li>(6) opinions issued by the independent directors, the supervisory committee, the Sponsor(s) or independent financial adviser.</li> </ol>	<p><b>Article 29</b> The surplus proceeds of the Company may be used to permanently replenish working capital or repay bank loans, but the cumulative amount for use in every 12 months shall not exceed 30% of the total amount of the surplus proceeds and the Company shall undertake that it will not make any high risk investments or provide financial assistance to targets other than its holding subsidiaries within 12 months after replenishing its working capital.</p> <p>If the surplus proceeds are used for the purpose of permanently replenishing the working capital or repayment of bank loans, it shall be considered and approved by the board of directors and the general meeting of the Company where shareholders would be provided with online voting means, and the express consent given by <del>independent directors</del>, the supervisory committee, the Sponsor(s) or independent financial advisers shall be obtained. The Company shall promptly make an announcement containing the followings upon consideration and approval by the board of directors:</p> <ol style="list-style-type: none"> <li>(1) basic information of the proceeds, including the timing of raising the proceeds, the amount of proceeds, the Net Proceeds, surplus proceeds and investment plan, etc.;</li> <li>(2) use of proceeds;</li> <li>(3) the necessity of and detailed plan for using the surplus proceeds to permanently replenish the working capital or repay bank loans;</li> <li>(4) the undertaking of not making any high risk investments or providing financial assistance for others within 12 months after replenishing the working capital;</li> <li>(5) the impact of the use of the surplus proceeds for permanently replenishing the working capital or repaying bank loans on the Company;</li> <li>(6) opinions issued by <del>the independent directors</del>, the supervisory committee, the Sponsor(s) or independent financial adviser.</li> </ol>

---

**APPENDIX VI                      PROPOSED AMENDMENTS TO THE MEASURES  
FOR THE MANAGEMENT OF PROCEEDS**

---

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<p><b>Article 31</b> The use of the proceeds by the Company for the following purposes shall be subject to consideration and approval by the board of directors and the express consents given by independent directors, the supervisory committee and the Sponsor(s) or the independent financial adviser:</p> <p>(1) replacement of the self-raised funds invested in advance in the investment projects with the proceeds;</p> <p>(2) use of temporarily idle proceeds for cash management;</p> <p>(3) use of temporarily idle proceeds for temporary replenishment of working capital;</p> <p>(4) change of the use of the proceeds;</p> <p>(5) use of surplus proceeds for projects under construction and new projects.</p> <p>Any change in the use of proceeds shall also be subject to the consideration and approval by the general meeting.</p> <p>Where any connected transaction, asset acquisition or external investment is involved, the review procedures and information disclosure obligation shall be performed in accordance with the listing rules of the place where the Company's shares are listed.</p>	<p><b>Article 31</b> The use of the proceeds by the Company for the following purposes shall be subject to consideration and approval by the board of directors and the express consents given by <del>independent directors</del>, the supervisory committee and the Sponsor(s) or the independent financial adviser:</p> <p>(1) replacement of the self-raised funds invested in advance in the investment projects with the proceeds;</p> <p>(2) use of temporarily idle proceeds for cash management;</p> <p>(3) use of temporarily idle proceeds for temporary replenishment of working capital;</p> <p>(4) change of the use of the proceeds;</p> <p>(5) use of surplus proceeds for projects under construction and new projects.</p> <p>Any change in the use of proceeds shall also be subject to the consideration and approval by the general meeting.</p> <p>Where any connected transaction, asset acquisition or external investment is involved, the review procedures and information disclosure obligation shall be performed in accordance with the listing rules of the place where the Company's shares are listed.</p>

Articles Before Revision	Articles After Revision
<p align="center"><b>Chapter 4 Changes to the Investment Projects Financed with the Proceeds</b></p>	<p align="center"><b>Chapter 4 Changes to the Investment Projects Financed with the Proceeds</b></p>
<p><b>Article 36</b> Where the Company proposes to change an investment project financed with the proceeds, it shall announce the followings in a timely manner after the submission of the proposal to the board of directors for consideration:</p> <p>(1) basic information of the original investment project financed with the proceeds and specific reasons for the change;</p> <p>(2) basic information, feasibility analysis and risk warning of the new investment project financed with the proceeds;</p> <p>(3) investment plan of the new investment project financed with the proceeds;</p> <p>(4) explanation on the approval obtained or to be obtained from the relevant authorities in respect of the new investment project financed with the proceeds (if applicable);</p> <p>(5) opinions of independent directors, the supervisory committee and the Sponsor(s) on the change of investment project financed with the proceeds;</p> <p>(6) explanation on the change of investment project financed with the proceeds that is still required for submission to the general meeting for consideration;</p> <p>(7) other information as required by the securities exchanges.</p> <p>New investment projects financed with the proceeds involving connected transactions, acquisition of assets and external investments shall also be disclosed in accordance with the relevant requirements of the listing rules of the place where the Company's shares are listed.</p>	<p><b>Article 36</b> Where the Company proposes to change an investment project financed with the proceeds, it shall announce the followings in a timely manner after the submission of the proposal to the board of directors for consideration:</p> <p>(1) basic information of the original investment project financed with the proceeds and specific reasons for the change;</p> <p>(2) basic information, feasibility analysis and risk warning of the new investment project financed with the proceeds;</p> <p>(3) investment plan of the new investment project financed with the proceeds;</p> <p>(4) explanation on the approval obtained or to be obtained from the relevant authorities in respect of the new investment project financed with the proceeds (if applicable);</p> <p>(5) opinions of <del>independent directors</del>, the supervisory committee and the Sponsor(s) on the change of investment project financed with the proceeds;</p> <p>(6) explanation on the change of investment project financed with the proceeds that is still required for submission to the general meeting for consideration;</p> <p>(7) other information as required by the securities exchanges.</p> <p>New investment projects financed with the proceeds involving connected transactions, acquisition of assets and external investments shall also be disclosed in accordance with the relevant requirements of the listing rules of the place where the Company's shares are listed.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 37</b> If the Company proposes to externally transfer or replace the investment projects financed with the proceeds (excluding those that have all been externally transferred or replaced during the implementation of material assets reorganization), it shall announce the followings in a timely manner after the submission of the proposal to the board of directors for consideration:</p> <ol style="list-style-type: none"> <li>(1) the specific reasons for the external transfer or replacement of the investment project financed with the proceeds;</li> <li>(2) the amount of the proceeds already used in investment in such project;</li> <li>(3) the completion stage and the realized benefits of the investment projects financed with the proceeds;</li> <li>(4) the basic information, feasibility analysis and risk warnings (if applicable) regarding the received project;</li> <li>(5) the basis for determination of the price of the transfer or replacement and relevant gains;</li> <li>(6) the opinions of the independent directors, the supervisory committee, the Sponsor(s) or the independent financial adviser in respect of the transfer or replacement of the investment projects financed with the proceeds;</li> <li>(7) explanation on the transfer or replacement of the investment projects financed with the proceeds that is still required for submission to the general meeting for consideration;</li> <li>(8) other information as required by the securities exchanges.</li> </ol>	<p><b>Article 37</b> If the Company proposes to externally transfer or replace the investment projects financed with the proceeds (excluding those that have all been externally transferred or replaced during the implementation of material assets reorganization), it shall announce the followings in a timely manner after the submission of the proposal to the board of directors for consideration:</p> <ol style="list-style-type: none"> <li>(1) the specific reasons for the external transfer or replacement of the investment project financed with the proceeds;</li> <li>(2) the amount of the proceeds already used in investment in such project;</li> <li>(3) the completion stage and the realized benefits of the investment projects financed with the proceeds;</li> <li>(4) the basic information, feasibility analysis and risk warnings (if applicable) regarding the received project;</li> <li>(5) the basis for determination of the price of the transfer or replacement and relevant gains;</li> <li>(6) the opinions of <del>the independent directors</del>, the supervisory committee, the Sponsor(s) or the independent financial adviser in respect of the transfer or replacement of the investment projects financed with the proceeds;</li> <li>(7) explanation on the transfer or replacement of the investment projects financed with the proceeds that is still required for submission to the general meeting for consideration;</li> <li>(8) other information as required by the securities exchanges.</li> </ol>

Articles Before Revision	Articles After Revision
<p style="text-align: center;"><b>Chapter 5 Supervision of the Use of Proceeds</b></p>	<p style="text-align: center;"><b>Chapter 5 Supervision of the Use of Proceeds</b></p>
<p><b>Article 43</b> The independent directors, the audit committee of the board of directors and the supervisory committee shall keep in view the actual management and utilization of the proceeds. The independent directors shall pay attention to whether there is any discrepancy between the actual utilization of the proceeds and the information disclosed by the Company, and one-half or more of the independent directors may engage an accounting firm to issue an assurance report on the deposit and utilization of the proceeds. The Company shall actively cooperate with them, and shall bear the necessary expenses incurred as a result of such cooperation.</p> <p>The board of directors shall make a timely announcement upon receipt of the assurance report provided for in the preceding paragraph. If it is concluded in the assurance report that there are irregularities in the management of the Company’s proceeds, the board of directors shall also make an announcement of the irregularities in the deposit and utilization of the proceeds, the consequences that have been or may be caused and the measures that have been or are intended to be taken.</p>	<p><del><b>Article 43</b> The independent directors, the audit committee of the board of directors and the supervisory committee shall keep in view the actual management and utilization of the proceeds. The independent directors shall pay attention to whether there is any discrepancy between the actual utilization of the proceeds and the information disclosed by the Company, and one-half or more of the independent directors may engage an accounting firm to issue an assurance report on the deposit and utilization of the proceeds. The Company shall actively cooperate with them, and shall bear the necessary expenses incurred as a result of such cooperation.</del></p> <p><del>The board of directors shall make a timely announcement upon receipt of the assurance report provided for in the preceding paragraph. If it is concluded in the assurance report that there are irregularities in the management of the Company’s proceeds, the board of directors shall also make an announcement of the irregularities in the deposit and utilization of the proceeds, the consequences that have been or may be caused and the measures that have been or are intended to be taken.</del></p>

In accordance with the above amendments to the *Measures for the Management of Proceeds*, corresponding adjustments will be made to the article number of the *Measures for the Management of Proceeds*.

The proposed amendments to the Articles of Association are set out as follows:

Articles Before Revision	Articles After Revision
<b>Chapter 1 General Provisions</b>	<b>Chapter 1 General Provisions</b>
<b>Article 6</b> The registered capital of the Company is RMB10,137,528,757.	<b>Article 6</b> The registered capital of the Company is RMB <del>10,137,528,757</del> <u>10,934,402,256</u> .
<b>Chapter 2 Scope and Objectives of Business</b>	<b>Chapter 2 Scope and Objectives of Business</b>
<b>Article 12</b> The business objective of the Company: the Company is committed to developing the securities business in accordance with the laws, regulations and policies of the PRC as well as international practice, adhering to the corporate value of “innovation, compliance, service and synergy” and the “customer oriented, people foremost” business philosophy, and focusing on the implementation of national strategies, supporting the development of the real economy, providing services to residents for wealth management and fulfilling corporate social responsibility, aiming to build “a mega securities broker and a modern investment bank”, to achieve the integration of the value of the Company, shareholders’ return, employees’ interests and social responsibility.	<b>Article 12</b> The business objective of the Company: the Company is committed to developing the securities business in accordance with the laws, regulations and policies of the PRC as well as international practice, adhering to the corporate value of “innovation, compliance, service and synergy” and the “customer oriented, people foremost” business philosophy, and focusing on the implementation of national strategies, supporting the development of the real economy, providing services to residents for wealth management and fulfilling corporate social responsibility, aiming to build “a mega securities broker and a modern investment bank”, to achieve the integration of the value of the Company, shareholders’ return, employees’ interests and social responsibility.

Articles Before Revision	Articles After Revision
	<p><u>The objective of the Company’s business integrity management: through establishing and improving the Company’s business integrity management mechanism and system, the Company will incorporate business integrity management into all aspects of business activities and establish an effective mechanism for risk prevention beforehand, in-process supervision, and post-operation inspection, to realise effective identification and management of integrity-related risks and foster a culture of business integrity among all employees. The general requirements of the Company’s business integrity management are to cultivate the awareness of business integrity among all workforce, continuously promote the development of an integrity culture, establish and improve the leadership mechanism and institutional arrangements for business integrity management, fulfil the responsibility for business integrity management, and take effective measures to identify and control the risks of business integrity.</u></p> <p><u>All workforce of the Company shall comply with the requirements of business integrity and industry integrity standards, uphold the industry culture concept of “compliance, integrity, professionalism and stability” as the core, embrace the maxims of honour and disgrace of the industry, and vigorously advocate the financial culture with Chinese characteristics.</u></p>



Articles Before Revision	Articles After Revision
<p><b>Article 13</b> Subject to the approval by relevant regulatory authorities and registration with the company registration authority, the business scope of the Company shall include:</p> <ol style="list-style-type: none"> <li>(1) securities brokerage;</li> <li>(2) securities investment advisory;</li> <li>(3) financial consultations in relation to securities trading and securities investment;</li> <li>(4) securities underwriting and sponsorship;</li> <li>(5) proprietary securities trading;</li> <li>(6) margin financing and securities lending business;</li> <li>(7) agency sale of securities investment funds;</li> <li>(8) intermediary services to futures companies;</li> <li>(9) agency sale of financial products;</li> <li>(10) concurrent insurance agency business;</li> <li>(11) custody business of securities investment funds;</li> <li>(12) sale of precious metal products;</li> <li>(13) market making and trading of listed securities;</li> <li>(14) market making of stock options;</li> <li>(15) other businesses approved by relevant regulatory authorities.</li> </ol>	<p><b>Article 13</b> Subject to the approval by relevant regulatory authorities and registration with the company registration authority, the business scope of the Company shall include:</p> <ol style="list-style-type: none"> <li><del>(1) securities brokerage;</del></li> <li><del>(2) securities investment advisory;</del></li> <li><del>(3) financial consultations in relation to securities trading and securities investment;</del></li> <li><del>(4) securities underwriting and sponsorship;</del></li> <li><del>(5) proprietary securities trading;</del></li> <li><del>(6) margin financing and securities lending business;</del></li> <li><del>(7) agency sale of securities investment funds;</del></li> <li><del>(8) intermediary services to futures companies;</del></li> <li><del>(9) agency sale of financial products;</del></li> <li><del>(10) concurrent insurance agency business;</del></li> <li><del>(11) custody business of securities investment funds;</del></li> <li><del>(12) sale of precious metal products;</del></li> <li><del>(13) market making and trading of listed securities;</del></li> <li><del>(14) market making of stock options;</del></li> <li><del>(15) other businesses approved by relevant regulatory authorities.</del></li> </ol>

Articles Before Revision	Articles After Revision
	<p><u>(1) Permitted projects: securities business; sales of public securities investment funds; concurrent insurance agency business; provision of intermediary services to futures companies by securities firms; custody of securities investment funds. (Projects subject to approval in accordance with law can be conducted upon approval by the relevant departments. The specific business projects are subject to the approval documents or permits of the relevant departments)</u> <u>(2) General projects: sales of gold and silver products. (Except for those projects subject to approval in accordance with law, the business activities shall be carried out independently and legally by virtue of the business license) (No business activity involving projects that are prohibited and restricted by national and municipal industrial policies shall be undertaken.)</u> <u>(3) Any other businesses approved by relevant regulatory authorities.</u></p>
Chapter 3 Shares	Chapter 3 Shares
<p><b>Article 19</b> The total number of shares of the Company is 10,137,258,757. The Company has issued a total of 10,137,258,757 ordinary shares, comprising 6,446,274,124 domestic shares and 3,690,984,633 overseas listed foreign shares.</p>	<p><b>Article 19</b> The total number of shares of the Company is <del>10,137,258,757</del><u>10,934,402,256</u>, all of which are ordinary shares. <del>The Company has issued a total of 10,137,258,757 ordinary shares, comprising 6,446,274,124 domestic shares and 3,690,984,633 overseas listed foreign shares.</del></p>

Articles Before Revision	Articles After Revision
<p><b>Article 38</b> The following activities shall not be deemed prohibited by Article 36 of these Articles:</p> <p>(1) the Company provides financial assistance in good faith and in the interests of the Company, for any principal purpose other than the purchase of shares of the Company, or as an ancillary part of a master plan of the Company;</p> <p>(2) the Company’s lawful distribution of assets as dividend;</p> <p>(3) the distribution of stock dividend;</p> <p>(4) any reduction of the Company’s registered capital, repurchase of shares of the Company or restructuring of the share capital of the Company, etc., subject to these Articles;</p> <p>(5) the provision of loan by the Company within its scope of business and in the ordinary course of business, provided that the net assets of the Company are not thereby reduced, provided further that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company;</p> <p>(6) the provision of funds by the Company for contributions to employees’ share schemes, provided that the net assets of the Company are not thereby reduced, provided further that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company.</p>	<p><b>Article 38</b> The following activities shall not be deemed prohibited by Article 36 of these Articles:</p> <p>(1) the Company provides financial assistance in good faith and in the interests of the Company, for any principal purpose other than the purchase of shares of the Company, or as an ancillary part of a master plan of the Company;</p> <p>(2) the Company’s lawful distribution of assets as dividend;</p> <p>(3) the distribution of stock dividend;</p> <p>(4) any reduction of the Company’s registered capital, repurchase of shares of the Company or restructuring of the share capital of the Company, etc., subject to these Articles;</p> <p>(5) the provision of loan by the Company within its scope of business and in the ordinary course of business, provided that the net assets of the Company are not thereby reduced, provided further that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company;</p> <p>(6) the provision of funds by the Company for contributions to employees’ share schemes, provided that the net assets of the Company are not thereby reduced, provided further that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 43</b> The Company shall maintain a complete register of shareholders. The registers of shareholders shall comprise the following parts:</p> <p>(1) The register of shareholders that is maintained at the registered address of the Company (other than those mentioned in sub-paragraphs (2) and (3) of this article);</p> <p>(2) The register of holders of overseas listed foreign shares of the Company that is maintained in the place of the overseas stock exchange on which the shares are listed;</p> <p>(3) Any register of shareholders that is maintained in such other place as the board of directors may consider necessary for the purposes of the listing of the shares of the Company.</p>	<p><b>Article 43</b> The Company shall maintain a complete register of shareholders <u>for the inspection by shareholders</u>. The registers of shareholders shall comprise the following parts:</p> <p>(1) The register of shareholders that is maintained at the registered address of the Company (other than those mentioned in sub-paragraphs (2) and (3) of this article);</p> <p>(2) The register of holders of overseas listed foreign shares of the Company that is maintained in the place of the overseas stock exchange on which the shares are listed;</p> <p>(3) Any register of shareholders that is maintained in such other place as the board of directors may consider necessary for the purposes of the listing of the shares of the Company.</p>
Chapter 4 Party Organizations	Chapter 4 Party Organizations
<p><b>Article 51</b> The Company shall establish the Party Committee consisting of one secretary, one or two deputy secretaries and several other members. The chairman of the board of directors of the Company and the secretary of the Party Committee shall be assumed by the same person, and one deputy secretary shall be designated to assist the secretary in carrying out the Party building work. Eligible members of the Party Committee may take seats in the board of directors, the supervisory committee and the senior management through legal procedures, while eligible members of the board of directors, the supervisory committee and the senior management may take seats in the Party Committee in accordance with relevant rules and procedures. Meanwhile, a discipline inspection committee shall be established in accordance with relevant requirements.</p>	<p><b>Article 51</b> The Company shall establish the Party Committee consisting of one secretary, one or two deputy secretaries and several other members. The chairman of the board of directors of the Company and the secretary of the Party Committee shall be assumed by the same person, and one deputy secretary shall be designated to assist the secretary in carrying out the Party building work. Eligible members of the Party Committee may take seats in the board of directors, the supervisory committee and the senior management through legal procedures, while eligible members of the board of directors, the supervisory committee and the senior management may take seats in the Party Committee in accordance with relevant rules and procedures. <u>The Company makes continuous efforts to strengthen the Party’s leadership and improve corporate governance, so as to realize the organic integration, integrated promotion and coordinated interaction.</u> Meanwhile, a discipline inspection committee shall be established in accordance with relevant requirements.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 52</b> The Party Committee shall perform its duties in accordance with the internal laws and regulations of the Party including the Constitution of the Chinese Communist Party and the Regulations on the Work of the Chinese Communist Party Committee.</p> <p>(1) To ensure and supervise the Company’s implementation of policies and guidelines of the Party and the State, and implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of the Party organizations of higher levels.</p> <p>(2) To strengthen its leadership and gate keeping role in the process of selection and appointment of personnel, focus on standards, procedure, evaluation and supervision, and adhere to the principle of the Party supervising the performance of officials while ensuring the lawful selection by the board of directors of the senior management and the lawful exercise of the power of the senior management in the employment of personnel.</p> <p>(3) To research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employees’ interests, and provide comments and suggestions; to support the shareholders’ general meeting, the board of directors, the supervisory committee and the senior management in performing their duties in accordance with law, and support the employee representatives’ meeting in carrying out its work.</p>	<p><b>Article 52</b> The Party Committee shall perform its duties in accordance with the internal laws and regulations of the Party including the Constitution of the Chinese Communist Party, <del>and the Regulations on the Work of the Chinese Communist Party Committee</del> <u>and the Regulations on the Work of Grassroots Organizations of State-owned Enterprises of the Chinese Communist Party (for Trial Implementation)</u>.</p> <p><u>(1) To enhance the political construction of the Party, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all the Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as its core in the political stance, political direction, political principles and political path.</u> <del>To ensure and supervise the Company’s implementation of policies and guidelines of the Party and the State, and implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of the Party organizations of higher levels.</del></p>

Articles Before Revision	Articles After Revision
<p>(4) To undertake the main responsibility of comprehensive and strict Party management; to lead the Company's ideological and political work, the united front work, the spiritual civilization construction, the corporate culture cultivation as well as the work of groups such as the labor union and the Communist Youth League; to lead the construction of the Party's working style and its clean and honest administration, and support the discipline inspection committee in earnestly performing its supervisory responsibilities.</p> <p>(5) To strengthen the Company's grassroots Party organizations and their team building, give full play to the role of the Party branches as strongholds and to the role of the Party members as pioneers and fine examples, and unite and lead officials and employees to devote themselves into the reform and development of the Company.</p> <p>(6) To handle other important matters within the scope of duties of the Party Committee.</p>	<p><u>(2) To thoroughly study and implement Xi Jinping Thought on Socialism with Chinese characteristics for a New Era, learn and propagate the Party's theory, thoroughly implement the Party's line, principles and policies as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee as well as the resolutions of the Party organization at a higher level in the Company.</u><del>To strengthen its leadership and gate-keeping role in the process of selection and appointment of personnel; focus on standards, procedure, evaluation and supervision, and adhere to the principle of the Party supervising the performance of officials while ensuring the lawful selection by the board of directors of the senior management and the lawful exercise of the power of the senior management in the employment of personnel.</del></p> <p><u>(3) To investigate and discuss the significant operation and management matters of the Company and support the shareholders' general meeting, the board of directors, the supervisory committee and the senior management to exercise their rights and perform their duties in accordance with laws.</u><del>To research and discuss the reform, development and stability of the Company; major operational and management issues and major issues concerning employees' interests, and provide comments and suggestions; to support the shareholders' general meeting, the board of directors, the supervisory committee and the senior management in performing their duties in accordance with law, and support the employee representatives' meeting in carrying out its work.</del></p>

Articles Before Revision	Articles After Revision
	<p><u>(4) To strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre and talents team of the Company.</u> <del>To undertake the main responsibility of comprehensive and strict Party management; to lead the Company’s ideological and political work, the united front work, the spiritual civilization construction, the corporate culture cultivation as well as the work of groups such as the labor union and the Communist Youth League; to lead the construction of the Party’s working style and its clean and honest administration, and support the discipline inspection committee in earnestly performing its supervisory responsibilities.</del></p> <p><u>(5) To fulfill the main responsibility of comprehensive and strict Party governance, lead and support the discipline inspection committee to fulfil its supervisory and disciplining responsibilities as well as exercise strict administrative discipline and political rules and promote the Party’s self-governance fully and with rigor into the grassroots level.</u> <del>To strengthen the Company’s grassroots Party organizations and their team building, give full play to the role of the Party branches as strongholds and to the role of the Party members as pioneers and fine examples, and unite and lead officials and employees to devote themselves into the reform and development of the Company.</del></p> <p><u>(6) To strengthen the Company’s grassroots Party organizations and their team building, unite and lead employees to devote themselves into the reform and development of the Company.</u></p>

Articles Before Revision	Articles After Revision
	<p><u>(7) To lead the Company's ideological and political work, the spirit and civilization progress, the united front work and lead mass organizations such as the Labour Union, the Communist Youth League and the Women's Organization of the Company.</u></p> <p><u>(8) To handle other important matters within the scope of duties of the Party Committee.</u></p>
Chapter 5 Shareholders and Shareholders' General Meetings	Chapter 5 Shareholders and Shareholders' General Meetings
<p><b>Article 54</b> The holders of the ordinary shares of the Company shall have the following rights:</p> <p>(1) the right to receive dividends and other distributions on a pro rata basis in respect of the number of shares held;</p> <p>(2) the right to attend and vote at shareholders' general meetings in person or by proxy;</p> <p>(3) the right to supervise and manage the operations of the Company and to raise proposals or queries;</p> <p>(4) the right to transfer shares in accordance with laws, regulations and the provisions of these Articles;</p> <p>(5) the right to obtain relevant information in accordance with these Articles, including:</p> <ol style="list-style-type: none"> <li>1. the right to obtain a copy of these Articles, subject to payment of costs;</li> <li>2. the right to access and copy the following, subject to payment of a reasonable fee: <ol style="list-style-type: none"> <li>(i) the entire register of shareholders made of all parts;</li> <li>(ii) personal particulars of the directors, supervisors, General Manager (President) and other senior management of the Company;</li> <li>(iii) the status of the share capital of the Company;</li> </ol> </li> </ol>	<p><b>Article 54</b> The holders of the ordinary shares of the Company shall have the following rights:</p> <p>(1) the right to receive dividends and other distributions on a pro rata basis in respect of the number of shares held;</p> <p>(2) the right to attend, <u>speak</u> and vote at shareholders' general meetings in person or by proxy, <u>unless individual shareholders are required to abstain from voting on individual matters as required by laws, regulations or securities regulatory rules of the place where the Company's shares are listed;</u></p> <p>(3) the right to supervise and manage the operations of the Company and to raise proposals or queries;</p> <p>(4) the right to transfer shares in accordance with laws, regulations and the provisions of these Articles;</p> <p>(5) the right to obtain relevant information in accordance with these Articles, including:</p> <ol style="list-style-type: none"> <li>1. the right to obtain a copy of these Articles, subject to payment of costs;</li> <li>2. the right to access and copy the following, subject to payment of a reasonable fee: <ol style="list-style-type: none"> <li>(i) the entire register of shareholders made of all parts;</li> <li>(ii) personal particulars of the directors, supervisors, General Manager (President) and other senior management of the Company;</li> <li>(iii) the status of the share capital of the Company;</li> </ol> </li> </ol>



Articles Before Revision	Articles After Revision
<p>(iv) the latest audited financial statements and the reports of the board of directors, the auditors and the supervisory committee of the Company;</p> <p>(v) special resolutions of the shareholders' general meetings and/or the board meetings of the Company;</p> <p>(vi) a report showing the aggregate par value, the number, the highest and the lowest prices paid, in respect of each class of shares repurchased by the Company since the previous financial year and the total amount paid by the Company for this purpose, categorized as domestic shares and foreign shares, respectively;</p> <p>(vii) minutes of shareholders' general meetings;</p> <p>(viii) a copy of the latest annual inspection report filed with the State Administration for Industry and Commerce or other competent authorities;</p> <p>(ix) counterfoils of the bonds of the Company;</p> <p>(x) resolutions of board meetings;</p> <p>(xi) resolutions of meetings of the supervisory committee;</p> <p>(xii) financial statements.</p> <p>Items (i) to (viii) above (except item (ii)) shall be placed at the office of the Company in Hong Kong in accordance with the Hong Kong Listing Rules for inspection by the public and holders of its overseas listed foreign shares free of charge. Item (vii) shall be available for inspection by shareholders only.</p> <p>(6) the right to request the Company to acquire its shares so long as the shareholder dissents the resolutions of the shareholders' general meeting approving a merger or division of the Company;</p>	<p>(iv) the latest audited financial statements and the reports of the board of directors, the auditors and the supervisory committee of the Company;</p> <p>(v) special resolutions of the shareholders' general meetings and/or the board meetings of the Company;</p> <p>(vi) a report showing the aggregate par value, the number, the highest and the lowest prices paid, in respect of each class of shares repurchased by the Company since the previous financial year and the total amount paid by the Company for this purpose, categorized as domestic shares and foreign shares, respectively;</p> <p>(vii) minutes of shareholders' general meetings;</p> <p>(viii) a copy of the latest annual inspection report filed with the State Administration for Industry and Commerce or other competent authorities;</p> <p>(ix) counterfoils of the bonds of the Company;</p> <p>(x) resolutions of board meetings;</p> <p>(xi) resolutions of meetings of the supervisory committee;</p> <p>(xii) financial statements.</p> <p><del>Items (i) to (viii) above (except item (ii)) shall be placed at the office of the Company in Hong Kong in accordance with the Hong Kong Listing Rules for inspection by the public and holders of its overseas listed foreign shares free of charge. Item (vii) shall be available for inspection by shareholders only.</del></p> <p>(6) the right to request the Company to acquire its shares so long as the shareholder dissents the resolutions of the shareholders' general meeting approving a merger or division of the Company;</p>

Articles Before Revision	Articles After Revision
<p>(7) in the event of the dissolution or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in respect of the number of shares then held;</p> <p>(8) other rights conferred by laws, regulations and these Articles.</p> <p>No power shall be exercised to freeze or otherwise impair any of the rights attached to relevant share as a result of the failure of any directly or indirectly interested person to disclose his/her interest to the Company.</p> <p>Shareholders who shall obtain but have not obtained the approval from or have not made due filing with the regulatory department, or have not completed the rectification process, shall not exercise the rights of requesting a general meeting, voting, nomination, making a proposal, and disposing of shares, etc.</p> <p>Shareholders who make false statements, abuse shareholders' rights or do other acts that prejudice the interests of the Company shall not exercise the rights of requesting a general meeting, voting, nomination, making a proposal, and disposing of shares, etc.</p> <p>Any shareholder who holds 5% or more of the shares or the de facto controller of the Company shall notify the Company within five business days of any of the following:</p> <p>(1) its shares of the Company are subject to any property preservation or other mandatory measures;</p> <p>(2) any of its shares of the Company are pledged;</p> <p>(3) the de facto controller of any shareholder who holds 5% or more of the shares of the Company is changed;</p> <p>(4) its name is changed;</p> <p>(5) a merger or division is effected;</p>	<p>(7) in the event of the dissolution or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in respect of the number of shares then held;</p> <p>(8) other rights conferred by laws, regulations and these Articles.</p> <p>No power shall be exercised to freeze or otherwise impair any of the rights attached to relevant share as a result of the failure of any directly or indirectly interested person to disclose his/her interest to the Company.</p> <p>Shareholders who shall obtain but have not obtained the approval from or have not made due filing with the regulatory department, or have not completed the rectification process, shall not exercise the rights of requesting a general meeting, voting, nomination, making a proposal, and disposing of shares, etc.</p> <p>Shareholders who make false statements, abuse shareholders' rights or do other acts that prejudice the interests of the Company shall not exercise the rights of requesting a general meeting, voting, nomination, making a proposal, and disposing of shares, etc.</p> <p>Any shareholder who holds 5% or more of the shares or the de facto controller of the Company shall notify the Company within five business days of any of the following:</p> <p>(1) its shares of the Company are subject to any property preservation or other mandatory measures;</p> <p>(2) any of its shares of the Company are pledged;</p> <p>(3) the de facto controller of any shareholder who holds 5% or more of the shares of the Company is changed;</p> <p>(4) its name is changed;</p> <p>(5) a merger or division is effected;</p>

Articles Before Revision	Articles After Revision
<p>(6) it is ordered to suspend operation, or is appointed a receiver, or is taken over, subject to revocation or other regulatory measures or in the process of dissolution, bankruptcy or liquidation;</p> <p>(7) it is imposed upon administrative penalties or criminal punishment due to serious violation of laws or regulations;</p> <p>(8) other circumstances that may result in the transfer of the shares of the Company that it holds or controls or otherwise affect the operation of the Company.</p> <p>The Company shall report to the relevant regulatory authorities in the place where it is domiciled within five business days upon its being aware of any circumstances specified in the preceding paragraph. Any shareholder shall notify the Company in advance in the event that such shareholder will hold 5% or more of the registered capital of the Company through subscription for or acquisition of the Company's shares or the equity in any other shareholder of the Company or otherwise. Shareholders shall formally hold a corresponding proportion of shares after completing the approval procedures with the relevant regulatory authorities where the transaction involved the change of substantial shareholders or de facto controller of the Company. No entities or individuals are allowed to be a substantial shareholder or de facto controller of the Company without the approval from the relevant regulatory authorities. Otherwise, it shall be rectified within a prescribed period of time, and any voting right in respect of such shares may not be exercised prior to such rectification.</p>	<p>(6) it is ordered to suspend operation, or is appointed a receiver, or is taken over, subject to revocation or other regulatory measures or in the process of dissolution, bankruptcy or liquidation;</p> <p>(7) it is imposed upon administrative penalties or criminal punishment due to serious violation of laws or regulations;</p> <p>(8) other circumstances that may result in the transfer of the shares of the Company that it holds or controls or otherwise affect the operation of the Company.</p> <p>The Company shall report to the relevant regulatory authorities in the place where it is domiciled within five business days upon its being aware of any circumstances specified in the preceding paragraph. Any shareholder shall notify the Company in advance in the event that such shareholder will hold 5% or more of the registered capital of the Company through subscription for or acquisition of the Company's shares or the equity in any other shareholder of the Company or otherwise. Shareholders shall formally hold a corresponding proportion of shares after completing the approval procedures with the relevant regulatory authorities where the transaction involved the change of substantial shareholders or de facto controller of the Company. No entities or individuals are allowed to be a substantial shareholder or de facto controller of the Company without the approval from the relevant regulatory authorities. Otherwise, it shall be rectified within a prescribed period of time, and any voting right in respect of such shares may not be exercised prior to such rectification.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 68</b> The shareholders' general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with law:</p> <p>(1) to determine the operating policies and investment plans of the Company;</p> <p>(2) to elect and replace any of the directors and supervisors other than those held by employee representatives, and to determine the remuneration of directors and supervisors;</p> <p>(3) to consider and approve the reports of the board of directors;</p> <p>(4) to consider and approve the reports of the supervisory committee;</p> <p>(5) to consider and approve the annual financial budget plan and final accounts plan of the Company;</p> <p>(6) to consider and approve the profit distribution plans and the loss recovery plans of the Company;</p> <p>(7) to approve resolutions on increase or reduction of registered capital of the Company;</p> <p>(8) to resolve on the issuance of bonds of the Company;</p> <p>(9) to resolve on matters such as the merger, division, dissolution, liquidation or change of the form of the Company;</p> <p>(10) to amend these Articles;</p> <p>(11) to resolve on the appointment, removal or non-reappointment of any accounting firm;</p> <p>(12) to consider and approve any external guarantee issue set forth in Article 69 of these Articles;</p> <p>(13) to consider any purchase or disposal of material assets by the Company of an aggregate value exceeding 30% of the Company's latest audited total assets in a year;</p> <p>(14) to consider and approve any change of the use of proceeds raised;</p>	<p><b>Article 68</b> The shareholders' general meeting is the authority of the Company and shall exercise the following functions and powers in accordance with law:</p> <p>(1) to determine the operating policies and investment plans of the Company;</p> <p>(2) to elect and replace any of the directors and supervisors other than those held by employee representatives, and to determine the remuneration of directors and supervisors;</p> <p>(3) to consider and approve the reports of the board of directors;</p> <p>(4) to consider and approve the reports of the supervisory committee;</p> <p>(5) to consider and approve the annual financial budget plan and final accounts plan of the Company;</p> <p>(6) to consider and approve the profit distribution plans and the loss recovery plans of the Company;</p> <p>(7) to approve resolutions on increase or reduction of registered capital of the Company;</p> <p>(8) to resolve on the issuance of bonds of the Company;</p> <p>(9) to resolve on matters such as the merger, division, dissolution, liquidation or change of the form of the Company;</p> <p>(10) to amend these Articles;</p> <p>(11) to resolve on the appointment, <u>or removal</u> <del>or non-reappointment</del> of any accounting firm <u>and on its emolument</u>;</p> <p>(12) to consider and approve any external guarantee issue set forth in Article 69 of these Articles;</p> <p>(13) to consider any purchase or disposal of material assets by the Company of an aggregate value exceeding 30% of the Company's latest audited total assets in a year;</p> <p>(14) to consider and approve any change of the use of proceeds raised;</p>

Articles Before Revision	Articles After Revision
<p>(15) to consider and approve major investments, the total investment amount of which (or the total value of any disposal of assets), at one time or accumulative in four months reaches 10% of the latest audited net assets of the Company or 5% of the latest audited self-owned assets of the Company, whichever reaches first, or other transactions to be considered by the shareholders' general meeting as required by the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or the Hong Kong Listing Rules;</p> <p>(16) to consider and approve connected transactions to be approved by the shareholders' general meeting as required by the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or the Hong Kong Listing Rules;</p> <p>(17) to consider the equity-based incentive scheme;</p> <p>(18) to consider and approve the proposal submitted by any shareholder(s) jointly or individually holding 3% or more of the Company's shares; and</p> <p>(19) to consider other matters to be resolved at shareholders' general meeting as required by laws, regulations, the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed or these Articles.</p> <p>Matters to be resolved at shareholder's general meeting as required by laws, regulations, the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed and these Articles shall be considered and approved at shareholders' general meeting so as to safeguard the shareholders' decision-making power in respect of such matters.</p>	<p>(15) to consider and approve major investments, the total investment amount of which (or the total value of any disposal of assets), at one time or accumulative in four months reaches 10% of the latest audited net assets of the Company or 5% of the latest audited self-owned assets of the Company, whichever reaches first, or other transactions to be considered by the shareholders' general meeting as required by the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or the Hong Kong Listing Rules;</p> <p>(16) to consider and approve connected transactions to be approved by the shareholders' general meeting as required by the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange or the Hong Kong Listing Rules;</p> <p>(17) to consider the equity-based incentive scheme <u>and employee stock ownership schemes</u>;</p> <p>(18) to consider and approve the proposal submitted by any shareholder(s) jointly or individually holding 3% or more of the Company's shares; and</p> <p>(19) to consider other matters to be resolved at shareholders' general meeting as required by laws, regulations, the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed or these Articles.</p> <p>Matters to be resolved at shareholder's general meeting as required by laws, regulations, the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed and these Articles shall be considered and approved at shareholders' general meeting so as to safeguard the shareholders' decision-making power in respect of such matters.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 69</b> Except for the provision of margin financing and securities lending to customers as required, the Company shall not directly or indirectly provide financing or guarantee for any of its shareholders or their connected parties. The provision of any of the following guarantees for any external party by the Company shall be considered and approved by shareholders' general meeting:</p> <p>(1) any guarantee provided by the Company and its subsidiaries after the total amount of guarantee provided for external parties by the Company and its subsidiaries has reached or exceeded 50% of the latest audited net assets of the Company;</p> <p>(2) any guarantee provided by the Company after the total amount of guarantee provided for external parties by the Company has reached or exceeded 30% of the latest audited total assets of the Company;</p> <p>(3) any guarantee provided for any entity with a gearing ratio of more than 70%; and</p> <p>(4) any single guarantee, the value of which exceeds 10% of the latest audited net assets of the Company.</p>	<p><b>Article 69</b> Except for the provision of margin financing and securities lending to customers as required, the Company shall not directly or indirectly provide financing or guarantee for any of its shareholders or their connected parties. The provision of any of the following guarantees for any external party by the Company shall be considered and approved by shareholders' general meeting:</p> <p>(1) any guarantee provided by the Company and its subsidiaries after the total amount of guarantee provided for external parties by the Company and its subsidiaries has <del>reached or exceeded</del> 50% of the latest audited net assets of the Company;</p> <p>(2) any guarantee provided by the Company after the total amount of guarantee provided for external parties by the Company has <del>reached or exceeded</del> 30% of the latest audited total assets of the Company;</p> <p>(3) any guarantee provided for any entity with a gearing ratio of more than 70%; <del>and</del></p> <p>(4) any single guarantee, the value of which exceeds 10% of the latest audited net assets of the Company;</p> <p><u>(5) any guarantee, the cumulative amount of which exceeds 30% of the latest audited total assets of the Company over 12 consecutive months;</u></p> <p><u>(6) any guarantees provided to shareholders, de facto controllers and their connected parties; and</u></p> <p><u>(7) other guarantees as stipulated by the securities regulatory authorities and the stock exchange(s) in the listing place or these Articles.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 82</b> When the Company convenes an annual general meeting, written notice of the meeting shall be given 20 days before the date of the meeting; when the Company convenes an extraordinary general meeting, written notice of the meeting shall be given 15 days before the date of the meeting. When calculating the abovementioned period, the date of the meeting shall not be included.</p> <p>Laws, administrative regulations or provisions formulated by the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed shall prevail if otherwise provided.</p>	<p><b>Article 82</b> <del>When the Company convenes</del> <u>The convener shall notify all shareholders</u> <del>20 days prior to the date of an annual general meeting; written notice of the meeting shall be given 20 days before the date of the meeting; when the Company convenes</del> <u>(and 15 days prior to the date of an extraordinary general meeting) by way of an announcement or in such other manners as required by the stock exchange(s) of the listing place;</u> <del>written notice of the meeting shall be given 15 days before the date of the meeting.</del></p> <p>When calculating the abovementioned period, the date of the meeting shall not be included.</p> <p>Laws, administrative regulations or provisions formulated by the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed shall prevail if otherwise provided.</p>
<p><b>Article 85</b> Subject to applicable laws, regulations and the relevant requirements of the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed, the notice of a shareholders' general meeting may be published on the website of the Hong Kong Stock Exchange, instead of delivery by hand or prepaid mail to the holders of overseas listed foreign shares.</p>	<p><b>Article 85</b> Subject to applicable laws, regulations and the relevant requirements of the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed, the notice of a shareholders' general meeting may be published on the website of the Hong Kong Stock Exchange <u>or issued by other electronic means</u>, instead of delivery by hand or prepaid mail to the holders of overseas listed foreign shares.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 90</b> The instrument appointing a proxy shall be in writing and signed by the appointing shareholder or his/her attorney duly authorized in writing; where the appointing shareholder is a legal person or any other institution, such instrument shall be under its seal or signed by its legal representative or the proxy duly authorized. Individual shareholders attending the meeting in person shall present their identity cards or other valid documents or certificates, or stock account cards as a proof of their identities. Proxies attending the meeting on behalf of shareholders shall present their valid identity cards and power of attorney.</p> <p>A corporate shareholder shall attend the meeting by its legal representative or by proxies appointed by the legal representative, the board of directors or other decision-making body. The legal representative present at the meeting shall produce his/her identity card and valid proof showing his/her status, and the proxy present at the meeting shall present his/her identity card and the power of attorney in writing issued by the legal representative, the board of directors or other decision-making body of the corporate shareholder in accordance with laws.</p>	<p><b>Article 90</b> The instrument appointing a proxy shall be in writing and signed by the appointing shareholder or his/her attorney duly authorized in writing; where the appointing shareholder is a legal person or any other institution, such instrument shall be under its seal or signed by its legal representative or the proxy duly authorized. Individual shareholders attending the meeting in person shall present their identity cards or other valid documents or certificates, or stock account cards as a proof of their identities. Proxies attending the meeting on behalf of shareholders shall present their valid identity cards and power of attorney.</p> <p>A corporate shareholder shall attend the meeting by its legal representative or by proxies appointed by the legal representative, the board of directors or other decision-making body. The legal representative present at the meeting shall produce his/her identity card and valid proof showing his/her status, and the proxy present at the meeting shall present his/her identity card and the power of attorney in writing issued by the legal representative, the board of directors or other decision-making body of the corporate shareholder in accordance with laws.</p>



Articles Before Revision	Articles After Revision
<p>If a shareholder is recognized as a clearing house (“recognized clearing house”) or its nominee according to the relevant laws and regulations of the place where the shares of the Company are listed, the shareholder is entitled to authorize one or more person(s), as it thinks fit, to act as its proxy at any general meeting or any class meeting of shareholders. However, if more than one person is authorized, the power of attorney shall set out the number and class of shares represented by each of the persons so authorized. The power of attorney shall be signed by the authorized personnel of the recognized clearing house. A person so authorized may attend meetings (without presenting any share certificate, notarized authorization and/or other evidence indicating that he/she has been duly authorized) and exercise the right on behalf of the recognized clearing house (or its nominee), as if he/she was an individual shareholder of the Company.</p>	<p>If a shareholder is recognized as a clearing house (“recognized clearing house”) or its nominee according to the relevant laws and regulations of the place where the shares of the Company are listed, the shareholder is entitled to authorize one or more person(s), as it thinks fit, to act as its proxy at any general meeting or any class meeting of shareholders <u>or creditors’ meeting</u>. However, if more than one person is authorized, the power of attorney shall set out the number and class of shares represented by each of the persons so authorized. The power of attorney shall be signed by the authorized personnel of the recognized clearing house. A person so authorized may attend meetings (without presenting any share certificate, notarized authorization and/or other evidence indicating that he/she has been duly authorized) and exercise the right, <u>including rights to speak and vote</u>, on behalf of the recognized clearing house (or its nominee), as if he/she was an individual shareholder of the Company.</p>
<p><b>Article 91</b> The power of attorney that a shareholder issues to appoint another person to attend a shareholders’ general meeting on his/her behalf shall contain the following particulars:</p> <ol style="list-style-type: none"> <li>(1) the name of the proxy;</li> <li>(2) whether the proxy has voting right;</li> <li>(3) the instruction on voting for or against or abstaining from voting for each of the matters listed on the agenda of the shareholders’ general meeting;</li> <li>(4) the issuing date and valid period of the power of attorney;</li> <li>(5) the signature (or seal) of the appointer.</li> </ol> <p>If the appointer is a corporate shareholder, the power of attorney shall be affixed with a corporate seal;</p>	<p><b>Article 91</b> The power of attorney that a shareholder issues to appoint another person to attend a shareholders’ general meeting on his/her behalf shall contain the following particulars:</p> <ol style="list-style-type: none"> <li>(1) the name of the proxy;</li> <li>(2) whether the proxy has voting right;</li> <li>(3) the instruction on voting for or against or abstaining from voting for each of the matters listed on the agenda of the shareholders’ general meeting;</li> <li>(4) the issuing date and valid period of the power of attorney;</li> <li>(5) the signature (or seal) of the appointer.</li> </ol> <p>If the appointer is a corporate shareholder, the power of attorney shall be affixed with a corporate seal;</p>

Articles Before Revision	Articles After Revision
<p>(6) the number of shares of the appointer represented by the proxy.</p>	<p>(6) the number of shares of the appointer represented by the proxy.  <u>The power of attorney shall specify whether the proxy may vote on his/her will in case of no specific instructions given by shareholders.</u></p>
<p><b>Article 108</b> The following matters require the passing of an ordinary resolution at a shareholders’ general meeting:</p> <p>(1) the work reports of the board of directors and the supervisory committee;</p> <p>(2) the profit distribution plans and the loss recovery plans proposed by the board of directors;</p> <p>(3) the appointment and removal of members of the board of directors and the supervisory committee, their remuneration and method of payment;</p> <p>(4) the Company’s annual budget, final accounts, balance sheets, income statements and other financial statements;</p> <p>(5) the annual reports of the Company;</p> <p>(6) any matters other than those which are required by laws and regulations, the requirements of the securities regulatory authorities and the stock exchange(s) in the place where the shares of the Company are listed or these Articles to be passed by way of special resolution.</p>	<p><b>Article 108</b> The following matters require the passing of an ordinary resolution at a shareholders’ general meeting:</p> <p>(1) the work reports of the board of directors and the supervisory committee;</p> <p>(2) the profit distribution plans and the loss recovery plans proposed by the board of directors;</p> <p>(3) the appointment and removal of members of the board of directors and the supervisory committee, their remuneration and method of payment;</p> <p>(4) the Company’s annual budget <u>plan</u>; <u>and</u> final accounts <u>plan</u>; <del>balance sheets, income statements and other financial statements</del>;</p> <p>(5) the annual reports of the Company;</p> <p>(6) any matters other than those which are required by laws and regulations, the requirements of the securities regulatory authorities and the stock exchange(s) in the place where the shares of the Company are listed or these Articles to be passed by way of special resolution.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 109</b> The following matters require the passing of a special resolution at a shareholders' general meeting:</p> <p>(1) the increase or reduction of registered capital of the Company and the issue of shares of any class, warrants and other similar securities;</p> <p>(2) the issue of bonds of the Company;</p> <p>(3) the merger, division, dissolution and liquidation or change of the form of the Company;</p> <p>(4) the amendment to these Articles;</p> <p>(5) purchase or disposal of material assets or provision of guarantee by the Company within 1 year of a value exceeding 30% of the Company's latest audited total assets;</p> <p>(6) repurchase of the Company's shares;</p> <p>(7) adoption of an equity-based incentive scheme; and</p> <p>(8) other matters specified by laws, regulations, the requirements of the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed or these Articles and that would have a material impact on the Company and shall be approved by special resolutions as determined by ordinary resolutions of shareholders' general meeting.</p>	<p><b>Article 109</b> The following matters require the passing of a special resolution at a shareholders' general meeting:</p> <p>(1) the increase or reduction of registered capital of the Company and the issue of shares of any class, warrants and other similar securities;</p> <p>(2) the issue of bonds of the Company;</p> <p>(3) the merger, division, <u>split-off</u>, dissolution and liquidation or change of the form of the Company;</p> <p>(4) the amendment to these Articles;</p> <p>(5) purchase or disposal of material assets or provision of guarantee by the Company within 1 year of a value exceeding 30% of the Company's latest audited total assets;</p> <p>(6) repurchase of the Company's shares;</p> <p>(7) adoption of an equity-based incentive scheme; and</p> <p>(8) other matters specified by laws, regulations, the requirements of the securities regulatory authorities and the stock exchange(s) in the place where the Company's shares are listed or these Articles and that would have a material impact on the Company and shall be approved by special resolutions as determined by ordinary resolutions of shareholders' general meeting.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 110</b> Shareholders (including their proxies) shall exercise their voting rights in respect of the number of voting shares they represent. Each share shall have one vote. Shares held by the Company do not carry any voting rights and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p>The board of directors, independent directors, and shareholders who meet relevant requirements and conditions may openly solicit the voting rights of other shareholders. Information including the specific voting preference shall be fully disclosed to the shareholders for whom voting rights are being solicited. Consideration or consideration in any disguised form for soliciting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding percentage limitation for soliciting voting rights.</p>	<p><b>Article 110</b> Shareholders (including their proxies) shall exercise their voting rights in respect of the number of voting shares they represent. Each share shall have one vote. <u>When material matters affecting the interests of minority investors are deliberated at shareholders' general meetings, their votes shall be counted separately. The results of the separate count should be publicly disclosed in a timely manner.</u></p> <p>Shares held by the Company do not carry any voting rights and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p><u>The shareholders who purchase the voting shares of the Company in violation of Article 63(1) and (2) of the Securities Law shall not exercise the voting rights of the shares that exceed the prescribed ratio within 36 months after purchasing them, and such shares shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</u></p> <p>The board of directors, independent directors, and <u>shareholders who hold voting shares of 1% or above or investor protection institutions established in accordance with laws, administrative regulations or requirements of the CSRC</u> <del>shareholders who meet relevant requirements and conditions</del> may openly solicit the voting rights of other shareholders. Information including the specific voting preference shall be fully disclosed to the shareholders for whom voting rights are being solicited. Consideration or consideration in any disguised form for soliciting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding percentage limitation for soliciting voting rights.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 117</b> The Company shall not, without prior approval of shareholders in a general meeting, enter into any contract with any person (other than a director, supervisor, General Manager (President) and other senior management) pursuant to which such person shall be assigned the management and administration of the whole or any substantial part of its business.</p>	<p><b>Article 117</b> <u>Unless in crisis or other special circumstances, the</u> <del>The</del> Company shall not, without prior approval of shareholders in a general meeting, enter into any contract with any person (other than a director, supervisor, General Manager (President) and other senior management) pursuant to which such person shall be assigned the management and administration of the whole or any substantial part of its business.</p>
<p><b>Chapter 6 Directors and the Board of Directors</b></p>	<p><b>Chapter 6 Directors and the Board of Directors</b></p>
<p><b>Article 143</b> The directors of the Company shall:</p> <ul style="list-style-type: none"> <li>(1) be faithful and honest with good character;</li> <li>(2) be familiar with securities laws and regulations, and have the necessary operation and management capacity to perform their duties;</li> <li>(3) have sufficient years of experience in the fields of securities, finance, economics, laws and accounting as required by the relevant regulatory authorities;</li> <li>(4) have the academic qualification required by the relevant regulatory authorities;</li> <li>(5) fulfill other conditions required by laws, regulations and these Articles.</li> </ul>	<p><b>Article 143</b> The directors of the Company shall:</p> <ul style="list-style-type: none"> <li>(1) be faithful and honest with good character;</li> <li>(2) be familiar with securities laws and regulations, and have the necessary operation and management capacity to perform their duties;</li> <li>(3) have sufficient years of experience in the fields of securities, finance, economics, laws, <u>and accounting and information technology</u> as required by the relevant regulatory authorities;</li> <li>(4) <del>have the academic qualification required by the relevant regulatory authorities</del> <u>possess management experience and operational management capabilities compatible with their proposed duties;</u></li> <li>(5) fulfill other conditions required by laws, regulations, the CSRC and these Articles.</li> </ul>

Articles Before Revision	Articles After Revision
<p><b>Article 145</b> The directors shall comply with laws, regulations and these Articles and perform the following obligations of loyalty to the Company:</p> <p>(1) not to abuse their powers to accept bribes or other illegal income and not to misappropriate the properties of the Company;</p> <p>(2) not to misappropriate the money of the Company;</p> <p>(3) not to deposit any assets or money of the Company in any accounts under their names or in the names of other persons;</p> <p>(4) not to violate these Articles and lend the money of the Company to others or provide guarantee to others by charging the Company’s assets without approval of the shareholders’ general meetings or the board;</p> <p>(5) not to enter into contracts or transactions with the Company in violation of these Articles or without approval of the shareholders’ general meeting;</p> <p>(6) not to take advantage of their positions to obtain business opportunities which should be available to the Company for themselves or others, or to run their own or others’ business which is similar to the Company’s business without approval of the shareholders’ general meeting;</p> <p>(7) not to take as their own any commission for transactions between any third party and the Company;</p> <p>(8) not to disclose the secrets of the Company without consent;</p> <p>(9) not to use their connections to harm the interests of the Company; and</p> <p>(10) to be bound by other obligations of loyalty stipulated by laws, regulations and these Articles.</p>	<p><b>Article 145</b> The directors shall comply with laws, regulations, <u>departmental rules</u> and these Articles and perform the following obligations of loyalty to the Company:</p> <p>(1) not to abuse their powers to accept bribes or other illegal income and not to misappropriate the properties of the Company;</p> <p>(2) not to misappropriate the money of the Company;</p> <p>(3) not to deposit any assets or money of the Company in any accounts under their names or in the names of other persons;</p> <p>(4) not to violate these Articles and lend the money of the Company to others or provide guarantee to others by charging the Company’s assets without approval of the shareholders’ general meetings or the board;</p> <p>(5) not to enter into contracts or transactions with the Company in violation of these Articles or without approval of the shareholders’ general meeting;</p> <p>(6) not to take advantage of their positions to obtain business opportunities which should be available to the Company for themselves or others, or to run their own or others’ business which is similar to the Company’s business without approval of the shareholders’ general meeting;</p> <p>(7) not to take as their own any commission for transactions between any third party and the Company;</p> <p>(8) not to disclose the secrets of the Company without consent;</p> <p>(9) not to use their connections to harm the interests of the Company; and</p> <p>(10) to be bound by other obligations of loyalty stipulated by laws, regulations, <u>departmental rules</u> and these Articles.</p>

Articles Before Revision	Articles After Revision
<p>Income received by any directors in violation of this article shall be forfeited by the Company. Any directors who act in violation of this article shall be liable for compensation for any losses caused to the Company.</p>	<p>Income received by any directors in violation of this article shall be forfeited by the Company. Any directors who act in violation of this article shall be liable for compensation for any losses caused to the Company.</p>
<p><b>Article 146</b> The directors shall comply with laws, regulations and these Articles and perform the following obligations of diligence to the Company:</p> <p>(1) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company’s commercial activities are in compliance with laws, regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business licence;</p> <p>(2) to treat all shareholders equally and fairly;</p> <p>(3) to understand the operation and management of the Company in a timely manner;</p> <p>(4) to sign the written confirmation in respect of the regular reports of the Company and to ensure the truthfulness, accuracy, completeness, timeliness and fairness of the information disclosed by the Company;</p> <p>(5) to honestly provide all relevant information and data required by the supervisory committee and not to prevent the supervisory committee or supervisors from performing their duties and powers; and</p> <p>(6) to perform other obligations of diligence stipulated by laws, regulations and these Articles.</p>	<p><b>Article 146</b> The directors shall comply with laws, regulations, <u>departmental rules</u> and these Articles and perform the following obligations of diligence to the Company:</p> <p>(1) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company’s commercial activities are in compliance with laws, regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business licence;</p> <p>(2) to treat all shareholders equally and fairly;</p> <p>(3) to understand the operation and management of the Company in a timely manner;</p> <p>(4) to sign the written confirmation in respect of the regular reports of the Company and to ensure the truthfulness, accuracy, completeness, timeliness and fairness of the information disclosed by the Company;</p> <p>(5) to honestly provide all relevant information and data required by the supervisory committee and not to prevent the supervisory committee or supervisors from performing their duties and powers; and</p> <p>(6) to perform other obligations of diligence stipulated by laws, regulations, <u>departmental rules</u> and these Articles.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 155</b> Independent directors refer to the directors who hold no position in the Company other than the position of director and have no relationship with the Company and its substantial shareholder(s) that could prevent them from making independent and objective judgment.</p>	<p><b>Article 155</b> Independent directors refer to the directors who hold no position in the Company other than the position of director and have no <u>direct or indirect interest</u> relationship with the Company and its substantial shareholder(s); <u>and de facto controller(s), or other relationship that could affect</u> <del>prevent</del> them from making independent and objective judgment.</p>
<p><b>Article 156</b> The board of directors of the Company shall have independent directors. No less than one-third of all members of the board of directors shall be independent directors. At least one of the independent directors of the Company shall be an accounting professional (accounting professionals refer to those who hold senior titles or qualifications as a certified public accountant) who possesses five years or more of accounting experience. Independent directors shall carry out their duties honestly and faithfully, safeguard the Company’s interest and in particular prevent encroachment of the legitimate rights and interests of public shareholders. Independent directors shall ensure the sufficient representation of the interests of all shareholders.</p> <p>The board of directors, the supervisory committee or shareholders individually or jointly holding 1% or more of the issued shares of the Company may nominate the candidates for independent directors for election by the shareholders’ general meeting.</p>	<p><b>Article 156</b> The board of directors of the Company shall have independent directors. No less than one-third of all members of the board of directors shall be independent directors. At least one of the independent directors of the Company shall be an accounting professional <del>(accounting professionals refer to those who hold senior titles or qualifications as a certified public accountant) who possesses five years or more of accounting experience.</del> Independent directors <u>owe a duty of good faith and diligence to the Company and all shareholders. They shall conscientiously perform</u> <del>carry out their duties in accordance with the relevant laws and regulations, the relevant requirements of the securities regulatory authorities and stock exchange(s) in the place where the Company's shares are listed, and the requirements of these Articles. They shall play the roles of participation in decision-making, supervision, checks and balances, and professional consultation in the board of directors, to</del> <u>honestly and faithfully,</u> <del>safeguard the Company’s interest as a whole, and in particular prevent encroachment of the legitimate rights and interests of public shareholders. Independent directors shall ensure the sufficient representation of the interests of all shareholders; and to protect the lawful rights and interests of minority shareholders.</del></p>



Articles Before Revision	Articles After Revision
	<p>The board of directors, the supervisory committee or shareholders individually or jointly holding 1% or more of the issued shares of the Company may nominate the candidates for independent directors for election by the shareholders' general meeting. <u>An investor protection institution established in accordance with law may publicly request shareholders to appoint it to exercise the right to nominate independent directors on their behalf.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 157</b> Subject to the qualification requirement for directors in these Articles, an independent director shall have the following qualifications:</p> <p>(1) he/she shall have five years or more of experience in the areas of securities, finance, law or accounting;</p> <p>(2) he/she shall have the basic knowledge of the operation of a listed financial enterprise and be well-acquainted with the relevant laws, regulations and rules, and shall have good reputation;</p> <p>(3) he/she shall have the necessary time and effort to perform his/her duties as an independent director;</p> <p>(4) he/she shall be at least a university graduate and possess at least a bachelor's degree; and</p> <p>(5) he/she shall have the independence required by the securities regulatory authorities and the securities regulatory rules of the place where the shares of the Company are listed.</p>	<p><b>Article 157</b> <del>Subject to the qualification requirement for directors in these Articles,</del> <u>An independent director shall have the following qualifications meet the following conditions:</u></p> <p><u>(1) he/she shall have the qualifications of acting as a director of listed companies in accordance with laws, regulations, and the requirements of securities regulatory authorities and stock exchange(s) in the place where the Company's shares are listed, and these Articles;</u></p> <p><del>(2)</del> <u>he/she shall have five years or more of experience in the areas of securities, finance, law, or accounting or economics which is necessary in performing duties of an independent director;</u></p> <p><del>(3)</del> <u>he/she shall have the basic knowledge of the operation of a listed financial enterprise and be well-acquainted with the relevant laws, regulations and rules, and shall have good reputation;</u></p> <p><del>(3)</del> <u>he/she shall have the necessary time and effort to perform his/her duties as an independent director;</u></p> <p><del>(4)</del> <u>he/she shall be at least a university graduate and possess at least a bachelor's degree; and he/she shall have good personal character without major breach of trust or other adverse records; and</u></p> <p><del>(5)</del> <u>he/she shall have the independence required by the securities regulatory authorities and the securities regulatory rules of the place where the shares of the Company are listed; and</u></p> <p><del>(6)</del> <u>other conditions as stipulated by laws, regulations, securities regulatory authorities and stock exchange(s) in the place where the Company's shares are listed, and these Articles.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 158</b> The following persons shall not act as independent directors:</p> <p>(1) persons who are specified in Article 124 of the Securities Law;</p> <p>(2) persons who are employed by the Company or its subsidiaries and their lineal relatives and affiliates with close social relationship (lineal relatives refer to, among others, spouses, parents and children, while affiliates with close social relationship refer to, among others, brothers and sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, brothers-in-law and sisters-in-law);</p> <p>(3) persons who are employed by corporate shareholder(s) directly or indirectly holding 5% or more of the Company's shares or other companies which have business or interest relationship with the Company or the top five corporate shareholders of the Company and their lineal relatives and affiliates with close social relationship;</p> <p>(4) natural person shareholders who directly or indirectly hold 1% or more of the Company's shares and the top 10 natural person shareholders of the Company and their lineal relatives;</p> <p>(5) persons who provide financial, legal or consultation services to the Company or any of its subsidiaries and their lineal relatives;</p> <p>(6) persons who had been the persons under items (2) to (5) in the past one year;</p> <p>(7) persons who are employed by other securities companies in a capacity other than independent directors;</p> <p>(8) other persons specified by laws, regulations, the listing rules of the place where the Company's shares are listed and these Articles; and</p>	<p><b>Article 158</b> <del>The following persons shall not act as independent directors</del><u>An independent director must be independent and shall not be the person described in the following circumstances:</u></p> <p><del>(1) persons who are specified in Article 124 of the Securities Law;</del></p> <p><del>(2) persons who are employed by the Company or its subsidiaries and their lineal relatives and affiliates with close social relationship (lineal relatives refer to, among others, spouses, parents and children, while as well as affiliates with close social relationship refer to, among others, brothers and sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, brothers-in-law and sisters-in-law);</del></p> <p><u>(2) persons who are employed by subsidiaries of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;</u></p> <p><del>(3) persons who are employed by corporate shareholder(s) directly or indirectly holding 5% or more of the Company's issued shares or other companies which have business or interest relationship with the Company or the top five corporate shareholders of the Company and their lineal relatives and affiliates with close social relationship spouses, parents and children;</del></p> <p><del>(4) natural person shareholders who directly or indirectly hold 1% or more of the Company's issued shares and, or are the top 10 natural person shareholders of the Company and their lineal relatives spouses, parents and children;</del></p>

Articles Before Revision	Articles After Revision
<p>(9) other persons considered unfit by the securities regulatory authorities and the stock exchange(s) in the place where the Company’s shares are listed or by the shareholders’ general meeting of the Company.</p>	<p>(5) persons who provide financial, legal, <del>or</del> <u>consultation or sponsorship</u> services to the Company <u>and its controlling shareholders and de facto controllers</u> or any of <del>its</del> <u>their</u> <u>respective</u> subsidiaries <del>and their lineal relatives, including but not limited to all the project team personnel of the intermediary providing services, review personnel at all levels, personnel signing the report, partners, directors, senior management and principal persons;</del></p> <p><u>(6) persons who have major business transactions with the Company and its controlling shareholders and de facto controllers or their respective subsidiaries, or are employed by entities and their controlling shareholders and de facto controllers with whom major business transactions are dealt with;</u></p> <p><del>(67)</del> <u>(67)</u> persons who had been the persons under <u>the preceding six items (2) to (5)</u> in the past <del>one year</del> <u>12 months</u>;</p> <p><del>(78)</del> <u>(78)</u> persons who are employed by other securities companies in a capacity other than independent directors; <u>and</u></p> <p><del>(89)</del> <u>(89)</u> other persons specified by laws, regulations, the listing rules of the place where the Company’s shares are listed and these Articles; <del>and</del></p> <p><del>(9) other persons considered unfit by the securities regulatory authorities and the stock exchange(s) in the place where the Company’s shares are listed or by the shareholders’ general meeting of the Company.</del></p>

Articles Before Revision	Articles After Revision
	<p><u>The term “affiliates with close social relationship” as stipulated in the preceding items refers to siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, and parents of children’s spouses. The term “major business transactions” means matters which are required to be submitted to the Company’s shareholders’ general meeting for consideration in accordance with the listing rules of the place where the Company’s shares are listed or these Articles, or any other material matters recognized by the securities regulatory authorities or stock exchange(s) of the place where the Company’s shares are listed. The term “employed” refers to being employed as directors, supervisors, senior management and other staff. Subsidiaries of the Company’s controlling shareholders and de facto controllers exclude enterprises controlled by the same state-owned asset management organization as the Company and not forming a connected relationship with the Company in accordance with relevant regulations.</u></p> <p><u>The independent directors shall conduct an annual self-examination of their independence and submit the self-examination to the board of directors of the Company. The board of directors of the Company shall evaluate the independence of the incumbent independent directors and issue a specific opinion on an annual basis, which shall be disclosed at the same time as the annual report.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 159</b> The tenure of the independent directors is the same as those of other directors of the Company. Independent directors are eligible for re-election after the expiration of their tenure, but shall not serve for more than six years.</p>	<p><b>Article 159</b> The tenure of the independent directors is the same as those of other directors of the Company. Independent directors are eligible for re-election after the expiration of their tenure, but shall not serve for more than six years. <u>An independent director who has served the Company for six consecutive years shall be prohibited from being nominated as a candidate for the position of independent director of the Company for a period of 36 months from the date of such fact.</u></p>
<p><b>Article 160</b> The board of directors shall promptly propose to the shareholders’ general meeting for the dismissal or removal of an independent director if the independent director:</p> <p>(1) is under one of the circumstances as stipulated in Article 158 in these Articles during his/her office;</p> <p>(2) fails to attend in person for three consecutive board meetings.</p> <p>Except as provided in the preceding paragraph, an independent director shall not be dismissed or removed without reason before the expiry of his/her tenure.</p>	<p><b>Article 160</b> <del>The board of directors shall promptly propose to the shareholders’ general meeting for the dismissal or removal of an independent director if the independent director:</del> <u>An independent director who fails to meet the conditions of office or the independence requirements after his/her appointment shall immediately cease to perform his/her duties and resign from his/her position. If an independent director fails to submit his/her resignation as scheduled, the board of directors shall immediately submit a request to the general meeting of the Company to relieve him/her of his/her duties as required after the board of directors has become aware of, or should have become aware of, the occurrence of such fact.</u></p> <p><del>(1) is under one of the circumstances as stipulated in Article 158 in these Articles during his/her office;</del></p> <p><del>(2) If an independent director fails to attend in person for three consecutive board meetings and does not appoint other independent directors to attend on his/her behalf, the board of directors shall propose the convening of a shareholders’ general meeting to dismiss such independent director’s position within 30 days from the date of such fact.</del></p>

Articles Before Revision	Articles After Revision
<p>An independent director may resign before the expiry of his/her tenure. A written resignation shall be submitted to the board of directors containing explanation on the matters related to his/her resignation or any other matters which, in his/her opinion, shall be brought to the notice of the shareholders and creditors of the Company.</p> <p>If the resignation of an independent director result in the proportion of independent directors of the board of directors to fall below the proportion required by these Articles, such independent director shall continue to perform his/her duties in accordance with laws, regulations and these Articles until a new independent director is appointed and assumes office. The board of directors of the Company shall convene a shareholders’ general meeting to re-elect an independent director for replacement within two months. If no shareholders’ general meeting is convened upon expiry of the period, such independent director may cease to perform his/her duties.</p>	<p><del>Except as provided in the preceding paragraph, an independent director shall not be dismissed or removed without reason before the expiry of his/her tenure.</del></p> <p><u>In the event that the proportion of independent directors on the board of directors or its special committees does not comply with the provisions of laws and regulations or the Articles of Association due to the resignation or dismissal of an independent director, or that there is a lack of accounting professionals among the independent directors, the Company shall complete the by-election within 60 days from the date of the aforesaid fact.</u></p> <p><u>If an independent director is removed from office prior to the expiration of his/her term of office and believes that the reasons for removal are inappropriate, he/she may submit a dissenting opinion and the reasons therefor, and the Company shall disclose the same in a timely manner.</u></p> <p>An independent director may resign before the expiry of his/her tenure. A written resignation shall be submitted to the board of directors containing explanation on the matters related to his/her resignation or any other matters which, in his/her opinion, shall be brought to the notice of the shareholders and creditors of the Company. <u>The Company shall disclose the reasons and concerns of the independent director’s resignation.</u></p>

Articles Before Revision	Articles After Revision
	<p>If the resignation of an independent director result in the proportion of independent directors of the board of directors <u>or its special committees</u> to fall below the proportion required by these Articles, such independent director shall continue to perform his/her duties in accordance with laws, regulations and these Articles until a new independent director is appointed and assumes office. <del>The board of directors of the Company shall convene a shareholders' general meeting to re-elect an independent director for replacement within two months. If no shareholders' general meeting is convened upon expiry of the period, such independent director may cease to perform his/her duties.</del></p>
<p><b>Article 162</b> In addition to the functions and powers conferred by the Company Law and other relevant laws and regulations, the independent directors shall have the following special functions and powers:</p> <p>(1) to give independent opinions on major connected transactions of the Company; to approve major connected transactions before submission to the board of directors for discussion; to retain an intermediary to prepare an independent financial advisor's report as the basis of their judgment before any judgment is made;</p> <p>(2) to propose the appointment or dismissal of accounting firms to the board of directors;</p> <p>(3) to propose the convening of extraordinary shareholders' general meetings to the board of directors;</p> <p>(4) to propose the convening of board meetings;</p> <p>(5) to engage external auditing firms or consultancy firms independently;</p>	<p><b>Article 162</b> <del>In addition to the functions and powers conferred by the Company Law and other relevant laws and regulations; the</del><u>The</u> independent directors shall <del>have</del><u>exercise</u> the following special functions and powers:</p> <p><del>(1) to give independent opinions on major connected transactions of the Company; to approve major connected transactions before submission to the board of directors for discussion; to retain an intermediary to prepare an independent financial advisor's report as the basis of their judgment before any judgment is made;</del></p> <p><del>(2) to propose the appointment or dismissal of accounting firms to the board of directors;</del></p> <p><del>(3) to propose the convening of extraordinary shareholders' general meetings to the board of directors;</del></p> <p><del>(4) to propose the convening of board meetings;</del></p> <p><del>(5) to engage external auditing firms or consultancy firms independently;</del></p>



Articles Before Revision	Articles After Revision
<p>(6) to publicly solicit proxies from shareholders before the convening of shareholders' general meetings; and</p> <p>(7) to perform other functions and powers stipulated by laws, regulations, the listing rules and these Articles.</p> <p>The consent of one-half or more of all independent directors shall be obtained for the exercise of any of the above special functions and powers by an independent director.</p> <p>Where the above proposals are not accepted or the above functions and powers cannot be duly exercised, the Company shall disclose the relevant situations accordingly.</p> <p>Independent directors shall perform the duties of directors independently in accordance with laws, administrative regulations and the requirements of the securities regulatory authorities and the stock exchange(s), and submit their work report at an annual general meeting of shareholders.</p> <p>Any independent director who fails to perform his duties shall undertake the corresponding responsibilities.</p>	<p><del>(6) to publicly solicit proxies from shareholders before the convening of shareholders' general meetings; and</del></p> <p><del>(7) to perform other functions and powers stipulated by laws, regulations, the listing rules and the Articles of Association.</del></p> <p><u>(1) to independently engage an intermediary to conduct audit, consultation or check on specific matters of the Company;</u></p> <p><u>(2) to propose the convening of extraordinary shareholders' general meetings to the board of directors;</u></p> <p><u>(3) to propose the convening of board meetings;</u></p> <p><u>(4) to legally and publicly solicit shareholders' rights from shareholders;</u></p> <p><u>(5) to issue independent opinions on matters that may prejudice the interests of the Company or its minority shareholders;</u></p> <p><u>(6) to perform other functions and powers stipulated by laws, administrative regulations, the requirements of securities regulatory authorities and listing rules of the place where the Company's shares are listed and these Articles.</u></p> <p>The consent of <del>one-half or more</del> a majority of all independent directors shall be obtained for the exercise of <del>any of the above special</del> <u>the</u> functions and powers <u>under the preceding items (1) to (3)</u> by an independent director.</p> <p><u>If independent directors exercise the functions and powers under the first item of this article, the Company shall make timely disclosure. Where <del>the above proposals are not accepted</del> or the above functions and powers cannot be duly exercised, the Company shall disclose the relevant <u>specific</u> situations <u>and reasons</u> accordingly.</u></p>

Articles Before Revision	Articles After Revision
	<p>Independent directors shall perform the duties of directors independently in accordance with laws, administrative regulations and the requirements of the securities regulatory authorities and the stock exchange(s), and submit their <u>duty work</u> report at an annual general meeting of shareholders.</p> <p>Any independent director who fails to perform his duties shall undertake the corresponding responsibilities.</p>
<p><b>Article 163</b> To ensure that independent directors shall be able to perform their duties effectively, the Company shall provide the necessary assistance to the independent directors. The Company shall grant appropriate allowances to independent directors. The allowances shall be proposed by the board of directors for review and approval by the shareholders’ general meeting. The independent directors shall not receive other undisclosed benefits from the Company and its substantial shareholders or other interested entities or persons.</p> <p>The working rules with respect to the appointment, rights and obligations and specific work procedures of independent directors shall be separately formulated by the Company.</p>	<p><b>Article 163</b> To ensure that independent directors shall be able to perform their duties effectively, the Company shall provide the necessary assistance to the independent directors. The Company shall grant <del>appropriate allowances</del> to independent directors <u>any allowances commensurate with the duties undertaken by them</u>. The allowances shall be proposed by the board of directors for review and approval by the shareholders’ general meeting, <u>and shall be disclosed in the Company’s annual report</u>. The independent directors shall not receive other <del>undisclosed</del> benefits from the Company, <del>and</del> its substantial shareholders <u>and de facto controllers</u> or other interested entities or persons.</p> <p>The working rules with respect to the appointment, rights and obligations and specific work procedures of independent directors shall be separately formulated by the Company.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 165</b> The board of directors consists of 11 directors, including four independent directors, of whom at least one shall be a senior accountant or certified public accountant, and one employee director. The board of directors shall have a chairman and may have vice chairmen.</p>	<p><b>Article 165</b> The board of directors consists of 11 directors, <del>including four independent directors, of whom at least one shall be a senior accountant or certified public accountant, and</del> <u>in which the proportion of independent directors shall not be less than one-third with at least one independent director being an accounting professional.</u> <u>In addition, the board of directors has</u> one employee director. The board of directors shall have a chairman and may have vice chairmen.</p>
<p><b>Article 166</b> The board of directors shall perform the following functions and powers:</p> <ul style="list-style-type: none"> <li>(1) to convene shareholders’ general meetings and to report on its work to shareholders’ general meetings;</li> <li>(2) to implement the resolutions passed at shareholders’ general meetings;</li> <li>(3) to determine the business operation plans and investment plans of the Company;</li> <li>(4) to formulate the annual budget plan and final accounts plan of the Company;</li> <li>(5) to formulate the profit distribution plans and loss recovery plans of the Company;</li> <li>(6) to formulate proposals of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;</li> <li>(7) to formulate plans for any substantial acquisition by the Company, acquisition of the Company’s shares or merger, division, dissolution and change of the form of the Company;</li> <li>(8) to decide on matters relating to the Company’s external investments, acquisition or disposal of assets, mortgage of assets, external guarantees, entrusted wealth management and connected transactions within the scope of authorization given by shareholders’ general meetings;</li> </ul>	<p><b>Article 166</b> The board of directors shall perform the following functions and powers:</p> <ul style="list-style-type: none"> <li>(1) to convene shareholders’ general meetings and to report on its work to shareholders’ general meetings;</li> <li>(2) to implement the resolutions passed at shareholders’ general meetings;</li> <li>(3) to determine the business operation plans and investment plans of the Company;</li> <li>(4) to formulate the annual budget plan and final accounts plan of the Company;</li> <li>(5) to formulate the profit distribution plans and loss recovery plans of the Company;</li> <li>(6) to formulate proposals of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;</li> <li>(7) to formulate plans for any substantial acquisition by the Company, acquisition of the Company’s shares or merger, division, dissolution and change of the form of the Company;</li> <li>(8) to decide on matters relating to the Company’s external investments, acquisition or disposal of assets, mortgage of assets, external guarantees, entrusted wealth management, <del>and</del> <u>and external donations</u> within the scope of authorization given by shareholders’ general meetings;</li> </ul>

<b>Articles Before Revision</b>	<b>Articles After Revision</b>
<p>(9) to formulate an equity-based incentive scheme of the Company;</p> <p>(10) to decide on the establishment of the Company’s internal management structure;</p> <p>(11) based on the nomination of the chairman, to appoint or dismiss the General Manager (President), the secretary to the board of directors and the chief compliance officer of the Company; based on the nomination of the chairman or General Manager (President), to appoint or dismiss members of the executive committee, deputy general managers (vice presidents), the chief financial officer and senior management; to determine their remunerations, awards and punishments;</p> <p>(12) to formulate the basic management system of the Company;</p> <p>(13) to formulate proposals for any amendments to these Articles;</p> <p>(14) to manage the disclosure of information of the Company;</p> <p>(15) to propose to shareholders’ general meetings the appointment or replacement of the accounting firm that conducts an audit for the Company;</p> <p>(16) to report at an annual general meeting and to disclose in an annual report the duty performance of directors, including the number of board meetings attended by them and their voting thereat during the reporting period;</p> <p>(17) to hear the work report of the executive committee and to inspect the work of the executive committee;</p> <p>(18) to hear the work report of the Company’s General Manager (President) and to inspect the work of the Company’s General Manager (President);</p>	<p>(9) to formulate an equity-based incentive scheme of the Company;</p> <p>(10) to decide on the establishment of the Company’s internal management structure;</p> <p>(11) based on the nomination of the chairman, to appoint or dismiss the General Manager (President), the secretary to the board of directors and the chief compliance officer of the Company; based on the nomination of the chairman or General Manager (President), to appoint or dismiss members of the executive committee, deputy general managers (vice presidents), the chief financial officer and senior management; to determine their remunerations, awards and punishments;</p> <p>(12) to formulate the basic management system of the Company;</p> <p>(13) to formulate proposals for any amendments to these Articles;</p> <p>(14) to manage the disclosure of information of the Company;</p> <p>(15) to propose to shareholders’ general meetings the appointment or replacement of the accounting firm that conducts an audit for the Company;</p> <p>(16) to report at an annual general meeting and to disclose in an annual report the duty performance of directors, including the number of board meetings attended by them and their voting thereat during the reporting period;</p> <p>(17) to hear the work report of the executive committee and to inspect the work of the executive committee;</p> <p>(18) to hear the work report of the Company’s General Manager (President) and to inspect the work of the Company’s General Manager (President);</p>

Articles Before Revision	Articles After Revision
<p>(19) to perform duties related to compliance management, risk management and internal control, to monitor, review and evaluate the establishment and implementation of the Company’s internal control system, and to undertake responsibilities for the effectiveness of the risk management and internal control systems, as well as compliance management of the Company;</p> <p>(20) to review and approve the basic systems of the Company on risk management and compliance management, as well as the risk evaluation reports and compliance reports of the Company, to hear the report of the chief compliance officer, and to monitor the implementation of risk management and compliance policies;</p> <p>(21) to prepare the proposal on the amount and distribution method of the emoluments of directors and to submit it to the shareholders’ general meeting for decision; and</p> <p>(22) any other functions and powers conferred by laws and regulations or these Articles.</p> <p>The board resolutions regarding the above items (4), (5), (6), (7), (8), (11), (13) and (15) shall be passed by two-thirds or more of the directors.</p>	<p>(19) to perform duties related to compliance management, risk management and internal control, to monitor, review and evaluate the establishment and implementation of the Company’s internal control system, and to undertake responsibilities for the effectiveness of the risk management and internal control systems, as well as compliance management of the Company;</p> <p>(20) to review and approve the basic systems of the Company on risk management and compliance management, as well as the risk evaluation reports and compliance reports of the Company, to hear the report of the chief compliance officer, and to monitor the implementation of risk management and compliance policies;</p> <p>(21) to prepare the proposal on the amount and distribution method of the emoluments of directors and to submit it to the shareholders’ general meeting for decision; and</p> <p>(22) any other functions and powers conferred by laws and regulations or these Articles.</p> <p>The board resolutions regarding the above items (4), (5), (6), (7), (8), (11), (13) and (15) shall be passed by two-thirds or more of the directors.</p>
<p><b>Article 169</b> The opinions of the Party Committee shall be heard before the board of directors decides on material issues of the Company.</p>	<p><b>Article 169</b> <del>The opinions of the Party Committee shall be heard before the board of directors decides on material issues of the Company.</del><u>Discussion within the Party Committee shall be conducted before the relevant material matters are being put forward for decision-making by the board of directors or the management level.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 172</b> The chairman and the vice chairman shall be elected and removed by more than half of all members of the board of directors. The chairman and vice chairman may be re-elected upon expiry of their terms of office.</p> <p>In addition to the basic qualifications of directors, the chairman shall have the following qualifications:</p> <p>(1) he/she shall have three years or more of experience in securities, or five years or more of experience in areas of financial, legal or accounting activities, or 10 years or more of experience in economic activities;</p> <p>(2) he/she shall be at least a university graduate or possess at least a bachelor's degree; and</p> <p>(3) he/she shall have passed the qualification test recognized by the relevant regulatory authorities.</p>	<p><b>Article 172</b> The chairman and the vice chairman shall be elected and removed by more than half of all members of the board of directors. The chairman and vice chairman may be re-elected upon expiry of their terms of office.</p> <p>In addition to the basic qualifications of directors, the chairman shall have the following qualifications:</p> <p>(1) he/she shall <del>have three years or more of experience in securities, or five years or more of experience in areas of financial, legal or accounting activities, or 10 years or more of experience in economic activities</del> <u>be of good conduct</u>;</p> <p>(2) he/she shall <u>possess the professional competence required for engaging in securities fund business and master the relevant professional knowledge of securities fund business</u>; <del>be at least a university graduate or possess at least a bachelor's degree</del>; and</p> <p>(3) he/she shall have <del>passed the qualification test recognized by the relevant regulatory authorities</del> <u>not been sentenced to criminal punishment for a crime in the last 3 years</u>;</p> <p>(4) there are no circumstances as stipulated in Article 125(2) and (3) of the Securities Law and Article 15 of the Securities Investment Fund Law;</p> <p>(5) his/her fund qualification has not been <u>revoked by the CSRC or cancelled by the Asset Management Association of China in the last five years</u>;</p> <p>(6) <u>no securities market prohibition measures have been taken against him/her by the CSRC or the enforcement period has expired</u>; and</p> <p>(7) <u>other conditions stipulated by laws and regulations, relevant regulatory authorities and industry associations.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Article 188</b> The secretary to the board of directors shall mainly perform the following duties:</p> <p>(1) to maintain communication and contact between the Company and investors, securities trading departments, securities registration departments, securities services entities, the media and securities regulatory authorities and to coordinate relationship between the Company and investors;</p> <p>(2) to prepare and submit any reports and documents issued by the board of directors and shareholders' general meeting as required by the relevant national departments and to provide and submit information required by law;</p> <p>(3) to organize and prepare shareholders' general meetings and board meetings in accordance with the legal procedures, and to take minutes of the meetings and maintain the documents and records of the meetings;</p> <p>(4) to take charge of the information disclosure and publication of the Company and to procure the Company to establish and implement information disclosure system and internal report system for significant information and enable the Company and the relevant persons to discharge the obligation of information disclosure in accordance with law;</p> <p>(5) to ensure that constitutional documents and records of the Company are complete;</p> <p>(6) to ensure that reports and documents of the Company required by competent authorities are prepared and delivered in accordance with law;</p> <p>(7) to ensure that the Company's registers of shareholders are properly maintained and to be responsible for the management of shareholders information;</p>	<p><b>Article 188</b> The secretary to the board of directors shall mainly perform the following duties:</p> <p><del>(1) to maintain communication and contact between the Company and investors, securities trading departments, securities registration departments, securities services entities, the media and securities regulatory authorities and to coordinate relationship between the Company and investors;</del></p> <p><del>(2) to prepare and submit any reports and documents issued by the board of directors and shareholders' general meeting as required by the relevant national departments and to provide and submit information required by law;</del></p> <p><del>(3) to organize and prepare shareholders' general meetings and board meetings in accordance with the legal procedures, and to take minutes of the meetings and maintain the documents and records of the meetings;</del></p> <p><del>(4) to take charge of the information disclosure and publication of the Company and to procure the Company to establish and implement information disclosure system and internal report system for significant information and enable the Company and the relevant persons to discharge the obligation of information disclosure in accordance with law;</del></p> <p><del>(5) to ensure that constitutional documents and records of the Company are complete;</del></p> <p><del>(6) to ensure that reports and documents of the Company required by competent authorities are prepared and delivered in accordance with law;</del></p> <p><del>(7) to ensure that the Company's registers of shareholders are properly maintained and to be responsible for the management of shareholders information;</del></p>

Articles Before Revision	Articles After Revision
<p>(8) to provide relevant information as required by regulations or relevant entities or individuals, such as the securities regulatory authorities and shareholders, in accordance with law and to ensure that persons entitled to access the Company’s records and documents are promptly furnished with such records and documents;</p> <p>(9) to ensure the effective communication between directors and the compliance with the policies and procedures of the board of directors;</p> <p>(10) to provide opinions regarding corporate governance to the board of directors through the chairman and/or the General Manager (President);</p> <p>(11) to arrange orientation training and professional development for directors;</p> <p>(12) to perform other duties entrusted by the board of directors.</p>	<p><del>(8) to provide relevant information as required by regulations or relevant entities or individuals, such as the securities regulatory authorities and shareholders, in accordance with law and to ensure that persons entitled to access the Company’s records and documents are promptly furnished with such records and documents;</del></p> <p><del>(9) to ensure the effective communication between directors and the compliance with the policies and procedures of the board of directors;</del></p> <p><del>(10) to provide opinions regarding corporate governance to the board of directors through the chairman and/or the General Manager (President);</del></p> <p><del>(11) to arrange orientation training and professional development for directors;</del></p> <p><del>(12) to perform other duties entrusted by the board of directors.</del></p> <p><u>(1) being responsible for the Company’s information disclosure affairs, coordinating the Company’s information disclosure work, organizing the formulation of the Company’s information disclosure affairs management system, and supervising the Company and relevant responsible personnel of information disclosure to comply with the information disclosure related regulations;</u></p> <p><u>(2) being responsible for investor relations management and coordinating information communication between the Company and securities regulatory authorities, investors and de facto controllers, intermediaries, media, etc;</u></p> <p><u>(3) preparing and organizing board meetings and shareholders’ general meetings, attending shareholders’ general meetings, board meetings, supervisory committee meetings and senior management related meetings, and taking and signing minutes of board meetings;</u></p>



Articles Before Revision	Articles After Revision
	<p><u>(4) being responsible for the confidentiality of the Company’s disclosure of information, and reporting and making disclosure to the stock exchange immediately in the event of any leakage of material undisclosed information;</u></p> <p><u>(5) paying attention to media reports and taking the initiative to seek confirmation of the actual situation, and supervising the Company and other relevant entities to respond to the stock exchange’s inquiries in a timely manner;</u></p> <p><u>(6) organizing training for the Company’s directors, supervisors and senior management on relevant laws and regulations and the relevant provisions of the stock exchange(s), and assisting the aforesaid persons in understanding their respective duties in information disclosure;</u></p> <p><u>(7) supervising the directors, supervisors and senior management to comply with laws and regulations, the relevant provisions of the stock exchange(s) and these Articles, and fulfilling the undertakings made by them in good faith. When it comes to his/her attention that the Company, directors, supervisors and senior management have made or may make a resolution that violates the relevant regulations, he/she shall remind them and immediately and truthfully report to the stock exchange(s);</u></p> <p><u>(8) being responsible for the management of changes in the Company’s shares and their derivatives; and</u></p> <p><u>(9) other duties required to be performed by laws and regulations, securities regulatory authorities and stock exchange(s) in the place where the Company’s shares are listed.</u></p>

Articles Before Revision	Articles After Revision
<p><b>Chapter 8 The Supervisory Committee</b></p>	<p><b>Chapter 8 The Supervisory Committee</b></p>
<p><b>Article 215</b> The supervisors shall ensure that all information disclosed are true, accurate, complete, timely and fair.</p>	<p><b>Article 215</b> The supervisors shall ensure that all information disclosed are true, accurate, complete, timely and fair, <u>and shall sign written confirmations on periodic reports.</u></p>
<p><b>Chapter 9 Qualifications and Duties of the Directors, Supervisors, General Manager (President) and Other Senior Management of the Company</b></p>	<p><b>Chapter 9 Qualifications and Duties of the Directors, Supervisors, General Manager (President) and Other Senior Management of the Company</b></p>
<p><b>Article 240</b> In addition to the conditions for the appointment of directors (including independent directors), supervisors and senior management as set out in Articles 143, 157, 158, 209 and 210, the following persons shall not serve as directors, supervisors, the General Manager (President) or other senior management of the Company:</p> <p>(1) persons without civil capacity or with limited civil capacity;</p> <p>(2) persons who have committed offences relating to corruption, bribery, embezzlement, misappropriation of property or disruption of social economic order and have been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence, or who have been deprived of their political rights due to the commission of a criminal offense, where less than five years have elapsed since the date of restoring their political rights;</p> <p>(3) persons who were former directors, factory managers or general managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p>	<p><b>Article 240</b> In addition to the conditions for the appointment of directors (including independent directors), supervisors and senior management as set out in Articles 143, 157, 158, <u>2009</u> and 210, the following persons shall not serve as directors, supervisors, the General Manager (President) or other senior management of the Company:</p> <p>(1) persons without civil capacity or with limited civil capacity;</p> <p>(2) <del>persons who have committed offences relating to corruption, bribery, embezzlement, misappropriation of property or disruption of social economic order and have been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence, or who have been deprived of their political rights due to the commission of a criminal offense, where less than five years have elapsed since the date of restoring their political rights</del><u>persons who were sentenced to criminal punishment for endangering national security, terrorism, corruption, bribery, embezzlement of property, misappropriation of property, crimes of a triad nature, or disrupting the socialist market economic order, or who have been deprived of political rights as a result of committing a crime;</u></p>

Articles Before Revision	Articles After Revision
<p>(4) persons who were legal representatives of a company or enterprise which had its business licence revoked and operation closed down due to violation of laws and who were personally liable, where less than three years have elapsed since the date of the revocation;</p> <p>(5) persons who have a substantial amount of debts due and outstanding;</p> <p>(6) persons who are prohibited from entering into the securities market by the securities regulatory authorities for a period which has not yet expired;</p> <p>(7) persons in charge of stock exchange(s), securities registration and clearing institutions or directors, supervisors, senior management of securities companies, who were dismissed due to illegal or disciplinary offenses, where less than five years have elapsed since the date of the removal;</p> <p>(8) persons who have been convicted by the competent authority for violation of securities regulations and acting fraudulently or dishonestly, where less than five years have elapsed since the date of conviction;</p> <p>(9) persons who were lawyers, certified public accountants or professionals of other securities service institutions and whose practicing license were revoked or who has been disqualified due to illegal or improper behavior, where less than five years have elapsed since the date of revocation of the practicing license or disqualification;</p>	<p>(3) persons who were former directors, factory managers or general managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p> <p><del>(4) persons who were legal representatives of a company or enterprise which had its business licence revoked and operation closed down due to violation of laws and who were personally liable, where less than three years have elapsed since the date of the revocation</del><u>persons who were the legal representatives of an organization that has been taken over, revoked, declared bankrupt, had its business license revoked, or has been ordered to close down, for a period of less than five years from the date on which the organization has been taken over, revoked, declared bankrupt, or had its business license revoked, unless it can be proved that they are not personally liable for the organization's being taken over, revoked, declared bankrupt, or had its business license revoked;</u></p> <p>(5) persons who have a substantial amount of debts due and outstanding;</p> <p><del>(6) persons who are prohibited from entering into the securities market by the securities regulatory authorities for a period which has not yet expired</del><u>persons who were subject to administrative penalties by the financial regulatory department for major violations of laws and regulations, or subject to the CSRC's measures which prohibited them from entering into the securities market for a period of less than five years;</u></p>

Articles Before Revision	Articles After Revision
<p>(10) government officers and other persons who are prohibited by laws and regulations to concurrently take up posts in a company;</p> <p>(11) persons who were subject to administrative penalties by the financial regulatory authority due to illegal or improper behavior where less than three years have elapsed since the date of completion of the penalties;</p> <p>(12) persons who are disqualified by the relevant regulatory authorities where less than three years have elapsed since the date of disqualification;</p> <p>(13) persons who are declared to be unfit by the relevant regulatory authorities where less than two years have elapsed since the date of declaration;</p> <p>(14) persons who are prohibited from acting as a management member of a company by laws or regulations;</p> <p>(15) persons who are not natural persons;</p> <p>(16) persons who are under investigation due to suspected improper or illegal behaviors, or have been subject to an investigation by judicial authorities for breach of criminal law, and such investigation has not come to an end; and</p> <p>(17) other circumstances specified by laws, regulations or the listing rules of the place where the shares of the Company are listed. Any election or appointment of director and supervisor or appointment of the General Manager (President) and other senior management in contravention of this article shall be invalid. Any director, supervisor, the General Manager (President) or other senior management falling into any of the circumstances set out in this article during his/her term of office shall be dismissed by the Company.</p>	<p>(7) persons in charge of stock exchange(s), securities registration and clearing institutions or directors, supervisors, senior management of securities companies, who were dismissed due to illegal or disciplinary offenses, where less than five years have elapsed since the date of the removal;</p> <p><del>(8) persons who have been convicted by the competent authority for violation of securities regulations and acting fraudulently or dishonestly, where less than five years have elapsed since the date of conviction;</del></p> <p><u>(9) persons who were employees of stock exchanges, securities registration and clearing institutions, securities service organizations, securities companies and government officers, who have been dismissed for illegal acts or disciplinary offenses;</u></p> <p>(10) government officers and other persons who are prohibited by laws and regulations to concurrently take up posts in a company;</p> <p><del>(11) persons who were subject to administrative penalties by the financial regulatory authority due to illegal or improper behavior where less than three years have elapsed since the date of completion of the penalties</del><u>persons who were recognized as an unsuitable person by the CSRC or were subject to disciplinary action by the industry association for being unsuitable for engaging in the relevant business, the period of which has not yet expired;</u></p>

Articles Before Revision	Articles After Revision
	<p>(12) persons who are disqualified by the relevant regulatory authorities where less than three years have elapsed since the date of disqualification;</p> <p><del>(13) persons who are declared to be unfit by the relevant regulatory authorities where less than two years have elapsed since the date of declaration;</del></p> <p><del>(14) persons who are prohibited from acting as a management member of a company by laws or regulations;</del></p> <p><del>(15) persons who are not natural persons;</del></p> <p><del>(163) persons who are under investigation due to suspected improper or illegal behaviors, or have been subject to an investigation by judicial authorities for breach of criminal law, and such investigation has not come to an end</del><u>persons who were investigated by the administrative authorities or the judicial authorities for suspected violation of law or crime, and no final opinion has been formed yet;</u> and</p> <p><del>(174) other circumstances specified by laws, regulations or the listing rules of the place where the shares of the Company are listed.</del></p> <p>Any election or appointment of director and supervisor or appointment of the General Manager (President) and other senior management in contravention of this article shall be invalid. Any director, supervisor, the General Manager (President) or other senior management falling into any of the circumstances set out in this article during his/her term of office shall be dismissed by the Company.</p>

Articles Before Revision	Articles After Revision
<p align="center"><b>Chapter 10 Financial and Accounting Systems, Profit Distribution and Audit</b></p>	<p align="center"><b>Chapter 10 Financial and Accounting Systems, Profit Distribution and Audit</b></p>
<p><b>Article 269</b> The specific policies of profit distribution of the Company are as follows:</p> <p>(1) The Company may distribute dividends in cash, shares or in a combination of cash and shares. The Company shall prioritize profit distribution by way of cash dividend if it satisfies the relevant conditions. If the relevant conditions are satisfied, interim profit distribution may be made by the Company.</p> <p>(2) Save for any significant capital expenditure arrangement of the Company or other special circumstances approved at the shareholders' general meeting, if the Company makes profit for the year and its accumulative undistributed profit is positive, the profit to be distributed in cash per annum shall not be less than 10% of the distributable profit of the parent company realized in that year.</p> <p>Significant capital expenditure includes major investment and other significant capital expenditure. Major investment refers to the investment, the total investment amount of which (or the total value of any disposal of assets), at one time or accumulative in four months reaches 10% of the latest audited net assets of the Company or 5% of the latest audited self-owned assets of the Company, whichever reaches first; other significant capital expenditure refers to other one-off total expenditures which reach 10% of the latest audited net assets of the Company or 5% of the latest audited self-own assets of the Company, whichever reaches first.</p>	<p><b>Article 269</b> The specific policies of profit distribution of the Company are as follows:</p> <p>(1) The Company may distribute dividends in cash, shares or in a combination of cash and shares. The Company shall prioritize profit distribution by way of cash dividend if it satisfies the relevant conditions. <u>Specifically, the objective of the cash dividend policy is to realize the steady growth of the dividend for investors on the basis of taking into account both the interests of shareholders and the sustainable development of the Company.</u> If the relevant conditions are satisfied, interim profit distribution may be made by the Company.</p> <p>(2) Save for any significant capital expenditure arrangement of the Company or other special circumstances approved at the shareholders' general meeting, if the Company makes profit for the year and its accumulative undistributed profit is positive, the profit to be distributed in cash per annum shall not be less than 10% of the distributable profit of the parent company realized in that year. <u>If the audit report of the Company in the most recent year is issued with a non-qualified opinion or an unqualified opinion on significant uncertainties related to continuing operations and other circumstances as required by laws and regulations, the profit distribution may not be made.</u></p> <p>Significant capital expenditure includes major investment and other significant capital expenditure. Major investment refers to the investment, the total investment amount of which (or the total value of any disposal of assets), at one time or accumulative in four months reaches 10% of the latest audited net assets of the Company or 5% of the latest audited self-owned assets of the Company, whichever reaches first; other significant capital expenditure refers to other one-off total expenditures which reach 10% of the latest audited net assets of the Company or 5% of the latest audited self-own assets of the Company, whichever reaches first.</p>

Articles Before Revision	Articles After Revision
<p>(3) In formulating the profit distribution plan, full consideration shall be given as to whether the net capital of the Company after profit distribution conforms to the provisions of the Measures for the Administration of Risk Control Indicators of Securities Companies (《證券公司風險控制指標管理辦法》) with respect to the risk control indicators of net capital. If any alert from risk control indicators arises due to profit distribution, the profit distribution proportion shall be adjusted.</p> <p>(4) Where the Company is under a good operating condition, and the board of directors considers that the share price of the Company does not reflect its share capital size and distributing dividends in shares will be in the interest of all shareholders of the Company as a whole, the Company may carry out profit distribution through payment of dividends in shares taking into account genuine and reasonable factors such as the cash flow position, business growth and net asset value per share of the Company.</p> <p>If the Company does not distribute dividends in cash or adjust its proportion due to the circumstances described in items (2) and (3) of this article, it shall be approved by way of special resolution at the shareholders' general meeting of the Company.</p>	<p>(3) In formulating the profit distribution plan, full consideration shall be given as to whether the net capital of the Company after profit distribution conforms to the provisions of the Measures for the Administration of Risk Control Indicators of Securities Companies (《證券公司風險控制指標管理辦法》) with respect to the risk control indicators of net capital. If any alert from risk control indicators arises due to profit distribution, the profit distribution proportion shall be adjusted.</p> <p>(4) Where the Company is under a good operating condition, and the board of directors considers that the share price of the Company does not reflect its share capital size and distributing dividends in shares will be in the interest of all shareholders of the Company as a whole, the Company may carry out profit distribution through payment of dividends in shares taking into account genuine and reasonable factors such as the cash flow position, business growth and net asset value per share of the Company.</p> <p>If the Company does not distribute dividends in cash or adjust its proportion due to the circumstances described in items (2) and (3) of this article, it shall be approved by way of special resolution at the shareholders' general meeting of the Company.</p>



Articles Before Revision	Articles After Revision
<p><b>Article 270</b> The Company’s profit distribution plan shall be carried out according to the following review procedures:</p> <p>(1) The Company’s profit distribution plan shall be submitted to the board of directors for consideration by the General Manager (President). The board of directors shall thoroughly discuss its rationality, seek opinions widely from shareholders, independent directors and supervisors, and form a special resolution on the basis of providing continuous and stable returns to all shareholders and submit it to the shareholders’ general meeting for consideration upon expressing views by independent directors.</p> <p>(2) When convening the shareholders’ general meeting for purpose of considering the profit distribution plan, the Company shall take the initiative to communicate and exchange ideas with shareholders, in particular with the minority shareholders, through various channels (including but not limited to communication through telephone, fax and email or inviting minority shareholders to attend meetings), and fully listen to the opinions and appeals from minority shareholders and respond to the questions which they are concerned about promptly.</p>	<p><b>Article 270</b> The Company’s profit distribution plan shall be carried out according to the following review procedures:</p> <p>(1) The Company’s profit distribution plan shall be submitted to the board of directors for consideration by the General Manager (President). The board of directors shall thoroughly discuss its rationality, seek opinions widely from shareholders, independent directors and supervisors, and form a special resolution on the basis of providing continuous and stable returns to all shareholders and submit it to the shareholders’ general meeting for consideration <del>upon expressing views by independent directors.</del> <u>If an independent director considers that the specific plan of cash dividend may harm the rights and interests of the Company or minority shareholders, he/she shall have the right to express independent opinions. If the board of directors fails to adopt or does not fully adopt the opinions of the independent directors, it shall record the opinions of the independent directors and the specific reasons for not adopting them in the resolution of the board of directors of the Company, and disclose the same.</u></p> <p>(2) When convening the shareholders’ general meeting for purpose of considering the profit distribution plan, the Company shall take the initiative to communicate and exchange ideas with shareholders, in particular with the minority shareholders, through various channels (including but not limited to communication through telephone, fax and email or inviting minority shareholders to attend meetings), and fully listen to the opinions and appeals from minority shareholders and respond to the questions which they are concerned about promptly.</p>



Articles Before Revision	Articles After Revision
<p>(3) If the Company fails to determine its plan of profit distribution of the year to which it relates according to the established cash dividend policy or the lowest proportion of cash dividends under special circumstances, the Company shall disclose the specific reasons for this, as well as the purposes and plan for the use of the retained capital that has not been applied for cash dividends distribution in announcements of the board resolution and annual report of the Company, and independent directors shall express their independent opinions on the rationality of no cash dividends or lower proportion of cash dividends. In such case, the profit distribution plan for the year shall be submitted to the shareholders’ general meeting by way of special resolution for voting.</p> <p>(4) The supervisory committee shall supervise the implementation of the dividend policy by the board of directors and the business management, as well as the plan of shareholders’ return and the decision-making procedures.</p>	<p>(3) If the Company fails to determine its plan of profit distribution of the year to which it relates according to the established cash dividend policy <del>or the lowest proportion of cash dividends under special circumstances</del>, the Company shall disclose the specific reasons for this <u>in the</u>, <del>as well as the purposes and plan for the use of the retained capital that has not been applied for cash dividends distribution in announcements of the board resolution and</del> annual report of the Company, <del>and independent directors shall express their independent opinions on the rationality of no cash dividends or lower proportion of cash dividends.</del> <u>If the Company has the ability to pay dividends during the annual reporting period but does not pay dividends or the proportion of dividends to the net profit attributable to the shareholders of the Company in the current period is low, the Company shall disclose the specific reasons for the failure to pay cash dividends or the low level of cash dividends in the announcement of the board of directors when deliberating and approving the annual report.</u> <del>In such case, the profit distribution plan for the year shall be submitted to the shareholders’ general meeting by way of special resolution for voting.</del></p> <p>(4) The supervisory committee shall supervise the implementation of the dividend policy by the board of directors and the business management, as well as the plan of shareholders’ return and the decision-making procedures.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 271</b> After the profit distribution plan has been adopted at shareholders' general meeting, the board of directors shall complete the dividend (or share) distribution within two months after the end of the general meeting.</p>	<p><b>Article 271</b> After the profit distribution plan has been adopted at shareholders' general meeting, <u>or the board of directors devises a detailed plan in compliance with the conditions and maximum threshold for the interim dividend for the next year as considered and approved by the annual general meeting,</u> the board of directors shall complete the dividend (or share) distribution within two months <del>after the end of the general meeting.</del></p>
<p><b>Article 274</b> The Company shall appoint receiving agents in Hong Kong on behalf of the holders of overseas listed foreign shares to receive and keep on behalf of the relevant shareholders the dividends declared and all other monies, and make the payment to such shareholders.</p> <p>The receiving agents appointed by the Company shall comply with the laws or relevant requirements of the stock exchange(s) of the place where the shares of the Company are listed.</p> <p>The receiving agents appointed for holders of overseas listed foreign shares listed in the Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>	<p><b>Article 274</b> The Company shall appoint receiving agents in Hong Kong on behalf of the holders of overseas listed foreign shares to receive and keep on behalf of the relevant shareholders the dividends declared and all other monies, and make the payment to such shareholders.</p> <p>The receiving agents appointed by the Company shall comply with the laws or relevant requirements of the stock exchange(s) of the place where the shares of the Company are listed.</p> <p><del>The receiving agents appointed for holders of overseas listed foreign shares listed in the Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</del></p>
<p><b>Article 278</b> The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of China to audit the financial statements, verify the net assets, audit the risk control indicators and provide other relevant consultancy services.</p> <p>The accounting firm appointed by the Company shall hold office for a period of one year, commencing from the conclusion of the annual general meeting until the conclusion of the next annual general meeting. The appointment may be renewed.</p>	<p><b>Article 278</b> The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of China to audit the financial statements, verify the net assets, audit the risk control indicators and provide other relevant consultancy services.</p> <p><b>Article 279</b> The accounting firm appointed by the Company shall hold office for a period of one year, commencing from the conclusion of the annual general meeting until the conclusion of the next annual general meeting. The appointment may be renewed.</p>

Articles Before Revision	Articles After Revision
<p><b>Article 280</b> If there is a vacancy in the position of accounting firm of the Company, the board of directors may appoint an accounting firm to fill such vacancy before the convening of the general meeting, subject to approval by the next annual general meeting. Any other accounting firm which has been appointed by the Company may continue to act during the period of vacancy.</p>	<p><del><b>Article 280</b> If there is a vacancy in the position of accounting firm of the Company, the board of directors may appoint an accounting firm to fill such vacancy before the convening of the general meeting, subject to approval by the next annual general meeting. Any other accounting firm which has been appointed by the Company may continue to act during the period of vacancy.</del></p>
<p><b>Article 283</b> The appointment, removal or non-reappointment of an accounting firm by the Company shall be decided by the shareholders’ general meeting. The resolution shall be filed with the securities regulatory authorities.</p> <p>Prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment. Such accounting firm shall be entitled to make representations at the relevant shareholders’ general meeting.</p> <p>If a resolution at a shareholders’ general meeting is to be passed for the appointment of another accounting firm to fill a vacancy, or the reappointment of an accounting firm that was appointed by the board of directors to fill a vacancy, or the dismissal of an accounting firm before the expiration of its term of office, the following provisions shall be applied:</p> <p>(1) A copy of the appointment or removal proposal shall be sent to the accounting firm which is proposed to be appointed or dismissed or which has left its post in the relevant fiscal year before issuing the notice of the shareholders’ general meeting to the shareholders.</p> <p>The leaving of an accounting firm may refer to the removal, resignation or retirement of such firm.</p>	<p><del><b>Article 283</b> The appointment, removal or non-reappointment of an accounting firm by the Company shall be decided by the shareholders’ general meeting. The resolution shall be filed with the securities regulatory authorities.</del></p> <p><del>Prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment. Such accounting firm shall be entitled to make representations at the relevant shareholders’ general meeting.</del></p> <p><del>If a resolution at a shareholders’ general meeting is to be passed for the appointment of another accounting firm to fill a vacancy, or the reappointment of an accounting firm that was appointed by the board of directors to fill a vacancy, or the dismissal of an accounting firm before the expiration of its term of office, the following provisions shall be applied:</del></p> <p><del>(1) A copy of the appointment or removal proposal shall be sent to the accounting firm which is proposed to be appointed or dismissed or which has left its post in the relevant fiscal year before issuing the notice of the shareholders’ general meeting to the shareholders.</del></p> <p><del>The leaving of an accounting firm may refer to the removal, resignation or retirement of such firm.</del></p>

Articles Before Revision	Articles After Revision
<p>(2) If the leaving accounting firm makes representations in writing and requests the Company to give the shareholders notice of such representations, the Company shall (unless the representations have been received after the prescribed time) take the following actions:</p> <ol style="list-style-type: none"> <li>1. in any notice of shareholders’ general meeting given to shareholders, state the fact that the accounting firm has made such representations;</li> <li>2. attach a copy of the representations to the notice and deliver it to shareholders in the manner stipulated in these Articles.</li> </ol> <p>(3) If the Company fails to send out the representations of the accounting firm in the manner set out in item (2) above, such accounting firm may require the representations be read out at the shareholders’ general meeting and may make a further appeal.</p> <p>(4) The leaving accounting firm shall be entitled to attend the following meetings:</p> <ol style="list-style-type: none"> <li>1. the shareholders’ general meeting at which its term of office would otherwise have expired;</li> <li>2. the shareholders’ general meeting at which the vacancy is proposed to be filled due to its removal;</li> <li>3. the shareholders’ general meeting which convened as a result of its resignation.</li> </ol> <p>The leaving accounting firm shall be entitled to receive all notices of, or other information relating to, any such meeting, and to speak at any such meeting which concerns it as a former accounting firm of the Company.</p>	<p><del>(2) If the leaving accounting firm makes representations in writing and requests the Company to give the shareholders notice of such representations, the Company shall (unless the representations have been received after the prescribed time) take the following actions:</del></p> <ol style="list-style-type: none"> <li><del>1. in any notice of shareholders’ general meeting given to shareholders, state the fact that the accounting firm has made such representations;</del></li> <li><del>2. attach a copy of the representations to the notice and deliver it to shareholders in the manner stipulated in these Articles.</del></li> </ol> <p><del>(3) If the Company fails to send out the representations of the accounting firm in the manner set out in item (2) above, such accounting firm may require the representations be read out at the shareholders’ general meeting and may make a further appeal.</del></p> <p><del>(4) The leaving accounting firm shall be entitled to attend the following meetings:</del></p> <ol style="list-style-type: none"> <li><del>1. the shareholders’ general meeting at which its term of office would otherwise have expired;</del></li> <li><del>2. the shareholders’ general meeting at which the vacancy is proposed to be filled due to its removal;</del></li> <li><del>3. the shareholders’ general meeting which convened as a result of its resignation.</del></li> </ol> <p><del>The leaving accounting firm shall be entitled to receive all notices of, or other information relating to, any such meeting, and to speak at any such meeting which concerns it as a former accounting firm of the Company.</del></p>

Articles Before Revision	Articles After Revision
<p><b>Article 284</b> If an accounting firm resigns from its position, it shall make representations to the general meeting whether there has been any improprieties on the part of the Company.</p> <p>An accounting firm may resign its office by depositing a written resignation notice at the legal address of the Company. Resignation of the accounting firm shall become effective on the date of such deposit or on such later date stipulated in such notice. Such notice shall contain the following statements:</p> <p>(1) a statement to the effect that there are no circumstances in connection with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or</p> <p>(2) a statement of any other circumstances requiring an explanation.</p> <p>The Company shall send a copy of the notice referred to in the preceding paragraph to the relevant governing authority within 14 days after receipt. If the notice contains a statement as mentioned in the sub-paragraph (2) of Article 284, a copy of such statement shall be placed at the Company for the inspection of shareholders. Unless otherwise provided herein, the Company shall also send a copy of such statement by prepaid mail or other ways as permitted by the listing rules of the place where the shares of the Company are listed to all shareholders of overseas listed foreign shares at the addresses registered in the register of shareholders.</p> <p>If the notice of resignation of accounting firm contains a statement in respect of any circumstances requiring an explanation, it may require the board of directors to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances in connection with its resignation.</p>	<p><b>Article 284</b> If an accounting firm resigns from its position, it shall make representations to the general meeting whether there has been any improprieties on the part of the Company.</p> <p><del>An accounting firm may resign its office by depositing a written resignation notice at the legal address of the Company. Resignation of the accounting firm shall become effective on the date of such deposit or on such later date stipulated in such notice. Such notice shall contain the following statements:</del></p> <p><del>(1) a statement to the effect that there are no circumstances in connection with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or</del></p> <p><del>(2) a statement of any other circumstances requiring an explanation.</del></p> <p><del>The Company shall send a copy of the notice referred to in the preceding paragraph to the relevant governing authority within 14 days after receipt. If the notice contains a statement as mentioned in the sub-paragraph (2) of Article 284, a copy of such statement shall be placed at the Company for the inspection of shareholders. Unless otherwise provided herein, the Company shall also send a copy of such statement by prepaid mail or other ways as permitted by the listing rules of the place where the shares of the Company are listed to all shareholders of overseas listed foreign shares at the addresses registered in the register of shareholders.</del></p> <p><del>If the notice of resignation of accounting firm contains a statement in respect of any circumstances requiring an explanation, it may require the board of directors to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances in connection with its resignation.</del></p>

Articles Before Revision	Articles After Revision
<b>Chapter 12 Notices and Announcements</b>	<b>Chapter 12 Notices and Announcements</b>
<p><b>Article 289</b> Where a notice is served by way of announcement, upon the publication of such announcement, all relevant persons shall be deemed to have received the notice. The requirement of the regulatory authorities of the place in which the Company's shares are listed shall apply, if such requirement specifies otherwise.</p> <p>For notice issued by the Company to the holders of overseas listed foreign shares by way of announcement, the Company shall on the same day submit an electronic version to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange EPS for immediate release on the website of the Hong Kong Stock Exchange in accordance with the rules of the listing place. The announcement shall also be published on the Company's website at the same time. In addition, the notice shall be delivered to each of the registered addresses as set forth in the register of members of overseas listed foreign shares by personal delivery or postage paid mail subject to the listing requirement of the listing place so as to give the shareholders sufficient notice and time to exercise their rights or act in accordance with the terms of the notice.</p> <p>Holders of the Company's overseas listed foreign shares may elect in writing to receive the corporate communication that the Company is required to send to shareholders either by electronic means or by post, and may also elect to receive either the English or Chinese version only, or both the English and Chinese versions. They shall have the right to change their choices as to the manner of receiving the same and the language at any time by reasonable prior written notice to the Company in accordance with applicable procedures.</p>	<p><b>Article 289</b> Where a notice is served by way of announcement, upon the publication of such announcement, all relevant persons shall be deemed to have received the notice. The requirement of the regulatory authorities of the place in which the Company's shares are listed shall apply, if such requirement specifies otherwise.</p> <p>For notice issued by the Company to the holders of overseas listed foreign shares by way of announcement, the Company shall on the same day submit an electronic version to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange EPS for immediate release on the website of the Hong Kong Stock Exchange in accordance with the rules of the listing place. The announcement shall also be published on the Company's website at the same time. <del>In addition, the notice shall be delivered to each of the registered addresses as set forth in the register of members of overseas listed foreign shares by personal delivery or postage paid mail subject to the listing requirement of the listing place so as to give the shareholders sufficient notice and time to exercise their rights or act in accordance with the terms of the notice.</del></p> <p>Holders of the Company's overseas listed foreign shares may elect in writing to receive the corporate communication that the Company is required to send to shareholders either by electronic means or by post, and may also elect to receive either the English or Chinese version only, or both the English and Chinese versions. They shall have the right to change their choices as to the manner of receiving the same and the language at any time by reasonable prior written notice to the Company in accordance with applicable procedures.</p>

Articles Before Revision	Articles After Revision
<p>In order to prove that such notices, documents, information or written statements have been already delivered to the Company, shareholders or directors shall provide evidence to prove that such notice, document, information or written statement have been delivered within the prescribed time by ordinary post or prepaid mail to the correct address of the Company.</p> <p>Notwithstanding the aforesaid requirement on the provision of written corporate communication to shareholders, if the Company has obtained shareholders' prior written consent or implied consent according to the relevant laws and regulations and the Hong Kong Listing Rules as amended from time to time, the Company may dispatch corporate communication to its shareholders by electronic means or via its website. Corporate communication includes but not limited to circulars, annual reports, interim reports, quarterly reports, notices of shareholders' general meetings, and other types of corporate communication as specified in the Hong Kong Listing Rules.</p> <p>For any notice delivered by hand, the addressee shall sign or seal with chop on the receipt slip and the date of delivery shall be the date of the confirmation of receipt by such addressee. For any notice delivered by mail, the date of delivery shall be the second working day upon the delivery to the post office. For any notice delivered by announcement, the date of delivery shall be the day on which such announcement is first published.</p>	<p>In order to prove that such notices, documents, information or written statements have been already delivered to the Company, shareholders or directors shall provide evidence to prove that such notice, document, information or written statement have been delivered within the prescribed time by ordinary post or prepaid mail to the correct address of the Company.</p> <p>Notwithstanding the aforesaid requirement on the provision of written corporate communication to shareholders, <del>if the Company has obtained shareholders' prior written consent or implied consent according to the Company may, subject to compliance</del> <u>with</u> the relevant laws and regulations and the Hong Kong Listing Rules as amended from time to time, <del>the Company may opt to</del> <u>opt to</u> dispatch corporate communication to its shareholders by electronic means or via its website. Corporate communication includes but not limited to circulars, annual reports, interim reports, quarterly reports, notices of shareholders' general meetings, and other types of corporate communication as specified in the Hong Kong Listing Rules.</p> <p>For any notice delivered by hand, the addressee shall sign or seal with chop on the receipt slip and the date of delivery shall be the date of the confirmation of receipt by such addressee. For any notice delivered by mail, the date of delivery shall be the second working day upon the delivery to the post office. For any notice delivered by announcement, the date of delivery shall be the day on which such announcement is first published.</p>



Articles Before Revision	Articles After Revision
<p><b>Chapter 13 Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation</b></p>	<p><b>Chapter 13 Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation</b></p>
<p><b>Article 300</b> The Company shall be dissolved and liquidated according to laws upon the occurrence of any of the following events:</p> <p>(1) a resolution on dissolution is passed by shareholders at a general meeting;</p> <p>(2) dissolution is required due to the merger or division of the Company;</p> <p>(3) the Company’s business license is revoked in accordance with laws;</p> <p>(4) the Company is de-registered or is ordered to close down in accordance with laws;</p> <p>(5) where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss in shareholders’ interests, and no solution can be found through any other channel, shareholders representing more than 10% of the total voting rights of the Company may request the people’s court to dissolve the Company;</p> <p>(6) the Company is declared bankrupt due to its failure to repay debts due; and</p> <p>(7) other reasons for dissolution as specified in these Articles.</p>	<p><b>Article 300</b> The Company shall be dissolved and liquidated according to laws upon the occurrence of any of the following events:</p> <p>(1) a resolution on dissolution is passed by shareholders at a general meeting;</p> <p>(2) dissolution is required due to the merger or division of the Company;</p> <p>(3) the Company’s business license is revoked in accordance with laws;</p> <p>(4) the Company is de-registered or is ordered to close down in accordance with laws;</p> <p>(5) where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss in shareholders’ interests, and no solution can be found through any other channel, shareholders representing more than 10% of the total voting rights of the Company may request the people’s court to dissolve the Company;</p> <p>(6) <del>the Company is declared bankrupt due to its failure to repay debts due; and</del></p> <p><u>(7) the term of operation as provided in these Articles expires</u> or other reasons for dissolution as specified in these Articles arise.</p>



Articles Before Revision	Articles After Revision
<p><b>Article 302</b> Where the Company is dissolved pursuant to item (1), (3), (5) or (7) of Article 300, a liquidation committee shall be set up in accordance with law within 15 days after the liquidation is approved by the relevant regulatory authorities. Members of the liquidation committee shall be determined by shareholders' general meeting by way of ordinary resolution. If a liquidation committee is not set up within the specified period, the creditors may apply to the people's court for appointment of relevant persons to form a liquidation committee to proceed with the liquidation.</p> <p>Where the Company is dissolved pursuant to item (3) of Article 300, the Company shall apply to the relevant regulatory authorities with reasons for dissolution and debt settlement plan. The Company shall be dissolved after obtaining the approval from the relevant regulatory authorities.</p> <p>Where the Company is dissolved pursuant to the provision of deregistration according to law under item (4) of Article 300, the relevant regulatory authorities shall de-register the Company and form an administrative liquidation committee comprising selective professional agencies, such as law or accounting firms, to proceed with the administrative liquidation in accordance with the required procedures.</p> <p>Where the Company is dissolved pursuant to the provision of being ordered to close down according to law under item (4) of Article 300, administrative liquidation, if necessary, shall be implemented by reference to the provision of deregistration according to law.</p>	<p><b>Article 302</b> Where the Company is dissolved pursuant to item (1), (3), <u>(4)</u>, (5) or <u>(76)</u> of Article 300 <u>of these Articles</u>, a liquidation committee shall be set up in accordance with law within 15 days after the liquidation is approved by the relevant regulatory authorities. Members of the liquidation committee shall be determined by <u>directors or</u> shareholders' general meeting by way of ordinary resolution. If a liquidation committee is not set up within the specified period, the creditors may apply to the people's court for appointment of relevant persons to form a liquidation committee to proceed with the liquidation.</p> <p>Where the Company is dissolved pursuant to item (3) of Article 300 <u>of these Articles</u>, the Company shall apply to the relevant regulatory authorities with reasons for dissolution and debt settlement plan. The Company shall be dissolved after obtaining the approval from the relevant regulatory authorities.</p> <p>Where the Company is dissolved pursuant to the provision of deregistration according to law under item (4) of Article 300 <u>of these Articles</u>, the relevant regulatory authorities shall de-register the Company and form an administrative liquidation committee comprising selective professional agencies, such as law or accounting firms, to proceed with the administrative liquidation in accordance with the required procedures.</p> <p>Where the Company is dissolved pursuant to the provision of being ordered to close down according to law under item (4) of Article 300 <u>of these Articles</u>, administrative liquidation, if necessary, shall be implemented by reference to the provision of deregistration according to law.</p>

Articles Before Revision	Articles After Revision
<p>Where the Company is dissolved pursuant to item (6) of Article 300, the people’s court shall, according to applicable laws, order the formation of a liquidation committee comprising members from the relevant regulatory authorities, shareholders, relevant departments and professionals to proceed with the liquidation in accordance with applicable enterprise bankruptcy laws.</p>	<p><del>Where the Company is dissolved pursuant to item (6) of Article 300, the people’s court shall, according to applicable laws, order the formation of a liquidation committee comprising members from the relevant regulatory authorities, shareholders, relevant departments and professionals to proceed with the liquidation in accordance with applicable enterprise bankruptcy laws.</del></p>
<p><b>Article 308</b> Upon completion of liquidation, the liquidation committee shall prepare a liquidation report and a statement of the receipts and payments and the financial accounts for the liquidation period which shall be audited by PRC certified public accountants before being submitted to the shareholders’ general meeting or relevant competent authorities for approval. The liquidation committee shall submit the aforesaid documents to the company registration authority, apply for de-registration of the Company, and announce the termination of the Company within 30 days after approval is obtained from the relevant competent authorities.</p>	<p><del><b>Article 308</b> Upon completion of liquidation, the liquidation committee shall prepare a liquidation report and a statement of the receipts and payments and the financial accounts for the liquidation period which shall be audited by PRC certified public accountants before being submitted to the shareholders’ general meeting, people’s courts or relevant competent authorities for approval. The liquidation committee shall submit the aforesaid documents to the company registration authority, apply for de-registration of the Company, and announce the termination of the Company within 30 days after approval is obtained from the relevant competent authorities.</del></p>
<p><b>Chapter 16 Miscellaneous</b></p>	<p><b>Chapter 16 Miscellaneous</b></p>
<p><b>Article 322</b> These Articles have been approved by the shareholders’ general meeting and the relevant regulatory authorities and shall come into effect on the date of the initial public offering and listing of the Company’s shares. The original articles of association of the Company shall automatically lapse from the date when these Article take effect.</p>	<p><del><b>Article 322</b> These Articles have been approved by the shareholders’ general meeting and the relevant regulatory authorities and shall come into effect on the date of <u>consideration and approval at the shareholders’ general meeting</u> the initial public offering and listing of the Company’s shares. The original articles of association of the Company shall automatically lapse from the date when these Article take effect.</del></p>

In accordance with the above amendments to the Articles of Association, corresponding adjustments will be made to the article number and cross-reference of the Articles of Association.