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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Oilfield Services Limited, you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the bank, licensed securities dealer 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.

COSL

中海油田服务股份有限公司

China Oilfield Services Limited

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

(Stock Code: 2883)

CONTINUING CONNECTED TRANSACTIONS – ENTERING INTO THE MASTER SERVICES FRAMEWORK AGREEMENT
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' GENERAL MEETING
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS
PROPOSED AMENDMENTS TO THE INDEPENDENT DIRECTOR SYSTEM
PROPOSED AMENDMENTS TO THE CONNECTED TRANSACTIONS DECISION-MAKING MECHANISM
PROPOSED CANCELLATION OF THE SUPERVISORY COMMITTEE AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

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

HALCYON 鎧盛

A letter from the Board is set out on pages 5 to 21 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 22 of this circular.

A letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 23 to 41 of this circular.

A notice convening the First EGM to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC on Tuesday, 2 December 2025 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular.

The proxy form for use at the said meeting is enclosed herewith.

Shareholders who intend to appoint a proxy to attend the meetings are requested to complete the proxy form in accordance with the instructions printed thereon. The proxy form shall be lodged with the registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the relevant meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

14 November 2025

CONTENTS

Pages

Definitions 1

Letter from the Board 5

I. Introduction 5

II. Continuing Connected Transactions 6

III. Proposed Amendments to the Rules of Procedure for Shareholders' General Meeting 16

IV. Proposed Amendments to the Rules of Procedure of the Board of Directors 17

V. Proposed Amendments to the Independent Director System 17

VI. Proposed Amendments to the Connected Transactions Decision-Making Mechanism 17

VII. Proposed Cancellation of the Supervisory Committee and Amendments to the Articles of Association 18

VIII. First EGM 19

IX. Recommendation 20

X. Responsibility Statement 20

Letter from the Independent Board Committee 22

Letter from the Independent Financial Adviser 23

Appendix I – General Information I-1

Appendix II – Comparison Table of Amendments to the Rules of Procedure for Shareholders' General Meeting II-1

Appendix III – Comparison Table of Amendments to the Rules of Procedure of the Board of Directors III-1

Appendix IV – Comparison Table of Amendments to the Independent Director System IV-1

Appendix V – Comparison Table of Amendments to the Connected Transactions Decision-Making Mechanism V-1

Appendix VI – Comparison Table of Amendments to the Articles of Association VI-1

Notice of 2025 First Extraordinary General Meeting EGM-1

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

"A Share(s)"	domestic share(s) of nominal value of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange;
"Articles of Association"	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time;
"associate(s)"	has the meaning ascribed thereto under the Hong Kong Listing Rules;
"bbl"	a barrel, which is equivalent to approximately 158.988 liters or 0.134 tons of oil (at an API gravity of 33 degrees);
"Board"	the board of Directors of the Company;
"CNOOC"	China National Offshore Oil Corporation, a state-owned enterprise incorporated under the laws of the PRC, the controlling shareholder of the Company, as well as the controlling shareholder of another two companies listed in Hong Kong, namely, CNOOC Limited (Stock Code: 0883) and China BlueChemical Ltd. (Stock Code: 3983), and another three companies listed in PRC (excluding Hong Kong);
"CNOOC Group"	CNOOC and its subsidiaries, excluding the Group;
"Company" or "COSL"	中海油田服務股份有限公司 (China Oilfield Services Limited), a joint stock company incorporated in the PRC with limited liability, the A-Shares of which are listed on the Shanghai Stock Exchange and the H-Shares of which are listed on the Main Board of the Stock Exchange;
"Company Law"	the Company Law of the PRC;
"Connected Transactions Decision-making Mechanism"	the connected transactions decision-making mechanism of the Company, as amended, modified or otherwise supplemented from time to time;
"Continuing Connected Transactions"	the continuing connected transactions under the Framework Agreement, including the provision of the Oilfield Services by the Group to CNOOC Group, the provision of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services by CNOOC Group to the Group, and the provision of the Property Services by CNOOC Group to the Group;

"CSRC"	China Securities Regulatory Commission;
"Current Framework Agreement"	the Master Services Framework Agreement entered into between the Company and CNOOC on 27 October 2022, which will expire on 31 December 2025;
"Director(s)"	the director(s) of the Company;
"First EGM"	the 2025 first extraordinary general meeting of the Company to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC on Tuesday, 2 December 2025 at 10:00 a.m.;
"Framework Agreement"	the Master Services Framework Agreement entered into between the Company and CNOOC on 29 October 2025;
"Group"	the Company together with its subsidiaries;
"H Share(s)"	overseas listed foreign share(s) of nominal value of RMB1.00 each in the share capital of the Company which are listed on the Main Board of the Stock Exchange and subscribed for in HK dollars;
"HK dollar(s)"	Hong Kong dollar, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
"Independent Board Committee"	an independent committee of the Board, comprising all the independent non-executive Directors, which has been appointed by the Board to advise the Independent Shareholders on the Framework Agreement and the relevant annual caps in relation to the Continuing Connected Transactions contemplated thereunder;
"Independent Director System"	the independent director system of the Company, as amended, modified or otherwise supplemented from time to time;
"Independent Financial Adviser"	Halcyon Capital Limited, a licensed corporation under the SFO licensed to carry out Type 6 (advising on corporate finance) regulated activities, which has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Framework Agreement and the relevant annual caps in relation to the Continuing Connected Transactions contemplated thereunder;

"Independent Shareholders"	the Shareholders of the Company other than CNOOC and its associates;
"Latest Practicable Date"	10 November 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein;
"Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services"	the provision of machineries for leasing, kinetic energy, supply and transportation of materials, wharf services, construction services, energy services, labour services, utilities and other ancillary services by the CNOOC Group to the Group;
"Mandatory Provisions"	the Mandatory Provisions for the Articles of Association of Companies Seeking a Listing outside the PRC;
"NDRC"	the National Development and Reform Commission of the People's Republic of China;
"Oilfield Services"	the provision of oilfield services by the Group to the CNOOC Group, including drilling services, well services, marine support services, geophysical acquisition and surveying services and new energy business services;
"PRC"	the People's Republic of China;
"Property Services"	the leasing of certain properties in relation to the Group's operations from the CNOOC Group;
"Proposed Annual Caps"	the proposed maximum annual aggregate value(s) for each type of the Continuing Connected Transactions under the Framework Agreement for each of the three years ending 31 December 2026, 2027 and 2028;
"RMB"	Renminbi, the lawful currency of the PRC;
"Rules of Procedure for Shareholders' General Meeting"	the rules of procedure for shareholders' general meeting of the Company, as amended, modified or otherwise supplemented from time to time;
"Rules of Procedure of the Board of Directors"	the rules of procedure of the board of directors of the Company, as amended, modified or otherwise supplemented from time to time;
"SASAC"	State-owned Assets Supervision and Administration Commission of the State Council;

"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
"Share(s)"	A Shares and H Shares of the Company;
"Shareholder(s)"	the holder(s) of the Share(s) of the Company;
"SSE"	Shanghai Stock Exchange;
"SSE Listing Rules"	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Supervisor(s)"	the supervisor(s) of the Company;
"Supervisory Committee"	the supervisory committee of the Company;
"USD"	United States dollars, the lawful currency of the United States.

COSL

中海油田服务股份有限公司
China Oilfield Services Limited

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

(Stock Code: 2883)

Board of Directors:
Zhao Shunqiang *(Chairman)*
Lu Tao
Xiao Jia
Fan Baitao*
Liu Qiudong*
Chiu Lai Kuen, Susanna**
Kwok Lam Kwong, Larry**
Yao Xin**

* *Non-executive Director*
** *Independent non-executive Director*

Legal address in the PRC:
No.1581, Haichuan Road,
Tanggu Ocean Hi-tech Zone,
Binhai Hi-tech Development District,
Tianjin, the PRC

Registered Office in Hong Kong:
65/F, Bank of China Tower,
1 Garden Road,
Hong Kong

14 November 2025

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS – ENTERING INTO THE MASTER SERVICES FRAMEWORK AGREEMENT PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' GENERAL MEETING PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS PROPOSED AMENDMENTS TO THE INDEPENDENT DIRECTOR SYSTEM PROPOSED AMENDMENTS TO THE CONNECTED TRANSACTIONS DECISION-MAKING MECHANISM PROPOSED CANCELLATION OF THE SUPERVISORY COMMITTEE AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

References are made to the announcements made by the Company on 26 August 2025 and 29 October 2025 in relation to proposed amendments to the Rules of Procedure for Shareholders' General Meeting, the Rules of Procedure of the Board of Directors, the Independent Director System and the Connected Transactions Decision-Making Mechanism, proposed cancellation of the Supervisory Committee and amendments to the Articles of Association, and entering into the Framework Agreement.

The purposes of this circular are to give you notice to the First EGM and to provide you with information regarding the resolutions relating to (1) Continuing Connected Transactions – entering into the Master Services Framework Agreement; (2) proposed amendments to the Rules of Procedure for Shareholders' General Meeting; (3) proposed amendments to the Rules of Procedure of the Board of Directors; (4) proposed amendments to the Independent Director System; (5) proposed amendments to the Connected Transactions Decision-Making Mechanism; and (6) proposed cancellation of the Supervisory Committee and amendments to the Articles of Association.

II. CONTINUING CONNECTED TRANSACTIONS

ENTERING INTO THE MASTER SERVICES FRAMEWORK AGREEMENT

Background

The Company is one of the leading integrated oilfield services providers in the world. Its services cover each phase of oil and gas exploration, development and production.

CNOOC is the largest offshore oil and gas producer and operator in the PRC. CNOOC is the controlling shareholder of the Company. As at the date hereof, CNOOC holds 50.86% interest in the Company.

As disclosed in the announcement dated 27 October 2022 and the circular dated 9 November 2022, the Company has entered into the Current Framework Agreement with CNOOC on 27 October 2022. The term of the Current Framework Agreement will expire on 31 December 2025.

The Company has entered into the Framework Agreement with CNOOC on 29 October 2025. Pursuant to the Framework Agreement, the Group has agreed to continue to provide the Oilfield Services to the CNOOC Group, and the CNOOC Group has agreed to continue to provide the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services as well as the Property Services to the Group for the three years ending 31 December 2026, 2027 and 2028. Upon approval at the First EGM, the Framework Agreement will be effective from 1 January 2026.

Framework Agreement

Details of the Framework Agreement are set out as follows.

Date

29 October 2025

Parties

The Company and CNOOC

Details of the transaction

The terms of the Framework Agreement have been reached after arm's-length negotiation between the Company and CNOOC.

Pursuant to the Framework Agreement, the Company and the CNOOC Group have agreed to the provision of the following services between the parties:

(a) Provision by the Group of the Oilfield Services to the CNOOC Group

The Group, and its predecessors, have been providing such Oilfield Services to the CNOOC Group since 1982. Pursuant to the Framework Agreement, the Group will continue to provide the Oilfield Services to the CNOOC Group in relation to its oil and gas exploration, development and production activities.

(b) Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group

In the past, the CNOOC Group has been providing the Group with warehousing and storage, supply and transportation of materials, communication, wharf services, construction services, medical services, technical training, accommodation and personnel transportation services, offshore facility monitoring, maintenance and repair services, catering services, insurance arrangements, labour services, commercial support services, energy services, machinery leasing and vehicle leasing. Pursuant to the Framework Agreement, the CNOOC Group will continue to provide the Group with such services.

(c) Provision by the CNOOC Group of the Property Services to the Group

The Group has leased certain properties from the CNOOC Group for the purpose of office, living quarters, canteen and production premises. Pursuant to the Framework Agreement, the CNOOC Group will continue to lease the properties to the Group and provide the Group with property administration services.

Historical Transaction Amounts and Proposed Annual Caps

The existing annual caps for the three years ended/ending 31 December 2023, 2024 and 2025 and historical transactional amounts for the two years ended 31 December 2023 and 2024 and the six months ended 30 June 2025 of the continuing connected transactions under the Current Framework Agreement, and the Proposed Annual Caps of the Continuing Connected Transactions for each of the years ending 31 December 2026, 2027 and 2028 are set out as below:

	For the year ended 31 December 2023 (RMB million)	For the year ended 31 December 2024 (RMB million)	For the year ending 31 December 2025 (RMB million)	For the six months ended 30 June 2025 (RMB million)	For the year ending 31 December 2026 (RMB million)	For the year ending 31 December 2027 (RMB million)	For the year ending 31 December 2028 (RMB million)
– **Provision by the Group of the Oilfield Services to the CNOOC Group**							
Proposed Annual Caps	45,104	47,478	49,925		48,400	52,800	57,200
Historical Transaction Amounts *(Note 1)*	36,273	37,872		18,027			
– **Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group**							
Proposed Annual Caps	6,256	6,837	7,496		4,747	5,411	7,066
Historical Transaction Amounts *(Note 2)*	2,807	2,744		1,343			
– **Provision by the CNOOC Group of the Property Services to the Group**							
Proposed Annual Caps	673	734	804		363	429	484
Historical Transaction Amounts *(Note 2)*	201	181		86			

Notes:

1. The difference between the actual historical transaction amounts and the approved annual caps for the three years ended/ending 31 December 2023, 2024 and 2025 was mainly due to the fact that the growth of global economy fell short of expectations, the global expenditure in exploration and development dropped from the forecasted USD550-570 billion to USD494-527 billion, and the recovery of oilfield service market slowed down.

2. The difference between the actual historical transaction amounts and the approved annual caps for the three years ended/ending 31 December 2023, 2024 and 2025 was due to the followings: on the one hand, the cost decreased due to the reduction of workload as a result of the slowdown recovery of oilfield service market; on the other hand, the Company continued to enhance the development resilience across the cycle of the industry and built a "systematic, structural and long-term" mechanism for cost reduction to continuously improve the lean management and control capacity.

Basis for the Proposed Annual Caps

The Company is of the view that the difference between the historical transaction amounts and the approved annual caps for the three years ended/ending 31 December 2023, 2024 and 2025 of the continuing connected transactions could be said to be attributable to the impact of the recovery following the fluctuation of global oil price and the improved lean cost management and control capacity of the Company. Notwithstanding that these factors could be said to be relevant at the material times due to its specific set of circumstances, they are not the only factors that the Company should be taking into account when determining the Proposed Annual Caps of the Continuing Connected Transactions for the next three years.

In estimating the Proposed Annual Caps of the Continuing Connected Transactions between the CNOOC Group and the Group for the three years ending 31 December 2026, 2027 and 2028, the Company took into account a basket of factors including (i) the historical transaction amounts between the CNOOC Group and the Group for the two years ended 31 December 2023 and 2024 and the six months ended 30 June 2025; (ii) the anticipated business volume between the CNOOC Group and the Group for the three years ending 31 December 2026, 2027 and 2028 (based on a combined consideration of (a) the historical percentage of revenue generated from the CNOOC Group in the total revenue, and (b) the revenue forecasts for the next three years ending 31 December 2026, 2027 and 2028 based on the existing services offered by the Group to the CNOOC Group), and (iii) a prudent consideration of a 10% buffer based on the current efficiency of operation (representing a reduction of 5% over the previous estimation).

The transaction amounts of the Continuing Connected Transactions are closely linked to crude oil prices and capital expenditure of the CNOOC Group in oil exploration and production activities in offshore China. During the years 2024 and 2025, due to the influence of geopolitical conflict and other factors, the international oil price dropped back to above USD70/bbl in the fourth quarter of 2024, and rebounded by approximately 2% in the first quarter of 2025 as compared with the beginning of 2025, followed by a fluctuating downward of approximately 10% in the second quarter of 2025. According to the estimation in EIA's short-term energy outlook report in August 2025, the Brent oil price was USD80.56/bbl throughout the year 2024 and will be USD67.22/bbl for the year 2025, showing an overall trend of "slow downward adjustment and consolidation at the bottom", and the global capital expenditure in exploration and development in 2025 will remain relatively stable.

According to the data of S&P Global, from 2025 to 2028, it is anticipated that the global expenditure in offshore exploration and development will continue to grow, and the capital expenditure of the CNOOC Group in oil exploration and production activities in offshore China will show a characteristic of "overall stability and structure optimization". Against this backdrop, relying on technological upgrading and operational efficiency improvement, the Company made every effort to achieve new breakthroughs in the overseas regional markets occupied by the CNOOC Group to convert the incremental income from regional markets into new revenue growth points of the Company. Therefore, the Company has reviewed past performance of the industry, including the performance of the Company's peers and the industry reports published by S&P Global, and the Company is of the view that the Company has been well-prepared for the steady growth of the business volume. Therefore, the historical transaction amounts for the two years ended 31 December 2023 and 2024 and six months ended 30 June 2025 as a whole are valuable indicators for future transaction amounts of the Company during the next three years, and the anticipated business volume between the CNOOC Group and the Group for the three years ending 31 December 2026, 2027 and 2028 will increase slowly and become stable which is in line with the capital expenditure of the CNOOC Group. The year-on-year growth rate of the Proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 is also consistent with the expected trend of oil prices and the capital expenditure of the CNOOC Group.

Additionally, the Company estimates that its revenues from other customers will also increase during the next three years. The provision by the Group of the Oilfield Services to the CNOOC Group in 2024 represented approximately 79% of the total revenue of the Group. Since the Oilfield Services have been the main contributor to the Group's revenue, the Proposed Annual Caps and the

actual historical transaction amounts being at a similar percentage against the total revenue of the respective period is an appropriate basis to assess the fairness and reasonableness of the Proposed Annual Caps. Considering that the CNOOC Group implemented the overall development principle of "1534", promoted domestic reserve growth and production enhancement, and improved the energy production and supply capacity, and taking into account the future capital expenditure expectation, it is estimated that the percentage of revenue from the Continuing Connected Transactions during the three years from 2026 to 2028 will remain at a high level. Therefore, based on the historical conditions, an 80% of revenue contribution, representing an increase as compared with a 79% contribution by the Continuing Connected Transactions in the total revenue in 2024, will be used for the estimation of the annual caps.

As for the cost of the Continuing Connected Transactions, considering that the Company's production and operation model will not face significant change and that the service cost of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services provided by the CNOOC Group to the Group will remain relatively stable, the Company expects that the percentage of costs from the Continuing Connected Transactions in the total costs of the Group will not encounter any major changes in the next three years. Therefore, the Company, having taken into account the impact of operation volume and oil price on the cost of raw materials in projecting the cost of the Continuing Connected Transactions for the next three years, estimates that the percentage of the cost from the Continuing Connected Transactions to total costs of the Group from 2026 to 2028 will be 8% (the average percentage from 2023 to the first half of 2025 is 7%). In addition, with reference to the average percentage of the cost from property lease-related Continuing Connected Transactions in the total costs from the Continuing Connected Transactions from 2023 to the first half of 2025, being 7%, the Company, in light of the historical conditions, estimated that the cost from property lease-related Continuing Connected Transactions will be 8% of the total costs from the Continuing Connected Transactions for the following three years.

The detailed basis of calculating the 10% buffer is based on the historical information of the revenue of the Company as well as CNOOC for the past few years. The revenues of the Company and CNOOC have a noticeable amount of fluctuation for the past few years which implies that the future revenue can also be volatile. In addition, the fluctuation of oil price will also significantly affect the revenue and cost of the Company and CNOOC as explained above. Although the Company estimated that the future oil price remained relatively stable, future global geopolitical and other uncertainties still have an impact on the energy security and capital expenditure in global energy market continued to maintain at a high level, resulting in an expected increase in sales. Therefore, the Company considers that setting such buffer enables the Company to have flexibility to cater to the expansion of new energy business and increase in operation volume without being aggressive and overly optimistic. The Company considers the buffer is fair and reasonable.

Taking the above factors into account, the Company considers that the Proposed Annual Caps are fair and reasonable and in the interest of the Company and Shareholders as a whole.

The estimated revenue of the Company from the Continuing Connected Transactions for the three years ending 31 December 2026, 2027 and 2028 is based on the Company's estimation of the transaction volume and may be different at various degrees from the actual revenue to be disclosed in future performance results of the Company. Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

Term and termination

Upon approval by the Shareholders at the First EGM, the Framework Agreement will take effect from 1 January 2026 for a term of three years and will expire on 31 December 2028.

Implementation agreements and payments

The Company and each subsidiary of the Company may, from time to time and as necessary, enter into separate implementation agreement for each specific transaction contemplated under the Framework Agreement with CNOOC and each subsidiary of CNOOC. Each implementation agreement will set out the specifications for the transaction. The implementation agreements provide for the provision of service as contemplated by the Framework Agreement, and as such, they do not constitute new categories of connected transactions. Any such implementation agreement will stay within the bounds of the Framework Agreement and the Proposed Annual Caps.

All payments made pursuant to the Framework Agreement and its implementation agreements will be in cash.

Fairness of the Continuing Connected Transactions and Their Impact on the Independence of the Company

The Framework Agreement is signed on normal commercial terms and terms which are fair and reasonable, and the prices/fees involved in relevant transactions shall be agreed and confirmed by both parties thereof, and shall be negotiated and determined based on the prevailing market price and conditions and principle of arm's-length. The terms of the relevant agreement and its transaction under such agreement offered to the Group by the CNOOC Group and their associates shall be no less favourable than those offered by independent third parties to the Group for the same or similar type of services. The Group will sign necessary written agreements on specific transactions with the CNOOC Group and their associates within the range set by the Framework Agreement according to actual conditions, and pay and/or charge the relevant prices/fees based on the agreed method set forth in the relevant agreements.

The Company will, through the Framework Agreement and a series of management arrangements in accordance with the regulatory requirements, maintain the independence of the Company's decision-making, the fairness of the transaction prices and the Company's option for the Continuing Connected Transactions, thereby avoiding dependence on its controlling shareholder. Such measures shall include, without limitation, the Company's right to make independent decisions as to the price and volume of transactions and to access and obtain market information through various means to procure that the terms obtained by the Group from the CNOOC Group and their associates will be no less favorable than those available from independent third parties.

Based on the above, the Company is of the opinion that the Framework Agreement and the Continuing Connected Transactions thereunder are in the interests of the Company and the Shareholders as a whole. Meanwhile, the Company has the complete business system and ability to operate independently facing the market, therefore the above Framework Agreement and the Continuing Connected Transactions thereunder do not affect the independence of the Company.

Pricing Policy and Measures to Safeguard the Interest of the Independent Shareholders

The prices for the Continuing Connected Transactions will be determined based on: (1) the state-quoted price (including local government-quoted price), if the pricing of such a transaction is governed by the pricing policies of the PRC; (2) a comparable market price (as compared against local, national or international price), if the transaction is not governed by the pricing policies of the PRC; or (3) by agreement between the parties based on prices no less favourable to/from third parties or reasonably agreed between the parties, if no comparable market price can be taken as a reference.

For each type of continuing connected transaction, the specific pricing policies are set out as follows:

The Group is the leading provider of oilfield services in the offshore China. For the Oilfield Services provided by the Group to the CNOOC Group, the prices are mainly determined through arm's-length negotiation with reference to international oil prices and market prices of oilfield services that are released by major consultancy institutions such as S&P Global, Rystad and Riglogix on a regular basis. S&P Global, Rystad, Riglogix and Upstream provide industry information and analysis on a number of industries to support the decision-making process of commercial institutions, while S&P Global, Rystad and Riglogix provide regional market data on equipment, contract terms, operators, operating areas and blocks, daily rates, estimated project number and historic operation conditions of drilling companies. S&P Global and Rystad publish a number of well-known industry reports such as World Rig Forecast, Seismic Quarterly Report and Global Supply Vessel Forecast published by S&P Global, and Offshore Rig Report published by Rystad. The prices for the Oilfield Services provided by the Group to the CNOOC Group are mainly determined with reference to the average prices published by the above-mentioned institutions during the last 12 months for nearby or similar areas we operate at, and will be adjusted in an approximately ±10% range in combination with historical transactions and current market supply and demand condition. When determining contract prices for the Oilfield Services provided to the CNOOC Group, the Company will consider specific conditions of contract, including functions of specific equipment, depth of water, complexity of operation and term of contract, etc., as well as market supply and demand and historical transaction prices. The Company will ensure that the prices are fair and reasonable and in the interest of the Company and all the Shareholders as a whole.

For the provision of utilities by the CNOOC Group to the Group, including water, power and gas, the prices are under the guidance of state-quoted price promulgated by the NDRC. Such prices are updated by the NDRC from time to time and are published on websites of pricing bureaus.

For the provision of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services other than utilities by the CNOOC Group to the Group, the prices are primarily determined by the market price. In determining such prices, the Company will undergo a tendering process,

which promotes market competition to obtain best available rate. The tendering process is organized in strict compliance with the requirements under the Tendering and Bidding Law of the People's Republic of China. In a typical tendering process, the Company invites not less than three bidders to submit its fee proposal and commercial proposal before the designated deadline. The procurement department of the Company that is separated from and independent of other departments will compare proposals and make decision.

However, for the provision of the machinery leasing and equipment by the CNOOC Group to the Group, due to the nature of the industry and in special circumstances, only the CNOOC Group has oilfield service machines and equipment that can satisfy special marine conditions in certain offshore areas of China. In this case, a tendering process is not feasible and the Company will ensure that the price will not be higher than the average price from three independent third-party providers for comparable equipment obtained by the Company through inquiry. The Company will also consider the specific conditions of the contract, including the function of specific equipment, water depth, difficulty of operation, contract period, etc., to ensure the price is fair and reasonable.

According to the Company's procurement policy, in addition to the offer of same or more favourable terms by the counterparty in a transaction, the Company will also consider other factors, including the corporate background of the counterparty, its reputation and reliability, its ability to conduct the transaction in accordance with the terms of the contract, and its understanding of the Company's needs, in order to maximise the Company's overall interest in the transaction, and at the same time reduce the Company's time and costs of transaction.

For the provision of the Property Services by the CNOOC Group to the Group, the prices are primarily determined by the market price. The Company will have regard to the then prevailing market rent for similar types of properties in the nearby locations and/or consult not less than three reputable local real estate agents for benchmarks of assessment. Where no comparable market price can be taken as a reference, the Group will, having taken into account the location, scope, scale and term of the transaction and historical comparable transactions, determine the price of the relevant transaction based on arm's-length negotiations and on terms which are no less favourable from third parties.

The Directors and senior management of the Company will monitor closely and review regularly each continuing connected transaction of the Company. The Company will adopt a series of risk management arrangements, and endeavour to maintain, in relation to each continuing connected transaction, the independence of the Company, the fairness of the price of the transaction, the fairness of the terms of the transaction, and the right of the Company to conduct transactions with independent third parties other than the CNOOC Group. The relevant arrangements include:

- the Continuing Connected Transactions contemplated under the Framework Agreement are conducted on a non-exclusive basis;

- upon the signing of the Framework Agreement and its approval by the Independent Shareholders, the international business and marketing department and the procurement department of the Company will be responsible for the execution of the Framework

Agreement, and before the signing of each individual agreement, other functional departments of the Company, including the risk control department, will evaluate the terms of the agreement, including the fairness of the price;

- in addition to the annual review of the performance of specific contracts by the independent non-executive Directors and the Company's auditors, the Company's audit committee will also monitor the working arrangements involved in the Company's Continuing Connected Transactions, and review whether the Company's transactions are fair, and whether the transaction prices are reasonable.

In addition to the annual review by the auditors of the Company and independent non-executive Directors pursuant to the requirements of Chapter 14A of the Hong Kong Listing Rules, as part of the Group's internal control systems to ensure that the transactions between the CNOOC Group and the Group are conducted in accordance with the terms of the Framework Agreement, the Company will implement the following internal control arrangements:

(i) the Company has set up a designated and specific team to monitor and record (including collecting and keeping the relevant transactions and accounting records) the Continuing Connected Transactions conducted between the CNOOC Group and the Group on a monthly basis pursuant to the terms of the Framework Agreement, and to submit Continuing Connected Transactions reports to the Board regularly on a semi-annual basis in order for the Board to review, assess, continuously supervise and monitor the Continuing Connected Transactions and to ensure cumulative amounts of the Continuing Connected Transactions are controlled within the Proposed Annual Caps.

(ii) the specific team will also check the terms and implementation status of the Group's policies and requirements related to the Continuing Connected Transactions, including identifying connected persons, reviewing the accounting entries and checking the procedures of the Company in handling the Continuing Connected Transactions. It is also responsible for monitoring the prices and terms of the transactions with connected persons by reviewing, from time to time, samples of contracts relating to the Continuing Connected Transactions to ensure that the prices and terms as such are in compliance with that provided for under the Framework Agreement.

(iii) in the event that the specific team or the Board would anticipate that the cumulative amounts of Continuing Connected Transactions might exceed the Proposed Annual Caps under the Framework Agreement due to business expansion and needs of the Company, after due consideration and confirmation having been given by the Board (including confirmation by the independent non-executive Directors), the Company will comply with the relevant requirements of the listing rules in order to revise and increase the Proposed Annual Caps.

Reasons for and Benefits of Entering into the Framework Agreement

The Company, including its predecessors, has been providing Oilfield Services to CNOOC and its associates since 1982. In addition, the CNOOC Group has also been providing Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group since 1982. CNOOC is the single largest customer of the Group, and the business, operating results and financial condition of the Group depend in large on the performance of the Framework Agreement. As CNOOC is the largest offshore oil and gas producer and operator in the PRC, holding the dominant position in offshore oil production in China that is the principal market of the Company, the Company will ensure secured revenues and a stable source of supply of Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services through the performance of the Framework Agreement. Therefore, the Company considers that it is in the interest of the Company to continuously enter into the Continuing Connected Transactions with CNOOC.

The properties leased from the CNOOC Group are essential to the Group's operations. Thus, the Company considers that it is in the interest of the Company to continue with the Property Services, as relocating to alternative premises would be costly and could lead to interruption to the Group's operations.

Principal Activities of the Parties

The Company is one of the leading integrated oilfield services providers in the world. Its principal businesses cover each phase of oil and gas exploration, development and production.

CNOOC is a state-owned enterprise owned and controlled by the SASAC, and is owned as to 90% by the SASAC and as to 10% by the National Council for Social Security Fund. CNOOC is the largest offshore oil and gas producer and operator in the PRC. Its core of business mainly includes exploration and development of oil and gas, professional technical services, natural gas and power generation, refining and sales, and financial services and so on, and it actively develops new energy and other strategic emerging industries.

HONG KONG LISTING RULES IMPLICATIONS

CNOOC holds 50.86% interest in the Company, and is the controlling shareholder of the Company. As such, CNOOC is a connected person of the Company under the Hong Kong Listing Rules, and the Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

In respect of the Framework Agreement, as the highest applicable percentage ratio regarding the Proposed Annual Caps for the Continuing Connected Transactions contemplated under the Framework Agreement exceeds 5% as calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules, the Framework Agreement and the transactions contemplated thereunder are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, there is no other transactions (other than those carried out pursuant to the Framework Agreement) entered into between the Group and the CNOOC Group and its ultimate beneficial owner within a 12-month period or otherwise related, which would, together with transactions under the Framework Agreement, be regarded as a series of transactions and treated as if they are one transaction under Rules 14A.81 of the Hong Kong Listing Rules.

III. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE FOR SHAREHOLDERS' GENERAL MEETING

The Board of the Company has approved the relevant resolution at the Board meeting held on 26 August 2025 to propose the amendments to the Rules of Procedure for Shareholders' General Meeting.

In accordance with the amendments to relevant laws and regulations such as the Company Law, the Guidelines for the Articles of Association of Listed Companies (revised in 2025) and the Rules for Shareholders' General Meetings of Listed Companies and the amendments to the Articles of Association, and taking into account the actual situation of the Company, the Company proposes to make amendments to the corresponding articles of the Rules of Procedure for Shareholders' General Meeting, and renamed it as the Rules of Procedure for Shareholders' General Meeting of China Oilfield Services Limited in the Chinese version of the amended edition of this rule (《中海油田服務股份有限公司股東會議事規則》).

The main changes to the proposed amendments to the Rules of Procedure for Shareholders' General Meeting are set out as follows: (1) cancellation of the Supervisory Committee and the Supervisors of the Company, with the audit committee of the Board exercising the functions and powers of the Supervisory Committee; (2) elimination of repeated contents with the Articles of Association, mainly including the functions and powers of the Shareholders' General Meeting and other contents; (3) update and refinement to conditions of convening the Shareholders' General Meetings, convener and working procedures of the Shareholders' General Meetings, etc.; (4) amendments and supplement to the relevant requirements of notices of Shareholders' General Meetings, hybrid Shareholders' General Meetings, voting of Shareholders and meeting minutes, etc.; and (5) other amendments involving updates or refinements to other provisions of the Rules of Procedure for Shareholders' General Meeting in accordance with the latest laws and regulations and normative documents.

The amended Rules of Procedure for Shareholders' General Meeting shall take effect simultaneously with the amended Articles of Association. For details of the proposed amendments to the Rules of Procedure for Shareholders' General Meeting, please refer to Appendix II to this circular. The English version of the proposed amendments to the Rules of Procedure for Shareholders' General Meeting is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The Board believes that the proposed amendments to the Rules of Procedure for Shareholders' General meeting are in the interests of the Company and its Shareholders.

IV. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE OF THE BOARD OF DIRECTORS

The Board of the Company has approved the relevant resolution at the Board meeting held on 26 August 2025 to propose the amendments to the Rules of Procedure of the Board of Directors.

In accordance with the amendments to relevant laws and regulations such as the Company Law and the Guidelines for the Articles of Association of Listed Companies (revised in 2025) and the amendments to the Articles of Association, and taking into account the actual situation of the Company, the Company proposes to make amendments to the corresponding articles of the Rules of Procedures of the Board of Directors. The amended Rules of Procedures of the Board of Directors shall take effect simultaneously with the amended Articles of Association. For details of the proposed amendments to the Rules of Procedures of the Board of Directors, please refer to Appendix III to this circular. The English version of the proposed amendments to the Rules of Procedures of the Board of Directors is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The Board believes that the proposed amendments to the Rules of Procedure of the Board of Directors are in the interests of the Company and its Shareholders.

V. PROPOSED AMENDMENTS TO THE INDEPENDENT DIRECTOR SYSTEM

The Board of the Company has approved the relevant resolution at the Board meeting held on 26 August 2025 to propose the amendments to the Independent Director System.

In accordance with the amendments to relevant laws and regulations such as the Guidelines for the Articles of Association of Listed Companies (revised in 2025) and the Measures for the Administration of Independent Directors of Listed Companies and the amendments to the Articles of Association, and taking into account the actual situation of the Company, the Company proposes to make amendments to the corresponding articles of the Independent Director System. For details of the proposed amendments to the Independent Director System, please refer to Appendix IV to this circular. The English version of the proposed amendments to the Independent Director System is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The Board believes that the proposed amendments to the Independent Director System are in the interests of the Company and its Shareholders.

VI. PROPOSED AMENDMENTS TO THE CONNECTED TRANSACTIONS DECISION-MAKING MECHANISM

The Board of the Company has approved the relevant resolution at the Board meeting held on 26 August 2025 to propose the amendments to the Connected Transactions Decision-Making Mechanism.

In accordance with the amendments to relevant laws and regulations such as the Company Law and the SSE Listing Rules and the amendments to the Articles of Association, and taking into account the actual situation of the Company, the Company proposes to make amendments to the Connected Transactions Decision-Making Mechanism. For details of the proposed amendments to the Connected Transactions

Decision-Making Mechanism, please refer to Appendix V to this circular. The English version of the proposed amendments to the Connected Transactions Decision-Making Mechanism is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The Board believes that the proposed amendments to the Connected Transactions Decision-Making Mechanism are in the interests of the Company and its Shareholders.

VII. PROPOSED CANCELLATION OF THE SUPERVISORY COMMITTEE AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board of the Company has approved the relevant resolution at the Board meeting held on 26 August 2025 to propose the amendments to the Articles of Association.

The proposed amendments to the Articles of Association are mainly corresponding amendments in response to the following adjustment to the relevant rules, and the impact of the proposed amendments to the Articles of Association is consistent with that of the adjustment to the relevant rules. The main reasons for the proposed amendments to the Articles of Association are as follows: (1) the newly revised Company Law (came into force from 1 July 2024) has been updated and implemented; (2) in response to the abolishment of the Mandatory Provisions issued by the Securities Committee of the State Council and the National Committee for Economic System Reform on 27 August 1994, the articles related to the implementation of the Mandatory Provisions in the Articles of Association are not applicable and are proposed to be deleted. Meanwhile, with reference to the latest requirements of regulatory laws such as the Guidelines for Articles of Association of Listed Companies (revised in 2025) issued by the CSRC, the SSE Listing Rules and the Hong Kong Listing Rules, the adaptative amendments to the discrepant articles as a result of the adjustment of the above regulatory rules shall be made.

The main changes to the proposed amendments to the Articles of Association are set out as follows: (1) the cancellation of the Supervisory Committee and the Supervisors of the Company, with the audit committee of the Board exercising the functions and powers of the Supervisory Committee; (2) adjustment of certain functions and powers of the shareholders' general meeting and the Board; (3) establishment of employee representative director; and (4) other amendments involving updates or refinements to other provisions of the Articles of Association in accordance with the latest laws and regulations and normative documents.

For details of proposed amendments to the Articles of Association, please refer to Appendix VI to this circular. The English version of the proposed amendments to the Articles of Association is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail. The resolution in relation to the proposed cancellation of the Supervisory Committee and amendments to the Articles of Association shall be subject to the Shareholders' approval at the First EGM by way of special resolution. The Supervisory Committee shall be cancelled upon the consideration and approval of relevant resolution by the Shareholders at the First EGM, the members of the Supervisory Committee shall resign upon the consideration and approval of relevant resolution at the First EGM and the relevant corporate governance systems of the Supervisory Committee such as the Rules of Procedure of the Supervisory Committee of China Oilfield Services Limited will be automatically abolished.

The Board believes that the proposed amendments to the Articles of Association have no material impact on Shareholders' rights, meet the needs of business development of the Company and have no adverse impact on the business operation of the Company. The Board believes that the proposed amendments to the Articles of Association are in the interests of the Company and its Shareholders. At the same time, the Board will also continue to implement corporate governance requirements and fulfill its information disclosure obligations to ensure that the corporate governance processes regarding matters such as protection of shareholders' rights and provision of financial assistance as set out in the relevant articles of the revised Articles of Association comply with domestic and overseas laws and regulations (including but not limited to the SSE Listing Rules and the Hong Kong Listing Rules).

VIII. FIRST EGM

A notice convening the First EGM to be held at 10:00 a.m. on Tuesday, 2 December 2025 at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC is set out on pages EGM-1 to EGM-2 of this circular.

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of the Shareholders at a Shareholders' general meeting must be taken by poll. Accordingly, all resolutions to be proposed at the First EGM will be voted by poll.

For the purpose of determining the entitlement for attendance and voting at the First EGM, the H Shares register of members of the Company will be closed from Thursday, 27 November 2025 to Tuesday, 2 December 2025, both days inclusive, during which period no transfer of Shares will be effected. In order to attend and vote at the First EGM, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Wednesday, 26 November 2025. Holders of A Shares should contact the Secretary of the Board for details concerning registration of transfers of A Shares.

Shareholders are entitled to attend and vote at the First EGM by themselves or by proxies, if a proxy is appointed to attend the meeting, you are requested to complete the proxy form in accordance with the instructions set out therein and return it to the Office of the Secretary of the Board at the Company's principal place of business in the PRC for holders of the A Shares and at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for holders of H Shares of the Company as soon as possible but in any event, not less than 24 hours before the time appointed for holding the First EGM or any adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the First EGM or any adjourned meeting (as the case may be) should you so wish.

Pursuant to the Hong Kong Listing Rules, CNOOC and its associates will abstain from voting on all resolutions relating to the Continuing Connected Transactions to be proposed, considered and voted on at the First EGM. As of the Latest Practicable Date, CNOOC and its associates hold in aggregate 2,426,857,300 Shares of the Company, representing approximately 50.86% of total issued Shares of the Company.

IX. RECOMMENDATION

Based on the relevant information disclosed herein, the Directors, including all the independent non-executive Directors, believe that the terms, the Proposed Annual Caps of and the transactions contemplated under the Framework Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

The Directors also believe that, (1) proposed amendments to the Rules of Procedure for Shareholders' General Meeting, (2) proposed amendments to the Rules of Procedure of the Board of Directors, (3) proposed amendments to the Independent Director System, (4) proposed amendments to the Connected Transactions Decision-Making Mechanism, and (5) proposed cancellation of the Supervisory Committee and amendments to the Articles of Association are in the interests of the Company and its Shareholders as a whole.

The Board has resolved and approved the resolutions in respect of the above matters. The Independent Board Committee has been formed according to the Hong Kong Listing Rules and voted on the Board resolutions in respect of the Continuing Connected Transactions. Of the Directors attending the Board meetings, Mr. Lu Tao, Mr. Fan Baitao and Mr. Liu Qiudong were considered to have material interests in the transactions by virtue of being employed by the CNOOC Group, and had thus abstained from voting on the Board resolutions in respect of the Continuing Connected Transactions. The Board recommends that the Shareholders vote in favour of and approve all resolution(s) in relation to the above matters to be proposed at the First EGM.

Halcyon Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to above Continuing Connected Transactions. Having considered the advices given by the Independent Financial Adviser and the principal factors and reasons taken into consideration by them in arriving at their advices, the Independent Board Committee is of the opinion that the terms, the Proposed Annual Caps of and the transactions contemplated under the Framework Agreement set out in this circular are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of and approve all resolution(s) in relation to the above matters to be proposed at the First EGM.

Your attention is also drawn to the letter from the Independent Board Committee set out on page 22, the letter from the Independent Financial Adviser set out on pages 23 to 41 and the other information set out in the appendices to this circular.

X. RESPONSIBILITY STATEMENT

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purposes of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that

to the best of their knowledge and belief, the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

Yours faithfully,
For and on behalf of
China Oilfield Services Limited
Sun Weizhou
Company Secretary

COSL

中海油田服务股份有限公司
China Oilfield Services Limited

(Incorporated in the People's Republic of China as a joint stock limited liability company)
(Stock Code: 2883)

14 November 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS – ENTERING INTO THE MASTER SERVICES FRAMEWORK AGREEMENT

We have been appointed to form the Independent Board Committee to consider and advise the Independent Shareholders as to whether, in our opinion, the terms, the Proposed Annual Caps of and the transactions contemplated under the Framework Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole and how to vote.

Having considered the above and the advice of the Independent Financial Adviser in relation thereto as set out on pages 23 to 41 of this circular, we are of the opinion that the terms, the Proposed Annual Caps of and the transactions contemplated under the Framework Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of and approve all resolution(s) in relation to the above Framework Agreement to be proposed at the First EGM.

Yours faithfully,
For and on behalf of
The Independent Board Committee of
China Oilfield Services Limited

Chiu Lai Kuen, Susanna **Kwok Lam Kwong, Larry** **Yao Xin**
Independent Non-executive Directors

The following is the full text of the letter of advice from Halcyon Capital Limited to the Independent Board Committee and the Independent Shareholders which has been prepared for the purpose of the inclusion in this circular.

Room 3401, 34/F,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
Hong Kong

14 November 2025

To: the Independent Board Committee and the Independent Shareholders

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS ENTERING INTO THE MASTER SERVICES FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Framework Agreement and the transactions contemplated thereunder (including the Proposed Annual Caps). Details of the Framework Agreement and the Proposed Annual Caps in respect of the transactions contemplated thereunder (the "**Transactions**") are set out in the letter from the Board contained in the circular of the Company to the Shareholders dated 14 November 2025 (the "**Circular**"), of which this letter forms part. Unless the context otherwise requires, capitalized terms used in this letter shall have the same meaning as those defined in the Circular.

As of the Latest Practicable Date, CNOOC and its associates hold in aggregate approximately 50.86% of total issued Shares of the Company and is the controlling shareholder of the Company. By virtue of CNOOC's shareholding in the Company, CNOOC is therefore a connected person of the Company under the Hong Kong Listing Rules, and the entering into the Framework Agreement and the Transactions constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

As the applicable percentage ratios in respect of the Framework Agreement are on an annual basis over 5%, the Framework Agreement (including the Proposed Annual Caps) and the Transactions will be subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to the Hong Kong Listing Rules, CNOOC and its associates will abstain from voting on all resolution(s) relating to the Transactions to be proposed, considered and voted on at the First EGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely Ms. Chiu Lai Kuen, Susanna, Messrs. Kwok Lam Kwong, Larry and Yao Xin, has been established to advise the Independent Shareholders as to whether the terms of the Framework Agreement (including the Proposed Annual Caps) and the Transactions are fair and reasonable so far as the Independent Shareholders are concerned and are in the interest of the Company and the Independent Shareholders as a whole and how to vote on the relevant resolution(s) at the First EGM. We have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

In the last two years from the date of our appointment we have no other relationships with or interests in the Company and any other parties that could reasonably be regarded as relevant to our independence. Apart from the normal professional fees paid/payable to us in connection with our appointment, no arrangements exist whereby we had received any fees or benefits from the Company or any other party to the transactions, therefore we consider such relationship would not affect our independence. We are therefore independent under Rule 13.84 of the Hong Kong Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the Transactions.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the information, financial information and facts supplied to us and representations expressed by the executive Directors and/or the management of the Company and have assumed that all such information, financial information and facts and any representations made to us or referred to in the announcement of the Company dated 29 October 2025 and the Circular, for which they are fully responsible, are true, accurate and complete as at the time they were made and as at the date hereof and made after due and careful inquiry by the executive Directors and/or the management of the Company. We have been advised by the executive Directors and/or the management of the Company that all relevant information has been supplied to us and that no material facts have been omitted from the information supplied and representations expressed to us. We have also relied on certain information available to the public and have assumed such information to be accurate and reliable. We have no reason to doubt the completeness, truth or accuracy of the information and facts provided and we are not aware of any facts or circumstances which would render such information provided and representations made to us untrue, inaccurate or misleading.

Our review and analyses were based upon, among others, the information provided by the Company, as permitted under the relevant rules and regulations, including the Framework Agreement and certain published information from the public domain. We have also discussed with the executive Directors and/or the management of the Company with respect to the terms of and reasons for the Transactions (including the Proposed Annual Caps) and considered that we have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information nor have we conducted any form of in-depth investigation into the businesses, affairs, financial position or prospects of the Group, the CNOOC Group, and each of their respective associates, and the parties involved in the Transactions.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendations in respect of the Transactions (including the Proposed Annual Caps), we have considered the following principal factors and reasons:

1. Background to and reasons for the entering into of the Framework Agreement

The Company is a joint stock company incorporated in the PRC with limited liability and is listed on both Hong Kong Stock Exchange and Shanghai Stock Exchange. The Company is one of the leading integrated oilfield services providers in the world. Its services cover each phase of oil and gas exploration, development and production.

CNOOC, a state-owned enterprise incorporated under the laws of the PRC, the controlling shareholder of the Company, as well as the controlling shareholder of another two companies listed in Hong Kong, namely, CNOOC Limited (Stock code: 0883) and China BlueChemical Ltd. (Stock code: 3983), and another three companies listed in PRC (excluding Hong Kong). CNOOC is the largest offshore oil and gas producer and operator in the PRC.

The Company, including its predecessors, has been providing Oilfield Services to CNOOC and its associates since 1982. In addition, the CNOOC Group has also since 1982 been providing Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group as well as leasing certain properties to the Group for the Group's daily operation. To govern the on-going co-operation and rental between the CNOOC Group and the Group, relevant framework agreements have been entered into and renewed every three years or supplemented when necessary thereafter. As the latest effective agreement in place, the Current Framework Agreement, will expire by the end of 2025, on 29 October 2025, the Company and the CNOOC entered into the Framework Agreement to govern the on-going connected transactions continuously with the CNOOC Group and as well as to set annual caps for the coming three years ending 31 December 2028.

The executive Directors considered that the Framework Agreement provides flexibility, but not an obligation, to the Group or to the CNOOC Group to engage each other in their respective business operation whenever their respective management consider appropriate. Furthermore, the executive Directors are of the view that, given the CNOOC Group had been co-operating with the Group since 1982 and as CNOOC is the largest offshore oil and gas producer and operator in the PRC, holding the dominant position in offshore oil and gas production in the PRC which is the principal market of the Company, has stable demands for the Group's Oilfield Services. While the CNOOC Group has also been providing a stable source of supply of Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group.

In respect of the office, living quarters, canteen and production premises leased from the CNOOC Group, given the properties leased from the CNOOC Group are essential to the Group's operations, we concur with the Company that it is in the interest of the Company to continue with the Property Services provided by the CNOOC Group, as relocating to alternative premises would be costly and could lead to interruption to the Group's operations.

Having considered that the Transactions between the Group and the CNOOC Group have been and will be carried out in their respective ordinary and usual course of business, we concur with the Company that the entering into of the Framework Agreement is in the ordinary and usual course of business of the Group and is in the interests of the Company and Shareholders as a whole.

2. Principal terms of the Framework Agreement

On 29 October 2025, the Company and CNOOC entered into the Framework Agreement. Set out below are the principal terms of the Framework Agreement:

Details of the transaction

The terms of the Framework Agreement have been reached after arm's-length negotiation between the Company and CNOOC.

Pursuant to the Framework Agreement, the Company and the CNOOC Group have agreed to the provision of the following services between the parties:

(a) Provision by the Group of the Oilfield Services to the CNOOC Group

The Group, and its predecessors, have been providing such Oilfield Services to the CNOOC Group since 1982. Pursuant to the Framework Agreement, the Group will continue to provide the Oilfield Services to the CNOOC Group in relation to its oil and gas exploration, development and production activities.

(b) Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group

In the past, the CNOOC Group has been providing the Group with warehousing and storage, supply and transportation of materials, communication, wharf services, construction services, medical services, technical training, accommodation and personnel transportation services, offshore facility monitoring, maintenance and repair services, catering services, insurance arrangements, labour services, commercial support services, energy services, machinery leasing and vehicle leasing. Pursuant to the Framework Agreement, the CNOOC Group will continue to provide the Group with such services.

(c) Provision by the CNOOC Group of the Property Services to the Group

The Group has leased certain properties from the CNOOC Group for the purpose of office, living quarters, canteen and production premises. Pursuant to the Framework Agreement, the CNOOC Group will continue to lease the properties to the Group and provide the Group with property administration services.

Term and termination

Upon approval by the Shareholders at the First EGM, the Framework Agreement will take effect from 1 January 2026 for a term of three years and will expire on 31 December 2028.

Implementation agreements and payments

The Company and each subsidiary of the Company may, from time to time and as necessary, enter into separate implementation agreement for each specific transaction contemplated under the Framework Agreement with CNOOC and each subsidiary of CNOOC. Each implementation agreement will set out the specifications for the transaction. The implementation agreements provide for the provision of service as contemplated by the Framework Agreement, and as such, they do not constitute new categories of connected transactions. Any such implementation agreement will stay within the bounds of the Framework Agreement and the Proposed Annual Caps. All payments made pursuant to the Framework Agreement and its implementation agreements will be in cash.

Propose Annual Caps

For terms regarding the Proposed Annual Caps, please refer to the section headed "***4. Basis of the Proposed Annual Caps***" below.

3. Pricing policies and measures to safeguard the interest of Independent Shareholders

The prices for the Continuing Connected Transactions will be determined based on: (1) the State-quoted price (including local government-quoted price), if the pricing of such a transaction is governed by the pricing policies of the PRC; (2) a comparable market price (as compared against local, national or international price), if the transaction is not governed by the pricing policies of the PRC; or (3) by agreement between the parties based on prices no less favourable to/from third parties or reasonably agreed between the parties, if no comparable market price can be taken as a reference.

(a) For the Oilfield Services provided by the Group to the CNOOC Group

The prices are mainly determined through arm's-length negotiation with reference to international oil prices and market prices of oilfield services that are released by major consultancy institutions such as S&P Global, Rystad and Riglogix on a regular basis. S&P Global, Rystad, Riglogix and Upstream provide industry information and analysis on a number of industries to support the decision-making process of commercial institutions, while S&P Global, Rystad and Riglogix provide regional market data on equipment, contract terms, operators, operating areas and blocks, daily rates, estimated project number and historic operation conditions of drilling companies. S&P Global and Rystad publish a number of well-known industry reports such as World Rig Forecast, Seismic Quarterly Report and Global Supply Vessel Forecast published by S&P Global, and Offshore Rig Report published by Rystad. The prices for the Oilfield Services provided by the Group to the CNOOC Group are

mainly determined with reference to the average prices published by the above-mentioned institutions during the last 12 months for nearby or similar areas we operate at, and will be adjusted in an approximately ±10% range in combination with historical transactions and current market supply and demand condition. When determining contract prices for the Oilfield Services provided to the CNOOC Group, the Company will consider specific conditions of contract, including functions of specific equipment, depth of water, complexity of operation and term of contract, etc., as well as market supply and demand and historical transaction prices. The Company will ensure that the prices are fair and reasonable and in the interest of the Company and all the Shareholders as a whole.

(b) For provision of utilities by the CNOOC Group to the Group

The prices are under the guidance of State-quoted price promulgated by the NDRC. Such prices are updated by the NDRC from time to time and are published on websites of pricing bureaus.

(c) Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services (other than utilities) to the Group

The prices are primarily determined by the market price. In determining such prices, the Company will undergo a tendering process, which promotes market competition to obtain best available rate. The tendering process is organized in strict compliance with the requirements under the Tendering and Bidding Law of the People's Republic of China. In a typical tendering process, the Company invites not less than three bidders to submit its fee proposal and commercial proposal before the designated deadline. The procurement department of the Company that is separated from and independent of other departments will compare proposals and make decision.

However, for the provision of the machinery leasing and equipment by the CNOOC Group to the Group, due to the nature of the industry and in special circumstances, only the CNOOC Group has oilfield service machines and equipment that can satisfy special marine conditions in certain offshore areas of China. In this case, a tendering process is not feasible and the Company will ensure that the price will not be higher than the average price from three independent third-party providers for comparable equipment obtained by the Company through inquiry. The Company will also consider the specific conditions of the contract, including the function of specific equipment, water depth, difficulty of operation, contract period, etc., to ensure the price is fair and reasonable.

According to the Company's procurement policy, in addition to the offer of same or more favourable terms by the counterparty in a transaction, the Company will also consider other factors, including the corporate background of the counterparty, its reputation and reliability, its ability to conduct the transaction in accordance with the terms of the contract, and its understanding of the Company's needs, in order to maximise the Company's overall interest in the transaction, and at the same time reduce the Company's time and costs of transaction.

(d) For provision of Property Services by the CNOOC Group to the Group

The prices are primarily determined by the market price. The Company will have regard to the then prevailing market rent for similar types of properties in the nearby locations and/or consult not less than three reputable local real estate agents for benchmarks of assessment. Where no comparable market price can be taken as a reference, the Group will, having taken into account the location, scope, scale and term of the transaction and historical comparable transactions, determine the price of the relevant transaction based on arm's-length negotiations and on terms which are no less favourable from third parties.

(e) Internal control review on the Transactions

As stated in the Annual Report of the Company for the year ended 31 December 2023 and 2024, the independent non-executive Directors have reviewed the continuing connected transactions and the above transactions for the respective years and have confirmed that: (i) the transactions were entered into between the Group and the connected persons or their respective associates (where applicable) in the ordinary and usual course of business of the Group; (ii) the transactions were entered into on normal commercial terms or better; (iii) the transactions were executed in accordance with the relevant agreements governing such transactions, on terms that are fair and reasonable and in the interests of the shareholders as a whole; and (iv) the above transactions were entered into with the annual aggregate value within the relevant annual cap of each category.

Furthermore, Ernst & Young, the Company's auditor, has been engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their letter containing their findings and conclusions in respect of the continuing connected transactions as disclosed below by the Group in accordance with Rule 14A.56 of the Hong Kong Listing Rules:

a) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Company's Board.

b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group.

c) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions.

d) with respect to the aggregate amount of each of the continuing connected transactions, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceed the annual caps as set by the Company.

We have also reviewed randomly selected continuing connected transactions documents covering each quarter which there were transactions entered into in 2023, 2024 and during the first eight months of 2025 (the "Review Period"), including but not limited to price list as stipulated in sales contracts, pricing analysis memorandums as well as tender result price analysis of various types of procurement transactions of which such documents form part of the sales, procurement or tender documents of the Group, as the case may be.

For sales contracts entered into between the Group and the CNOOC Group in respect of Oilfield Services provided by the Group to the CNOOC Group, we noted that the average prices on the price list as stipulated in the respective sales contracts were within the ranges of the market prices as stated in the then latest S&P Global reports. S&P Global reports are issued on a monthly basis which provide information on the latest estimated market prices for oilfield services.

For awarding contract by way of tender, we also notice that despite the CNOOC Group participated in the tender, the contract was awarded to the lowest price tender participant, which was an independent third party.

Given the continuing connected transactions documents as mentioned above were randomly selected covering each quarter which there were transactions entered into during the Review Period, and we did not note any inconsistency with the relevant pricing policies of the Group, we are of the view that the samples selected which cover each quarter of the Review Period to be fair and representative samples to understand the Group's pricing policy. Taking into consideration, (i) the internal control arrangements as disclosed in the "Letter From the Board" of this Circular; (ii) the independent non-executive Directors have reviewed the continuing connected transactions as noted in the Annual Report of the Company for the year ended 31 December 2023 and 2024; (iii) Ernst & Young, the Company's auditor, has been engaged to report on the Group's continuing connected transactions; and (iv) the above-mentioned transactions documents and relevant explanation from the management, which we noted that the prices offered to/by the CNOOC Group are no less favourable to the market prices obtained from public sources/to those offered to/by independent third parties, we concurred with the Board's view that, there are adequate pricing and review procedures in place for governing on-going transactions to ensure the pricing terms are no less favorable from third parties and appropriate measures are in place to ensure that the Transaction will be conducted on normal commercial terms and to safeguard the interests of the Independent Shareholders.

4. Basis of the Proposed Annual Caps

The Transactions are subject to the Hong Kong Listing Rules' requirements and conditions as further discussed under the section headed "***5. Reporting requirements and conditions of the Transactions***" below. In particular, the Transactions are also subject to the Proposed Annual Caps as discussed below.

In assessing the reasonableness of the Proposed Annual Caps, we have discussed with the management of the Group on the basis and assumptions underlying the anticipated volume of business transactions between the Group and the CNOOC Group (including pricing) pursuant to the Framework Agreement entered into between the Company and CNOOC for the purpose of determining the Proposed Annual Caps.

(i) Review of the historical figures

Set out below are the historical transactions amounts between the Group and the CNOOC Group for the two years ended 31 December 2023 and 2024 and for the six months ended 30 June 2025:

		For the year ended 31 December 2023	For the year ended 31 December 2024	For the six months ended 30 June 2025
		RMB' million	*RMB' million*	*RMB' million*
(a)	**Provision by the Group of the Oilfield Services to the CNOOC Group**			
	Historical transaction amount	36,273	37,872	18,027
	Historical annual caps	45,104	47,478	49,925 (Six months pro-rata) 24,962.5 (Historical annual cap)
	Utilization rate	80.4%	79.8%	72.2% (Six months pro-rata)
(b)	**Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group**			
	Historical transaction amount	2,807	2,744	1,343
	Historical annual caps	6,256	6,837	7,496 (Six months pro-rata) 3,748 (Historical annual cap)
	Utilization rate	44.9%	40.1%	35.8% (Six months pro-rata)

		For the year ended 31 December 2023	For the year ended 31 December 2024	For the six months ended 30 June 2025
		RMB' million	*RMB' million*	*RMB' million*
(c)	**Provision by the CNOOC Group of the Property Services to the Group**			
	Historical transaction amount	201	181	86
	Historical annual caps	673	734	804 (Six months pro-rata) 402 (Historical annual cap)
	Utilization rate	29.9%	24.7%	21.4% (Six months pro-rata)

Utilization rate for the approved annual caps regarding provision of Oilfield Services to the CNOOC Group ranged from 72.2% to 80.4%. The shortfall was mainly contributed to the fact that the global economy fell short of expectation with global expenditure for exploration and development fell short from a forecasted level of around USD550 billion to USD570 billion to around USD494 billion to USD527 billion as the recovery on the demand of oilfield services was slower than expected.

Utilization rate for the approved annual caps regarding the provision of various services by the CNOOC Group to the Group ranged from 35.8% to 44.9% while property services ranged from 21.4% to 29.9%. The relatively low utilization rates were contributed by (i) the slower than expected recovery on the demand of oilfield services resulting as a result of less than expected global expenditure on exploration during period of 2022 to 2025; and (ii) the tightening of cost by the Group to enhance the development of resilience across the industry cycle by building a systematic, structural and long-term cost reduction mechanism.

(ii) Assessment of the Proposed Annual Caps

When assessing the reasonableness of the Proposed Annual Caps, we have discussed with the management about the basis and assumptions underlying the projection of the Proposed Annual Caps. Set out below are the Proposed Annual Caps being proposed for the Transactions for the three years ending 31 December 2026, 2027 and 2028:

	For the years ending 31 December		
	2026	**2027**	**2028**
	RMB' million	*RMB' million*	*RMB' million*
(a) Provision by the Group of the Oilfield Services to the CNOOC Group	48,400	52,800	57,200
(b) Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group	4,747	5,411	7,066
(c) Provision by the CNOOC Group of the Property Services to the Group	363	429	484

According to the "Letter From the Board" of this Circular, in estimating the Proposed Annual Caps of the Continuing Connected Transactions between the CNOOC Group and the Group for the three years ending 31 December 2026, 2027 and 2028, notwithstanding the shortfall between the historical transaction amount and the approved annual caps for the two years ended 31 December 2024 and for the six months ended 30 June 2025, the Company also took into account a basket of factors including:

(i) the historical transaction amounts between the CNOOC Group and the Group for the two years ended 31 December 2023 and 2024 and the six months ended 30 June 2025;

(ii) the anticipated business volume between the CNOOC Group and the Group for the three years ending 31 December 2026, 2027 and 2028 (based on a combined consideration of (a) the historical percentage of revenue generated from the CNOOC Group in the total revenue, and (b) the revenue forecasts for the next three years ending 31 December 2026, 2027 and 2028 based on the existing services offered by the Group to the CNOOC Group); and

(iii) a prudent consideration of a 10% buffer based on the current efficiency of operation (representing a reduction of 5% over the previous estimation for the annual caps for the three years ending 31 December 2025).

The transaction amounts of the Continuing Connected Transactions are closely linked to crude oil prices and capital expenditure of the CNOOC Group in oil exploration and production activities in offshore China. During the years 2024 and 2025, due to the influence of geopolitical conflict and other factors, the international oil price dropped back to above USD70/bbl in the fourth quarter of 2024, and rebounded by approximately 2% in the first quarter of 2025 as compared with the beginning of 2025, followed by a fluctuating downward

of approximately 10% in the second quarter of 2025. According to the estimation in EIA's short-term energy outlook report in August 2025, the Brent oil price was USD80.56/bbl throughout the year 2024 and will be USD67.22/bbl for the year 2025, showing an overall trend of "slow downward adjustment and consolidation at the bottom", and the global capital expenditure in exploration and production in 2025 will remain relatively stable.

According to the data of S&P Global, from 2025 to 2028, it is anticipated that the global expenditure in offshore exploration and development will continue to grow, and the capital expenditure of the CNOOC Group in oil exploration and production activities in offshore China will show a characteristic of "overall stability and structure optimization". Against this backdrop, relying on technological upgrading and operational efficiency improvement, the Company made every effort to achieve new breakthroughs in the overseas regional markets occupied by the CNOOC Group to convert the incremental income from regional markets into new revenue growth points of the Company. Therefore, the Company has reviewed past performance of the industry, including the performance of the Company's peers and the industry reports published by S&P Global, and the Company is of the view that the Company has been well-prepared for the steady growth of the business volume. Therefore, the historical transaction amounts for the two years ended 31 December 2023 and 2024 and six months ended 30 June 2025 as a whole are valuable indicators for future transaction amounts of the Company during the next three years, and the anticipated business volume between the CNOOC Group and the Group for the three years ending 31 December 2026, 2027 and 2028 will increase slowly and become stable which is in line with the capital expenditure of the CNOOC Group. The year-on-year growth rate of the Proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 is also consistent with the expected trend of oil prices and the capital expenditure of the CNOOC Group.

We have noted from Bloomberg on the data available of the peers of the Company that, in 2023 and 2024, the Group's revenue fluctuations were in line with the range of peers while in the first half of 2025, the Group's revenue growth rate was also within the range of the average growth rate of the peers. In view of such, we concur with the management that estimating a steady growth is appropriate as the Group's performance has been less fluctuated as compare to its peers. The peers of the Company have been recording revenue growth since 2022, which could be one of the indicator showing a stable recovery of oilfield industry and hence, it is appropriate to estimate that demand from customers may increase accordingly.

Additionally, the Company estimates that its revenues from other customers will also increase during the next three years. The provision by the Group of the Oilfield Services to the CNOOC Group in 2024 represented approximately 79% of the total revenue of the Group. Since the Oilfield Services have been the main contributor to the Group's revenue, the Proposed Annual Caps and the actual historical transaction amounts being at a similar percentage against the total revenue of the respective period is an appropriate basis to assess the fairness and reasonableness of the Proposed Annual Caps. Considering that the CNOOC

Group implemented the overall development principle of "1534", promoted domestic reserve growth and production enhancement, and improved the energy production and supply capacity, and taking into account the future capital expenditure expectation, it is estimated that the percentage of revenue from the Continuing Connected Transactions during the three years from 2026 to 2028 will remain at a high level. Therefore, based on the historical conditions, an 80% of revenue contribution, representing an increase as compared with a 79% contribution by the Continuing Connected Transactions in the total revenue in 2024, will be used for the estimation of the annual caps.

As for the cost of the Continuing Connected Transactions, considering that the Company's production and operation model will not face significant change and that the service cost of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services provided by the CNOOC Group to the Group will remain relatively stable, the Company expects that the percentage of costs from the Continuing Connected Transactions in the total costs of the Group will not encounter any major changes in the next three years. Therefore, the Company, having taken into account the impact of operation volume and oil price on the cost of raw materials in projecting the cost of the Continuing Connected Transactions for the next three years, estimates that the percentage of the cost from the Continuing Connected Transactions to total costs of the Group from 2026 to 2028 will be 8% (the average percentage from 2023 to the first half of 2025 is 7%). In addition, with reference to the average percentage of the cost from property lease-related Continuing Connected Transactions in the total costs from the Continuing Connected Transactions from 2023 to the first half of 2025, being 7%, the Company, in light of the historical conditions, estimated that the cost from property lease-related Continuing Connected Transactions will be 8% of the total costs from the Continuing Connected Transactions for the following three years.

(a) Provision by the Group of the Oilfield Services to the CNOOC Group

When calculating the Proposed Annual Caps of the Group for provision by the Group of the Oilfield Services to the CNOOC Group, the Group estimated the revenue for the three years ending 31 December 2028 times an estimated percentage of revenue to be contributed by provision of Oilfield Services to the CNOOC Group and taking into account a 10% buffer.

We have examined the historical amounts of revenue generated from the Oilfield Services to the CNOOC Group as compared with the total revenues of the Group in the below:

	For the year ended 31 December		For the six months ended 30 June
	2023	2024	2025
	RMB' million	*RMB' million*	*RMB' million*
Total revenue of the Group	44,042	48,218	23,295
Actual amount of revenue contributed by the CNOOC Group	36,273	37,872	18,027
Percentage of revenue contributed by the CNOOC Group	82.4%	78.5%	77.4%

We note that the historical transaction amounts of revenue contributed by the CNOOC Group represent approximately 82.4%, 78.5% and 77.4% of the total revenue of the Group for the year ended 31 December 2023 and 2024 and for the six months ended 30 June 2025 respectively. Since the Oilfield Services have been the main contributor to the Group's revenue, as such, the Proposed Annual Caps and the actual historical transaction amounts being at a similar percentage against the total revenue of the respective period is an appropriate basis to assess the fairness and reasonableness of the Proposed Annual Caps. We consider that the percentage of approximately 80% as applied by the Company for the estimation of the percentage contribution of the Proposed Annual Caps in the next three years to the Group's total revenue which is comparable to the average percentage contribution by the CNOOC Group to the Group in the last two and a half years of 79.4% and within the range of percentage contribution recorded in the last six financial years between 2019 to 2024 of 75% to 86% to be an appropriate estimate.

In terms of estimated revenues, for 2026 the management estimated a growth based on the 2025 annual estimated revenue figure of which took into account the actual financial results of the first half of 2025 and according to the management, the 2026 annual estimate revenue have also factored in the revenue to be contributed from indicated orders of the CNOOC Group for the second half of 2025 and for the year ending 31 December 2027 and 2028, the management further estimated a slight growth of 5%.

In assessing the year on year growth estimated by the Group for the three years ending 31 December 2026, 2027 and 2028 respectively, we have:

(i) noted from the interim report of the Group for the six months ended 30 June 2025 that, in the first half of 2025, the uncertainties of global economic policies increased, and the oil and gas industry faced a complex and changeable market environment. In the first half of 2025, international

oil prices showed a feature of "wide-range of fluctuations and downward shift in the average prices", and the demand for investment in the upstream exploration and development focused on emerging economies and deep-water oil and gas exploration. Despite such market fluctuation in the first half of 2025, the Company's revenue increase by 3.5% compared with the corresponding period in 2024 and the Company's drilling services segment in the first half of the year also recorded an increase of approximately 12.8% as compared to the corresponding period in 2024;

(ii) in the first half of 2025, the global demand for drilling rigs remained high as a whole, and the regional market showed the differentiation characteristics of "shrinkage in North America, fluctuation in Middle East and expansion in emerging markets". As discussed with the management of the Group, riding on the demand for investment in the upstream exploration and development focused on emerging economies and deep-water oil and gas exploration, the CNOOC Group has been branching out to overseas market including but not limited to South America, Africa and Europe. The Group has also been working on providing relevant services to the CNOOC Group in overseas markets in which would create additional contribution from the CNOOC Group to the Group in the upcoming three years;

(iii) as noted from S&P Global's data, the global expenditure in offshore exploration is expect to achieve a steady growth from around USD384 billion in 2025 and is expected to reach USD440 billion in 2028 representing an expected increase of 14.6%; and

(iv) crude oil price which have a direct relationship to the Group's revenue, despite being volatile, have record an increase in average price, we noted from Bloomberg – (Brent crude futures) that in the past twelve months between September 2024 up to August 2025 the highest and lowest price were USD82.63 per barrel and USD58.40 per barrel respectively representing a fluctuation of 41.5%.

In view of the above, the Group's operation and the offshore exploration market conditions, we concur with the management that, the estimated increase in revenue of the Group to be acceptable.

(b) Provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group

When calculating the Proposed Annual Caps for provision by the CNOOC Group of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services to the Group, the Group firstly estimated the total cost of the Group for the three years ending 31 December 2028 times an estimated percentage of cost to be incurred in respect of

services provided by the CNOOC Group as 8% of the estimated total cost of the Group then crafted out the amount of property leasing provided by the CNOOC Group. An additional buffer of 10% will also be included in the relevant cap calculation.

Pursuant to the management, the Company's operation model will not face significant change based on the Company's recent development plan and that the cost from the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services will remain relatively stable in terms of the proportion to the total cost of the Group, hence it is expected that the percentage of costs payable to the CNOOC Group in respect of the Transactions in proportion to the total cost of the Group will not encounter any substantial changes. As we noted that an increase in the Group's revenue will likely cause a corresponding increase in the amount of Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services demanded by the Group.

As cost would in generally increase in line with the increase in revenue, the Group estimated that the total cost of the Group in the next three years will increase at a similar magnitude as the estimated increase in revenue in the next three years.

We have reviewed the cost of provision of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services (including property leasing) to the Group by the CNOOC Group in the past six full financial years below:

	For the year ended 31 December					
	2019	**2020**	**2021**	**2022**	**2023**	**2024**
Contribution of cost by the CNOOC Group's provision of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services (including property leasing) to total cost	7.0%	7.7%	7.6%	8.0%	7.6%	6.7%

From the above table we noted that all the cost contributed by the CNOOC Group's (including but not limited to, provision of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services (including property leasing)) to the Group accounted for around 6.7% to 8.0% of the total cost of the Group in the past six full financial years. With the percentage of cost contribution have been stable between 6.7% to 8.0%, we consider applying 8.0% in estimating the Proposed Annual Caps for contribution of cost by the CNOOC Group's provision of the Machinery Leasing, Kinetic Energy, Material and Other Ancillary Services (including property leasing) to be appropriate.

The Proposed Annual Caps for 2027 and 2028 also factored in additional amount catering for specific projects to be carried out by the Group which the Group consider likely additional services may be procured from the CNOOC Group.

Furthermore, when estimating the total cost of the Group in the coming three years, the Group have also factored in the potential inflation in materials, cost of raw material brought by operation volume, oil price, utilities, as well as labour cost, of which we concur with the management to be reasonable general estimates for calculating annual caps.

(c) Provision by the CNOOC Group of the Property Services to the Group

As discussed with the management an estimated increase in the Group's revenue will likely cause a corresponding increase in the size of the office and working space demanded by the Group. Based on the average historical percentage of the cost from property lease-related transactions in the total cost from the continuing connected transaction during the periods from 2019 to 2024 ranged from 5.0% to 8.0% and as mentioned above the management do not consider a change in cost structure as the Company's operation model will not face significant change based on the Company's recent development plan. As by factoring in the potential inflation of land price as well as property services cost when determining the Proposed Annual Caps, we consider adopting a 8.0% ratio to the total cost from the continuing connected transaction, which is comparable to the highest percentage in the last six years catering for any additional office space require for upcoming new projects in both PRC and overseas. As the percentage is comparable to the highest ratio in the past six years in estimating the Proposed Annual Caps for provision of Property Services to the Group by the CNOOC Group, we consider such estimated percentage to be acceptable.

(d) The 10% buffer for the Proposed Annual Caps

The detailed basis of calculating the 10% buffer is based on the historical information of the revenue of the Company as well as CNOOC for the past few years. The revenues of the Company and CNOOC have a noticeable amount of fluctuation for the past few years which implies that the future revenue can also be volatile. In addition, the fluctuation of oil price will also significantly affect the revenue and cost of the Company and CNOOC as explained above. Although the Company estimated that the future oil price remained relatively stable, future global geopolitical and other uncertainties still have an impact on the energy security and capital expenditure in global energy market continued to maintain at a high level, thus resulting in an expected increase in sales. Furthermore, as noted from the above, in the past twelve months crude oil price (in terms of Brent crude futures) recorded fluctuation of 41.5%. Therefore, the Company has set a buffer enables the Company to have flexibility to cater to the expansion of new energy business and increase in operation volume without being aggressive and overly optimistic as well as to crop with the fluctuation of oil prices.

Having considered all the above factors including the basis from which the executive Directors have determined the Proposed Annual Caps, we consider the Proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 are fair and reasonable.

5. Reporting requirements and conditions of the Transactions

Pursuant to Rules 14A.55 to 14A.59 of the Hong Kong Listing Rules, the Transactions is subject to the following annual review requirements:

(a) each year the independent non-executive Directors must review the Transactions and confirm in the annual report and accounts that the Transactions have been entered into:

  (i) in the ordinary and usual course of business of the Group;

  (ii) on normal commercial terms or better; and

  (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole;

(b) each year the auditor of the Company (currently, Ernst & Young) must provide a letter to the Board confirming whether anything has come to the Board's attention that causes them to believe that the Transactions:

  (i) have not received the approval of the Board;

  (ii) are not in accordance with the pricing policies of the Group (if applicable);

  (iii) have not been entered into in accordance with the relevant agreements governing the Transactions; and

  (iv) have exceeded the Proposed Annual Caps;

(c) the Company shall allow, and shall procure the relevant counterparties to the Transactions to allow, the Company's auditors sufficient access to their records for the purpose of the reporting on the Transactions as set out in paragraph (b); and

(d) the Company shall promptly notify the Stock Exchange and publish an announcement in accordance with the Hong Kong Listing Rules if it knows or has reason to believe that the independent non-executive Directors and/or auditors of the Company will not be able to confirm the matters set out in paragraphs (a) and/or (b) respectively. The Stock Exchange may require the Company to re-comply with the announcement and Shareholders' approval requirements and may impose additional conditions.

In light of the reporting requirements attached to the Transactions, in particular, (i) the restriction of the value of the Transactions by way of the Proposed Annual Caps; and (ii) the ongoing review by the independent non-executive Directors and auditors of the Company of the terms of the Transactions and the Proposed Annual Caps not being exceeded, we are of the view that appropriate measures will be in place to monitor the conduct of the Transactions and assist to safeguard the interests of the Independent Shareholders.

RECOMMENDATION

Having considered the above principal factors and reasons, we consider that (i) the terms of the Framework Agreement and the Transactions are in the ordinary and usual course of business of the Group, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) the Proposed Annual Caps are fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Accordingly, we would recommend the Independent Shareholders, and advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) in respect of the Framework Agreement (including the Proposed Annual Caps) and the Transactions at the First EGM.

Yours faithfully,
For and on behalf of
HALCYON CAPITAL LIMITED
Terry Chu
Managing Director

Mr. Terry Chu is a person licensed under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and regarded as a responsible officer of Halcyon Capital Limited and has over 25 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive officer's interests and short positions in shares, underlying shares and debenture

As at the Latest Practicable Date, none of the Directors, chief executive officer or supervisors and their respective associates had any interest or short positions in the shares of the Company or any of its associated corporations which would fall to be notified to the Company and the Stock Exchange, pursuant to Divisions 7 and 8 of Part XV of the SFO or were required, pursuant to Section 352 of SFO, to be entered in the register referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

(b) Particulars of Directors' and supervisors' Service Contracts

As at the Latest Practicable Date, none of the Directors or supervisors had an existing or proposed service contract with the Company, or any of its subsidiaries, which is not expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation).

(c) As at the Latest Practicable Date:

(i) none of the Directors had any direct or indirect interest in any assets which have been, since the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries; and

(ii) none of the Directors was materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the date of this circular and which is significant in relation to the business of the Group.

(d) Directors' interests in competing businesses

As at the Latest Practicable Date, in so far as the Directors are aware, none of the Directors or their respective associates (as defined in the Hong Kong Listing Rules) had any interest in a business which competes or likely to compete with the business of the Group.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register of interests kept by the Company under section 336 of the SFO and/or so far as is known to the Directors, the following companies (other than the Directors or chief executive officer of the Company) had, or were deemed or taken to have an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group or had any option in respect of such capital:

Name of shareholder	Capacity and nature of interest	Number of Shares interested in	Approximate percentage of the equity of the Company (H Shares)	Approximate percentage of total issued share capital of the Company
BlackRock, Inc.	Interest of corporation controlled by the substantial shareholder	133,793,436(L)	7.39(L)	2.80(L)
	Interest of corporation controlled by the substantial shareholder	107,829,414(L)	5.95(L)	2.26(L)
Citigroup Inc.		9,206,000(S)	0.50(S)	0.19(S)
		98,186,156(P)	5.42(P)	2.06(P)
Invesco Asset Management Limited	Interest of corporation controlled by the substantial shareholder	91,284,000(L)	5.04(L)	1.91(L)
Pandanus Associates Inc.	Interest of corporation controlled by the substantial shareholder	90,704,000(L)	5.01(L)	1.90(L)

Notes:

(a) "L" means long position.

(b) "S" means short position.

(c) "P" means lending pool.

Save as disclosed above, as at the Latest Practicable Date, as far as the Company is aware of, there was no other person (other than any Director or the chief executive officer of the Company) who had any interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this circular, acquired or disposed of by or leased to any member of the Group.

5. LITIGATION

As at the Latest Practicable Date, no member of the Group was or might be engaged in any litigation or claim of material importance and, so far as the Directors were aware, no litigation or claims of material importance were pending or threatened by or against any member of the Group.

6. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change of the Company as at the Latest Practicable Date.

7. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given its opinion or advice which is contained in this circular:

Name	Qualification
Halcyon Capital Limited	a licensed corporation under the SFO licensed to carry out Type 6 (advising on corporate finance) regulated activities

Halcyon Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

Halcyon Capital Limited has confirmed that, as at the Latest Practicable Date:

(a) it did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

(b) it did not have any direct or indirect interest in any assets which had been acquired, or disposed of by, or leased to, or which are proposed to be acquired, or disposed of by, or leased to, any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Company were made up.

8. GENERAL

(a) The company secretary of the Company is Mr. Sun Weizhou. In January 2025, The Stock Exchange of Hong Kong Limited has confirmed that Mr. Sun Weizhou is qualified as the company secretary of the Company in accordance with Rule 3.28 of the Hong Kong Listing Rules. Accordingly, Mr. Sun Weizhou has served as the sole company secretary of the Company with effect from 21 January 2025.

(b) The principle share register and transfer office of the H-Shares of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(c) The English text of this circular will prevail over the Chinese text.

9. DOCUMENT ON DISPLAY

The following document will be available on the website of the Stock Exchange (https://www.hkexnews.hk) and the website of the Company (https://www.cosl.com.cn) from the date of this circular up to and including the date of the First EGM:

(a) the Framework Agreement.

Details of the proposed amendments to the Rules of Procedure for Shareholders' General Meeting are as follows:

Original Articles	Amended Articles
CHAPTER 2 FUNCTIONS AND POWERS OF THE SHAREHOLDERS' GENERAL MEETING	Delete the entire chapter
Article 10 The shareholders' general meetings shall be convened by the board of directors, and include annual general meetings and extraordinary general meetings.	**Article 5** The shareholders' general meetings shall be convened by the board of directors, and include annual general meetings and extraordinary general meetings.
Article 11 Annual general meetings shall be convened once a year and shall be held within six months following the preceding fiscal year.	**Article 6** Annual general meetings shall be convened once a year and shall be held within six months following the preceding fiscal year.
Article 12 The board of directors shall convene an extraordinary general meeting within two months after the occurrence of any of the following circumstances: (1) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association; (2) The losses of the Company that have not been made up reach one-third of the total paid-in share capital of the Company; (3) Shareholders individually or collectively holding more than 10 percent of the Company's issued shares with voting rights made requests in writing for the convening an extraordinary general meeting; (4) The board of directors considers that there is a need or the board of supervisors proposes a meeting; (5) Two or more independent directors propose a meeting; (6) Other circumstances stipulated by laws, administrative regulations, departmental rules, or the Articles of Association; (7) In any of the circumstances referred to in items (3), (4) and (5) above, the matter for consideration proposed by the party requesting the holding shall be included in the agenda of such meeting.	**Article 7** The board of directors shall convene an extraordinary general meeting within two months after the occurrence of any of the following circumstances: ~~(1) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;~~ ~~(2) The losses of the Company that have not been made up reach one-third of the total paid-in share capital of the Company;~~ ~~(3) Shareholders individually or collectively holding more than 10 percent of the Company's issued shares with voting rights made requests in writing for the convening an extraordinary general meeting;~~ ~~(4) The board of directors considers that there is a need or the board of supervisors proposes a meeting;~~ ~~(5) Two or more independent directors propose a meeting;~~ ~~(6) Other circumstances stipulated by laws, administrative regulations, departmental rules, or the Articles of Association;~~ ~~(7) In any of the circumstances referred to in items (3), (4) and (5) above, the matter for consideration proposed by the party requesting the holding shall be included in the agenda of such meeting.~~

Original Articles	Amended Articles
	(1) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association; (2) The losses of the Company that have not been made up reach one-third of the total share capital of the Company; (3) A request is made by shareholders individually or collectively holding more than 10 percent of the Company's shares (including the preference shares with voting rights resumed, etc.); (4) The board of directors considers that there is a need; (5) The audit committee proposes to convene such a meeting; (6) Other circumstances stipulated by laws, administrative regulations, departmental rules, or the Articles of Association; In any of the circumstances referred to in items (3), (4) and (5) above, the matter for consideration proposed by the party requesting the holding shall be included in the agenda of such meeting.
Article 14 Two or more independent directors have the right to propose the board of directors to convene an extraordinary general meeting. In respect to the proposal by two or more independent directors for convening an extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations, departmental rules and the Articles of Association, furnish a written reply stating its agreement or disagreement to such proposal for convening an extraordinary general meeting within ten days upon receipt of such proposal. In the event that the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. In the event that the board of directors disagrees to convene an extraordinary general meeting, an explanation shall be given and an announcement shall be made.	**Article 9** ~~Two or more~~ Upon approval by more than half of all independent directors, independent directors have the right to propose the board of directors to convene an extraordinary general meeting. In respect to the proposal by ~~two or more~~ independent directors for convening an extraordinary general meeting, the board of directors shall, in accordance with the laws, administrative regulations~~, departmental rules~~ and the Articles of Association, furnish a written reply stating its agreement or disagreement to such proposal for convening an extraordinary general meeting within ten days upon receipt of such proposal. In the event that the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. In the event that the board of directors disagrees to convene an extraordinary general meeting, an explanation shall be given and an announcement shall be made.

Original Articles	Amended Articles
Article 15 The board of supervisors has the right to propose the board of directors to convene an extraordinary general meeting. Any such proposal shall be made to the board of directors in writing. The board of directors shall, in accordance with laws, administrative regulations, departmental rules and the Articles of Association, furnish a written reply stating its agreement or disagreement to such proposal for convening an extraordinary general meeting within 10 days upon receipt of such proposal. In the event that the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. No change shall be made to the original proposal in the notice unless approved by the board of supervisors. In the event that the board of directors disagrees to convene an extraordinary general meeting, or fails to give a written reply within 10 days upon receipt of such proposal, the board of directors shall be deemed to be unable or have failed to perform its duty to convene shareholders' general meetings, and the board of supervisors may convene and preside over the meeting itself. All necessary expenses incurred for the shareholders' general meeting convened by the board of supervisors shall be borne by the Company.	**Article 10** ~~The board of supervisors~~ Where the audit committee ~~has the right to~~ propose the board of directors to convene an extraordinary general meeting~~.~~ ~~Any,~~ such proposal shall be made to the board of directors in writing. The board of directors shall, in accordance with laws, administrative regulations~~,~~ ~~departmental rules~~ and the Articles of Association, furnish a written reply stating its agreement or disagreement to such proposal for convening an extraordinary general meeting within 10 days upon receipt of such proposal. In the event that the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. No change shall be made to the original proposal in the notice unless approved by ~~board of supervisors~~ audit committee. In the event that the board of directors disagrees to convene an extraordinary general meeting, or fails to give a written reply within 10 days upon receipt of such proposal, the board of directors shall be deemed to be unable or have failed to perform its duty to convene shareholders' general meetings, and the ~~board of supervisors~~ audit committee may convene and preside over the meeting itself. ~~All necessary expenses incurred for the shareholders' general meeting convened by the board of supervisors shall be borne by the Company.~~

Original Articles	Amended Articles
Article 16 If shareholders request to convene an extraordinary general meeting or meeting of class shareholders, they shall be handled in accordance with the following procedures:	**Article 11** ~~If shareholders request to convene an extraordinary general meeting or meeting of class shareholders, they shall be handled in accordance with the following procedures:~~
(1) Ordinary shareholders (including the preference shareholders with voting rights resumed) holding individually or jointly more than 10% of the Company's shares with a right to vote in such meeting to be held, may sign one copy of request in writing or several copies with the same format and content, to propose to the board of directors for the convening of an extraordinary general meeting or meeting of class shareholders, and clarify the subjects under discussion at this meeting. The board of directors shall promptly convene the extraordinary general meeting or meeting of class shareholders after receiving the above request in writing. The above number of shares held shall be counted on the date of submitting the request in writing.	~~(1) Ordinary shareholders (including the preference shareholders with voting rights resumed) holding individually or jointly more than 10% of the Company's shares with a right to vote in such meeting to be held, may sign one copy of request in writing or several copies with the same format and content, to propose to the board of directors for the convening of an extraordinary general meeting or meeting of class shareholders, and clarify the subjects under discussion at this meeting. The board of directors shall promptly convene the extraordinary general meeting or meeting of class shareholders after receiving the above request in writing. The above number of shares held shall be counted on the date of submitting the request in writing.~~
(2) If the board of directors does not agree to convene an extraordinary general meeting or does not provide any reply within 10 days after receiving the above written request, the shareholders who propose the request may convene an extraordinary general meeting or meeting of class shareholders convened by the board of supervisors in the same manner as described in the foregoing paragraph (1); if the board of supervisors fails to convene and preside over such an extraordinary general meeting or meeting of class shareholders in accordance with laws within 5 days after its receipt of the above written request, and the shareholders who made such request have been individually or jointly holding ten percent or more of the Company's shares for more than ninety consecutive days, then such shareholders may themselves convene the meeting within a reasonable period after the board of supervisors receives the request. The procedures for convening the meeting shall be the same as far as possible as the procedures for the convening of a shareholders' general meeting by the board of directors.	~~(2) If the board of directors does not agree to convene an extraordinary general meeting or does not provide any reply within 10 days after receiving the above written request, the shareholders who propose the request may convene an extraordinary general meeting or meeting of class shareholders convened by the board of supervisors in the same manner as described in the foregoing paragraph (1); if the board of supervisors fails to convene and preside over such an extraordinary general meeting or meeting of class shareholders in accordance with laws within 5 days after its receipt of the above written request, and the shareholders who made such request have been individually or jointly holding ten percent or more of the Company's shares for more than ninety consecutive days, then such shareholders may themselves convene the meeting within a reasonable period after the board of supervisors receives the request. The procedures for convening the meeting shall be the same as far as possible as the procedures for the convening of a shareholders' general meeting by the board of directors.~~
The reasonable expenses incurred by the shareholders in convening and holding the meeting because of the board's failure to hold such meeting according to the above request shall be borne by the Company and be deducted from the fund of the Company payable to those directors in breach of duty.	~~The reasonable expenses incurred by the shareholders in convening and holding the meeting because of the board's failure to hold such meeting according to the above request shall be borne by the Company and be deducted from the fund of the Company payable to those directors in breach of duty.~~

Original Articles	Amended Articles
	Shareholders holding individually or jointly more than 10 percent of the Company's shares (including the preference shares with voting rights resumed) request the board of directors to convene an extraordinary general meeting. Any such request shall be made to the board of directors in writing. The board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to such request for convening an extraordinary general meeting within 10 days upon receipt of such request. In the event that the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. No change shall be made to the original request in the notice unless approved by relevant shareholders. In the event that the board of directors disagrees to convene an extraordinary general meeting, or fails to give a written reply within 10 days upon receipt of such request, the shareholders holding individually or jointly more than 10 percent of the Company's shares (including the preference shares with voting rights resumed, etc.) who made such request may propose to the audit committee to convene an extraordinary general meeting. Any such request shall be made to the audit committee in writing. In the event that the audit committee agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. No change shall be made to the original request in the notice unless approved by relevant shareholders. In the event that the audit committee fails to convene and preside over such an extraordinary general meeting or meeting of class shareholders in accordance with laws within 5 days upon receipt of the above written request, the shareholders holding individually or jointly more than 10 percent of the Company's shares (including the preference shares with voting rights resumed, etc.) for more than ninety consecutive days may convene and preside over the meeting itself.

Original Articles	Amended Articles
Article 17 Where the board of supervisors or shareholders decide to convene a shareholders' general meeting on its/their own, it/they shall send a written notice to the board of directors and also file with the local security authority of the State Council where the Company locates and the stock exchange for the record. Before issuing the announcement of the resolutions of the shareholders' general meeting, shares held by the convening shareholder(s) shall not be less than 10 percent. The board of supervisors and the convening shareholders shall submit the relevant support materials to the local security authority of the State Council where the Company locates and the stock exchange when issuing the notice convening the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.	**Article 12** Where the ~~board of supervisors~~ audit committee or shareholders decide to convene a shareholders' general meeting on its/their own, it/they shall send a written notice to the board of directors and also file with ~~the local security authority of the State Council where the Company locates and~~ the stock exchange for the record. Before issuing the announcement of the resolutions of the shareholders' general meeting, ~~shares~~ the shareholdings (including the preference shares with voting rights resumed, etc.) of ~~held by~~ the convening shareholder(s) shall not be less than 10 percent. The ~~board of supervisors~~ audit committee ~~and~~ or the convening shareholders shall submit the relevant support materials to ~~the local security authority of the State Council where the Company locates and~~ the stock exchange when issuing the notice convening the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.
Article 18 For a shareholders' general meeting convened by the board of supervisors or shareholders on its/their own, the board of directors and the secretary to the board of directors shall work in a cooperative manner. The board of directors shall provide the register of shareholders prepared on the record date. If the board of directors does not provide the register of shareholders, the convener may apply to the securities depository and clearing authority for obtaining the register of shareholders with the announcement in relation to the notice convening the shareholders' general meeting. The register of shareholders obtained by the convener shall not be used for any other purposes other than to convene a shareholders' general meeting.	**Article 13** For a shareholders' general meeting convened by the ~~board of supervisors~~ audit committee or shareholders on its/their own, the board of directors and the secretary to the board of directors shall work in a cooperative manner. The board of directors shall provide the register of shareholders prepared on the record date. If the board of directors does not provide the register of shareholders, the convener may apply to the securities depository and clearing authority for obtaining the register of shareholders with the announcement in relation to the notice convening the shareholders' general meeting. The register of shareholders obtained by the convener shall not be used for any other purposes other than to convene a shareholders' general meeting.
Addition	**Article 14** All necessary expenses incurred for the shareholders' general meeting convened by the audit committee or shareholders on its/their own shall be borne by the Company.

Original Articles	Amended Articles
Article 19 Shareholders of the Company who are in the register of shareholders at the end of the record date as stated in the notice of the shareholders' general meeting are entitled to attend the meeting and have the voting rights after they have registered as required.	**Article 15** Shareholders of the Company who are in the register of shareholders ~~at the end of~~ after the close of trading on the record date as stated in the notice of the shareholders' general meeting are entitled to attend the meeting and have the voting rights after they have registered as required.
Article 25 The proxy may exercise the following rights according to the entrustment by the shareholder: (1) The shareholder's right to speak at the shareholders' general meeting; (2) The right to vote by raising hands or ballot, except that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights by ballot.	**Article 21** The proxy may exercise the following rights according to the entrustment by the shareholder: (1) The shareholder's right to speak at the shareholders' general meeting; (2) The right to vote by ~~raising hands or~~ disclosed ballot~~, except that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights by ballot~~.
Article 26 The eligibility of a shareholder or the proxy to be present at the shareholders' general meeting shall be deemed invalid if the evidence produced involves one of the following conditions: (1) The identity card is forged, expired, altered or the number of the identity card is incorrect, or does not comply with the relevant requirements of the Laws of the People's of Republic of China on the Identity Card of Residents; (2) The information on the identification card produced is illegible; (3) Where multiple proxies shall have been appointed by the shareholder and the signature samples on the power of attorney are obviously inconsistent; (4) The signature samples on the power of attorney faxed in for registration are obviously inconsistent with that produced at the meeting are inconsistent;	**Article 22** The Company is entitled to ask the proxy who represents an individual shareholder to attend the shareholders' general meeting to provide his/her identification document as well as the power of attorney signed by the appointor or the representative authorized by the appointor. In the case of a corporate shareholder (except for recognized clearing house or its nominee) appoints its legal representative to attend the meeting, the Company is entitled to ask the legal representative to provide his/her identification document as well as valid proof of their capacities as legal representatives and, in the case of attendance by proxies, the Company is entitled to ask such proxies to provide their identity cards and the powers of attorney issued by such legal representatives of the corporate shareholder according to the laws. The eligibility of a shareholder or the proxy to be present at the shareholders' general meeting shall be deemed invalid if the evidence produced involves one of the following conditions: (1) The identity card is forged, expired, altered or the number of the identity card is incorrect, or does not comply with the relevant requirements of the Laws of the People's of Republic of China on the Identity Card of Residents;

Original Articles	Amended Articles
(5) The power of attorney is not signed or sealed by the appointor; (6) The relevant evidence produced obviously contravenes the relevant provisions of laws, regulations and the Articles of Associations.	(2) The information on the identification card produced is illegible; (3) Where multiple proxies shall have been appointed by the shareholder and the signature samples on the power of attorney are obviously inconsistent; (4) The signature samples on the power of attorney faxed in for registration are obviously inconsistent with that produced at the meeting are inconsistent; (5) The power of attorney is not signed or sealed by the appointor; (6) The relevant evidence produced obviously contravenes the relevant provisions of laws, regulations and the Articles of Associations.
Article 27 Where the Company convenes a shareholders' general meeting, the board of directors, the board of supervisors and shareholders individually or jointly holding three percent or more of the shares of the Company shall have the right to propose motions to the Company and propose provisional motions in writing to the Company no later than ten days before the holding of shareholders' general meeting. The board of directors shall notify other shareholders of such motions within two days after receipt of the provisional motions. The Company shall include in such meeting's agenda the matters which are referred to in the motions and fall within the scope of duties of the shareholders' general meeting.	**Article 23** ~~Where the Company convenes a shareholders' general meeting, the board of directors, the board of supervisors and shareholders~~ Shareholders individually or jointly holding ~~three percent or more~~ more than 1 percent of the shares (including the preference shares with voting rights resumed, etc.) of the Company ~~shall have the right to propose motions to the Company and~~ may propose provisional motions ~~in writing to the Company no later than ten days~~ and submit to the convener in writing 10 days before the holding of shareholders' general meeting. The ~~board of directors~~ convener shall despatch a supplemental notice of the shareholders' general meeting ~~notify other shareholders of such motions~~ within two days after receipt of the provisional motions to publish the contents thereof, and submit the provisional motions to the shareholders' general meeting for consideration, unless the provisional motions violate laws, administrative regulations or the Articles of Association, or do not fall within the scope of power of the shareholders' general meeting. ~~The Company shall include in such meeting's agenda the matters which are referred to in the motions and fall within the scope of duties of the shareholders' general meeting.~~

Original Articles	Amended Articles
	If it is otherwise prescribed in the listing rules of the stock exchange where the shares of the Company are listed with respect to the time of the supplemental notice of the shareholders' general meeting, then such relevant provisions shall apply.
Article 31 The notice of a shareholders' general meeting shall meet the following requirements: (1) It shall be made in writing; (2) It shall specify the place, date and time of the meeting; (3) It shall record the register date of shareholding of the shareholder who is entitled to attend the meeting; (4) It shall state the name and telephone number of the permanent linkman; (5) It shall describe the matters to be discussed at the meeting; (6) It shall provide to the shareholders the information and explanation necessary for them to make a wise decision on the matters to be discussed. This principle shall apply (but not be limited) to the circumstance that when the Company proposes a merger, buy-back of shares, reorganization of share capital or other restructuring, it shall provide the specific conditions and contract (if any) of the transaction under discussions and earnestly explain the cause and result of the transaction; (7) It shall disclose the nature and extent of conflict of interests, if any, of any director, supervisor, CEO, president, vice president or other senior management staff in any matter to be discussed; and provide an explanation of the difference, if any, between the way in which the matter to be discussed would affect such director, supervisor, CEO, president, vice president or other senior management staff in his capacity as shareholder and the way in which such matter would affect other shareholders of the same category;	**Article 27** The notice of a shareholders' general meeting shall meet the following requirements: ~~(1) It shall be made in writing;~~ (~~2~~1) It shall specify ~~the place, date and time of the meeting~~ the time, physical place of the meeting and/or specific format and duration of virtual attendance with the use of technology; (~~3~~2) It shall record the register date of shareholding of the shareholder who is entitled to attend the meeting; (~~4~~3) It shall state the name and telephone number of the permanent linkman; (~~5~~4) It shall describe the matters to be discussed at the meeting; (~~6~~5) It shall provide to the shareholders the information and explanation necessary for them to make a wise decision on the matters to be discussed. This principle shall apply (but not be limited) to the circumstance that when the Company proposes a merger, buy-back of shares, reorganization of share capital or other restructuring, it shall provide the specific conditions and contract (if any) of the transaction under discussions and earnestly explain the cause and result of the transaction; (~~7~~6) It shall disclose the nature and extent of conflict of interests, if any, of any director, ~~supervisor,~~ CEO, president, vice president or other senior management staff in any matter to be discussed; and provide an explanation of the difference, if any, between the way in which the matter to be discussed would affect such director, ~~supervisor,~~ CEO, president, vice president or other senior management staff in his capacity as shareholder and the way in which such matter would affect other shareholders of the same category;

Original Articles	Amended Articles
(8) It shall contain the full text of any special resolution proposed to be adopted at the meeting; (9) It shall contain a conspicuous statement that shareholders entitled to attend and vote have the right to entrust one or more proxies to attend and vote on their behalf and that such proxy need not be a shareholder; and (10) It shall state the time and place for the delivery of the meeting's proxy forms.	(~~8~~7) It shall contain the full text of any special resolution proposed to be adopted at the meeting; (~~9~~8) It shall contain a conspicuous statement that shareholders entitled to attend and vote have the right to entrust one or more proxies to attend and vote on their behalf and that such proxy need not be a shareholder; ~~and~~ (~~10~~9) It shall state the time and place for the delivery of the meeting's proxy forms~~.~~; (10) Voting time and voting procedures by electronic or other means.
Article 32 The notice of shareholders' general meeting shall be sent in person or by postage paid mail to shareholders (whether they have voting right in the shareholders' general meeting or not), and the receiver's address shall be the address in the register of members. Such notice of shareholders' general meeting can also be made by public announcement in accordance with laws, administrative regulations and the listing rules of the stock exchange where the shares of the Company are listed. The above-mentioned public notice once published, it is deemed that all shareholders of domestic shares have received the notice of the shareholders' general meeting.	**Article 28** The notice of shareholders' general meeting ~~shall~~can be sent in person or by postage paid mail to shareholders (whether they have voting right in the shareholders' general meeting or not), and the receiver's address shall be the address in the register of members. Such notice of shareholders' general meeting can also be made by public announcement in accordance with laws, administrative regulations and the listing rules of the stock exchange where the shares of the Company are listed. The above-mentioned public notice once published, it is deemed that all shareholders of domestic shares have received the notice of the shareholders' general meeting.
Article 35 For a matter relating to the election of directors and supervisors proposed to be considered at the shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the detailed information of the candidates for directors and supervisors, which shall at least include: (1) Personal information such as educational background, work experience, part-time job, etc.; (2) Whether there is any connection between them and the Company or its controlling shareholder(s) and the de facto controlling person(s); (3) Disclosure of their shareholdings in the Company;	**Article 31** For a matter relating to the election of directors ~~and supervisors~~ proposed to be considered at the shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the detailed information of the candidates for directors ~~and supervisors~~, which shall at least include: (1) Personal information such as educational background, work experience, part-time job, etc.; (2) Whether there is any connection between them and the Company or its controlling shareholder(s) and the de facto controlling person(s); (3) ~~Disclosure of their~~Their shareholdings in the Company;

Original Articles	Amended Articles
(4) Any penalties imposed by the securities regulatory authority of the State Council and other relevant authorities and punishments imposed by the stock exchanges.	(4) Any penalties imposed by the ~~securities regulatory authority of the State Council~~ CSRC and other relevant authorities and punishments imposed by the stock exchanges. In addition to the adoption of the cumulative voting mechanism to elect directors, each candidate for directors shall be proposed in a separate motion.
Article 36 The shareholders' general meeting shall not be extended or cancelled, and the motions listed in the notice for the shareholders' general meeting shall not be cancelled without proper reasons after the notice for the shareholders' general meeting is sent. Once any circumstance of extension or cancellation occurs, the convener shall announce it at least two working days before the original date set for the meeting or in accordance with the requirements of the stock exchange where the shares of the Company are listed and clarify the reasons.	**Article 32** The shareholders' general meeting shall not be extended or cancelled, and the motions listed in the notice for the shareholders' general meeting shall not be cancelled without proper reasons after the notice for the shareholders' general meeting is sent. Once any circumstance of extension or cancellation occurs, the convener shall announce it at least two working days before the original date set for the meeting ~~or in accordance with the requirements of the stock exchange where the shares of the Company are listed~~ and clarify the reasons. In the event of any delay of a shareholders' general meeting, the date of record of shareholders who are entitled to attend the shareholders' general meeting as set forth in the first notice of such meeting may not be changed accordingly.
Article 38 The shareholders' general meeting shall set a venue and be held in the form of physical meeting. The Company shall use safe, economical and convenient internet and other means to facilitate shareholders to attend the shareholders' general meeting. Shareholders participating in the general meeting by aforesaid means will be deemed attend the meeting. The shareholders may attend the shareholders' general meeting in person and exercise their voting rights, or authorize others to attend the meeting and exercise the voting rights within the scope of authorization.	**Article 34** The shareholders' general meeting shall set a venue and be held in the form of physical meeting. The Company shall use safe, economical and convenient internet and other virtual means with the use of technology to facilitate shareholders ~~to attend the shareholders' general meeting. Shareholders participating in the general meeting by aforesaid means will be deemed attend the meeting.~~ The shareholders may attend the shareholders' general meeting in person and exercise their voting rights, or authorize others to attend the meeting and exercise the voting rights within the scope of authorization. Only one method of voting can be chosen among on-site voting, online voting or other voting methods for the same right to vote. The first voting result shall prevail in the event of repeated voting on the same right to vote.

Original Articles	Amended Articles
Article 40 The Company shall engage a lawyer to issue and announce a legal opinion on the following issues when convening a shareholders' general meeting: (1) Whether the convening and holding procedures of the meeting are in compliance with the laws, administrative regulations, department rules, the Articles of Association and these rules; (2) Whether the qualifications of the persons attending the meeting and the convener are legal and valid; (3) Whether the voting procedures and results of the meeting are lawful and valid; (4) Legal opinions on other relevant issues at the request of the Company.	**Article 36** The Company shall engage a lawyer to issue and announce a legal opinion on the following issues when convening a shareholders' general meeting: (1) Whether the convening and holding procedures of the meeting are in compliance with the laws, administrative regulations, ~~department rules,~~ the Articles of Association and these rules; (2) Whether the qualifications of the persons attending the meeting and the convener are legal and valid; (3) Whether the voting procedures and results of the meeting are lawful and valid; (4) Legal opinions on other relevant issues at the request of the Company.
Article 41 Shareholders' general meeting shall be convened by the board of directors and presided over and chaired by the chairman; in case the chairman is unable to or fails to perform the duty thereof, the meeting shall be presided over and chaired by the vice chairman; in case the vice chairman is unable to or fails to perform the duty thereof, more than half of directors may appoint a director of the Company to presided over and chair the meeting; in case more than one-half of the directors is unable to appoint a director to presided over and chair the meeting, one of the shareholders attending the meeting may be elected to chair the meeting; in case no shareholder can be elected to chair the meeting for any reasons, the shareholder (including his proxy) who holds the largest number of voting shares and attends the meeting shall chair the meeting. The shareholders' general meeting convened by the board of supervisors shall be presided and chaired by the chairman of the board of supervisors. In case that the chairman of the board of supervisors is not able to or fails to perform his duties, one supervisor shall be elected by more than half of the supervisors to chair the meeting.	**Article 37** ~~Shareholders' general meeting shall be convened by the board of directors and presided over and chaired by the chairman; in case the chairman is unable to or fails to perform the duty thereof, the meeting shall be presided over and chaired by the vice chairman; in case the vice chairman is unable to or fails to perform the duty thereof, more than half of directors may appoint a director of the Company to presided over and chair the meeting; in case more than one-half of the directors is unable to appoint a director to presided over and chair the meeting, one of the shareholders attending the meeting may be elected to chair the meeting; in case no shareholder can be elected to chair the meeting for any reasons, the shareholder (including his proxy) who holds the largest number of voting shares and attends the meeting shall chair the meeting.~~ Shareholders' general meetings shall be presided over by the chairman of the board of directors. Where the chairman of the board of directors is unable or fails to perform his/her duties, the meeting shall be presided over by the vice chairman of the board of directors. Where the vice chairman of the board of directors is unable or fails to perform his/her duties, a director shall be jointly elected by more than half of the directors to preside over the meeting.

Original Articles	Amended Articles
The shareholders' general meeting convened by the shareholders shall be presided over by a representative elected by the convener. In case the chairman of the meeting breaches these Rules when shareholders' general meeting is held, which causes that the shareholders' general meeting cannot be continued, with the consent of more than half of attending shareholders with voting rights, the shareholders' general meeting may elect one person to chair the meeting, so that the meeting can continue.	~~The shareholders' general meeting convened by the board of supervisors shall be presided and chaired by the chairman of the board of supervisors. In case that the chairman of the board of supervisors is not able to or fails to perform his duties, one supervisor shall be elected by more than half of the supervisors to chair the meeting.~~ A shareholders' general meeting convened by the audit committee on its own shall be presided over by the convener of the audit committee. Where the convener of the audit committee is unable or fails to perform his/her duties, a member of the audit committee shall be jointly elected by more than half of the members of audit committee to preside over the meeting. The shareholders' general meeting convened by the shareholders shall be presided over by the convener or a representative elected by the convener. In case the ~~chairman~~ presider of the meeting breaches these Rules when shareholders' general meeting is held, which causes that the shareholders' general meeting cannot be continued, with the consent of more than half of attending shareholders with voting rights, the shareholders' general meeting may elect one person to ~~chair~~ act as the presider of the meeting, so that the meeting can continue.
Article 43 Where a shareholder has connection relationships to the matters to be considered at a shareholders' general meeting, he/she shall abstain from voting and the number of voting shares represented by him/her shall not be counted into the total number of shares with voting rights present at the meeting. The shares held by the Company have no voting rights, and shall not be counted into the total number of shares with voting rights present at the shareholders' general meeting.	**Article 39** Where a shareholder has connection relationships to the matters to be considered at a shareholders' general meeting, he/she shall abstain from voting and the number of voting shares represented by him/her shall not be counted into the total number of shares with voting rights present at the meeting. When the shareholders' general meeting considers important matters affecting the interests of minority and medium investors, the votes of minority and medium investors shall be counted separately. The results of the separate vote counting shall be publicly disclosed in a timely manner.

Original Articles	Amended Articles
	The shares held by the Company have no voting rights, and shall not be counted into the total number of shares with voting rights present at the shareholders' general meeting.
Article 45 No amendment shall be made to a proposal when it is considered at a shareholders' general meeting, otherwise the relevant amendment shall be deemed as a new proposal and shall not be voted on at the shareholders' general meeting.	**Article 41** No amendment shall be made to a proposal when it is considered at a shareholders' general meeting, ~~otherwise~~ and if there is any change, the relevant amendment shall be deemed as a new proposal and shall not be voted on at the shareholders' general meeting.
Article 46 Shareholders may make inquiries about the proposals to be considered, and the directors, supervisors, CEO, president, vice president and other senior management staff shall provide answers or explanations in connection with queries and proposals raised by the shareholders at a shareholders' general meeting.	**Article 42** ~~Shareholders may make inquiries about the proposals to be considered, and the directors, supervisors, CEO, president, vice president and other senior management staff shall provide answers or explanations in connection with queries and proposals raised by the shareholders at a shareholders' general meeting.~~ Where directors and senior management staff are required to be present at shareholders' general meeting, such directors and senior management staff shall be present at the meeting and answer the queries from shareholders. Except for matters involving the trade secrets of the Company that cannot be made public, directors and senior management staff shall provide explanation and clarification to the queries and suggestions raised by the shareholders at the shareholders' general meeting.
Article 47 The board of directors and board of supervisors shall respond or explain to any shareholder's query and advice in the shareholders' general meeting, except for the Company's business secrets.	Delete
Article 50 Unless otherwise required by the laws, regulations, departmental rules and the Articles of Association, shareholders (including proxies) who vote at a shareholders' general meeting shall exercise their voting rights in relation to the number of voting shares they represent. Each share carries the right to one vote.	**Article 45** Unless otherwise required by the laws, regulations~~, departmental rules~~ and the Articles of Association, shareholders (including proxies) who vote at a shareholders' general meeting shall exercise their voting rights in relation to the number of voting shares they represent. Each share carries the right to one vote.

Original Articles	Amended Articles
Article 52 Before a voting on proposals is made at a shareholders' general meeting, two shareholder representatives or other appropriate candidates who meet the regulatory requirements of the place where the shares of the Company are listed shall be elected to take part in the counting and monitoring of the ballots. Such candidates may be determined on the spot by the convener of the meeting as shareholder wishes. If a shareholder has connection relationships with the matters to be considered, the shareholder and his/her proxy shall not take part in the counting and monitoring of the ballots. When voting on the proposals is made at the shareholders' general meeting, the lawyers, shareholder representatives and supervisor representatives or other appropriate candidates who meet the regulatory requirements of the place where the shares of the Company are listed shall be jointly responsible for the counting and monitoring of the ballots.	**Article 47** Before a voting on proposals is made at a shareholders' general meeting, two shareholder representatives ~~or other appropriate candidates who meet the regulatory requirements of the place where the shares of the Company are listed~~ shall be elected to take part in the counting and monitoring of the ballots. ~~Such candidates may be determined on the spot by the convener of the meeting as shareholder wishes.~~ If a shareholder has connection relationships with the matters to be considered, the shareholder and his/her proxy shall not take part in the counting and monitoring of the ballots. When voting on the proposals is made at the shareholders' general meeting, the lawyers, shareholder representatives ~~and supervisor representatives~~ or other appropriate candidates who meet the regulatory requirements of the place where the shares of the Company are listed shall be jointly responsible for the counting and monitoring of the ballots, and shall announce the voting results on the spot. Shareholders of the Company or their proxies who cast their votes by electronic or other means shall have the right to inspect their own voting results through an appropriate voting system.
Article 65 Minutes shall be taken in respect of decisions on matters resolved at shareholders' general meetings. Minutes of the shareholders' general meeting shall be recorded by the secretary of the board of directors, and the minutes of the shareholders' general meeting shall contain the following: (1) Time, place and agenda of the meeting, and the name of the convener; (2) Name of the chairman of the meeting, and names of the directors, supervisors, CEO, president, vice president and other senior management staff attending or present at the meeting; (3) Number of shareholders and proxies attending the meeting, the total number of voting shares they present and the proportion of these shares to the total number of shares of the Company;	**Article 60** Minutes shall be taken in respect of decisions on matters resolved at shareholders' general meetings. ~~Minutes of the shareholders' general meeting shall be recorded by the secretary of the board of directors~~ The convener shall ensure the truthfulness, accuracy and completeness of the minutes, and the minutes of the shareholders' general meeting shall contain the following: (1) Time, physical place ~~and agenda~~ of the meeting and/or specific format of virtual attendance with the use of technology, agenda, and the name of the convener; (2) Name of the chairman of the meeting, and names of the directors, ~~supervisors,~~ CEO, president, vice president and other senior management staff ~~attending or~~ present at the meeting;

Original Articles	Amended Articles
(4) Consideration process, summaries of the speeches and voting results of each proposal; (5) Inquiry opinions or suggestions of shareholders, and the corresponding response or explanations; (6) Names of lawyer, vote counters and scrutineer; (7) Other contents which the shareholders' general meeting deems and the Company's Articles of Association prescribes to be included in the minutes of meetings. The meeting minutes shall be signed by the directors, the supervisors, the secretary to the board of directors, convener or representative thereof, the chairman of the meeting and the recorder attending the meeting, and shall ensure the truthfulness, accuracy and completeness of the minutes. The minutes of the meeting together with the book of signatures of shareholders who attend the meeting physically and forms of proxy and valid information on the votes casted through internet or by other means shall be kept for a period of not less than ten years.	(3) Number of shareholders and proxies attending the meeting, the total number of voting shares they present and the proportion of these shares to the total number of shares of the Company; (4) Consideration process, summaries of the speeches and voting results of each proposal; (5) Inquiry opinions or suggestions of shareholders, and the corresponding response or explanations; (6) Names of lawyer, vote counters and scrutineer; (7) Other contents which the shareholders' general meeting deems and the Company's Articles of Association prescribes to be included in the minutes of meetings. The meeting minutes shall be signed by the directors, ~~the supervisors,~~ the secretary to the board of directors, convener or representative thereof, the chairman of the meeting and the recorder attending or present at the meeting, and shall ensure the truthfulness, accuracy and completeness of the minutes. The minutes of the meeting together with the book of signatures of shareholders who attend the meeting physically and forms of proxy and valid information on the votes casted through internet or by other means shall be kept for a period of not less than ten years.

Notes:

1. The expressions of "shareholders' general meeting (股東大會)" involved in other articles of the full text is adjusted to the "shareholders' general meeting (股東會)" in the Chinese version of the amended edition of the Rules of Procedures for Shareholders' General Meeting;

2. The expressions of the "board of supervisors" and the "supervisors" involved in other articles of the full text are deleted;

3. The sequential numbers and pages of the content, relevant chapters, articles and cross references are adjusted accordingly, according to the addition or deletion of articles and adjustments of chapters.

Details of the proposed amendments to the Rules of Procedure for the Board of Directors are as follows:

Original Articles	Amended Articles
Article 3 Directors of the Company shall be subject to the supervision of the board of supervisors of the Company.	Delete
Article 5 Directors shall be elected and appointed by the shareholders' general meeting from the candidates nominated by the Board or by the shareholders representing three percent or more of the issued shares of the Company. The nomination, election or change of independent directors shall comply with the Article 22 under these Rules.	**Article 4** Directors shall be elected and appointed by the shareholders' general meeting from the candidates nominated by the Board or by the shareholders representing ~~three~~ one percent or more of the issued shares of the Company. ~~The nomination, election or change of independent directors shall comply with the Article 22 under these Rules.~~
Article 6 The directors of the Company shall be natural persons. Directors are not required to hold shares in the Company. The directors may concurrently serve as senior executives of the Company, but shall not concurrently serve as supervisors.	Delete
Article 7 The term of office of a director shall be three years commencing from the date when relevant resolution is approved at the shareholders' general meeting. Upon the expiration of the term of office, any director may be re-elected. A director shall not be removed from his/her office by the shareholders' general meeting before expiration of his/her term of office without reasons.	Delete
Article 8 Upon re-election of the director, the Board shall, by making a resolution, specify the positions he/she holds at the Board (including the special committees under the Board) during the new term. Prior to that, his/her original positions shall remain unchanged.	Delete

Original Articles	Amended Articles
Article 11 The responsibilities of directors shall be stipulated by the laws, regulations, the Articles of Association and other applicable relevant regulations.	**Article 7** ~~The responsibilities of directors shall be stipulated by the laws, regulations, the Articles of Association and other applicable relevant regulations.~~
Each director shall not accept the appointment unless he/she can ensure that he/she is able to devote sufficient time and attention to the Company's affairs.	~~Each director shall not accept the appointment unless he/she can ensure that he/she is able to devote sufficient time and attention to the Company's affairs.~~
The directors shall act honestly and in good faith in the interests of the Company as a whole. When their own interests conflict with those of the Company and shareholders, they should act in the best interests of the Company and shareholders. A director shall. prudently, earnestly and with due diligence, exercise rights conferred by the Company and ensure that:	~~The directors shall act honestly and in good faith in the interests of the Company as a whole. When their own interests conflict with those of the Company and shareholders, they should act in the best interests of the Company and shareholders. A director shall. prudently, earnestly and with due diligence, exercise rights conferred by the Company and ensure that:~~
(1) the business conducts of the Company comply with the laws and administrative regulations of the State;	~~(1) the business conducts of the Company comply with the laws and administrative regulations of the State;~~
(2) all the shareholders are treated equally and fairly;	~~(2) all the shareholders are treated equally and fairly;~~
(3) all the business and financial reports of the Company are read carefully and that he/she understands the operation and management status of the Company in a timely manner;	~~(3) all the business and financial reports of the Company are read carefully and that he/she understands the operation and management status of the Company in a timely manner;~~
(4) he/she personally exercises the authority of disposition regarding the Company's management conferred in accordance with the laws and not be controlled by other persons;	~~(4) he/she personally exercises the authority of disposition regarding the Company's management conferred in accordance with the laws and not be controlled by other persons;~~
(5) the authority of disposition regarding the Company's management may not be transferred to any others unless otherwise permitted by the laws or administrative regulations or approved by the shareholders' general meeting being informed of such transfer;	~~(5) the authority of disposition regarding the Company's management may not be transferred to any others unless otherwise permitted by the laws or administrative regulations or approved by the shareholders' general meeting being informed of such transfer;~~
(6) the legal supervision performed and reasonable suggestions proposed by the board of supervisors concerning performance of his/her duties and responsibilities is accepted;	~~(6) the legal supervision performed and reasonable suggestions proposed by the board of supervisors concerning performance of his/her duties and responsibilities is accepted;~~

Original Articles	Amended Articles
(7) without the prior approval of the shareholders' general meeting being informed of such disclosure, any confidential information related to the Company obtained by him/her during his/her term of office shall be not disclosed. However, in any of the following circumstances, a director may disclose such information to the court or other competent governmental authorities: 1) such disclosure is required by law; 2) such information is required to be disclosed for public interests; or 3) such information is required to be disclosed for the personal legal interests of such director provided that the legal interests of the Company will not be infringed.	~~(7) without the prior approval of the shareholders' general meeting being informed of such disclosure, any confidential information related to the Company obtained by him/her during his/her term of office shall be not disclosed. However, in any of the following circumstances, a director may disclose such information to the court or other competent governmental authorities:~~ ~~1) such disclosure is required by law;~~ ~~2) such information is required to be disclosed for public interests; or~~ ~~3) such information is required to be disclosed for the personal legal interests of such director provided that the legal interests of the Company will not be infringed.~~ Directors shall comply with the laws, administrative regulations and the Articles of Association, and shall fulfill the obligations of diligence to the Company, and shall perform their duties with the reasonable care normally expected of a manager in the best interests of the Company. Directors shall perform the following responsibilities of diligence to the Company: (1) Exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business conduct of the Company comply with the requirements of national laws, administrative regulations and various national economic policies, and that business activities do not exceed the business scope stipulated in the business licence; (2) Treat all shareholders fairly; (3) Keep abreast of the operations and management of businesses of the Company; (4) Sign written confirmation opinions on the periodic reports of the Company and ensure that the information disclosed by the Company is true, accurate, and complete;

Original Articles	Amended Articles
	(5) Truthfully provide relevant information and data to the audit committee, and not obstruct the audit committee from performing their duties; (6) Other responsibilities of diligence stipulated by laws, administrative regulations, departmental rules and the Articles of Association.
Article 14 Any director must not act in his/her name on behalf of the Company or the Board unless lawfully authorized by the Articles of Association or the Board of the Company.	**Article 10** Any director must not act in his/her name on behalf of the Company or the Board unless lawfully authorized by the Articles of Association or the Board of the Company. A director shall, when acting in his/her name, state his/her standings and identities in advance if a third party has reasons to believe that the said director is acting on behalf of the Company or the Board.
Article 15 If a director fails to attend the Board meetings by two consecutive times personally or by other directors as his/her proxy, he/she shall be deemed unable to perform his/her duties. The Board shall recommend to the shareholders' general meeting for dismissal and replacement of such director.	**Article 11** If a director fails to attend the Board meetings by two consecutive times personally or by other directors as his/her proxy, he/she shall be deemed unable to perform his/her duties. The Board shall recommend to the shareholders' general meeting for dismissal and replacement of such director.

Original Articles	Amended Articles
Article 16 A director may resign from his/her office prior to the expiration of his/her term of office. When a director resigns, he/she shall submit a written resignation to the Board. The Board shall disclose the relevant circumstances within two days. The director's resignation shall take effect upon delivery of his/her resignation to the Board, except in the following circumstances: (1) the resignation of director results in members of the Board falling below the minimum quorum; (2) the number of independent directors is less than one-third of the members of the Board or there is no accounting professional among independent directors as a result of the resignation of independent directors. If the resignation of a director will result in the number of members of the Board falling short of the legal requirements of the minimum number of directors, his/her resignation shall not become effective until his/her successor fills in the vacancy generated due to his resignation. In case a director resigns, the Board shall convene an extraordinary general meeting as soon as possible (generally within 60 days from the date when the director tenders resignation) to elect a director to fill in the vacancy generated due to the resignation.	**Article 12** A director may resign from his/her office prior to the expiration of his/her term of office. When a director resigns, he/she shall submit a written resignation to the ~~Board~~ Company. The ~~Board~~ Company shall disclose the relevant circumstances within two trading days. The director's resignation shall take effect upon delivery of his/her resignation to the ~~Board~~ Company, except in the following circumstances: (1) the resignation of director results in members of the Board falling below the minimum quorum; (2) the number of independent directors is less than one-third of the members of the Board or there is no accounting professional among independent directors as a result of the resignation of independent directors. If the resignation of a director will result in the number of members of the Board falling short of the legal requirements of the minimum number of directors, his/her resignation shall not become effective until his/her successor fills in the vacancy generated due to his resignation. In case a director resigns, the Board shall convene an extraordinary general meeting as soon as possible (generally within 60 days from the date when the director tenders resignation) to elect a director to fill in the vacancy generated due to the resignation.

Original Articles	Amended Articles
Article 17 Upon a director's resignation becomes effective or expiration of his/her tenure of office, the director shall complete all handover procedures with the Board, and his/her faithful obligations to the Company and the shareholders shall not, as a matter of course, cease after the termination of his/her tenure and are still effective within a reasonable period stipulated under the Articles of Association.	**Article 13** Upon a director's resignation becomes effective or expiration of his/her tenure of office, the director shall complete all handover procedures with the Board, and his/her faithful obligations to the Company and the shareholders shall not, as a matter of course, cease after the termination of his/her tenure and are still effective within ~~a reasonable period stipulated under the Articles of Association~~ two years after the termination of his/her tenure. Responsibilities that a director shall assume due to performance of his/her duties during his/her term of office shall not be exempted or terminated due to his/her separation from the Company.
Article 18 The Board shall establish the audit committee, nomination committee, remuneration and assessment committee, and each of these committees shall be composed of more than three directors, with independent directors being the majority thereof. The audit committee shall have at least one independent director who is an accounting professional. The chairmen of these committees shall be appointed by the Board. The chairmen of the audit committee, remuneration and assessment committee and nomination committee shall be independent directors. The functions and work procedures of these special committees under the Board shall be stipulated by the Articles of Association and the Board.	Delete
CHAPTER 2 INDEPENDENT DIRECTORS	Delete the entire chapter

Original Articles	Amended Articles
Article 27 The Board shall hold at least four regular meetings of the Board to be attended by all the directors every year. The Board meetings shall be convened by the chairman of the Board and a notice shall be given to all the directors and supervisors at least 14 days prior to the date of the meeting. The chairman of the Board shall convene an extraordinary Board meeting within ten working days after receiving relevant proposal if one of the following circumstances occurs: (1) The chairman of the Board thinks it necessary; (2) More than one-third of the directors jointly propose convening a Board meeting; (3) Two or more independent directors propose convening a Board meeting; (4) The Board of supervisors proposes convening a Board meeting; (5) The shareholders representing more than one-tenth of the voting rights propose convening a Board meeting. The extraordinary meetings of the Board may be held in the form of teleconference.	**Article 15** The Board shall hold at least four regular meetings of the Board to be attended by all the directors every year at an interval of approximately once a quarter. The Board meetings shall be convened by the chairman of the Board and a notice shall be given to all the directors ~~and supervisors~~ at least 14 days prior to the date of the meeting. The chairman of the Board shall convene an extraordinary Board meeting within ten working days after receiving relevant proposal if one of the following circumstances occurs: (1) The chairman of the Board thinks it necessary; (2) More than one-third of the directors jointly propose convening a Board meeting; (3) ~~Two or more~~ More than half of independent directors propose convening a Board meeting; (4) The ~~Board of supervisors~~ audit committee proposes convening a Board meeting; (5) The shareholders representing more than one-tenth of the voting rights propose convening a Board meeting~~.~~; (6) Other circumstances stipulated by laws, regulations, regulatory rules of the place where the shares of the Company are listed, or the Articles of Association. The extraordinary meetings of the Board may be held in the form of teleconference.

Original Articles	Amended Articles
Article 28 Where the chairman of the Board is unable or fails to fulfill his/her duties, the duties shall be fulfilled by the vice chairman (if a vice chairman has been appointed); where the vice chairman is unable or fails to fulfill his/her duties, the duties shall be fulfilled by a director jointly elected by a majority of directors. If no vice chairman has been appointed, the duties shall also be fulfilled by a director jointly elected by a majority of directors.	**Article 16** Where the chairman of the Board is unable or fails to fulfill his/her duties, the duties shall be fulfilled by the vice chairman (if a vice chairman has been appointed); where the vice chairman is unable or fails to fulfill his/her duties, the duties shall be fulfilled by a director jointly elected by ~~a majority~~ more than half of directors. If no vice chairman has been appointed, the duties shall also be fulfilled by a director jointly elected by ~~a majority~~ more than half of directors.
Article 31 The notice of the Board meeting shall contain the following information: (1) the date of the meeting; (2) the place and duration of the meeting; (3) reasons for the meeting and issues for discussion; and (4) the date of the meeting notice.	**Article 19** The notice of the Board meeting shall contain the following information: (1) the date and the place of the meeting; (2) the ~~place and~~ duration of the meeting; (3) reasons for the meeting and issues for discussion; and (4) the date of the meeting notice.
Article 32 The Board meeting shall not be held unless attended by more than 50% of all the directors (including at least two independent non-executive directors). Each director shall have one vote. A Board resolution must be adopted by more than half of all the directors.	**Article 20** The Board meeting shall not be held unless attended by more than ~~50%~~ half of all the directors (including ~~at least two independent non-executive directors~~ any entrusted director appointed pursuant to Article 22 of these Rules). Each director shall have one vote. A Board resolution must be adopted by more than half of all the directors.

Original Articles	Amended Articles
Article 34 The Board meetings shall be attended personally by the directors. If a director is unable to attend the Board meetings by any reasons, he/she may authorize any other director by signing a power of attorney to attend the Board meeting. The power of attorney shall contain the name of the proxy, subject matters, the authority and valid period, and shall be signed or sealed by the authorizing director. A director attending a meeting as proxy shall exercise the rights of a director within the scope of authorization. A director who neither attends the board meeting nor appoints a proxy to attend shall be deemed to have waived his/her voting rights at such meeting.	**Article 22** The Board meetings shall be attended personally by the directors. If a director is unable to attend the Board meetings by any reasons, he/she may authorize any other director by signing a power of attorney to attend the Board meeting. The power of attorney shall contain the name of the proxy, subject matters, the scope of authority and valid period, and shall be signed or sealed by the authorizing director. A director attending a meeting as proxy shall exercise the rights of a director within the scope of authorization. A director who neither attends the board meeting nor appoints a proxy to attend shall be deemed to have waived his/her voting rights at such meeting.
Article 35 If any director has associated relationship with the enterprise involved in the resolution made at a Board meeting, the said director shall not vote on such resolution for himself/herself or on behalf of other directors. Such Board meeting may be held when more than half of the directors with no associated relationship attend the meeting. The resolution of the Board meeting shall be passed by more than half of the directors with no associated relationship. If the number of directors with no associated relationship attending the Board meetings is less than three, the matter shall be submitted to the shareholders' general meeting of listed companies for consideration.	**Article 23** If any director has associated relationship with the enterprise or the individual involved in the resolution made at a Board meeting, the said director shall promptly report to the Board in writing. The director with associated relationship shall not vote on such resolution for himself/herself or on behalf of other directors. Such Board meeting may be held when more than half of the directors with no associated relationship attend the meeting. The resolution of the Board meeting shall be passed by more than half of the directors with no associated relationship. If the number of directors with no associated relationship attending the Board meetings is less than three, the matter shall be submitted to the shareholders' general meeting of ~~listed companies~~ the Company for consideration.

Original Articles	Amended Articles
Article 36 Minutes shall be taken for the resolutions made by the Board on the matters discussed at the Board meeting. The secretary of the Board attending the meeting shall be responsible for procuring the meeting minutes to be taken and all the directors attending the meeting, the secretary of the Board and the person taking the minutes shall sign on the minutes. The minutes of the Board meeting shall contain the following: (1) date and place of the meeting and the name of convenor; (2) names of the directors personally attending the meeting, names of the directors attending the meeting by proxy, and the names of the proxies; (3) agenda of the meeting; (4) main contents of the speeches given by directors at the meeting, and voting method and result for each matter resolved at the meeting. The voting result shall reflect the number of affirmative votes, negative votes and abstaining votes. The minutes of the meeting shall be kept by secretary of the Board. The directors shall be responsible for any resolutions adopted by the Board. If any resolution of the Board violates the laws, administrative regulations or the Article of Association, and the Company suffers serious losses as a result thereof, the directors who participated in the passing of such resolution shall be liable to compensate the Company therefor. However, if it can be proved that a director had stated his/her objection when voting and the objection was recorded in the minutes of the meeting, such director may be released from such liability. If any director requests to refer to the minutes of the Board meetings, the secretary of the Board shall make arrangement accordingly within reasonable time.	**Article 24** Minutes shall be taken for the resolutions made by the Board on the matters discussed at the Board meeting. The secretary of the Board attending the meeting shall be responsible for procuring the meeting minutes to be taken and all the directors attending the meeting, the secretary of the Board and the person taking the minutes shall sign on the minutes. The minutes of the Board meeting shall contain the following: (1) date and place of the meeting and the name of convenor; (2) names of the directors personally attending the meeting, and names of the directors (proxies) attending the meeting by proxy~~, and the names of the proxies~~; (3) agenda of the meeting; (4) main contents of the speeches given by directors at the meeting~~,~~; (5) ~~and~~ voting method and result for each matter resolved at the meeting~~.~~ (~~The~~ the voting result shall reflect the number of affirmative votes, negative votes and abstaining votes). The minutes of the meeting shall be kept by secretary of the Board. The directors shall be responsible for any resolutions adopted by the Board. If any resolution of the Board violates the laws, administrative regulations or the Article of Association, and the Company suffers serious losses as a result thereof, the directors who participated in the passing of such resolution shall be liable to compensate the Company therefor. However, if it can be proved that a director had stated his/her objection when voting and the objection was recorded in the minutes of the meeting, such director may be released from such liability. If any director requests to refer to the minutes of the Board meetings, the secretary of the Board shall make arrangement accordingly within reasonable time.

Original Articles	Amended Articles
Article 38 The Board meetings shall vote on the matters included in the agenda only. The Board meetings shall be conducted in strict accordance with prescribed procedures. The Board shall notify all directors in advance based on the prescribed time limit and provide sufficient information. If two or more independent directors are of the view that the information is incomplete or the argument is insufficient, they may adjourn the meeting or defer the consideration of the subject matters by jointly proposing to the Board in writing. The Board shall accept and the listed company shall promptly disclose the relevant information.	**Article 26** The Board meetings shall vote on the matters included in the agenda only. The Board meetings shall be conducted in strict accordance with prescribed procedures. The Board shall notify all directors in advance based on the prescribed time limit and provide sufficient information. If ~~two or more independent directors~~ more than one quarter of directors or more than two external directors are of the view that the information is incomplete or the argument is insufficient, they may adjourn the meeting or defer the consideration of the subject matters by jointly proposing to the Board in writing. The Board shall accept ~~and the listed company shall promptly disclose the relevant information~~.
Article 42 The interpretation of these Rules is vested in the Board of the Company and the shareholders' general meeting of the Company shall be responsible for amendment to these Rules.	**Article 30** The interpretation of these Rules is vested in the Board of the Company ~~and the shareholders' general meeting of the Company shall be responsible for amendment to these Rules~~.

Notes:

1. The expressions of "shareholders' general meeting (股東大會)" involved in other articles of the full text is adjusted to the "shareholders' general meeting (股東會)" in the Chinese version of the amended edition of the Rules of Procedures of the Board of Directors;

2. The expressions of the "board of supervisors" and the "supervisors" involved in other articles of the full text are deleted;

3. The sequential numbers and pages of the content, relevant chapters, articles and cross references are adjusted accordingly, according to the addition or deletion of articles and adjustments of chapters.

Details of the proposed amendments to the Independent Director System are as follows:

Original Articles	Amended Articles
Article 1 To further improve the corporate governance structure of China Oilfield Services Limited (hereinafter referred to as the "Company"), promote the Company's compliant operations and ensure the performance of duties by Independent Directors, this system is specially formulated in accordance with the relevant provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for the Administration of Independent Directors of Listed Companies, the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Opinions of the General Office of the State Council on the Reform of the Independent Director System of Listed Companies.	**Article 1** To further improve the corporate governance structure of China Oilfield Services Limited (hereinafter referred to as the "Company"), promote the Company's compliant operations and ensure the performance of duties by Independent Directors, this system is specially formulated in accordance with the laws, regulations and regulatory ~~relevant~~ provisions ~~of~~ including the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for the Administration of Independent Directors of Listed Companies, the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Opinions of the General Office of the State Council on the Reform of the Independent Director System of Listed Companies as well as the relevant provisions of the Articles of Association of China Oilfield Services Limited (hereinafter referred to as the "Articles of Association").

Original Articles	Amended Articles
Article 2 Independent Directors referred to in this system are Directors who do not take up any positions in the Company other than serving as a Director, and are not directly or indirectly interested with the Company and its substantial Shareholders, de facto controller, or directors who are prevented from exercising independent and objective judgments. The main risks needed to cope with in this system are to further improve the corporate governance structure, promote the Company's standardized operation, prevent Independent Directors from failing to perform their duties, harm the whole interests of the Company, and infringe the legitimate rights and interests of minority shareholders. The Independent Directors of the Company shall strictly comply with the provisions of this system and execute the duties granted by the laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association of China Oilfield Services Limited (hereinafter referred to as the "Articles of Association").	**Article 2** Independent Directors referred to in this system are Directors who do not take up any positions in the Company other than serving as a Director, and are not directly or indirectly interested with the Company and its substantial Shareholders, de facto controller, or directors who are prevented from exercising independent and objective judgments. The main risks needed to cope with in this system are ~~to further improve the~~ imperfect corporate governance structure, ~~promote the Company's standardized~~ irregular operation of the Company, ~~prevent~~ failure of Independent Directors ~~from failing~~ to perform their duties, ~~harm~~ damage to the whole interests of the Company, and ~~infringe~~ infringement of the legitimate rights and interests of minority shareholders. The Independent Directors of the Company shall strictly comply with the provisions of this system and execute the duties granted by the laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association of China Oilfield Services Limited (hereinafter referred to as the "Articles of Association").

Original Articles	Amended Articles
Article 3 Independent Directors shall have high professional quality and good reputation, and shall meet the following requirements: (1) possess the qualifications for listed company directorships as provided in laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company's shares are listed and other relevant provisions; (2) possess the independence required under the listing rules of the stock exchange where the Company's shares are listed and Article 5 of this system; (3) possess basic knowledge on the operations of a listed company, and familiar with relevant laws, administrative regulations, provisions and rules; (4) possess over five years of work experience in the legal, accounting or economic fields or otherwise required for his/her service as an Independent Director; (5) to convince the Hong Kong Stock Exchange that his/her character, integrity, independence and experience are sufficient to effectively perform his/her duties as an Independent Director to ensure that the interests of all shareholders will be adequately represented; (6) other requirements stipulated in the laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.	**Article 3** Independent Directors shall have high professional quality and good reputation, and shall meet the following requirements: (1) possess the qualifications for listed company directorships as provided in laws, administrative regulations, ~~departmental regulations, the listing rules of the stock exchange where the Company's shares are listed~~ and other relevant provisions; (2) ~~possess the independence required under the listing rules of the stock exchange where the Company's shares are listed and Article 5 of this system~~ comply with the independence requirements stipulated in the laws, administrative regulations, the provisions of the CSRC and the business rules of the stock exchange where the Company's shares are listed; (3) possess basic knowledge on the operations of a listed company, and familiar with relevant laws, ~~administrative~~ regulations~~, provisions~~ and rules; (4) possess over five years of work experience in the legal, accounting or economic fields or otherwise required for his/her service as an Independent Director; (5) ~~to convince the Hong Kong Stock Exchange that his/her character, integrity, independence and experience are sufficient to effectively perform his/her duties as an Independent Director to ensure that the interests of all shareholders will be adequately represented~~ have good personal integrity and no major breach of trust or other adverse records; (6) other requirements stipulated in the laws, administrative regulations, ~~departmental regulations, the listing rules of the stock exchange where the Company's shares are listed~~ the provisions of the CSRC, the business rules of the stock exchanges and the Articles of Association.

Original Articles	Amended Articles
Article 4 Candidates for Independent Directors shall have good personal moral characters, shall not be involved in any circumstances that prevent them from being nominated as directors of listed companies as stipulated by regulatory rules, and did not have the following bad records:	**Article 4** Candidates for Independent Directors shall have good personal moral characters, shall not be involved in any circumstances that prevent them from being nominated as directors of listed companies as stipulated by regulatory rules, and ~~did~~ shall not have the following bad records:
(1) administrative punishment imposed by the China Securities Regulatory Commission (hereinafter referred to as "CSRC") or criminal punishment by judicial organs due to the violations or crimes on securities and futures dealing in the last 36 months;	(1) administrative punishment imposed by the China Securities Regulatory Commission (hereinafter referred to as "CSRC") or criminal punishment by judicial organs due to the violations or crimes on securities and futures dealing in the last 36 months;
(2) being placed on file for investigation by the CSRC or judicial organs due to suspected violations or crimes on securities and futures dealing, with no definite conclusions made;	(2) being placed on file for investigation by the CSRC or judicial organs due to suspected violations or crimes on securities and futures dealing, with no definite conclusions made;
(3) being publicly condemned or criticised for more than three times by any stock exchange within the last 36 months;	(3) being publicly condemned or criticised for more than three times by any stock exchange within the last 36 months;
(4) having bad records such as serious breach of trust;	(4) having bad records such as serious breach of trust;
(5) in less than 12 months, having been proposed by the Board to be removed at a shareholders' general meeting due to failure to attend board meetings in person or appoint other Independent Director to attend the meetings on his/her behalf for two consecutive times during his/her previous tenure as an Independent Director;	(5) in less than 12 months, having been proposed by the Board to be removed at a shareholders' general meeting due to failure to attend board meetings in person or appoint other Independent Director to attend the meetings on his/her behalf for two consecutive times during his/her previous tenure as an Independent Director;
(6) other circumstances as determined by the stock exchange where the Company's shares are listed.	(6) other circumstances as determined by the stock exchange where the Company's shares are listed.

Original Articles	Amended Articles
Article 5 Candidates for Independent Directors of the Company shall be independent. The following persons shall not serve as Independent Directors: (1) a person employed by the Company or its affiliated enterprises and the immediate family members and key relatives of such person (immediate family members shall mean, among others, spouse, parents and children; key relatives shall mean, among others, brothers and sisters, spouses of brothers and sisters, parents of spouses, brothers and sisters of spouses, spouses of children, parents of spouses of children, etc.); (2) the natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or any of the top ten shareholders of the Company and their immediate family members; (3) a person employed by any shareholder directly or indirectly holding more than 5% of the issued shares of the Company or the top five shareholders of the Company, and their immediate family members; (4) a person employed by the Company's controlling shareholder, de facto controller and their subsidiaries, and their immediate family members; (5) a person having significant business dealings with the Company and its controlling shareholder, de facto controller or their respective subsidiaries, or persons employed by entities and their controlling shareholder, de facto controller with which they have significant business dealings; (6) a person that has been involved in the above five situations in the past year;	**Article 5** Candidates for Independent Directors of the Company shall be independent. The following persons shall not serve as Independent Directors: (1) a person employed by the Company or its affiliated enterprises and the immediate family members and key relatives of such person (immediate family members shall mean, among others, spouse, parents and children; key relatives shall mean, among others, brothers and sisters, spouses of brothers and sisters, parents of spouses, brothers and sisters of spouses, spouses of children, parents of spouses of children, etc.); (2) the natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or any of the top ten shareholders of the Company and their immediate family members; (3) a person employed by any shareholder directly or indirectly holding more than 5% of the issued shares of the Company or the top five shareholders of the Company, and their immediate family members; (4) a person employed by the Company's controlling shareholder, de facto controller and their subsidiaries, and their immediate family members; (5) a person having significant business dealings with the Company and its controlling shareholder, de facto controller or their respective subsidiaries, or persons employed by entities and their controlling shareholder, de facto controller with which they have significant business dealings; (6) a person that has been involved in the above five situations in the past year;

Original Articles	Amended Articles
(7) a person, currently or within two years before the proposed appointment as an Independent Director, offering financial, legal, consulting, sponsoring and other services to the Company, its controlling shareholder, de facto controller or their respective subsidiaries, including but not limited to all the members of the project team, checkers at different levels, persons signing reports, partners, directors, senior management and principal responsible persons of an intermediary that renders services;	(7) a person, currently or within two years before the proposed appointment as an Independent Director, offering financial, legal, consulting, sponsoring and other services to the Company, its controlling shareholder, de facto controller or their respective subsidiaries, including but not limited to all the members of the project team, checkers at different levels, persons signing reports, partners, directors, senior management and principal responsible persons of an intermediary that renders services;
(8) a person receiving any interests (except for Director fees and share options recognized by securities regulatory authorities) in the securities of the Company as a gift or by means of other financial assistance from a core connected person (directors, supervisors, chief executives and substantial shareholders and their close associates of the Company or its holding subsidiaries) or the Company itself;	(8) a person receiving any interests (except for Director fees and share options recognized by securities regulatory authorities) in the securities of the Company as a gift or by means of other financial assistance from a core connected person (directors, ~~supervisors,~~ chief executives and substantial shareholders and their close associates of the Company or its holding subsidiaries) or the Company itself;
(9) such Director currently or within one year before the proposed appointment as an Independent Director had a material interest in any principal business activity of the Company, its holding company or their respective subsidiaries; or was involved in any material business dealings with the Company, its holding company or their respective subsidiaries or with any core connected persons of the Company;	(9) such Director currently or within one year before the proposed appointment as an Independent Director had a material interest in any principal business activity of the Company, its holding company or their respective subsidiaries; or was involved in any material business dealings with the Company, its holding company or their respective subsidiaries or with any core connected persons of the Company;
(10) such Director serves as a member of the Board in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;	(10) such Director serves as a member of the Board in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;
(11) currently or within two years prior to being proposed to be an Independent Director, such Director was connected with the director, chief executive officer or substantial shareholders of the Company;	(11) currently or within two years prior to being proposed to be an Independent Director, such Director was connected with the director, chief executive officer or substantial shareholders of the Company;
(12) such Director is (or once was within two years prior to being proposed as an Independent Director) a senior management or a Director (other than an Independent Director) of the Company, its holding company or any of their respective subsidiaries or any core connected persons of the Company;	(12) such Director is (or once was within two years prior to being proposed as an Independent Director) a senior management or a Director (other than an Independent Director) of the Company, its holding company or any of their respective subsidiaries or any core connected persons of the Company;

Original Articles	Amended Articles
(13) such Director is financially dependent on the Company, its holding company or any of their respective subsidiaries or the core connected persons of the Company; (14) other person identified by laws, administrative regulations, departmental regulations, listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association; (15) other person considered by securities regulatory authority or the stock exchange where the Company's shares are listed as having no independence. When determining whether the Independent Directors are independent based on the above items (4 to 15), the relevant factors should also apply to the immediate family members of the Independent Director (spouses; their (or their spouses') children under the age of 18 (natural or adopted) or stepchildren).	(13) such Director is financially dependent on the Company, its holding company or any of their respective subsidiaries or the core connected persons of the Company; (14) other person identified by laws, administrative regulations, departmental regulations, listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association; (15) other person considered by securities regulatory authority or the stock exchange where the Company's shares are listed as having no independence. The affiliated enterprises of the controlling shareholders and de facto controller as described in the above items (4), (5) and (7) shall not include the enterprises that are under common control of a state-owned asset management institution and do not constitute related relationship with the Company in accordance with relevant requirements. When determining whether the Independent Directors are independent based on the above items ~~(4 to 15)~~ (4) to (15), the relevant factors should also apply to the immediate family members of the Independent Director (spouses; their (or their spouses') children under the age of 18 (natural or adopted) or stepchildren).
Article 16 Independent Directors employed by the Company, in principle, can concurrently serve as the Independent Director in at most three PRC listed companies, and shall make sure they have enough time and energy to effectively perform the duties as Independent Directors.	**Article 16** Independent Directors employed by the Company, in principle, can concurrently serve as the Independent Director in at most three PRC listed companies and shall not hold directorship in more than six companies listed in Hong Kong, and shall make sure they have enough time and energy to effectively perform the duties as Independent Directors.

Original Articles	Amended Articles
Article 18 Independent Directors shall perform the following duties: (1) to be involved in the Board's decision-making and express specific opinions on the matters being discussed; (2) to supervise matters involving potential material conflicts of interests between the Company and its controlling shareholder, de facto controller, directors and senior management as stated in Article 22 of this system, Article 26, Article 27 and Article 28 in the Measures for the Administration of Independent Directors of Listed Companies, to make the Board's decisions in the whole interest of the Company, and to protect the legitimate rights and interests of minority shareholders; (3) to provide professional and objective suggestions for the Company's operation and development, and improve the Board's decision-making levels; (4) other duties stipulated by laws, administrative regulations, provisions of CSRC, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.	**Article 18** Independent Directors, as members of the Board, owe fiduciary and diligence to the Company and all shareholders, and shall prudently perform the following duties: (1) to be involved in the Board's decision-making and express specific opinions on the matters being discussed; (2) to supervise matters involving potential material conflicts of interests between the Company and its controlling shareholder, de facto controller, directors and senior management ~~as stated in Article 22 of this system, Article 26, Article 27 and Article 28 in the Measures for the Administration of Independent Directors of Listed Companies, to make the Board's decisions in the whole interest of the Company,~~ and ~~to~~ protect the legitimate rights and interests of minority shareholders; (3) to provide professional and objective suggestions for the Company's operation and development, and improve the Board's decision-making levels; (4) other duties stipulated by laws, administrative regulations, provisions of CSRC~~, the listing rules of the stock exchange where the Company's shares are listed~~ and the Articles of Association.

Original Articles	Amended Articles
Article 19 Independent Directors shall perform the following special duties and powers: (1) to independently engage intermediate agencies to audit, advise and inspect on specific matters of the Company; (2) to propose to the Board to convene an extraordinary general meeting; (3) to propose to convene the Board meetings; (4) to publically solicit on shareholders' rights from shareholders according to the law; (5) to express their independent opinions on the matters that may harm the interests of the Company and minority shareholders; (6) other duties and powers stipulated by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed, other regulatory documents, and the Articles of Association. Independent Directors shall seek the consent of more than half of all the Independent Directors before exercising the above duties and powers specified in above items (1), (2) and (3). If the Independent Directors exercise duties and powers stated in paragraph 1, the Company shall make timely disclosure. Where any such proposal is not adopted or any such power can not be exercised normally, the Company shall disclose the relevant information and reasons.	**Article 19** Independent Directors shall perform the following special duties and powers: (1) to independently engage intermediate agencies to audit, advise and inspect on specific matters of the Company; (2) to propose to the Board to convene an extraordinary general meeting; (3) to propose to convene the Board meetings; (4) to publically solicit on shareholders' rights from shareholders according to the law; (5) to express their independent opinions on the matters that may harm the interests of the Company and minority shareholders; (6) other duties and powers stipulated by laws, administrative regulations, ~~departmental rules, the listing rules of the stock exchange where the Company's shares are listed, other regulatory documents~~ provisions of the CSRC, and the Articles of Association. ~~Independent Directors shall seek the consent of more than half of all the Independent Directors before exercising the above~~ The exercise of the duties and powers specified in a~~bove~~ items (1)~~, (2) and~~ to (3) of the preceding paragraph by Independent Directors shall be subject to the consent of more than half of all Independent Directors. If the Independent Directors exercise duties and powers stated in paragraph 1, the Company shall make timely disclosure. Where ~~any such proposal is not adopted or any such~~ the aforementioned duties and powers ~~can not~~ cannot be exercised normally, the Company shall disclose the ~~relevant information~~ specific circumstance and reasons thereof.

Original Articles	Amended Articles
Article 22 The following matters shall be submitted to the Board for consideration with the consent of more than half Independent Directors: (1) connected transactions that shall be disclosed; (2) the plans of the Company and the relevant parties for the modification or waiver of their undertakings; (3) the decisions made and measures taken by the board of directors of the acquired company; (4) other matters prescribed by laws, administrative regulations, provisions of CSRC, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.	**Article 22** The following matters shall be submitted to the Board for consideration ~~with the~~ after obtaining the consent of more than half of all Independent Directors of the Company: (1) connected transactions that shall be disclosed; (2) the plans of the Company and the relevant parties for the modification or waiver of their undertakings; (3) the decisions made and measures taken by the board of directors of the acquired company; (4) other matters prescribed by laws, administrative regulations, provisions of CSRC, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Notes:

1. The expressions of "shareholders' general meeting (股東大會)" involved in other articles of the full text is adjusted to the "shareholders' general meeting (股東會)" in the Chinese version of the amended edition of the Independent Director System;

2. The expressions of the "supervisors" involved in other articles of the full text are deleted;

3. The sequential numbers and pages of the content, relevant chapters, articles and cross references are adjusted accordingly, according to the addition or deletion of articles and adjustments of chapters.

Details of the proposed amendments to the Connected Transactions Decision-making Mechanism are as follows:

Original Articles	Amended Articles
Article 10 The following connected party transactions shall constitute a small scale connected party transactions and shall be approved by the Company's CEO: (I) transactions between the Company and connected legal person (or other entities) involved an amount (including debts and expenses undertaken) under RMB3 million or accounted for less than 0.5% of the absolute value of the Company's audited net assets in the current period; (II) transactions between the Company and connected natural person involved an amount (including debts and expenses undertaken) under RMB300,000; (III) transactions between the Company and connected person involved an amount which has not yet reached the point which required reporting and making announcement required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.	**Article 10** The following connected party transactions shall constitute a small scale connected party transactions and shall be approved by the ~~Company's CEO~~ chairman of the Board of the Company: (I) transactions between the Company and connected legal person (or other entities) involved an amount (including debts and expenses undertaken) under RMB3 million or accounted for less than 0.5% of the absolute value of the Company's audited net assets in the current period; (II) transactions between the Company and connected natural person involved an amount (including debts and expenses undertaken) under RMB300,000; (III) transactions between the Company and connected person involved an amount which has not yet reached the point which required reporting and making announcement required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

Original Articles	Amended Articles
Article 11 The following connected party transactions shall constitute general connected party transactions and shall be approved by the Board of the Company: (I) transactions between the Company and connected legal person (or other entities) involved an amount (including debts and expenses undertaken) above RMB3 million or accounted for more than 0.5% and less than 5% of the absolute value of the Company's audited net assets in the current period; (II) transactions between the Company and connected natural person involved an amount (including debts and expenses undertaken) above RMB300,000 and below RMB30 million; (III) transactions between the Company and connected person involved an amount which has reached the point which required reporting, making announcement and approval by the board of directors required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.	**Article 11** The following connected party transactions shall constitute general connected party transactions and shall be ~~approved by the Board of the Company~~ submitted to the Board for consideration after obtaining the consent of more than half of all independent directors and be disclosed in a timely manner: (I) transactions between the Company and connected legal person (or other entities) involved an amount (including debts and expenses undertaken) above RMB3 million or accounted for more than 0.5% and less than 5% of the absolute value of the Company's audited net assets in the current period; (II) transactions between the Company and connected natural person involved an amount (including debts and expenses undertaken) above RMB300,000 and below RMB30 million; (III) transactions between the Company and connected person involved an amount which has reached the point which required reporting, making announcement and approval by the board of directors required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

Original Articles	Amended Articles
Article 12 The following connected party transactions shall constitute significant connected party transactions and shall be approved by the shareholders' general meeting of the Company: (I) transactions between the Company and connected person involved an amount above RMB30 million and accounted for more than 5% of the Company's audited net assets in the current period; (II) where the Company provides guarantees for connected person, it shall be disclosed timely and submitted to the shareholders' general meeting for consideration after consideration and approval by the Board, regardless of the amount; (III) transactions between the Company and connected person involved an amount which has reached the point which required reporting, making announcement and approval by the shareholders' general meeting required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.	**Article 12** The following connected party transactions shall constitute significant connected party transactions and shall be approved by the shareholders' general meeting of the Company: (I) transactions between the Company and connected person involved an amount above RMB30 million and accounted for more than 5% of the Company's audited net assets in the current period; (II) where the Company provides guarantees for connected person, it shall be disclosed timely and submitted to the shareholders' general meeting for consideration after consideration and approval by the Board, regardless of the amount; (III) transactions between the Company and connected person involved an amount which has reached the point which required reporting, making announcement and approval by the shareholders' general meeting required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Stocks on Shanghai Stock Exchange. Where the Company and its connected persons jointly invest to establish a company, and the listed company's capital contribution reaches the standards specified in item (I) of the first paragraph of this Article, if all contributors make capital contributions in cash, and the shareholding of each party in the established company is determined in accordance with the proportion of the capital contribution, the requirement for submitting to the shareholders' general meeting for consideration may be exempted.

Original Articles	Amended Articles
Article 17 If the Company intends to enter into connected party transactions with a connected person, it shall submit to the Board for consideration after the independent directors propose their prior approval opinions. Before making a judgment, independent directors may employ an independent financial adviser to issue a report as the basis for their judgment. The audit committee of the Company shall at the same time review the connected party transactions, form written opinions, submit them to the Board for consideration, and report them to the board of supervisors. The audit committee may employ an independent financial adviser to issue a report as the basis of its judgment.	**Article 17** If the Company intends to enter into connected party transactions with a connected person, it shall submit to the Board for consideration after the independent directors propose their prior approval opinions. Before making a judgment, independent directors may employ an independent financial adviser to issue a report as the basis for their judgment. The audit committee of the Company shall at the same time review the connected party transactions, form written opinions, and submit them to the Board for consideration~~, and report them to the board of supervisors~~. The audit committee may employ an independent financial adviser to issue a report as the basis of its judgment
Article 19 When the Company's Board voting on connected party transactions, the voting and abstaining procedures for the connected director are as follows: (I) the connected director shall actively request to abstain from voting, otherwise other directors have the right to request him/her to abstain from voting; (II) when there is any dispute on whether the director is a connected director, the Board shall adopt the resolution approved by over half of the directors to determine whether such director is a connected director and determine whether it needs to abstain voting; (III) the connected director shall not participate in discussing any connected party transaction in which he/she has significant interest, and shall not exercise voting right on behalf of other directors, unless the Board adopts a resolution approving that such connected director does not need to abstain;	**Article 19** When the Company's Board voting on connected party transactions, the voting and abstaining procedures for the connected director are as follows: (I) the connected director shall actively request to abstain from voting, otherwise other directors have the right to request him/her to abstain from voting; (II) when there is any dispute on whether the director is a connected director, the Board shall adopt the resolution approved by over half of the directors to determine whether such director is a connected director and determine whether it needs to abstain voting; (III) the connected director shall not participate in discussing any connected party transaction in which he/she has significant interest, and shall not exercise voting right on behalf of other directors, nor his/her voting rights shall be counted toward the total voting rights, unless the Board adopts a resolution approving that such connected director does not need to abstain;

Original Articles	Amended Articles
(IV) when the Board votes on connected party transactions, the meeting of the Board can be held if attended by over half of the non-connected directors, and the resolution made by the Board meeting shall be approved by over half of the non-connected directors; (V) if the number of non-connected directors attending the Board meeting is less than three, the Company shall submit the transactions to the shareholders' general meeting for consideration. The Board shall submit a copy of the motion to the shareholders' general meeting to explain the consideration of the Board on the resolutions and record suggestions of the connected directors.	(IV) when the Board votes on connected party transactions, the meeting of the Board can be held if attended by over half of the non-connected directors, and the resolution made by the Board meeting shall be approved by over half of the non-connected directors; (V) if the number of non-connected directors attending the Board meeting is less than three, the Company shall submit the transactions to the shareholders' general meeting for consideration. The Board shall submit a copy of the motion to the shareholders' general meeting to explain the consideration of the Board on the resolutions and record suggestions of the connected directors.
Article 28 The connected party transaction agreements approved for implementation by the CEO of the Company shall be implemented by relevant department of the Company.	**Article 28** The connected party transaction agreements approved for implementation by the ~~CEO~~ chairman of the Board of the Company shall be implemented by relevant department of the Company.
Article 35 The announcement disclosed by the Company regarding the connected party transaction shall include but not limited to the followings: (I) overview of connected party transactions and basic information of the subjects of the transaction, including but not limited to: type of connected party transactions, amount of connected party transactions and the proportion to the equity attributable to owners of the Company, amount, terms and conditions of unsettled items of connected party transactions and provision for bad debts of outstanding receivables; (II) the pre-approval and their independent opinions issued by independent directors; (III) the voting results of the Board (if applicable);	**Article 35** ~~The announcement disclosed by the Company regarding the connected party transaction shall include but not limited to the followings:~~ ~~(I) overview of connected party transactions and basic information of the subjects of the transaction, including but not limited to: type of connected party transactions, amount of connected party transactions and the proportion to the equity attributable to owners of the Company, amount, terms and conditions of unsettled items of connected party transactions and provision for bad debts of outstanding receivables;~~ ~~(II) the pre-approval and their independent opinions issued by independent directors;~~ ~~(III) the voting results of the Board (if applicable);~~

Original Articles	Amended Articles
(IV) relationship among parties to the connected party transactions and basic information of connected person (including but not limited to the basic information of connected natural person, name, economic nature, main business, legal representative, place of registration, registered capital and changes of connected body corporates or other organizations);	~~(IV) relationship among parties to the connected party transactions and basic information of connected person (including but not limited to the basic information of connected natural person, name, economic nature, main business, legal representative, place of registration, registered capital and changes of connected body corporates or other organizations);~~
(V) the pricing policy and pricing basis of the transaction, including the relationship between the transaction price and book value or appraised value of the subjects of transaction and clear and fair market prices, as well as other specific issues related to pricing that are required to be disclosed due to the special circumstance of the subjects of transaction;	~~(V) the pricing policy and pricing basis of the transaction, including the relationship between the transaction price and book value or appraised value of the subjects of transaction and clear and fair market prices, as well as other specific issues related to pricing that are required to be disclosed due to the special circumstance of the subjects of transaction;~~
(VI) in the event of any substantial differences between the transaction price and the book value, appraised value or market price, reasons shall be specified. For any unfair transaction, the diverted interest arising from this connected transaction shall also be disclosed;	~~(VI) in the event of any substantial differences between the transaction price and the book value, appraised value or market price, reasons shall be specified. For any unfair transaction, the diverted interest arising from this connected transaction shall also be disclosed;~~
(VII) the main contents of transaction agreements, including the transaction price, the terms of settlement of the transaction, the nature and share of the connected person's interest in the transaction, the condition for the agreement to be effective, effective time and duration of the agreement;	~~(VII) the main contents of transaction agreements, including the transaction price, the terms of settlement of the transaction, the nature and share of the connected person's interest in the transaction, the condition for the agreement to be effective, effective time and duration of the agreement;~~
(VIII) for continuing or on-going connected party transactions made in daily operations, it shall also include the total amount of estimated annual transactions;	~~(VIII) for continuing or on-going connected party transactions made in daily operations, it shall also include the total amount of estimated annual transactions;~~

Original Articles	Amended Articles
(IX) the purpose of the transaction and impact on the Company, including the necessity and true intention of such connected transaction as well as the impact on the current and future financial condition and operating results; (X) the aggregate amount for all connected transactions entered into with such connected persons from the beginning of the year up to the date of disclosure; (XI) other information of transactions of the Company required to be disclosed in accordance with the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange; (XII) other information which facilitates the explanation of the nature of the transaction as required by the CSRC, the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.	~~(IX) the purpose of the transaction and impact on the Company, including the necessity and true intention of such connected transaction as well as the impact on the current and future financial condition and operating results;~~ ~~(X) the aggregate amount for all connected transactions entered into with such connected persons from the beginning of the year up to the date of disclosure;~~ ~~(XI) other information of transactions of the Company required to be disclosed in accordance with the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange;~~ ~~(XII) other information which facilitates the explanation of the nature of the transaction as required by the CSRC, the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.~~ The information of connected party transactions to be disclosed by the Company shall be determined according to relevant requirements of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited.
Article 36 For significant connected party transactions as stipulated under this mechanism, the Company shall report to the board of supervisors of the Company within 10 working days after execution.	Delete

Notes:

1. The expressions of "shareholders' general meeting (股東大會)" involved in other articles of the full text is adjusted to the "shareholders' general meeting (股東會)" in the Chinese version of the amended edition of the Connected Transactions Decision-Making Mechanism;

2. The expressions of the "board of supervisors" and the "supervisors" involved in other articles of the full text are deleted;

3. The sequential numbers and pages of the content, relevant chapters, articles and cross references are adjusted accordingly, according to the addition or deletion of articles and adjustments of chapters.

Details of the proposed amendments to the Articles of Association are as follows:

Original Articles	Amended Articles
Article 1 This Company is a company limited by shares established in accordance with the Company Law of the People's Republic of China ("Company Law"), the Securities Law of the People's Republic of China ("Securities Law") and other relevant State law and administrative regulations. Following approval by the People's Republic of China's State Economic and Trade Commission, as evidenced by No. Guo Jing Mao Qi Gai [2002]694 Approval of Establishing China Oilfield Services Limited, the Company was established on September 20, 2002 by means of sponsorship, was registered with the State Administration for Industry and Commerce on September 26, 2002, and obtained a company's business license. The number of the Company's business license is 1000001003612. The sole promoter of the Company is: China National Offshore Oil Corporation (CNOOC).	**Article 1** This Company is a company limited by shares established in accordance with the Company Law of the People's Republic of China ("Company Law"), the Securities Law of the People's Republic of China ("Securities Law") and other relevant State law and administrative regulations. Following approval by the People's Republic of China's State Economic and Trade Commission, as evidenced by No. Guo Jing Mao Qi Gai [2002]694 Approval of Establishing China Oilfield Services Limited, the Company was established on September 20, 2002 by means of sponsorship, was registered with the State Administration for Industry and Commerce on September 26, 2002, and obtained a company's business license. ~~The number of the Company's business license is 1000001003612.~~ The Company was registered with the Administration for Market Regulation of Tianjin Binhai High-Tech Industry Development Zone with a unified social credit code of 9112011671092921XD. The sole promoter of the Company is: China National Offshore Oil Corporation (CNOOC).
Article 3 Domicile: No.1581, Haichuan Road, Tanggu Ocean Hi-tech Zone, Binhai Hi-tech Development District, Tianjin Telephone: 010-84522800 Fax: 010-84522133 Postal Code: 300459	**Article 3** Domicile: No.1581, Haichuan Road, Tanggu Ocean Hi-tech Zone, Binhai Hi-tech Development District, Tianjin ~~Telephone: 010-84522800~~ ~~Fax: 010-84522133~~ Postal Code: 300459

Original Articles	Amended Articles
Article 4 The legal representative of the Company shall be the chairman of the board.	**Article 4** The legal representative of the Company shall be the chairman of the board. If the chairman of the board resigns, he/she shall be deemed to have resigned as the legal representative at the same time. If the legal representative resigns, the Company shall appoint a new legal representative within 30 days from the date of resignation of the legal representative.
Add this Article	**Article 5** Civil activities carried out by the legal representative in the name of the Company, the legal consequences of which shall be borne by the Company. Restrictions on the functions and powers of the legal representative set forth in the Articles of Association or by the shareholders' general meeting shall not prevail against bona fide third parties. If the legal representative causes damage to others in the performance of his/her duties, the Company shall bear civil liability. After the Company bears civil liability, it may seek recourse against the legal representative who is at fault in accordance with the provisions of laws or the Articles of Association.
Article 6 The Articles of Association of the Company shall become effective after being approved by the authorities that are authorized by the Stare Council to examine and approve companies. The Articles of Association of the Company shall be a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and the shareholders and among shareholders from the date on which they become effective.	**Article 7** The Articles of Association of the Company shall become effective after being approved by the authorities that are authorized by the Stare Council to examine and approve companies and the shareholders' general meeting. The Articles of Association of the Company shall be a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and the shareholders and among shareholders from the date on which they become effective.

Original Articles	Amended Articles
Article 7 The Articles of Association of the Company shall be binding upon the Company and its shareholders, directors, supervisors, CEO, president, vice president and other senior management staff. All the above persons may make claims related to Company matters in accordance with the Articles of Association. Shareholders may sue the Company in accordance with the Company Law and the Articles of Association of the Company. The Company may sue shareholders in accordance with the Company Law and the Articles of Association of the Company. Shareholders may sue shareholders in accordance with the Articles of Association of the Company. Shareholders may sue directors, supervisors, CEO, president, vice president and other senior management staff of the Company in accordance with the Company Law and the Articles of Association of the Company. For the purposes of the above paragraph, the term "sue" shall include the initiation of proceedings in a court or the application of arbitration to an arbitration organization. For the purposes of the above paragraph, the term "other senior management staff" shall include chief finance officer (CFO), secretary to the board of directors and general legal counsel. The general legal counsel directly reports to the chairman of the board of directors of the Company and guides the work of the legal affairs management institution.	**Article 8** The Articles of Association of the Company shall be binding upon the Company and its shareholders, directors, ~~supervisors,~~ CEO, president, vice president and other senior management staff. All the above persons may make claims related to Company matters in accordance with the Articles of Association. Shareholders may sue the Company in accordance with the Company Law and the Articles of Association of the Company. The Company may sue shareholders, directors, CEO, president, vice president and other senior management staff in accordance with the Company Law and the Articles of Association of the Company. Shareholders may sue shareholders in accordance with the Company Law and the Articles of Association of the Company. Shareholders may sue directors, ~~supervisors,~~ CEO, president, vice president and other senior management staff of the Company in accordance with the Company Law and the Articles of Association of the Company. For the purposes of the above paragraph, the term "sue" shall include the initiation of proceedings in a court or the application of arbitration to an arbitration organization. For the purposes of the above paragraph, the term "other senior management staff" shall include chief finance officer (CFO), secretary to the board of directors and general legal counsel. The general legal counsel directly reports to the chairman of the board of directors of the Company and guides the work of the legal affairs management institution.

Original Articles	Amended Articles
Article 9 The Company is an independent enterprise legal person. All acts of the Company shall be in accordance with the laws and regulations of China and the place(s) where the foreign investment shares are listed and shall protect the legal rights and interests of its shareholders. The entire capital of the Company is divided into shares of equal value and shareholders shall be liable to the Company to the extent of the shares held by them. The company is liable for its debts with all its assets.	**Article 10** The Company is an independent enterprise legal person. All acts of the Company shall be in accordance with the laws and regulations of China and the place(s) where the foreign investment shares are listed and shall protect the legal rights and interests of its shareholders. ~~The entire capital of the Company is divided into shares of equal value and~~ Shareholders shall be liable to the Company to the extent of the shares held by them. The company is liable for ~~it's~~ the Company's debts with all its assets.
Under the premise of observing the laws and administrative regulations of China, the Company has the right of financing or borrowing. The right of financing of the Company includes (but is not limited to) the rights to issue the corporate bonds, to pledge or mortgage the rights of ownership or use of part or all of its assets as well as other rights permitted by Chinese laws and administrative regulations, and to provide all types of guarantee for debts of any third party (including but not limited to affiliated or joint companies of the Company) under all circumstances. But the Company shall not infringe or abolish the rights of any class of shareholders in exercising the above rights.	Under the premise of observing the laws and administrative regulations of China, the Company has the right of financing or borrowing. The right of financing of the Company includes (but is not limited to) the rights to issue the corporate bonds, to pledge or mortgage the rights of ownership or use of part or all of its assets as well as other rights permitted by Chinese laws and administrative regulations, and to provide all types of guarantee for debts of any third party (including but not limited to affiliated or joint companies of the Company) under all circumstances. But the Company shall not infringe or abolish the rights of any class of shareholders in exercising the above rights.
In accordance with the Company Law and the Constitution of the Communist Party of China (the "Party"), the Company hereby set up Party organizations and related working organs, and maintain staffing to handle Party affairs as well as sufficient funding necessary for the activities of the Party organizations. The Party organizations play the role of the leadership core and political core in the Company.	In accordance with the Company Law and the Constitution of the Communist Party of China (the "Party"), the Company hereby set up Party organizations and related working organs, and maintain staffing to handle Party affairs as well as sufficient funding necessary for the activities of the Party organizations. The Party organizations play the role of the leadership core and political core in the Company.

Original Articles	Amended Articles
Article 14 The Company may issue shares to investors inside the People's Republic of China and to investors outside the People's Republic of China in accordance with the laws and file with the China Securities Regulatory Commission (the "CSRC") according to relevant provisions. For the purposes of the preceding paragraph, the term "investors outside the People's Republic of China" shall refer to investors from foreign countries or from Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company, and the term "investors inside the People's Republic of China" shall refer to investors inside the People's Republic of China, excluding the above-mentioned regions, that subscribe for shares issued by the Company.	**Article 15** The Company may issue shares to investors inside the People's Republic of China and to investors outside the People's Republic of China in accordance with the laws and file with the China Securities Regulatory Commission (the "CSRC") according to relevant provisions. The shares of the Company shall be issued in an open, equal and fair manner. Each share of the same class shall rank pari passu with each other. Shares of the same class in each issuance shall be issued under the same terms and at the same price. Each of the shares shall be subscribed for at the same price by any subscriber. For the purposes of the preceding paragraph, the term "investors outside the People's Republic of China" shall refer to investors from foreign countries or from Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company, and the term "investors inside the People's Republic of China" shall refer to investors inside the People's Republic of China, excluding the above-mentioned regions, that subscribe for shares issued by the Company.

Original Articles	Amended Articles
Article 19 The Company may approve capital increases depending on its business and development requirements in accordance with the relevant provisions of the Articles of Association of the Company. The Company may increase its capital by the following methods: (1) Public offering of shares; (2) A private placement of shares; (3) Allotment of new shares to existing shareholders; and (4) Offering of new shares to specific investors; (5) Other methods permitted by laws and administrative regulations. The Company's increase of its capital by issuing new shares shall be handled in accordance with the procedures provided for in relevant State laws and administrative regulations after having been approved in accordance with the Articles of Association of the Company.	**Article 20** ~~The Company may approve capital increases depending on~~ According to its business and development requirements and in accordance with the ~~relevant provisions of the Articles of Association of the Company.~~ provisions of laws and regulations, ~~The~~the Company may increase its capital by the following methods upon approval of resolutions at the shareholders' general meeting: (1) ~~Public o~~Offering of shares to unspecific investors; (2) ~~A private placement~~ Offering of shares to specific investors; (3) Allotment of ~~new~~ bonus shares to existing shareholders; and (4) ~~Offering of new shares to specific investors~~ Capitalization of reverse fund; (5) Other methods ~~permitted~~ provided by laws ~~and~~, administrative regulations and the provisions of the CSRC. The Company's increase of its capital by issuing new shares shall be handled in accordance with the procedures provided for in relevant State laws and administrative regulations after having been approved in accordance with the Articles of Association of the Company.
Article 21 All issues and transfers of foreign investment shares listed outside the People's Republic of China of the Company shall be registered in the register of shareholders of foreign investment shares listed outside the People's Republic of China kept in Hong Kong in accordance with Article 37.	**Article 22** All issues and transfers of ~~foreign investment shares listed outside the People's Republic of China~~H Shares of the Company shall be registered in the register of shareholders of ~~foreign investment shares listed outside the People's Republic of China~~H Shares kept in Hong Kong in accordance with Article ~~37~~35.

Original Articles	Amended Articles
Article 25 When the Company is to reduce its capital, it must prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days since the date of adopting the resolution to reduce its registered capital and shall publish a public announcement of the resolution in newspapers designated by the stock exchange(s) on which the shares of the Company are listed within 30 days since the said date. Creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee for repayment. The reduced registered capital of the Company may not be less than the statutory minimum.	**Article 26** When the Company is to reduce its capital, it ~~must~~ shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days since the date of adopting the resolution to reduce its registered capital by the shareholders' general meeting and shall publish a public announcement of the resolution in newspapers designated by the stock exchange(s) on which the shares of the Company are listed or in the National Enterprise Credit Information Publicity System within 30 days since the said date. Creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee ~~for repayment~~. ~~The reduced registered capital of the Company may not be less than the statutory minimum.~~ Where the Company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the shareholders' shareholdings, unless it is otherwise stipulated by laws or the Articles of Association.

Original Articles	Amended Articles
Article 30 The Company or its subsidiaries shall not at any time provide any financial assistance in any from to purchasers or prospective purchasers of the shares in the Company. Purchasers of shares in the Company as referred to above shall include persons that directly or indirectly undertake obligations for the purpose of purchasing shares in the Company. The Company or its subsidiaries shall not at any time provide any financial assistance in any form to the above obligors in order to reduce or discharge their obligations. The provisions of this Article shall not apply to the circumstances described in Article 32 of these Articles of Association.	**Article 31** ~~The Company or its subsidiaries shall not at any time provide any financial assistance in any from to purchasers or prospective purchasers of the shares in the Company. Purchasers of shares in the Company as referred to above shall include persons that directly or indirectly undertake obligations for the purpose of purchasing shares in the Company.~~ ~~The Company or its subsidiaries shall not at any time provide any financial assistance in any form to the above obligors in order to reduce or discharge their obligations.~~ ~~The provisions of this Article shall not apply to the circumstances described in Article 32 of these Articles of Association.~~ The Company or its subsidiaries (including affiliates of the Company) shall not, by any means of gifts, advances, guarantees, or borrowings, provide financial assistance to others for the acquisition of the shares of the Company or its parent company, except when the Company implements the employee share ownership plan. For the benefit of the Company, by resolution of the shareholders' general meeting or by resolution of the board of directors in accordance with the Articles of Association or the authorization of shareholders' general meetings, the Company may provide financial assistance to others for the acquisition of shares of the Company or its parent company, provided that the cumulative total amount of the financial assistance shall not exceed 10 percent of the total amount of the issued share capital (excluding treasury shares). Resolutions of the board of directors shall be passed by more than two-thirds of all the directors.

Original Articles	Amended Articles
Article 31 For the purposes of this Part, the term "financial assistance" shall include (but not be limited to) the financial assistance in the forms set out below: (1) Gift; (2) Guarantee (including the undertaking of liability or provision of property by the guarantor in order to secure the performance of the obligation by the obligor), indemnity (not including, however, indemnity arising from the Company's own fault) and release or waiver of rights; (3) Provision of a loan or conclusion of a contract under which the obligations of the Company are to be fulfilled prior to the obligations of another party to the contract, or a change in the party to such loan or contract as well as the assignment of rights under such loan or contract; and (4) Financial assistance in any other form when the Company is insolvent or has no net assets or when such assistance would lead to a major reduction in the Company's net assets. For the purposes of this Part, the term "undertake obligations" shall include the undertaking of an obligation by the obligor by concluding a contract or making an arrangement (whether or not such contract or arrangement is enforceable and whether or not such obligation is undertaken by the obligor individually or jointly with any other person) or by changing its financial position in any other way.	Delete this Article

Original Articles	Amended Articles
Article 32 The acts listed below shall not be regarded as acts prohibited under Article 30 of this Part: (1) Where the Company provides the relevant financial assistance truthfully for the benefit of the Company and the main purpose of the financial assistance is not to purchase shares in the Company, or the financial assistance is an incidental part of an overall plan of the Company; (2) Lawful distribution of the Company's property in the form of dividends; (3) Distribution of dividends in the form of shares; (4) Reduction of registered capital, buy-back of shares, capital restructuring, etc. in accordance with the Articles of Association of the Company; (5) Provision of a loan by the Company within its scope of business and in the ordinary course of its business (provided that the same does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance was paid out of the Company's distributable profits); and (6) The provision of money by the Company for an employee shareholding scheme (provided that the same does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance was paid out of the Company's distributable profits).	Delete this Article

Original Articles	Amended Articles
Article 33 The Company's shares shall be in registered form. The shares of the Company shall bear the following main items: (1) Name of the Company; (2) Date of registration and establishment of the Company; (3) Type of shares, par value and the number of shares it represents; (4) Code of share certificates; (5) Other matters as required by the Company Law and the securities exchange(s) on which the shares of the Company are listed.	**Article 32** The Company's shares shall be in registered form. ~~The shares of the Company shall bear the following main items:~~ ~~(1) Name of the Company;~~ ~~(2) Date of registration and establishment of the Company;~~ ~~(3) Type of shares, par value and the number of shares it represents;~~ ~~(4) Code of share certificates;~~ ~~(5) Other matters as required by the Company Law and the securities exchange(s) on which the shares of the Company are listed.~~
Article 34 The share certificates shall be signed by the chairman of the board of directors. Where the signatures of other senior management staff of the Company are required by the securities exchange(s) on which the Company's shares are listed, the share certificates shall also be signed by such other senior management staff. The share certificates shall become effective after the Company seal is affixed thereto or printed thereon. The share certificates shall only be sealed with the Company's seal under the authorisation of the board of directors. The signature of the chairman of the board of directors or of other senior management staff on the share certificates may also be in printed form.	Delete this article

Original Articles	Amended Articles
Article 35 The Company shall keep a register of shareholders, in which the following particulars shall be recorded: (1) The name, address (domicile), profession or nature of each shareholder; (2) The category and number of shares held by each shareholder; (3) The amount paid or payable for the shares held by each shareholder; (4) The serial numbers of the shares held by each shareholder; (5) The date on which each shareholder is registered as a shareholder; and (6) The date on which each shareholder ceases to be a shareholder. The register of shareholders shall be sufficient evidence of the holding of Company's shares by a shareholder, unless there is evidence to the contrary.	**Article 33** ~~The Company shall keep a register of shareholders, in which the following particulars shall be recorded:~~ ~~(1) The name, address (domicile), profession or nature of each shareholder;~~ ~~(2) The category and number of shares held by each shareholder;~~ ~~(3) The amount paid or payable for the shares held by each shareholder;~~ ~~(4) The serial numbers of the shares held by each shareholder;~~ ~~(5) The date on which each shareholder is registered as a shareholder; and~~ ~~(6) The date on which each shareholder ceases to be a shareholder.~~ ~~The register of shareholders shall be sufficient evidence of the holding of Company's shares by a shareholder, unless there is evidence to the contrary.~~ The Company establishes a register of shareholders based on the certificates provided by the securities registration clearing agency. The register of shareholders is the sufficient evidence to prove that shareholders hold the Company's shares.
Add this Article	**Article 37** The shares of the Company shall be transferred in accordance with the laws.
Add this Article	**Article 38** The Company shall not accept its own shares being held as security under a pledge.

Original Articles	Amended Articles
Article 39 All foreign investment shares listed outside the People's Republic of China shall be transferred by an instrument in writing in any usual or common form or any other form which the board of directors may approve. The instrument of transfer of any share may only be executed by hand without seal. If the shareholder is the recognized clearing house or its nominee as defined by the Securities and Futures (Clearing House) Ordinance (Chapter 420 of the Laws of Hong Kong), the instrument of transfer many be executed in mechanically-printed form. All H shares which have been fully paid-up may be freely transferred in accordance with the Articles of Association of the Company. However, unless such transfer complies with the following requirements, the board of directors may refuse to recognize any instrument of transfer and would not need to provide any reason therefore: (1) A fee of HK$2.50 per instrument of transfer or such higher amount as the board of directors may from time to time require but no more than the amount agreed from time to time by the Listing Rules has been paid to the Company for registration of transfer and other documents relating or which will affect the right of ownership of the shares; (2) The instrument of transfer only relates to H shares; (3) The Stamp duty which is chargeable on the instrument of transfer has already been paid; (4) The relevant share certificate(s) and any other evidence which the board of directors may reasonably require to show that the transferor has the right to transfer the shares have been provided;	**Article 39** All foreign investment shares listed outside the People's Republic of China shall be transferred by an instrument in writing in any usual or common form or any other form which the board of directors may approve. The instrument of transfer of any share may only be executed by hand without seal. If the shareholder is the recognized clearing house or its nominee as defined by the ~~Securities and Futures (Clearing House) Ordinance (Chapter 420 of the Laws of Hong Kong)~~Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the instrument of transfer many be executed in mechanically-printed form. All H shares which have been fully paid-up may be freely transferred in accordance with the Articles of Association of the Company. However, unless such transfer complies with the following requirements, the board of directors may refuse to recognize any instrument of transfer and would not need to provide any reason therefore: (1) ~~A fee of HK$2.50 per instrument of transfer or such higher amount as the board of directors may from time to time require but no more than the amount~~ The registration fees charged for standard securities registration services as required ~~agreed~~ from time to time by the Listing Rules has been paid to the Company for registration of transfer and other documents relating or which will affect the right of ownership of the shares; (2) The instrument of transfer only relates to H shares; (3) The Stamp duty which is chargeable on the instrument of transfer has already been paid; (4) The relevant share certificate(s) and any other evidence which the board of directors may reasonably require to show that the transferor has the right to transfer the shares have been provided;

Original Articles	Amended Articles
(5) If it is intended that the shares be transferred to joint owners, the maximum number of joint owners shall not be more than four; (6) The Company does not have any lien on the relevant shares. If the Company refuses to register the transfer of shares, it shall provide a notice of refusal to the transferor and the transferee within 2 months since the date of the formal application of such transfer. Shares of a company held by a promoter of that company shall not be transferred for one year after the company's establishment. Each of the directors, supervisors, CEO, president, vice-president and other senior management staff of the Company shall report to the Company the number of the shares that he/she hold in the Company and any change thereto; during their term of office, the shares of the Company transferred by each of the foregoing per year shall not exceed twenty-five percent of the total number of the shares held by him/her in the Company; the shares held by him/her in the Company shall not be transferred within one year after the Company's shares are first traded on a stock exchange; none of the foregoing shall transfer any shares held by him/her in the Company within half a year following the severance of his/her employment relationship with the Company. During their term of office, the foregoing personnel shall trade the shares of the Company in accordance with laws and regulations (including laws, regulations and trading rules prevailing at the place where such shares are listed for trading) and the requirements of the Company's relevant policies.	(5) If it is intended that the shares be transferred to joint owners, the maximum number of joint owners shall not be more than four; (6) The Company does not have any lien on the relevant shares. If the Company refuses to register the transfer of shares, it shall provide a notice of refusal to the transferor and the transferee within 2 months since the date of the formal application of such transfer. ~~Shares of a company held by a promoter of that company shall not be transferred for one year after the company's establishment.~~ Each of the directors,~~ supervisors,~~ CEO, president, vice-president and other senior management staff of the Company shall report to the Company the number of the shares (including preferred shares) that he/she hold in the Company and any change thereto; during their term of office as determined at the time of taking his/her office, the shares of the Company transferred by each of the foregoing per year shall not exceed twenty-five percent of the total number of the same category shares held by him/her in the Company; the shares held by him/her in the Company shall not be transferred within one year after the Company's shares are first traded on a stock exchange; none of the foregoing shall transfer any shares held by him/her in the Company within half a year following the severance of his/her employment relationship with the Company. During their term of office, the foregoing personnel shall trade the shares of the Company in accordance with laws and regulations (including laws, regulations and trading rules prevailing at the place where such shares are listed for trading) and the requirements of the Company's relevant policies.

Original Articles	Amended Articles
Article 40 No changes resulting from share transfers may be made to the register of shareholders within 20 days prior to a shareholders' general meeting or 5 days prior to the reference date set by the Company for the purpose of distribution of dividends. But if it is otherwise prescribed in relevant provisions of the laws with respect to the registration of change to the register of shareholders of listed companies, then such relevant provisions shall apply.	Delete this Article
Article 41 When the Company is to convene a shareholders' general meeting, distribute dividends, be liquidated or to carry out other acts requiring confirmation of equity interests, the board of directors shall decide a date for determination of equity interests. Shareholders whose names appear on the register at the end of that day shall be the shareholders of the Company.	**Article 40** When the Company is to convene a shareholders' general meeting, distribute dividends, be liquidated or to carry out other acts requiring confirmation of equity interests, the board of directors or the convener of the shareholders' general meeting shall decide a record date for ~~determination of~~ equity interests. ~~Shareholders whose names appear on the register at the end of that day shall be the shareholders of the Company.~~Shareholders whose names appear on the register at closing on the record date for equity interests shall be the shareholders entitled to the relevant interests.

Original Articles	Amended Articles
Article 47 Holders of ordinary shares of the Company shall enjoy the following rights: (1) Collect dividends and other profit distributions on the basis of the number of shares held by them; (2) Participate or to appoint proxies to participate in shareholders' meetings and exercise voting rights; (3) Supervise and control the Company's business activities, and raise suggestions or inquiries; (4) Transfer, donate, or pledge shares in accordance with laws, administrative regulations and the Company's Articles of Association; (5) Obtain relevant information in accordance with the Articles of Association of the Company, which shall include; (I) Obtaining the Articles of Association of the Company after payment of a charge to cover costs; (II) Being entitled to browse and make a copy, after payment of reasonable charges, of: (a) All parts of the register of shareholders; (b) Personal information on the directors, supervisors, CEO, president, vice president and other senior management staff of the Company, including: (i) Current and previous names and aliases; (ii) Main address (domicile); (iii) Nationality;	**Article 46** ~~Holders of ordinary shares~~ Shareholders of the Company shall enjoy the following rights: (1) ~~Collect~~ Obtain dividends and other profit distributions on the basis of the number of shares held by them; (2) Legally require, convene, preside over, ~~P~~participate or ~~to~~ appoint proxies to participate in shareholders' meetings and exercise corresponding voting rights; (3) Supervise ~~and control~~ the Company's business ~~activities~~, and raise suggestions or inquiries; (4) Transfer, donate, or pledge shares in accordance with laws, administrative regulations and the Company's Articles of Association; ~~(5) Obtain relevant information in accordance with the Articles of Association of the Company, which shall include;~~ ~~(I) Obtaining the Articles of Association of the Company after payment of a charge to cover costs;~~ ~~(II) Being entitled to browse and make a copy, after payment of reasonable charges, of:~~ ~~(a) All parts of the register of shareholders;~~ ~~(b) Personal information on the directors, supervisors, CEO, president, vice president and other senior management staff of the Company, including:~~ ~~(i) Current and previous names and aliases;~~ ~~(ii) Main address (domicile);~~ ~~(iii) Nationality;~~

Original Articles	Amended Articles
(iv) Full-time and other part-time occupations and duties;	~~(iv) Full-time and other part-time occupations and duties;~~
(v) Identification documents and their numbers; and	~~(v) Identification documents and their numbers; and~~
(vi) Financial reports.	~~(vi) Financial reports.~~
(c) The status of the Company' share capital;	~~(c) The status of the Company' share capital;~~
(d) Reports of the aggregate par value, number of shares, and highest and lowest prices of each category of shares bought back by the Company since the last fiscal year as well as all the expenses paid by the Company therefore;	~~(d) Reports of the aggregate par value, number of shares, and highest and lowest prices of each category of shares bought back by the Company since the last fiscal year as well as all the expenses paid by the Company therefore;~~
(e) meeting minutes of the shareholders' meeting, resolution of the meeting of the board of directors, and resolution of the meeting of the board of supervisors;	~~(e) meeting minutes of the shareholders' meeting, resolution of the meeting of the board of directors, and resolution of the meeting of the board of supervisors;~~
(f) stub copy of corporate bond; and	~~(f) stub copy of corporate bond; and~~
(g) financial reports.	~~(g) financial reports.~~
(6) Participate in the distribution of the surplus assets of the Company according to their shareholding when the Company is terminated or liquidated;	(5) Inspect and duplicate the Articles of Association, the register of shareholders, minutes of shareholders' general meetings, resolutions of the board meeting, and financial accounting reports. Shareholders who meet the prescribed conditions may inspect the Company's accounting books and accounting vouchers;
(7) With respect to any shareholder who objects to the resolution of the shareholders' general meeting on the merger or division of the Company, require the Company to buy back its shares;	(6) Participate in the distribution of the surplus assets of the Company according to their shareholding when the Company is terminated or liquidated; (7) With respect to any shareholder who objects to the resolution of the shareholders' general meeting on the merger or division of the Company, require the Company to buy back its shares;

Original Articles	Amended Articles
(8) Other rights conferred by laws, administrative regulations and the Company's Articles of Association. The Company may not exercise any power to freeze or infringe in any other way the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he has not disclose his interests to the Company.	(8) Other rights conferred by laws, administrative regulations and the Company's Articles of Association. The Company may not exercise any power to freeze or infringe in any other way the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he has not disclose his interests to the Company.
Article 48 A shareholder who wants to examine the above mentioned information or require for the related material shall provide the documents in writing which may prove the category and number of the shares he holds. The Company shall provide the related information or material according to the demand of the shareholder after having verified of the status of the shareholder. If any shareholder exercises his/her right as granted under Article 47 to browse or make a copy of anything involving the trade secret of the Company, then the Company may refuse to provide relevant information but shall give a reasonable explanation for such refusal.	**Article 47** When shareholders request to the inspection or duplication of the relevant materials of the Company, they shall comply with the requirements of laws and administrative regulations including the Company Law and the Securities Law. A shareholder who wants to examine the above mentioned information or require for the related material shall provide the documents in writing which may prove the category and number of the shares he holds. The Company shall provide the related information or material according to the demand of the shareholder after having verified of the status of the shareholder.

Original Articles	Amended Articles
	Shareholders who have held, alone or in aggregate, more than three percent of the shares of the Company for more than 180 consecutive days may request to inspect the accounting books and accounting vouchers of the Company. In case the shareholders request to inspect the accounting books and accounting vouchers of the Company, such request shall be made to the Company in writing and state its purposes. If the Company has the legitimate reason to believe that the shareholder's requests to inspect the accounting books and accounting vouchers has an improper motive and may impair the legitimate interests of the Company, it may reject the request of the shareholder to inspect and shall, within in 15 days after the shareholder submits a written request, give the shareholder a written reply, which shall include an explanation. If the Company rejects the request of any shareholder to inspect, the shareholders may institute litigation at the People's Court. Shareholders may appoint intermediaries such as accounting firms or law firms to inspect the materials as required in the preceding paragraph. When the shareholders and the appointed intermediaries such as accounting firms or law firms inspect and make copies of the relevant materials, they shall comply with the requirements of the laws and administrative regulations in relation to the protection of state secrets, trade secrets, personal privacy and personal information. If any shareholder exercises his/her right as granted under Article 4~~7~~46 to browse or make a copy of anything involving the trade secret of the Company, then the Company may refuse to provide relevant information but shall give a reasonable explanation for such refusal.

Original Articles	Amended Articles
Add this Article	**Article 48** If the resolutions of shareholders' general meeting and the board of directors are in violation of laws and administrative regulations, shareholders are entitled to request the People's Court to identify them invalid. If the procedures for convening shareholders' general meeting and the board meeting and the method of voting at such meetings are in violation of laws, administrative regulations or the Articles of Association, or the contents of resolutions violate the Articles of Association, shareholders are entitled to request the People's Court to revoke such resolutions within 60 days from the date on which such resolution is adopted. However, it does not apply if such procedures for convening the shareholders' meeting and the board meeting, or the method of voting thereat, have only minor flaws that have no substantial impact on the resolution. Where the board of directors, shareholders and other stakeholders dispute the validity of a resolution of a shareholders' general meeting, they shall promptly institute litigation at the People's Court. Before the People's Court makes a judgement or ruling, such as a cancellation of a resolution, the stakeholders shall execute the resolution of the shareholders' general meeting. The Company, its directors and senior management staff shall perform their duties diligently to ensure the normal operation of the Company. Where the People's Court makes a judgement or ruling on the relevant matter, the Company shall fulfill its obligations to disclose the information in accordance with laws, administrative regulations, the provisions of the CSRC and stock exchanges, fully explain the impact of the judgement or ruling on the Company, and actively cooperate with the authorities in the enforcement of the judgement or ruling after it has come into effect. Where previous matters need to be corrected, the Company shall handle the correction in a timely manner and fulfill its obligations to disclose the information accordingly.

Original Articles	Amended Articles
Add this Article	**Article 49** A resolution of the shareholders' general meeting or board meeting of the Company shall be deemed invalid under any of the following circumstances: (1) the resolution is adopted without convening a shareholders' general meeting or board meeting; (2) the resolution is not voted on at the shareholders' general meeting or board meeting; (3) the number of attendees of the meeting or their voting rights do not meet the quorum or the number of voting rights as stipulated in the Company Law or the Articles of Association; (4) the number of attendees voting in favor of the resolution or their voting rights do not meet the quorum or the number of voting rights as stipulated in the Company Law or the Articles of Association.

Original Articles	Amended Articles
Article 49 Holders of ordinary shares of the Company shall have the following obligations;	**Article 50** ~~Holders of ordinary shares~~ Shareholders of the Company shall have the following obligations;
(1) To abide by the Articles of Association of the Company;	(1) To abide by laws, administrative regulations and the Articles of Association of the Company;
(2) To pay subscription fees on the basis of the shares subscribed by them and the method of capital injection;	(2) To pay subscription fees on the basis of the shares subscribed by them and the method of capital injection;
(3) Not to exit as a shareholder, unless otherwise required by laws and regulations;	(3) Not to ~~exit as a shareholder~~ withdraw the share capital, unless otherwise required by laws and regulations;
(4) Not to abuse the shareholders' right to impair the interest of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the shareholders' limited liabilities to impair the interest of the Company's creditors. The shareholders who abuse their shareholders' rights and cause any losses to the Company or other shareholders shall bear compensation liability therefor in accordance with the law; shareholders who abuse the independent legal person status of the Company and shareholders' limited liability to evade repayment of debts and impair the interests of the creditors of the Company shall bear joint liability for the Company's debt;	(4) Not to abuse the shareholders' right to impair the interest of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the shareholders' limited liabilities to impair the interest of the Company's creditors. The shareholders who abuse their shareholders' rights and cause any losses to the Company or other shareholders shall bear compensation liability therefor in accordance with the law; shareholders who abuse the independent legal person status of the Company and shareholders' limited liability to evade repayment of debts and impair the interests of the creditors of the Company shall bear joint liability for the Company's debt;
(5) Other obligations imposed by laws, administrative regulations and the Company's Articles of Association.	(5) Other obligations imposed by laws, administrative regulations and the Company's Articles of Association.
Shareholders shall not bear any liability for further contribution to share capital other than the conditions agreed to by the subscriber of relevant shares at the time of subscription.	Shareholders shall not bear any liability for further contribution to share capital other than the conditions agreed to by the subscriber of relevant shares at the time of subscription.

Original Articles	Amended Articles
Add this Article	**Article 54** The controlling shareholders and de facto controlling persons of the Company shall exercise their rights and perform their obligations in accordance with the laws, administrative regulations, the provisions of the CSRC and the stock exchanges, and shall safeguard the interests of the Company.
Add this Article	**Article 55** The controlling shareholders and de facto controlling persons of the Company shall comply with the following provisions: (1) to exercise shareholders' rights lawfully, and shall not abuse controlling rights or take advantage of connected relationships to harm the legitimate rights and interests of the Company or other shareholders; (2) to strictly fulfill all public statements and commitments made, and shall not arbitrarily modify or seek exemption therefrom; (3) to fulfill information disclosure obligations in strict accordance with the relevant regulations, actively cooperate with the Company in information disclosure, and promptly notify the Company of any material events that have occurred or are expected to occur; (4) not to misappropriate the Company's funds in any form; (5) not to compel, instruct, or demand the Company and its relevant personnel to provide illegal or non-compliant guarantees; (6) not to use undisclosed material information of the Company to seek benefits, disclose any undisclosed material information relating to the Company in any manner, or engage in illegal and non-compliant activities such as insider trading, short-swing trading, or market manipulation;

Original Articles	Amended Articles
	(7) not to impair the legitimate rights and interests of the Company and other shareholders through unfair connected transactions, profit distribution, asset reorganization, external investments and any other means; (8) to ensure the Company's asset integrity, personnel independence, financial independence, organizational independence, and business independence, and shall not in any way compromise the Company's independence; (9) to comply with laws, administrative regulations, the provisions of the CSRC, the business rules of the stock exchanges and other requirements under the Articles of Association. Where a controlling shareholder or de facto controlling person of the Company does not serve as a director of the Company but de facto manages the Company's affairs, the provisions of the Articles of Association regarding directors' duties of fiduciary and diligence shall apply. If a controlling shareholder or de facto controlling person of the Company instructs a director or a senior management staff to act in a manner detrimental to the Company or shareholders' interests, such shareholder or de facto controlling person shall bear joint and several liability with such director or senior management staff.
Add this Article	**Article 56** Where a controlling shareholder or de facto controlling person pledges the shares of the Company that he/she holds or actually controls, he/she shall maintain the stability of the control and production and operation of the Company.

Original Articles	Amended Articles
Add this Article	**Article 57** Where a controlling shareholder or de facto controlling person transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in the laws, administrative regulations, the provisions of the CSRC and the stock exchanges, as well as his/her undertakings in respect of the restriction on the transfer of shares.
Article 54 The shareholders' general meeting shall exercise the following functions and powers: (1) Decide on the business policies and investment plans of the Company; (2) Elect and replace directors and decide on matters concerning the remuneration of directors; (3) Elect and replace the supervisors who are to be appointed from among the shareholders' representatives and decide on matters concerning the remuneration of supervisors; (4) Examine and approve reports of the board of directors; (5) Examine and approve reports of the board of supervisors; (6) Examine and approve the Company's annual financial budget and final account proposals; (7) Examine and approve the Company's plans for profit distribution and making up losses; (8) Pass resolutions concerning the increase or reduction of the Company's registered capital; (9) Pass resolutions on matters such as the merger, division, change in company form, dissolution or liquidation of the Company;	**Article 59** The shareholders' general meeting shall exercise the following functions and powers: ~~(1) Decide on the business policies and investment plans of the Company;~~ (~~2~~1) Elect and replace directors and decide on matters concerning the remuneration of directors; ~~(3) Elect and replace the supervisors who are to be appointed from among the shareholders' representatives and decide on matters concerning the remuneration of supervisors;~~ (~~4~~2) Examine and approve reports of the board of directors; ~~(5) Examine and approve reports of the board of supervisors;~~ ~~(6) Examine and approve the Company's annual financial budget and final account proposals;~~ (~~7~~3) Examine and approve the Company's plans for profit distribution and making up losses; (~~8~~4) Pass resolutions concerning the increase or reduction of the Company's registered capital; (~~9~~5) Pass resolutions on matters such as the merger, division, change in company form, dissolution or liquidation of the Company;

Original Articles	Amended Articles
(10) Pass resolutions on the issuance of bonds by the Company; (11) Pass resolutions on the employment, dismissal or refusal of employment of accounting firms by the Company; (12) Amend the Articles of Association of the Company; (13) Examine and approve the guaranties as set forth in Article 55; (14) Examine the purchase or sale of material assets within one year with a value exceeding thirty percent of the total assets of the Company as audited in the latest reporting period; (15) Examine and approve any change in the use of the raised funds; (16) Examine and approve stock incentive plan and employee share ownership plan; (17) Examine and approve motions proposed by the shareholders who individually or jointly hold three percent or more of the Company's voting shares; (18) Other matters that laws, administrative regulations and the Company's Articles of Association require to be resolved by the shareholders' general meeting; and (19) The shareholders' general meeting may delegate or entrust its matters to be handled by the board of directors.	(~~10~~6) Pass resolutions on the issuance of bonds by the Company; (~~11~~7) ~~Pass resolutions on the employment, dismissal or refusal of employment of accounting firms by the Company~~Pass resolutions on the Company's employment and dismissal of accounting firms that undertake the audit work of the Company; (~~12~~8) Amend the Articles of Association of the Company; (~~13~~9) Examine and approve the guaranties as set forth in Article ~~55~~60; (~~14~~10) Examine the purchase or sale of material assets within one year with a value exceeding thirty percent of the total assets of the Company as audited in the latest reporting period; (~~15~~11) Examine and approve any change in the use of the raised funds; (~~16~~12) Examine and approve stock incentive plan and employee share ownership plan; ~~(17) Examine and approve motions proposed by the shareholders who individually or jointly hold three percent or more of the Company's voting shares;~~ (~~18~~13) ~~Other matters that laws, administrative regulations and the Company's Articles of Association require to be resolved by the shareholders' general meeting~~ Other functions and powers as stipulated in the laws, administrative regulations, regulatory provisions of the CSRC, and the Articles of Association; and (~~19~~14) The shareholders' general meeting may delegate or entrust its matters to be handled by the board of directors.

Original Articles	Amended Articles
	The board of directors may be authorized by the shareholders' general meeting to make resolutions on the issuance of corporate bonds. Unless otherwise provided by the laws, administrative regulations and departmental rules, the aforesaid functions and powers of the shareholders' general meeting shall not be exercised by the board of directors or any other institution or individual on its behalf through authorization.
Article 57 Shareholders' general meetings shall include annual shareholders' general meetings and extraordinary shareholders' general meetings. Shareholders' general meetings shall be convened by the board of directors. Annual shareholders' general meetings shall be convened once a year and shall be held within six months following the preceding fiscal year. The board of directors shall convene an extraordinary shareholders' general meeting within two months after the occurrence of any of the following circumstances: (1) The number of directors is less than the number provided for in the Company Law or less than two-thirds prescribed in the Articles of Association of the Company; (2) The losses of the Company that have not been made up reach one-third of the total share capital of the Company; (3) Shareholders holding 10 percent or more of the Company's voting shares required in writing an extraordinary shareholders' general meeting to be convened; (4) The board of directors considers that there is a need or the board of supervisors proposes a meeting; or	**Article 62** Shareholders' general meetings shall include annual shareholders' general meetings and extraordinary shareholders' general meetings. Shareholders' general meetings shall be convened by the board of directors. Annual shareholders' general meetings shall be convened once a year and shall be held within six months following the end of the preceding fiscal year. The board of directors shall report their work for the preceding year at the annual shareholders' general meeting. Every independent director shall also deliver a work report. The board of directors shall convene an extraordinary shareholders' general meeting within two months after the occurrence of any of the following circumstances: (1) The number of directors is less than the number provided for in the Company Law or less than two-thirds of the number prescribed in the Articles of Association of the Company; (2) The losses of the Company that have not been made up reach one-third of the total share capital of the Company;

Original Articles	Amended Articles
(5) Two or more independent directors propose a meeting. The board of directors shall include in the agenda for the meeting the matters proposed in the motions in the case of (3), (4) and (5).	(3) A request is made by ~~S~~shareholders, individually or jointly, holding 10 percent or more of the Company's ~~voting~~ shares ~~required in writing an extraordinary shareholders' general meeting to be convened~~(including the preference shares with voting rights resumed, etc.); (4) The board of directors considers that there is a need ~~or the board of supervisors proposes a meeting; or~~ ~~(5) Two or more independent directors propose a meeting.~~ (5) The audit committee proposes to convene such a meeting; or (6) Other circumstances stipulated by laws, administrative regulations, departmental rules, or the Articles of Association. The board of directors shall include in the agenda for the meeting the matters proposed in the motions in the case of (3), (4) and (5).
Article 59 When the Company is to hold an annual shareholders' general meeting, shareholders who individually or jointly hold three percent or more of the total number of the Company's voting shares shall be entitled to propose motions in writing to the Company no later than ten days before the holding of such meeting. The board of directors of the Company shall notify the other shareholders of such motions within two days of its receipt thereof and shall include in such meeting's agenda the matters which are referred to in the motions and fall within the scope of duties of the shareholders'	**Article 64** ~~When the Company is to hold an annual shareholders' general meeting, shareholders who individually or jointly hold three percent or more of the total number of the Company's voting shares shall be entitled to propose motions in writing to the Company no later than ten days before the holding of such meeting. The board of directors of the Company shall notify the other shareholders of such motions within two days of its receipt thereof and shall include in such meeting's agenda the matters which are referred to in the motions and fall within the scope of duties of the shareholders'~~

Original Articles	Amended Articles
general meeting and submit the agenda to the shareholders' general meeting for examination and approval.	~~general meeting and submit the agenda to the shareholders' general meeting for examination and approval.~~ Where the Company convenes a shareholders' general meeting, the board of directors, the audit committee and shareholders individually or jointly holding more than 1 percent of the shares (including the preference shares with voting rights resumed, etc.) of the Company shall have the right to propose motions to the Company. Shareholder(s) individually or jointly holding more than 1 percent of the shares (including the preference shares with voting rights resumed, etc.) of the Company may propose provisional motions in writing to the convener 10 days before the holding of the shareholders' general meeting. The convener shall despatch a supplemental notice of the shareholders' general meeting within 2 days after receipt of the provisional motions to publish the contents thereof, and submit the provisional motions to the shareholders' general meeting for consideration, unless the provisional motions violate laws, administrative regulations or the Articles of Association, or do not fall within the scope of power of the shareholders' general meeting. Except for the circumstances referred to in the preceding paragraph, after the convener publishes the notice of the shareholders' general meeting, no changes or additional motions shall be made to the stated motions in the notice of the shareholders' general meeting. The shareholders' general meeting shall not vote on or resolve any motions not stated in the notice of the shareholders' general meeting or motions which do not meet the requirements in the Articles of Association. If it is otherwise prescribed in the listing rules of the stock exchange where the shares of the Company are listed with respect to the time of the supplemental notice of the shareholders' general meeting, then such relevant provisions shall apply.

Original Articles	Amended Articles
Article 62 The notice of a shareholders' general meeting shall meet the following requirements: (1) It shall be made in writing; (2) It shall specify the place, date and time of the meeting; (3) It shall record the register date of shareholding of the shareholder who is entitled to attend the meeting; (4) It shall state the name and telephone number of the permanent linkman; (5) It shall describe the matters to be discussed at the meeting; (6) It shall provide to the shareholders the information and explanation necessary for them to make a wise decision on the matters to be discussed. This principle shall apply (but not be limited) to the circumstance that when the Company proposes a merger, buy-back of shares, reorganization of share capital or other restructuring, it shall provide the specific conditions and contract (if any) of the transaction under discussions and earnestly explain the cause and result of the transaction; (7) It shall disclose the nature and extent of conflict of interests, if any, of any director, supervisor, CEO, president, vice president or other senior management staff in any matter to be discussed; and provide an explanation of the difference, if any, between the way in which the matter to be discussed would affect such director, supervisor, CEO, president, vice president or other senior management staff in his capacity as shareholder and the way in which such matter would affect other shareholders of the same category;	**Article 67** The notice of a shareholders' general meeting shall meet the following requirements: ~~(1) It shall be made in writing;~~ (~~2~~1) It shall specify ~~the place, date and time of the meeting~~ the time, physical place of the meeting and/or specific format and duration of virtual attendance with the use of technology; (~~3~~2) It shall record the register date of shareholding of the shareholder who is entitled to attend the meeting; (43) It shall state the name and telephone number of the permanent linkman; (~~5~~4) It shall describe the matters and proposals to be discussed at the meeting; (~~6~~5) It shall provide to the shareholders the information and explanation necessary for them to make a wise decision on the matters to be discussed. This principle shall apply (but not be limited) to the circumstance that when the Company proposes a merger, buy-back of shares, reorganization of share capital or other restructuring, it shall provide the specific conditions and contract (if any) of the transaction under discussions and earnestly explain the cause and result of the transaction; (~~7~~6) It shall disclose the nature and extent of conflict of interests, if any, of any director, ~~supervisor,~~ CEO, president, vice president or other senior management staff in any matter to be discussed; and provide an explanation of the difference, if any, between the way in which the matter to be discussed would affect such director, ~~supervisor,~~ CEO, president, vice president or other senior management staff in his capacity as shareholder and the way in which such matter would affect other shareholders of the same category;

Original Articles	Amended Articles
(8) It shall contain the full text of any special resolution proposed to be adopted at the meeting; (9) It shall contain a conspicuous statement that shareholders entitled to attend and vote have the right to entrust one or more proxies to attend and vote on their behalf and that such proxy need not be a shareholder; and (10) It shall state the time and place for the delivery of the meeting's proxy forms.	(~~8~~7) It shall contain the full text of any special resolution proposed to be adopted at the meeting; (~~9~~8) It shall contain a conspicuous statement that shareholders entitled to attend and vote have the right to entrust one or more proxies to attend and vote on their behalf and that such proxy need not be a shareholder; and (~~10~~9) It shall state the time and place for the delivery of the meeting's proxy forms~~.~~; (10) Voting time and voting procedures by electronic or other means.
Add this Article	**Article 68** For a matter relating to the election of directors proposed to be considered at the shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the detailed information of the candidates for directors, which shall at least include: (1) personal information such as educational background, work experience, part-time job, etc.; (2) whether there is any connection between them and the Company or its controlling shareholder(s) and the de facto controlling person(s); (3) their shareholdings in the Company; (4) any penalties imposed by the CSRC and other relevant authorities and punishments imposed by the stock exchanges. In addition to the adoption of the cumulative voting mechanism to elect directors, each candidate for directors shall be proposed in a separate motion.

Original Articles	Amended Articles
Article 63 The notice of a shareholder's general meeting shall be delivered to the shareholders (whether or not entitled to vote thereat) by assigned persons or pre-paid mail to the recipient's address shown in the register of shareholders or by public announcement in accordance with laws, administrative regulations and the listing rules of the stock exchange where the shares of the Company are listed. For the public announcement referred to in the preceding paragraph, once published, all holders of domestic investment shares shall be deemed to have received the notice of the relevant shareholders' meeting.	**Article 69** The notice of a shareholder's general meeting ~~shall~~can be delivered to the shareholders (whether or not entitled to vote thereat) by assigned persons or pre-paid mail to the recipient's address shown in the register of shareholders or by public announcement in accordance with laws, administrative regulations and the listing rules of the stock exchange where the shares of the Company are listed. For the public announcement referred to in the preceding paragraph, once published, all holders of domestic investment shares shall be deemed to have received the notice of the relevant shareholders' meeting.
Article 64 After the notice of a shareholder's general meeting has been delivered, the Company shall not delay such meeting without reason. If there is indeed a need to delay the meeting for a proper reason, the Company shall give a delay notice setting forth the reason for delay and the date of the delayed meeting, no later than seven days before the date of such meeting as set forth in the first notice thereof. In the event of any delay of a shareholders' general meeting, the date of record of shareholders who are entitled to attend the shareholders' general meeting as set forth in the first notice of such meeting may not be changed accordingly.	**Article 70** ~~After the notice of a shareholder's general meeting has been delivered, the Company shall not delay such meeting without reason.~~ After delivery of the notice of shareholders' general meeting, such meeting shall not be postponed or cancelled and the motions set out in the notice shall not be cancelled without proper reasons. ~~If there is indeed a need to delay the meeting for a proper reason,~~ In case of any postponement or cancellation of the meeting, the Company shall ~~give a delay notice setting forth the reason for delay and the date of the delayed meeting~~ make an announcement and give the reasons therefor, no later than ~~seven~~ two days before the date of such meeting as set forth in the first notice thereof. In the event of any delay of a shareholders' general meeting, the date of record of shareholders who are entitled to attend the shareholders' general meeting as set forth in the first notice of such meeting may not be changed accordingly.

Original Articles	Amended Articles
Article 66 Any shareholder entitled to attend and vote at a shareholders' meeting shall have the right to appoint one or more persons (who need not be shareholders) as his proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to his entrustment by the shareholder: (1) The shareholder's right to speak at the shareholders' general meeting; (2) The right to require by himself or in conjunction with others to make a resolution by voting; and (3) The right to vote by raising hands or ballot, except that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights by ballot. If the said shareholder is a recognized clearing house as defined by the Securities and Futures (Clearing House) Ordinance (Chapter 420 of the Laws of Hong Kong), the shareholder may authorize one or more suitable person to act as its representative at any shareholders' general meeting or at any class meeting; however, if more than one person are authorized, the power of attorney shall clearly indicate the number and types of the stocks involved by way of the said authorization. The persons after such authorization may represent the recognized clearing house (or its nominee) to exercise the rights, as if they were the individual shareholders of the Company.	**Article 72** Any shareholder entitled to attend and vote at a shareholders' meeting shall have the right to appoint one or more persons (who need not be shareholders) as his proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to his entrustment by the shareholder: (1) The shareholder's right to speak at the shareholders' general meeting; ~~(2) The right to require by himself or in conjunction with others to make a resolution by voting; and~~ ~~(3) The right to vote by raising hands or ballot, except that if a shareholder has appointed more than one proxy, such proxies may only exercise their voting rights by ballot.~~ (2) Exercise voting rights by way of disclosed ballot. If the said shareholder is a recognized clearing house as defined by the ~~Securities and Futures (Clearing House) Ordinance (Chapter 420 of the Laws of Hong Kong)~~Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the shareholder may authorize one or more suitable person to act as its representative at any shareholders' general meeting or at any class meeting; however, if more than one person are authorized, the power of attorney shall clearly indicate the number and types of the stocks involved by way of the said authorization. The persons after such authorization may represent the recognized clearing house (or its nominee) to exercise the rights, as if they were the individual shareholders of the Company.

Original Articles	Amended Articles
Article 70 The Company is entitled to ask the proxy who represents an individual shareholder to attend the shareholders' general meeting to provide his identification document as well as the power of attorney signed by the appointor or the representative authorized by the appointor. In the case of a corporate shareholder appoints its legal representative to attend the meeting, the Company is entitled to ask the legal representative to provide his identification document as well as the copy of the resolution or the power of attorney by which the board of directors or other authoritative department of the corporate shareholder appoints the legal representative and which has been notarized.	**Article 76** The Company is entitled to ask the proxy who represents an individual shareholder to attend the shareholders' general meeting to provide his identification document as well as the power of attorney signed by the appointor or the representative authorized by the appointor. In the case of a corporate shareholder appoints its legal representative to attend the meeting, the Company is entitled to ask the legal representative to provide his identification document as well as ~~the copy of the resolution or the power of attorney by which the board of directors or other authoritative department of the corporate shareholder appoints the legal representative and which has been notarized~~ valid proof of their capacities as legal representatives and, in the case of attendance by proxies, the Company is entitled to ask such proxies to provide their identity cards and the powers of attorney issued by such legal representatives of the corporate shareholder according to the laws.
Article 72 Resolutions of the shareholders' general meeting can be ordinary resolutions or special resolutions. Ordinary resolutions of the shareholders' general meeting shall be passed by more than half of the voting rights held by the shareholders (including proxies) present at the meeting. Special resolutions of the shareholders' general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting. The shareholders (including their proxies) attending the meeting shall clearly show approval or objection to every matter to be voted on. As for the unpolled vote or abstention, the Company will not treat it as the vote with voting right when calculating the voting result of this matter.	**Article 78** Resolutions of the shareholders' general meeting can be ordinary resolutions or special resolutions. Ordinary resolutions of the shareholders' general meeting shall be passed by more than half of the voting rights held by the shareholders (including proxies) present at the meeting. Special resolutions of the shareholders' general meeting shall be passed by more than two-thirds of the voting rights held by the shareholders (including proxies) present at the meeting. The shareholders (including their proxies) attending the meeting shall clearly show approval or objection to every matter to be voted on. As for the unpolled vote or abstention, the Company will not treat it as the vote with voting right when calculating the voting result of this matter.

Original Articles	Amended Articles
	In the event that the Listing Rules of the place where shares are listed stipulates that any shareholder is required to abstain from voting on any particular matter considered or restricted to voting only for (or against) any particular matter considered, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.
Article 74 Votes of the shareholders' general meeting shall be taken by a show of hands for resolutions, unless the following persons require voting by ballot before or after any vote by a show of hands for resolutions: (1) The chairman of the meeting; (2) At least two shareholders with voting rights or their proxies; or (3) One or several shareholders (including proxies) holding separately or totally 10 percent or more of the shares carrying the right to vote at the meeting. Unless somebody proposes voting by ballot, the chairman of the meeting shall declare whether the proposal has been adopted according to the results of the vote by a show of hands, and shall record the same in the minutes of the meeting, which shall serve as final evidence without having to state the number or proportion of the votes for or against the resolution adopted at the meeting. The demand for a vote by ballot may be withdrawn by the person who made it.	**Article 80** ~~Votes of the shareholders' general meeting shall be taken by a show of hands for resolutions, unless the following persons require voting by ballot before or after any vote by a show of hands for resolutions:~~ ~~(1) The chairman of the meeting;~~ ~~(2) At least two shareholders with voting rights or their proxies; or~~ ~~(3) One or several shareholders (including proxies) holding separately or totally 10 percent or more of the shares carrying the right to vote at the meeting.~~ ~~Unless somebody proposes voting by ballot, the chairman of the meeting shall declare whether the proposal has been adopted according to the results of the vote by a show of hands, and shall record the same in the minutes of the meeting, which shall serve as final evidence without having to state the number or proportion of the votes for or against the resolution adopted at the meeting.~~ ~~The demand for a vote by ballot may be withdrawn by the person who made it.~~ Voting by way of disclosed ballot shall be adopted at the shareholders' general meeting.

Original Articles	Amended Articles
Article 78 The following matters shall be resolved by way of an ordinary resolution of the shareholders' general meeting: (1) Work reports of the board of directors and the board of supervisors; (2) Plans for the distribution of profits and making up of losses drafted by the board of directors; (3) Removal of members of the board of directors and the board of supervisors, their remuneration and terms of payment; (4) The Company's annual budget, final accounts, balance sheet, profit statement and other financial statements; and (5) Matters other than those that law, administrative regulations or the Company's Articles of Association require to be passed by way of a special resolution.	**Article 84** The following matters shall be resolved by way of an ordinary resolution of the shareholders' general meeting: (1) Work reports of the board of directors ~~and the board of supervisors~~; (2) Plans for the distribution of profits and making up of losses drafted by the board of directors; (3) Removal of members of the board of directors ~~and the board of supervisors~~ (excluding employee representative directors), their remuneration and terms of payment; ~~(4) The Company's annual budget, final accounts, balance sheet, profit statement and other financial statements; and~~ (~~5~~4) Matters other than those that law, administrative regulations or the Company's Articles of Association require to be passed by way of a special resolution.

Original Articles	Amended Articles
Article 79 The following matters shall be resolved by way of a special resolution of the shareholders' general meeting: (1) Increase or reduction of the Company share capital and issuance of any category of shares, warrants or other similar securities; (2) Buying-back of Company's shares; (3) Issuance of Company's bonds; (4) Division, spin-off, merger, dissolution and liquidation of the Company or change in company form; (5) Amendment of the Articles of Association of the Company; (6) Purchase or sale of material assets by the Company within one year exceeding thirty percent of the total assets of the Company, or provision of guaranty by the Company within one year the amount secured by which exceeds thirty percent of the total assets of the Company; (7) Stock incentive plan; (8) Other matters that, as resolved by way of an ordinary resolution of the shareholders' general meeting, may have a significant impact on the Company and require adoption by way of a special resolution.	**Article 85** The following matters shall be resolved by way of a special resolution of the shareholders' general meeting: (1) Increase or reduction of ~~the Company share capital and issuance of any category of shares, warrants or other similar securities~~ the Company's registered capital; ~~(2) Buying-back of Company's shares;~~ ~~(3) Issuance of Company's bonds;~~ (~~4~~2) Division, spin-off, merger, dissolution and liquidation of the Company or change in company form; (~~5~~3) Amendment of the Articles of Association of the Company; (~~6~~4) Purchase or sale of material assets by the Company within one year exceeding thirty percent of the latest audited total assets of the Company, or provision of guaranty by the Company to others within one year the amount secured by which exceeds thirty percent of the latest audited total assets of the Company; (~~7~~5) Stock incentive plan; (~~8~~6) Other matters prescribed by the laws, administrative regulations and the Articles of Association, and other matters that, as resolved by way of an ordinary resolution of the shareholders' general meeting, may have a significant impact on the Company and require adoption by way of a special resolution.

Original Articles	Amended Articles
Article 82 Shareholders requesting the convening of an extraordinary shareholders' general meeting or a meeting of shareholders of different categories shall proceed in accordance with the procedures set forth below: (1) Ordinary shareholders (including the preference shareholders with voting rights resumed) holding 10 percent or more of the shares carrying the right to vote at the meeting sought to be held, individually or jointly, may sign one or more written requests of identical form and substance requesting the board of directors to convene an extraordinary shareholders' general meeting or a meeting of shareholders of different categories and stating the subject of the meeting. The board of directors shall convene the shareholders' general meeting or the meeting of shareholders of different categories as soon as possible after having received the above-mentioned written request. The shareholding referred to above shall be calculated as of the day on which the written request is made; and	**Article 88** The board of directors shall convene shareholders' general meetings within the prescribed time limit. Upon approval by more than half of all independent directors, independent directors have the right to propose the board of directors to convene an extraordinary shareholders' general meeting. In respect to the proposal by the independent director for convening an extraordinary shareholders' general meeting, the board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to such proposal for convening an extraordinary shareholders' general meeting within 10 days upon receipt of such proposal. In the event that the board of directors agrees to convene an extraordinary shareholders' general meeting, a notice for convening such meeting shall be given within 5 days after the board resolution is passed. In the event that the board of directors disagrees to convene an extraordinary shareholders' general meeting, an explanation shall be given and an announcement shall be made.

Original Articles	Amended Articles
(2) If the board of directors does not agree to convene an extraordinary general meeting or does not provide any reply within 10 days after having received the above-mentioned written notice, then the shareholders who made such request may request the board of supervisors to convene an extraordinary shareholders' general meeting or a meeting of shareholders of different categories in the same manner as described in the foregoing paragraph (1); if the board of supervisors fails to convene and preside over such an extraordinary shareholders' general meeting or a meeting of shareholders of different categories in accordance with laws within 5 days after its receipt of such written request, and the shareholders who made such request have been individually or jointly holding ten percent or more of the Company's shares for more than ninety consecutive days, then such shareholders may themselves convene the meeting within a reasonable period after the board of supervisors receives the request. The procedures according to which they convene such meeting shall, to the extent possible, be identical to the procedures according to which shareholders' meetings are to be convened by the board of directors. Where shareholders convene and hold a meeting because the board of directors failed to hold such meeting pursuant to a request as mentioned above, the reasonable expenses incurred by such shareholders shall be borne by the Company and shall be deducted from the sums owed by the Company to the negligent directors.	Shareholders requesting the convening of an extraordinary shareholders' general meeting or a meeting of shareholders of different categories shall proceed in accordance with the procedures set forth below: (1) Ordinary shareholders (including the preference shareholders with voting rights resumed) holding 10 percent or more of the shares carrying the right to vote at the meeting sought to be held, individually or jointly, may sign one or more written requests of identical form and substance requesting the board of directors to convene an extraordinary shareholders' general meeting or a meeting of shareholders of different categories and stating the subject of the meeting. The board of directors shall convene the shareholders' general meeting or the meeting of shareholders of different categories as soon as possible after having received the above-mentioned written request. The shareholding referred to above shall be calculated as of the day on which the written request is made; and

Original Articles	Amended Articles
	(2) If the board of directors does not agree to convene an extraordinary general meeting or does not provide any reply within 10 days after having received the above-mentioned written notice, then the shareholders who made such request may request the ~~board of supervisors~~ audit committee to convene an extraordinary shareholders' general meeting or a meeting of shareholders of different categories in the same manner as described in the foregoing paragraph (1); if the ~~board of supervisors~~ audit committee fails to convene and preside over such an extraordinary shareholders' general meeting or a meeting of shareholders of different categories in accordance with laws within 5 days after its receipt of such written request, and the shareholders who made such request have been individually or jointly holding ten percent or more of the Company's shares for more than ninety consecutive days, then such shareholders may themselves convene the meeting within a reasonable period after the ~~board of supervisors~~ audit committee receives the request. The procedures according to which they convene such meeting shall, to the extent possible, be identical to the procedures according to which shareholders' meetings are to be convened by the board of directors. Where shareholders convene and hold a meeting because the board of directors failed to hold such meeting pursuant to a request as mentioned above, the reasonable expenses incurred by such shareholders shall be borne by the Company and shall be deducted from the sums owed by the Company to the negligent directors.

Original Articles	Amended Articles
Article 83 The board of supervisors may propose an extraordinary general meeting to the board of directors. Any such proposal shall be made to the board of directors in writing. The board of directors shall, in accordance with laws, administrative regulations and these Articles of Association, give a written response on whether it agrees to convene such an extraordinary general meeting within ten days of its receipt of such proposal. Where the board of directors agrees to hold an extraordinary general meeting, it shall send out a notice of shareholders' general meeting within 5 days of its resolution approving such meeting. No change shall be made to the original proposal in the notice unless approved by the board of supervisors. Where the board of directors declines to hold an extraordinary general meeting or fails to give a response within 10 days of its receipt of a proposal, the board of directors shall be deemed to be unable or have failed to perform its duty to convene shareholders' general meetings, and the board of supervisors may convene and preside over the meeting itself.	**Article 89** The ~~board of supervisors~~ audit committee may propose an extraordinary general meeting to the board of directors. Any such proposal shall be made to the board of directors in writing. The board of directors shall, in accordance with laws, administrative regulations and these Articles of Association, give a written response on whether it agrees to convene such an extraordinary general meeting within ten days of its receipt of such proposal. Where the board of directors agrees to hold an extraordinary general meeting, it shall send out a notice of shareholders' general meeting within 5 days of its resolution approving such meeting. No change shall be made to the original proposal in the notice unless approved by the ~~board of supervisors~~ audit committee. Where the board of directors declines to hold an extraordinary general meeting or fails to give a response within 10 days of its receipt of a proposal, the board of directors shall be deemed to be unable or have failed to perform its duty to convene shareholders' general meetings, and the ~~board of supervisors~~audit committee may convene and preside over the meeting itself. Where the audit committee or shareholders decide to convene a shareholders' general meeting on its/their own, it/they shall send a written notice to the board of directors and also file with the stock exchange for the record. The audit committee or the convening shareholders shall submit relevant supporting materials to the stock exchange when issuing the notice of the shareholders' general meeting and the announcement of the resolution of the shareholders' general meeting.

Original Articles	Amended Articles
	Prior to the announcement of the resolution(s) of a shareholders' general meeting, the shareholdings (including the preference shares with voting rights resumed, etc.) of the convening shareholders shall not be less than 10 percent.
Add this Article	**Article 90** Where a shareholders' general meeting is convened by the audit committee or shareholders on its/their own, the board of directors and the secretary to the board of directors shall work in a cooperative manner. The board of directors shall provide the register of shareholders prepared on the date of record date.
Article 84 Except for involving trade secrets of the Company which can not be publicized, the board of directors and the board of supervisors shall make reply or explanation to the inquiries and suggestions of shareholders on shareholders' general meetings.	**Article 91** ~~Except for involving trade secrets of the Company which can not be publicized, the board of directors and the board of supervisors shall make reply or explanation to the inquiries and suggestions of shareholders on shareholders' general meetings.~~ Where directors and senior management staff are required to be present at shareholders' general meeting, such directors and senior management staff shall be present at the meeting and answer the queries from shareholders. Directors and senior management staff shall provide explanation and clarification to the queries and suggestions raised by the shareholders at the shareholders' general meeting.

Original Articles	Amended Articles
Article 85 Shareholders' general meetings shall be convened by the board of directors and presided over by the chairman of the board. Where the chairman of the board cannot attend such a meeting for any reason, the meeting shall be convened and presided over by the vice chairman of the board. Where both the chairman and the vice chairman of the board (or vice chairmen of the board) are unable to attend the meeting, the board of directors may designate a director of the Company to convene and preside over the meeting on its behalf. Where no chairman is designated, the shareholders attending the meeting may elect one person to preside over the meeting. If for any reason the shareholders are unable to elect a chairman, the shareholder holding the largest number of voting shares and attending the meeting (whether in person or by proxy) shall preside over the meeting. Where the board of directors is unable to or fails to perform its duty to convene a shareholders' general meeting, the board of supervisors shall timely convene and preside over such meeting; where the board of supervisors fails to so convene and preside over, the shareholders individually or jointly holding ten percent or more of the Company's shares may convene and preside over such meeting themselves.	**Article 92** Shareholders' general meetings shall be ~~convened by the board of directors and~~ presided over by the chairman of the board. Where the chairman of the board ~~cannot attend such a meeting for any reason~~is unable or fails to perform his/her duties, the meeting shall be ~~convened and~~ presided over by the vice chairman of the board. Where ~~both the chairman and~~ the vice chairman of the board ~~(or vice chairmen of the board) are~~ is unable ~~to attend the meeting~~or fails to perform his/her duties, ~~the board of directors may designate~~ a director ~~of the Company~~ shall be jointly elected by more than half of the directors to ~~convene and~~ preside over the meeting ~~on its behalf. Where no chairman is designated, the shareholders attending the meeting may elect one person to preside over the meeting. If for any reason the shareholders are unable to elect a chairman, the shareholder holding the largest number of voting shares and attending the meeting (whether in person or by proxy) shall preside over the meeting.~~ ~~Where the board of directors is unable to or fails to perform its duty to convene a shareholders' general meeting, the board of supervisors shall timely convene and preside over such meeting; where the board of supervisors fails to so convene and preside over, the shareholders individually or jointly holding ten percent or more of the Company's shares may convene and preside over such meeting themselves.~~ A shareholders' general convened by the audit committee on its own shall be presided over by the convener of the audit committee. Where the convener of the audit committee is unable or fails to perform its duties, a member of the audit committee shall be jointly elected by more than half of the members of audit committee to preside over the meeting.

Original Articles	Amended Articles
	A shareholders' general meeting convened by shareholders on their own shall be presided over by the convener or a representative elected by the convener. When a shareholders' general meeting is held and the presider violates the rules of procedures which makes it difficult for the shareholders' general meeting to continue, a person may be elected at the shareholders' general meeting to act as the presider to continue the meeting, subject to the approval of more than half of the shareholders who are entitled to vote and present at the meeting.
Article 89 The minutes of meeting shall be prepared for all resolutions adopted at shareholders' general meetings and be signed by the chairman of the meeting, directors present at the meeting and the person taking minutes. The minutes of meeting shall be prepared for shareholders' general meetings and shall include the following contents: (1) The number of shares carrying voting rights present at the meeting and the percentage of such shares accounting for of the total shares of the Company; (2) The date and place of the meeting; (3) The name of the chairman of the meeting and the agenda for the meeting; (4) The key points of every speaker to every matter examined; (5) The result of every matter which has been put to vote; (6) The inquiry opinions and suggestions of shareholders, the replies or explanations of the board of directors and the board of supervisors;	**Article 96** ~~The minutes of meeting shall be prepared for all resolutions adopted at shareholders' general meetings and be signed by the chairman of the meeting, directors present at the meeting and the person taking minutes.~~ ~~The minutes of meeting shall be prepared for shareholders' general meetings and shall include the following contents:~~ ~~(1) The number of shares carrying voting rights present at the meeting and the percentage of such shares accounting for of the total shares of the Company;~~ ~~(2) The date and place of the meeting;~~ ~~(3) The name of the chairman of the meeting and the agenda for the meeting;~~ ~~(4) The key points of every speaker to every matter examined;~~ ~~(5) The result of every matter which has been put to vote;~~ ~~(6) The inquiry opinions and suggestions of shareholders, the replies or explanations of the board of directors and the board of supervisors;~~

Original Articles	Amended Articles
(7) Other contents which the shareholders' general meeting deems and the Company's Articles of Association prescribes to be included in the minutes of meetings.	~~(7) Other contents which the shareholders' general meeting deems and the Company's Articles of Association prescribes to be included in the minutes of meetings.~~The convener shall ensure the truthfulness, accuracy and completeness of the minutes. The minutes shall be signed by the directors, the secretary to the board, convener or its representative and the presider of the meeting attending or present at the meeting. The minutes of the meeting together with the book of signatures of shareholders who attend the meeting physically or virtually with the use of technology and forms of proxy and valid information on the votes casted by electronic or other means shall be kept for a period of not less than ten years.
Add this Article	**Article 97** The convener shall ensure that the shareholders' general meeting is proceeding continuously until resolutions have been concluded. When special reasons such as force majeure have led to the interruption of the shareholders' general meeting or made it difficult to resolve, necessary measures shall be taken to resume the meeting as soon as practicable, or to terminate the shareholders' general meeting directly with a timely announcement. The convener shall also report to the local agencies of CSRC and the stock exchanges.
Article 91 Legal opinions offered by lawyers shall be prepared for such matters as the validity of the attendance number of shareholders' general meetings, the amount of shareholding held by attending shareholders, power of attorney, the result of every matter which has been put to be voted, the minutes of meetings and the procedures of meetings, etc.	**Article 99** ~~Legal opinions offered by lawyers shall be prepared for such matters as the validity of the attendance number of shareholders' general meetings, the amount of shareholding held by attending shareholders, power of attorney, the result of every matter which has been put to be voted, the minutes of meetings and the procedures of meetings, etc.~~The Company will engage a lawyer to issue and announce a legal opinion on the following issues when convening a shareholders' general meeting:

Original Articles	Amended Articles
	(1) Whether the convening and holding procedures of the meeting are in compliance with the laws, administrative regulations and the Articles of Association; (2) Whether the qualifications of the persons attending the meeting and the convener are legal and valid; (3) Whether the voting procedures and results of the meeting are lawful and valid; (4) Legal opinions on other relevant issues at the request of the Company.
Article 101 The Company shall establish a board of directors. The board of directors shall be composed of 8 directors, who shall include one chairman and may include one vice chairman of the board of directors. The board of directors is independent of the controlling organizations (herein meaning those corporations, enterprises or institutions with the status of legal person which control the Company). The external directors (herein meaning those directors who do not hold office in the Company) (including independent directors) shall represent the majority of the members of the board of directors, of which more than one-third directors shall be independent non-executive directors (herein meaning directors who do not hold any positions in the Company other than serving as directors and have no interest relationship, whether directly or indirectly, or other relationship which may affect their independent and objective judgment with the Company and its substantial shareholders and de facto controlling person).	**Article 109** The Company shall establish a board of directors. The board of directors shall be composed of 8 directors (including one employee representative director), who shall include one chairman and may include one vice chairman of the board of directors. The employee representative director is democratically elected by the Company's employees through the employee representative congress, employee meeting or other methods without being submitted to the shareholders' general meeting for consideration. The board of directors is independent of the controlling organizations (herein meaning those corporations, enterprises or institutions with the status of legal person which control the Company). The external directors (herein meaning those directors who do not hold office in the Company) (including independent directors) shall represent the majority of the members of the board of directors, of which more than one-third directors shall be independent non-executive directors (herein meaning directors who do not hold any positions in the Company other than serving as directors and have no interest relationship, whether directly or indirectly, or other relationship which may affect their independent and objective judgment with the Company and its substantial shareholders and de facto controlling person).

Original Articles	Amended Articles
Article 102 Directors shall be elected by the shareholders' general meeting and shall hold office for a term of three years. Upon the expiration of the term of office, the directors shall be eligible for re-election. The term of office of a director shall commence from the date of resolution of the shareholders' general meeting approving the appointment of such director. No written notice of an intent to nominate a director candidate and the willingness of such candidate to accept such nomination shall be sent prior to the date immediately following the date when the notice of the meeting for election of relevant director is sent or later than 7 days before the convening of the shareholders' general meeting for considering the election of such director. The chairman of the board and the vice chairman of the board shall be elected and removed by affirmative votes of majority of all the members of the board of directors. The chairman of the board and the vice chairman of the board shall serve a term of 3 years and may serve consecutive terms if reelected upon the expiration of their terms. A director may resign before expiry of his term of service. When a director resigns, he/she shall submit a written resignation to the board of directors. The board of directors shall disclose the relevant circumstances within two days. The director's resignation takes effect upon delivery of his/her resignation report to the board of directors, except in the case of the following circumstances: (1) the resignation of directors results in members of the board falling below the minimum quorum;	**Article 110** Directors (excluding employee representative directors) shall be elected by the shareholders' general meeting and shall hold office for a term of three years. Upon the expiration of the term of office, the directors shall be eligible for re-election. The term of office of a director (excluding employee representative directors) shall commence from the date of resolution of the shareholders' general meeting approving the appointment of such director. ~~No written notice of an intent to nominate a director candidate and the willingness of such candidate to accept such nomination shall be sent prior to the date immediately following the date when the notice of the meeting for election of relevant director is sent or later than 7 days before the convening of the shareholders' general meeting for considering the election of such director.~~ The chairman of the board and the vice chairman of the board shall be elected and removed by affirmative votes of majority of all the members of the board of directors. The chairman of the board and the vice chairman of the board shall serve a term of 3 years and may serve consecutive terms if reelected upon the expiration of their terms. A director may resign before expiry of his term of service. When a director resigns, he/she shall submit a written resignation to the board of directors. ~~The board of directors shall disclose the relevant circumstances within two days.~~ The director's resignation takes effect upon delivery of his/her resignation report to the board of directors, except in the case of the following circumstances: (1) the resignation of directors results in members of the board falling below the minimum quorum;

Original Articles	Amended Articles
(2) the proportion of independent directors of the Board or its special committees does not meet the statutory requirements, the requirements of the Listing Rules or provisions of these Articles of Association, or there is a lack of accounting professional among independent directors as a result of the resignation of independent directors.	(2) the proportion of independent directors of the Board or its special committees does not meet the statutory requirements, the requirements of the Listing Rules or provisions of these Articles of Association, or there is a lack of accounting professional among independent directors as a result of the resignation of independent directors.
Where re-election procedures are not carried out in a timely manner on the expiration of the directors' term of office, or where the number of directors on the board of directors falls below the quorum due to a director's resignation, before the newly elected directors take office, the original directors shall perform their directors' duties in accordance with laws, administrative regulations, departmental rules and these Articles of Association.	Where re-election procedures are not carried out in a timely manner on the expiration of the directors' term of office, or where the number of directors on the board of directors falls below the quorum due to a director's resignation, before the newly elected directors take office, the original directors shall perform their directors' duties in accordance with laws, administrative regulations, departmental rules and these Articles of Association.
The shareholders' general meeting may remove any director whose term of office has not expired by adopting an ordinary resolution, subject to relevant laws, administrative regulations and departmental rules (provided however that no claim brought in accordance with any contract shall be affected by such removal).	The shareholders' general meeting may remove any director whose term of office has not expired by adopting an ordinary resolution, subject to relevant laws, administrative regulations and departmental rules (provided however that no claim brought in accordance with any contract shall be affected by such removal).
Not more than 2 persons of the chairman of the board, vice chairman (or vice chairmen), executive directors and senior management staff (general manager, deputy general manager and financial officer) of the controlling organizations may be the chairman of the board, vice chairman and executive director of the Company.	Not more than 2 persons of the chairman of the board, vice chairman (or vice chairmen), executive directors and senior management staff (general manager, deputy general manager and financial officer) of the controlling organizations may be the chairman of the board, vice chairman and executive director of the Company.
Directors need not be Company shareholders.	Directors need not be Company shareholders.

Original Articles	Amended Articles
Article 103 The board of directors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers:	**Article 111** The board of directors ~~shall be accountable to the shareholders' general meeting and~~ shall exercise the following functions and powers:
(1) To be responsible for convening shareholders' general meetings and to report on its work to the shareholders' general meeting;	(1) To ~~be responsible for convening~~convene shareholders' general meetings and to report on its work to the shareholders' general meeting;
(2) To implement the resolutions of shareholders' general meetings;	(2) To implement the resolutions of shareholders' general meetings;
(3) To decide on the business plans and investment plans of the Company;	(3) To decide on the business plans and investment plans of the Company;
(4) To formulate the proposed annual financial budgets and final accounts of the Company;	~~(4) To formulate the proposed annual financial budgets and final accounts of the Company;~~
(5) To formulate the plans for profit distribution and making up losses of the Company;	(~~5~~4) To formulate the plans for profit distribution and making up losses of the Company;
(6) To formulate plans for the increase or reduction in the registered capital of the Company and for the issue and listing of corporate bonds or other securities;	(~~6~~5) To formulate plans for the increase or reduction in the registered capital of the Company and for the issue and listing of corporate bonds or other securities;
(7) To draft plans for major acquisitions, purchase of the Company's shares or merger, division, change in company form and dissolution of the Company;	(~~7~~6) To draft plans for major acquisitions, purchase of the Company's shares or merger, division, change in company form and dissolution of the Company;

Original Articles	Amended Articles
(8) Within the scope of authorization by the shareholders' general meeting, to make decisions on external investments, purchases or sales of assets, assets pledges, external guarantees, entrusted wealth management, connected transactions, external donations, etc. (if the matters meet the criterial for consideration and approval at the shareholders' general meeting in accordance with laws, administrative regulations, and the requirements of the listing rules of the stock exchange where the shares of the Company are listed, such matters shall be submitted to the shareholders' general meeting for approval); and organize relevant experts and professionals to make assessments and examination on material investment projects and report them to the shareholders' general meeting for approval;	(~~8~~7) Within the scope of authorization by the shareholders' general meeting, to make decisions on external investments, purchases or sales of assets, assets pledges, external guarantees, entrusted wealth management, connected transactions, external donations, etc. (if the matters meet the criterial for consideration and approval at the shareholders' general meeting in accordance with laws, administrative regulations, and the requirements of the listing rules of the stock exchange where the shares of the Company are listed, such matters shall be submitted to the shareholders' general meeting for approval); and organize relevant experts and professionals to make assessments and examination on material investment projects and report them to the shareholders' general meeting for approval;
(9) To decide on the establishment of the Company's internal management department;	(~~9~~8) To decide on the establishment of the Company's internal management department;
(10) To hire or dismiss the CEO of the Company;	(~~10~~9) To hire or dismiss the CEO of the Company;
(11) Hire or dismiss the president, vice president(s), chief financial officer, secretary to the board of directors and other senior management staff as proposed by CEO, and to decide on their remuneration, rewards and punishments;	(~~11~~10) Hire or dismiss the president, vice president(s), chief financial officer, secretary to the board of directors and other senior management staff as proposed by CEO, and to decide on their remuneration, rewards and punishments;
(12) To formulate the basic management system of the Company;	(~~12~~11) To formulate the basic management system of the Company;
(13) To formulate proposals for amendment of the Articles of Association of the Company;	(~~13~~12) To formulate proposals for amendment of the Articles of Association of the Company;
	(13) To manage the information disclosure matters of the Company;

Original Articles	Amended Articles
(14) Under the premise of observing relevant laws, administrative regulations, the Articles of Association of the Company and authorization by the shareholders' meeting, to exercise the Company's rights of financing and borrowing and to deal with lease and contract matters relating to the Company; (15) To propose to the shareholders' general meeting to hire or change accounting firms which audit the Company; and (16) To exercise any other powers conferred by the laws, administrative regulations or the Articles of Association. Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of more than half of the directors with the exception of resolutions on matters referred to in items (6), (7) and (13) and as stipulated in the laws, administrative regulations and the listing rules of the stock exchange where the shares of the Company are listed, which shall require the affirmative vote of more than two-thirds of the directors.	(14) Under the premise of observing relevant laws, administrative regulations, the Articles of Association of the Company and authorization by the shareholders' meeting, to exercise the Company's rights of financing and borrowing and to deal with lease and contract matters relating to the Company; (15) To propose to the shareholders' general meeting to hire or change accounting firms which audit the Company; and (16) To exercise any other powers ~~conferred~~ stipulated by the laws, administrative regulations, regulatory provisions of the CSRC ~~or~~ and the Articles of Association or authorized by the shareholders' general meeting. Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of more than half of the directors with the exception of resolutions on matters referred to in items ~~(6), (7) and (13)~~ (5), (6) and (12), and as stipulated in the laws, administrative regulations and the listing rules of the stock exchange where the shares of the Company are listed, which shall require the affirmative vote of more than two-thirds of the directors.

Original Articles	Amended Articles
Article 105 When the board of directors disposes of fixed assets and the sum of the expected value of the consideration for the proposed disposal and the value of the consideration for disposal of fixed assets made in the four months immediately preceding the proposed disposal exceeds 33 percent of the value of the fixed assets shown in the last balance sheet placed before the shareholders' general meeting, the board of directors may not dispose of or agree to dispose of the fixed assets without the prior approval of the shareholders' general meeting. For the purposes of this Article, the term "disposal of fixed assets" shall include the assignment of a certain interest in assets other than by way of security. The validity of transactions whereby the Company disposes of fixed assets shall not be affected by the breach of the first paragraph hereof.	Delete this Article
Article 106 The chairman of the board shall exercise the following functions and powers: (1) To preside over shareholders' general meetings and to convene and preside over meetings of the board of directors; (2) To examine the implementation of resolutions of the board of directors; (3) To sign bond certificates issued by the Company; (4) To sign important documents of the meetings of the board of directors and other documents that require signing by the chairman of the Company; (5) To handle company affairs in accordance with the law and company interests in cases of emergency caused by natural disasters or other force majeure, and report to the board of directors and shareholders' general meeting thereafter; and	**Article 113** The chairman of the board shall exercise the following functions and powers: (1) To preside over shareholders' general meetings and to convene and preside over meetings of the board of directors; (2) To supervise and examine the implementation of resolutions of the board of directors; ~~(3) To sign bond certificates issued by the Company;~~ (43) To sign important documents of the meetings of the board of directors and other documents that require signing by the chairman of the Company; (54) To handle company affairs in accordance with the law and company interests in cases of emergency caused by natural disasters or other force majeure, and report to the board of directors and shareholders' general meeting thereafter; and

Original Articles	Amended Articles
(6) Other functions and powers granted by the board of directors. Where the chairman of the board is unable or fails to fulfill his duties, the duties shall be fulfilled by the vice chairman (if a vice chairman has been appointed); where the vice chairman is unable or fails to fulfill his duties, the duties shall be fulfilled by a director jointly elected by a majority of directors. If no vice chairman has been appointed, the duties shall also be fulfilled by a director jointly elected by a majority of directors.	(~~6~~5) Other functions and powers granted by the board of directors. Where the chairman of the board is unable or fails to fulfill his duties, the duties shall be fulfilled by the vice chairman (if a vice chairman has been appointed); where the vice chairman is unable or fails to fulfill his duties, the duties shall be fulfilled by a director jointly elected by ~~a majority~~more than half of directors. If no vice chairman has been appointed, the duties shall also be fulfilled by a director jointly elected by ~~a majority~~more than half of directors.
Article 107 The board of directors shall establish special committees. (1) The main duties of the audit committee: (i) to examine the audit accounting policy, the status of finance and the procedures of financial report of the Company; (ii) to recommend and engage accounting firms and to communicate with external audit organizations of the Company; (iii) to examine the structure of the inside control and the function of the inside audit; (iv) to assess the inside control of the Company; (v) to examine and supervise all kinds of existing and potential risks of the Company (including the risks of logistics, financing, security, investment, violation of regulations by senior management staff and the safety of computer system);	**Article 114** The board of directors shall establish ~~special committees~~ the audit committee to exercise the functions and powers of the board of supervisors as stipulated by the Company Law. ~~(1) The main duties of the audit committee:~~ ~~(i) to examine the audit accounting policy, the status of finance and the procedures of financial report of the Company;~~ ~~(ii) to recommend and engage accounting firms and to communicate with external audit organizations of the Company;~~ ~~(iii) to examine the structure of the inside control and the function of the inside audit;~~ ~~(iv) to assess the inside control of the Company;~~ ~~(v) to examine and supervise all kinds of existing and potential risks of the Company (including the risks of logistics, financing, security, investment, violation of regulations by senior management staff and the safety of computer system);~~

Original Articles	Amended Articles
(vi) to examine the compliance by the Company of laws and other statutory obligations;	~~(vi) to examine the compliance by the Company of laws and other statutory obligations;~~
(vii) to examine and supervise the Company's code of conduct; and	~~(vii) to examine and supervise the Company's code of conduct; and~~
(viii) to exercise other duties assigned by the board of directors.	~~(viii) to exercise other duties assigned by the board of directors.~~
(2) The main duties of the remuneration and assessment committee:	~~(2) The main duties of the remuneration and assessment committee:~~
(i) to formulate the standards for assessment of directors and senior management staff and to proceed the assessment; and	~~(i) to formulate the standards for assessment of directors and senior management staff and to proceed the assessment; and~~
(ii) to formulate and examine the remuneration policies and plans for directors, supervisors and senior management staff.	~~(ii) to formulate and examine the remuneration policies and plans for directors, supervisors and senior management staff.~~
(3) The main duties of the nomination committee:	~~(3) The main duties of the nomination committee:~~
(i) to make suggestions to the board of directors on the scale and composition (in respect of skills, knowledge and experience) of the board of directors in accordance with the status of business operation, scale of assets and ownership structure of the Company;	~~(i) to make suggestions to the board of directors on the scale and composition (in respect of skills, knowledge and experience) of the board of directors in accordance with the status of business operation, scale of assets and ownership structure of the Company;~~
(ii) to conduct research on the standards and procedures for election of directors and senior management staff and make suggestions to the board of directors with respect thereto;	~~(ii) to conduct research on the standards and procedures for election of directors and senior management staff and make suggestions to the board of directors with respect thereto;~~
(iii) to locate eligible candidates for directors and senior management staff of the Company;	~~(iii) to locate eligible candidates for directors and senior management staff of the Company;~~
(iv) examine and make suggestion on the candidates for directors and senior management staff;	~~(iv) examine and make suggestion on the candidates for directors and senior management staff;~~

Original Articles	Amended Articles
(v) assess the independence of the independent non-executive directors and make suggestions to the board of directors with respect thereto; and (vi) make suggestions to the board of directors with respect to the plan for successor directors. The members of special committees under the board of directors shall serve a term identical to the term of office of the directors. Upon the expiry of the term of office of any member of a special committee, such member may be reelected and serve for another consecutive term of office. If a member of a special committee is no longer a director of the Company, then such member shall automatically loss his/her status as a member of such special committee. A member of a special committee may resign from such position prior to the expiry of his/her term of office. The board of directors may have other special committees, if necessary.	~~(v) assess the independence of the independent non-executive directors and make suggestions to the board of directors with respect thereto; and~~ ~~(vi) make suggestions to the board of directors with respect to the plan for successor directors.~~ ~~The members of special committees under the board of directors shall serve a term identical to the term of office of the directors. Upon the expiry of the term of office of any member of a special committee, such member may be reelected and serve for another consecutive term of office. If a member of a special committee is no longer a director of the Company, then such member shall automatically loss his/her status as a member of such special committee. A member of a special committee may resign from such position prior to the expiry of his/her term of office.~~ ~~The board of directors may have other special committees, if necessary.~~
Add this Article	**Article 115** The audit committee shall consist of three and more members, who shall be directors not holding senior management positions in the Company. Among them, more than half of members shall be independent directors, with an accounting professional among the independent directors serving as convener.
Add this Article	**Article 116** The audit committee is responsible for the review of the Company's financial information and its disclosure, supervision and evaluation of internal and external audit as well as internal control. The following matters shall be submitted to the board of directors for consideration, subject to the approval of more than half of all members of the audit committee: (1) Disclosure of financial and accounting reports, and financial information and internal control evaluation report in periodic reports;

Original Articles	Amended Articles
	(2) Engagement or dismissal of the accounting firm in charge of the audit business of the listed company; (3) Engagement or dismissal of the chief financial officer of the listed company; (4) Changes in accounting policies and accounting estimates or correction of major accounting errors for reasons other than changes in accounting standards; (5) Other matters as stipulated by the laws, administrative regulations, regulatory provisions of the CSRC, and the Articles of Association.
Add this Article	**Article 117** The audit committee shall hold at least one meeting every quarter. An extraordinary meeting will be held when two or more members propose, or when the convener deems it necessary. The meeting of the audit committee can be held only when more than two-thirds of the members are present at the meeting. Any resolution of the audit committee shall be approved by more than half of the members of the audit committee. When voting on a resolution of the audit committee, every member shall have one vote. Resolutions of the audit committee shall be recorded in meeting minutes in accordance with relevant regulations, and the members of the audit committee attending the meeting shall sign the meeting minutes. The board of directors is responsible for formulating the work procedure for the audit committee.

Original Articles	Amended Articles
Add this Article	**Article 118** The board of directors shall establish the nomination committee, the remuneration and assessment committee and other special committees to perform their duties in accordance with the Articles of Association and the authorization of the board of directors, and the proposals of the special committees shall be submitted to the board of directors for review and decision. The board of directors is responsible for formulating work procedures for special committees. The remuneration and assessment committee shall consist of three and more members. Among them, more than half of members shall be independent directors with an independent director serving as convener. The nomination committee shall consist of three and more members. Among them, more than half of members shall be independent directors with an independent director serving as convener. Members of special committees of the board of directors shall serve for the same term as the directors and may be re-elected upon expiry of their terms of office. Prior to the expiry of the term of office, any member who ceases to be a director of the Company shall become automatically disqualified from being a member. A member may tender his/her resignation prior to the expiry of his/her term of office.

Original Articles	Amended Articles
Add this Article	**Article 119** The nomination committee is responsible for formulating the criteria and procedures for the selection of directors and senior management staff, selecting and reviewing the candidates for directors and senior management staff and their qualifications for appointment, and making recommendations to the board of directors on the following matters: (1) Nomination, appointment or removal of directors; (2) Appointment or dismissal of senior management staff; (3) Other matters as stipulated by the laws, administrative regulations, regulatory provisions of the CSRC, and the Articles of Association. If the board of directors does not adopt or does not fully adopt the recommendations of the nomination committee, it shall record the opinion of the nomination committee and the specific reasons for its non-adoption in the resolutions of the board of directors and disclose the same.

Original Articles	Amended Articles
Add this Article	**Article 120** The remuneration and assessment committee is responsible for formulating the standards for assessment of directors and senior management staff, conducting assessments, formulating and reviewing the remuneration decision mechanisms, decision-making processes, payment and cessation of payment recovery arrangements, and other remuneration policies and plans for directors and senior management staff. The committee shall make proposals to the board of directors on the following matters: (1) The remuneration of directors and senior management staff; (2) The formulation or modification of stock incentive plan and employee share ownership plan, the granting of rights and benefits to incentive participants and the achievements of conditions for the exercise rights and benefits; (3) The arrangement of share ownership plans for directors and senior management staff in subsidiaries proposed to be spun off; (4) Other matters as stipulated by the laws, administrative regulations, regulatory provisions of the CSRC, and the Articles of Association. If the board of directors does not adopt or does not fully adopt the recommendations of the remuneration and assessment committee, it shall record the opinions of the remuneration and assessment committee and the specific reasons for its non-adoption in the resolutions of the board of directors and disclose the same.

Original Articles	Amended Articles
Article 108 Meetings of the board of directors shall be held at least four times a year. Meetings of the board of directors shall be convened by the chairman of the board by giving a notice to all directors and supervisors 14 days before the meetings are held. The chairman of the board shall convene an extraordinary meeting of the board within 10 days of its receipt of a proposal under any of the following circumstances: (1) shareholders representing ten percent or more of the voting rights propose; (2) 1/3 or more of the directors jointly propose; (3) the board of supervisors proposes; (4) more than 2 (including 2) independent directors proposes; or (5) the chairman of the board thinks it necessary. The reasonable expenses incurred by the directors who attend meetings of the board shall be borne by the Company. These expenses include the traffic expenses covering the distance between the place where a director is located and the place where a meeting is held (in the event that these two places are not the same), the fees of room and board during the term of the meeting, the rent of the place of the meeting and the local traffic expenses.	**Article 121** Meetings of the board of directors shall be held at least four times a year at approximately quarterly intervals. Meetings of the board of directors shall be convened by the chairman of the board by giving a notice to all directors ~~and supervisors~~ 14 days before the meetings are held. The chairman of the board shall convene an extraordinary meeting of the board within 10 days of its receipt of a proposal under any of the following circumstances: (1) shareholders representing ten percent or more of the voting rights propose; (2) 1/3 or more of the directors jointly propose; (3) the ~~board of supervisors~~ audit committee proposes; (4) more than ~~2 (including 2)~~ half of independent directors proposes; or (5) the chairman of the board thinks it necessary. The reasonable expenses incurred by the directors who attend meetings of the board shall be borne by the Company. These expenses include the traffic expenses covering the distance between the place where a director is located and the place where a meeting is held (in the event that these two places are not the same), the fees of room and board during the term of the meeting, the rent of the place of the meeting and the local traffic expenses.

Original Articles	Amended Articles
Article 109 Meetings and extraordinary meetings of the board of directors shall be noticed by way as follows:	**Article 122** Meetings and extraordinary meetings of the board of directors shall be noticed by way as follows:
(1) If the board of directors has specified the time and place of the regular board meeting in advance, no service of notice is required.	(1) If the board of directors has specified the time and place of the regular board meeting in advance, no service of notice is required.
(2) If the board of directors has not specified the time and place of the regular board meeting in advance, the chairman of the board shall, at least 10 days in advance, inform the directors and supervisors the time and the place of the board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person.	(2) If the board of directors has not specified the time and place of the regular board meeting in advance, the chairman of the board shall, at least ~~10~~14 days in advance, inform the directors ~~and supervisors~~ the time and the place of the board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person.
(3) If there is a need to hold a board meeting in case of emergency, the chairman of the board shall ask the secretary to the board of directors to, not less than 5 days and not above 10 days prior to the day when the extraordinary board meeting is held, inform the directors and supervisors the time, place and method of the board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person.	(3) If there is a need to hold a board meeting in case of emergency, the chairman of the board shall ask the secretary to the board of directors to, not less than 5 days and not above 10 days prior to the day when the extraordinary board meeting is held, inform the directors ~~and supervisors~~ the time, place and method of the board meeting by way of telegraph, telex, fax, courier, registered mail or by specially designated person.
(4) The notice shall be written in Chinese, if necessary, the English version can be attached, including the agenda for the meeting. Any director may waive the right of receiving the notice of board meeting.	(4) The notice shall be written in Chinese, if necessary, the English version can be attached, including the agenda for the meeting. Any director may waive the right of receiving the notice of board meeting.

Original Articles	Amended Articles
Article 112 Meetings of the board of directors may be held only if more than half of the directors (including any entrusted director appointed pursuant to Article 113 of the Company's Articles of Association) attend.	**Article 125** Meetings of the board of directors may be held only if more than half of the directors (including any entrusted director appointed pursuant to Article 126 of the Company's Articles of Association) attend.
Each director shall be entitled to one vote, except as otherwise prescribed by laws and regulations. Resolutions of the board of directors must be adopted by the affirmative vote of the majority of all the directors, unless otherwise required by these Articles of Association.	Each director shall be entitled to one vote, except as otherwise prescribed by laws and regulations. Resolutions of the board of directors must be adopted by the affirmative vote of the majority of all the directors, unless otherwise required by these Articles of Association.
The board of directors shall give a prior notice to all the directors of any material matter to be resolved by the board of directors within a period required by applicable laws and provide sufficient materials with respect to such matter in strict accordance with relevant procedures. The directors may require additional materials with respect thereto. When more than a quarter of directors or more than 2 external directors think the materials so provided are not sufficient or the argument contained therein is not clear, they may suggest jointly to defer the board meeting or defer the discussion of such matter, and the board of directors shall accept such suggestion.	The board of directors shall give a prior notice to all the directors of any material matter to be resolved by the board of directors within a period required by applicable laws and provide sufficient materials with respect to such matter in strict accordance with relevant procedures. The directors may require additional materials with respect thereto. When more than a quarter of directors or more than 2 external directors think the materials so provided are not sufficient or the argument contained therein is not clear, they may suggest jointly to defer the board meeting or defer the discussion of such matter, and the board of directors shall accept such suggestion.
Where a director has some relationship of interest with a matter relating to enterprises that to be voted on at a meeting of the board of directors, such director shall not vote on such matter, whether on its own behalf or as the proxy of another director. Such board meeting shall not be held unless attended by a majority of directors having no relationship of interest with such matter, and any resolution made on such matter shall be subject to affirmative votes of a majority of directors having no relationship of interest with such matter. Where less than three directors having no relationship of interest with such matter attend the meeting, the matter shall be submitted to the shareholders' general meeting for consideration.	Where a director has some relationship of interest with a matter relating to enterprises or individuals that to be voted on at a meeting of the board of directors, such director shall report to the board of directors in written timely and not vote on such matter, whether on its own behalf or as the proxy of another director. Such board meeting shall not be held unless attended by a majority of directors having no relationship of interest with such matter, and any resolution made on such matter shall be subject to affirmative votes of a majority of directors having no relationship of interest with such matter. Where less than three directors having no relationship of interest with such matter attend the meeting, the matter shall be submitted to the shareholders' general meeting for consideration.

Original Articles	Amended Articles
Article 119 The Company shall have one CEO (the Manager defined by the Company Law) who shall be appointed or dismissed by the board of directors. The Company shall have president, certain vice presidents who shall assist CEO and president in work. The board of directors of the Company may determine that CEO is held concurrently by a director, but the management staff of the controlling organizations may not act concurrently as CEO, president, vice president as well as chief finance officer and sell director.	**Article 132** The Company shall have one CEO (the Manager defined by the Company Law) who shall be appointed or dismissed by the board of directors. The Company shall have president, certain vice presidents who shall respectively assist CEO and president in work. The board of directors of the Company may determine that CEO is held concurrently by a director, but the management staff of the controlling organizations may not act concurrently as CEO, president, vice president as well as chief finance officer and sell director.
PART THIRTEEN: BOARD OF SUPERVISORS	Delete the entire chapter
Article 134 None of the following persons may serve as a director, supervisor, CEO, president, vice president or other senior management staff of the Company: (1) Persons without capacity or with limited capacity for civil acts; (2) Persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order where five years have not lapsed following the serving of the sentence, or persons who were deprived of their political rights for committing a crime where five years have not lapsed following the serving of the sentence; (3) Directors, or factory directors or managers who bear personal liability for the bankruptcy or liquidation of their companies or enterprises due to mismanagement where three years have not lapsed following the date of completion of such bankruptcy or liquidation;	**Article 137** None of the following persons may serve as a director, ~~supervisor,~~ CEO, president, vice president or other senior management staff of the Company: (1) Persons without capacity or with limited capacity for civil acts; (2) Persons who were sentenced for crimes of corruption, bribery, encroachment or embezzlement of property or disruption of the social and economic order ~~where five years have not lapsed following the serving of the sentence~~, ~~or~~ persons who were deprived of their political rights for committing a crime where five years have not lapsed following the serving of the sentence or persons who were imposed a suspended sentence where two years have not lapsed following the trial of the suspended sentence; (3) Directors, or factory directors or managers who bear personal liability for the bankruptcy or liquidation of their companies or enterprises due to mismanagement where three years have not lapsed following the date of completion of such bankruptcy or liquidation;

Original Articles	Amended Articles
(4) The legal representatives of companies or enterprises that had their business licenses revoked for breaking the law, where such representatives bear individual liability therefor and three years have not lapsed following the date of revocation of such business licenses; (5) Persons with relatively heavy individual debts that have not been settled upon maturity; (6) Persons whose cases have been established for investigation, and have not been closed yet, by the judicial authorities as a result of their violation of the criminal law; (7) Persons who may not act as leaders of enterprises by virtue of laws and administrative regulations; (8) Non-natural persons; (9) Persons ruled by competent authorities as having violated securities-related regulations, where such violation involved fraudulent or dishonest acts and five years have not lapsed following the date of the ruling; and (10) Persons who has been denied access to the securities market for certain period by securities administrations under the State Council where relevant period remains unexpired.	(4) The legal representatives of companies or enterprises that had their business licenses revoked and ordered to close down for breaking the law, where such representatives bear individual liability therefor and three years have not lapsed following the date of revocation of such business licenses and the order to close down; (5) Persons who are listed as dishonest debtors by the People's Court due to ~~with~~ relatively heavy individual debts that have not been settled upon maturity; ~~(6) Persons whose cases have been established for investigation, and have not been closed yet, by the judicial authorities as a result of their violation of the criminal law;~~ ~~(7) Persons who may not act as leaders of enterprises by virtue of laws and administrative regulations;~~ (~~8~~6) Non-natural persons; ~~(9) Persons ruled by competent authorities as having violated securities-related regulations, where such violation involved fraudulent or dishonest acts and five years have not lapsed following the date of the ruling; and~~ ~~(10) Persons who has been denied access to the securities market for certain period by securities administrations under the State Council where relevant period remains unexpired.~~

Original Articles	Amended Articles
	(7) Persons who have been banned from the securities market by the CSRC and the term has not expired; (8) Persons who have been publicly identified by any stock exchange to be unsuitable for serving as the director and senior management staff of a listed company and the term has not expired; (9) Other contents as stipulated by the laws, administrative regulations or departmental rules. If the election or appointment of directors and senior management staff violates this Article, such election, appointment or employment shall be invalid. If any of the circumstances described in this Article occurs during the term of office of a director and senior management staff, the Company shall remove them from the position and cease their performance of duties.
Article 138 The Company's directors, supervisors, CEO, president, vice president and other senior management staff must, in the exercise of their duties, abide by the principles of honesty and creditability and shall not place themselves in a position where there is a conflict between their personal interests and their duties. This principle shall include (but not be limited to) the fulfillment of the following obligations: (1) To act honestly in the best interests of the Company; (2) To exercise powers within the scope of their functions and powers and not to act beyond such powers;	**Article 141** ~~The Company's directors, supervisors, CEO, president, vice president and other senior management staff must, in the exercise of their duties, abide by the principles of honesty and creditability and shall not place themselves in a position where there is a conflict between their personal interests and their duties. This principle shall include (but not be limited to) the fulfillment of the following obligations:~~ ~~(1) To act honestly in the best interests of the Company;~~ ~~(2) To exercise powers within the scope of their functions and powers and not to act beyond such powers;~~

Original Articles	Amended Articles
(3) To personally exercise the discretion vested in him, not to allow himself be manipulated by another person and, not to delegate the exercise of his discretion to another party unless permitted by laws and administrative regulations or with the consent of the shareholders' general meeting that has been informed;	~~(3) To personally exercise the discretion vested in him, not to allow himself be manipulated by another person and, not to delegate the exercise of his discretion to another party unless permitted by laws and administrative regulations or with the consent of the shareholders' general meeting that has been informed;~~
(4) To be impartial to shareholders of the same category and of different categories;	~~(4) To be impartial to shareholders of the same category and of different categories;~~
(5) Not to conclude a contract or enter into a transaction or arrangement with the Company except as otherwise provided in the Articles of Association of the Company or with the consent of the shareholders' general meeting that has been informed;	~~(5) Not to conclude a contract or enter into a transaction or arrangement with the Company except as otherwise provided in the Articles of Association of the Company or with the consent of the shareholders' general meeting that has been informed;~~
(6) Not to use Company property for his own benefit in any way without the consent of the shareholders' general meeting that has been informed;	~~(6) Not to use Company property for his own benefit in any way without the consent of the shareholders' general meeting that has been informed;~~
(7) Not to use his functions and powers as a means to accept bribes or other forms of illegal income, and not to illegally appropriate Company property in any way, including (but not limited to) any opportunities that are favourable to the Company;	~~(7) Not to use his functions and powers as a means to accept bribes or other forms of illegal income, and not to illegally appropriate Company property in any way, including (but not limited to) any opportunities that are favourable to the Company;~~
(8) Not to accept commissions in connection with Company transactions without the consent of the shareholders' general meeting that has been informed;	~~(8) Not to accept commissions in connection with Company transactions without the consent of the shareholders' general meeting that has been informed;~~
(9) To abide by the Articles of Association of the Company, perform his duties faithfully, protect the interests of the Company and not to seek personal gain with his position, functions and powers in the Company;	~~(9) To abide by the Articles of Association of the Company, perform his duties faithfully, protect the interests of the Company and not to seek personal gain with his position, functions and powers in the Company;~~

Original Articles	Amended Articles
(10) Not to take advantage of their own positions to seek for business opportunities that properly belong to the Company, or engage in the same business as the Company does, either for their own account or for the account of any other person, and not to compete with the Company in any way, without the approval of the shareholders' general meeting;	~~(10) Not to take advantage of their own positions to seek for business opportunities that properly belong to the Company, or engage in the same business as the Company does, either for their own account or for the account of any other person, and not to compete with the Company in any way, without the approval of the shareholders' general meeting;~~
(11) Not to embezzle the Company's funds and not to deposit the Company's assets in the accounts opened in his own or in another's name;	~~(11) Not to embezzle the Company's funds and not to deposit the Company's assets in the accounts opened in his own or in another's name;~~
(12) Not to lend the Company's funds to any other person or provide the Company's assets as security for the debts of any other person, without the approval of the shareholders' general meeting or the board of directors;	~~(12) Not to lend the Company's funds to any other person or provide the Company's assets as security for the debts of any other person, without the approval of the shareholders' general meeting or the board of directors;~~
(13) Not to disclose confidential information relating to the Company that was acquired by him during his office without the consent of the shareholders' general meeting that has been informed, and not to use such information except in the interests of the Company; however, such information may be disclosed to the court or other government authorities if:	~~(13) Not to disclose confidential information relating to the Company that was acquired by him during his office without the consent of the shareholders' general meeting that has been informed, and not to use such information except in the interests of the Company; however, such information may be disclosed to the court or other government authorities if:~~
(I) Provided by law;	~~(I) Provided by law;~~
(II) Required in the public interest; or	~~(II) Required in the public interest; or~~
(III) Required in the own interest of such director, supervisor, CEO, president, vice president or other senior management staff of the Company.	~~(III) Required in the own interest of such director, supervisor, CEO, president, vice president or other senior management staff of the Company.~~ The directors and senior management staff shall comply with the laws, administrative regulations and the Articles of Association, and have fiduciary obligations to the Company and shall take measures to avoid conflicts between their personal interests and the interests of the Company, and shall not use their authority to seek improper benefits.

Original Articles	Amended Articles
	The directors and senior management staff have the following fiduciary obligations to the Company: (1) Not to misappropriate the properties of the Company and misappropriate the funds of the Company; (2) Not to deposit the Company's funds in any accounts opened in their names or in the name of any other individuals; (3) Not to abuse their powers to accept bribes or other illegal income; (4) Not to directly or indirectly enter into contracts or conduct transactions with the Company without reporting to the board of directors or shareholders' general meeting and without being passed by the board of directors or shareholders' general meeting by resolutions in accordance with the provisions of the Articles of Association; (5) Not to use their position to seek business opportunities that should be available to the Company for themselves or others, but except where such business opportunities have been reported to the board of directors or shareholders' general meeting and passed by resolutions of the shareholders' general meeting, or where the Company is unable to take advantage of such business opportunities in accordance with the laws, administrative regulations or the Articles of Association; (6) Not to operate any business for themselves or others which is of the same type as the Company's business without reporting to the board of directors or shareholders' general meeting and being passed by resolutions of the shareholders' general meeting;

Original Articles	Amended Articles
	(7) Not to accept commissions of transactions between other parties and the Company for personal use; (8) Not to disclose the secrets of the Company without authorization; (9) Not to use their connection relationships to harm the interests of the Company; (10) Other fiduciary obligations as stipulated by the laws, administrative regulations, departmental rules and the Articles of Association. Any income derived by the directors and senior management staff in violation of this Article shall belong to the Company; and any loss caused to the Company shall be liable by the directors and senior management staff for compensation. When the close relatives of the directors and senior management staff, the enterprises directly or indirectly controlled by the directors and senior management staff or their close relatives, and the connected persons who have other connected relationships with the directors and senior management staff enter into contracts or conduct transactions with the Company, the provisions in item (4) of the second paragraph of this Article shall apply.

Original Articles	Amended Articles
Add this Article	**Article 142** The directors and senior management staff shall comply with the laws, administrative regulations and the Articles of Association, and have diligence obligations to the Company and perform duties with reasonable care normally expected of a manager in the best interests of the Company. The directors and senior management staff have the following diligence obligations to the Company: (1) To prudently, conscientiously and diligently exercise rights conferred by the Company to ensure that the Company's commercial activities comply with requirements of national laws, administrative regulations and various national economic policies and that its commercial activities fall within the business scope as stipulated in its business license; (2) To treat all shareholders fairly; (3) To keep abreast of the business operation and management of the Company in a timely manner; (4) To sign written confirmations for regular reports of the Company and ensure the truthfulness, accuracy and completeness of information disclosed by the Company; (5) To provide relevant information and materials to the audit committee in a truthful manner and not to impede the audit committee from performing their functions and powers; (6) Other diligence obligations as stipulated by the laws, administrative regulations, departmental rules and the Articles of Association.
Add this Chapter	**PART FOURTEEN: INDEPENDENT DIRECTORS**

Original Articles	Amended Articles
Add this Article	**Article 156** The independent directors shall conscientiously perform their duties, play the roles of participating in the decision-making, supervising, checking and balancing, and professional consulting in the board of directors, safeguard the interests of the Company as a whole, and protect the legitimate rights and interests of minority shareholders in accordance with the laws, administrative regulations, the provisions of the CSRC, stock exchanges and the Articles of Association.
Add this Article	**Article 157** Any person who serves as an independent director of the Company shall meet the following conditions: (1) Being qualified to serve as a director of a listed company in accordance with the laws, administrative regulations and other relevant provisions; (2) Meeting the independence requirements as stipulated in the laws, administrative regulations, the provisions of the CSRC and the business rules of the stock exchanges where the Company is listed; (3) Possessing the basic knowledge of the operation of listed companies and being familiar with relevant laws, regulations and rules; (4) Having more than five years of work experience in law, accounting or economics necessary to perform the duties of an independent director; (5) Possessing good personal integrity with no significant dishonest or other adverse records; (6) Other conditions as stipulated by the laws, administrative regulations, the provisions of the CSRC and the business rules of the stock exchanges and the Articles of Association.

Original Articles	Amended Articles
Add this Article	**Article 158** As members of the board of directors, independent directors owe fiduciary and diligence to the Company and all shareholders, and shall prudently perform the following duties: (1) To participate in the decision-making of the board of directors, and express clear opinions on matters discussed; (2) To supervise matters involving potential material conflicts of interest between the Company and its controlling shareholder, de facto controlling person, directors, and senior management staff, and protect the legitimate rights and interests of minority shareholders; (3) To provide professional and objective advice on the Company's operation and development, promoting the improvement of the decision-making level of the board of directors; (4) Other duties as stipulated by the laws, administrative regulations, the provisions of the CSRC and the Article of Association.

Original Articles	Amended Articles
Add this Article	**Article 159** The independent directors shall exercise the following special functions and powers: (1) To independently engage intermediaries to audit, consult on, or verify specific matters of the Company; (2) To propose to the board of directors to convene an extraordinary shareholders' general meeting; (3) To propose to convene the board meetings; (4) To solicit shareholders' rights publicly from shareholders in accordance with the law; (5) To express independent opinions on matters that may harm the interests of the Company or minority shareholders; (6) Other functions and powers as stipulated by the laws, administrative regulations, the provisions of the CSRC and the Articles of Association. The exercise of the functions and powers listed in items (1) to (3) of the preceding paragraph by independent directors shall be subject to the consent of more than half of all independent directors. If independent directors exercise the functions and powers listed in the first paragraph, the Company shall disclose such information in a timely manner. If the aforementioned functions and powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons thereof.

Original Articles	Amended Articles
Add this Article	**Article 160** The following matters shall be submitted to the board of directors for consideration after obtaining the consent of more than half of all independent directors of the Company: (1) Connected transactions that ought to be disclosed; (2) Plans for the Company and related parties to change or waive commitments; (3) Decisions made and measures taken by the board of directors of an acquired listed company in response to an acquisition; (4) Other matters as stipulated by the laws, administrative regulations, the provisions of the CSRC and the Articles of Association.
Add this Article	**Article 161** The Company shall establish a mechanism for special meetings exclusively involving independent directors. Matters such as connected transactions to be considered by the board of directors shall be pre-approved by a special meeting of independent directors. The Company shall convene special meetings of independent directors on a regular or irregular basis. Matters listed in items (1) to (3) of the first paragraph of Article 159, and Article 160 of the Articles of Association shall be considered by a special meeting of independent directors. The special meetings of independent directors may study and discuss other matters of the Company as needed.

Original Articles	Amended Articles
	The special meetings of independent directors shall be convened and presided over by an independent director jointly elected by more than half of the independent directors. If the convener fails to perform or is unable to perform his/her duties, two or more independent directors may convene the meeting themselves and elect a representative to preside over the meeting. Minutes of meetings of the special meetings of the independent directors shall be prepared in accordance with the regulations, and the opinions of independent directors shall be recorded in the minutes. The independent directors shall sign and confirm the minutes. The Company shall provide convenience and support for the convening of special meetings of independent directors.
Article 155 The financial reports of the Company shall be made available for inspection by shareholders 20 days prior to an annual shareholders' general meeting. Each shareholder of the Company shall have the right to obtain a copy of the financial reports referred to in this Part. The Company shall deliver or send the afore said reports and the report of the board of directors to each shareholder of foreign investment shares listed outside the People's Republic of China by prepaid mail at the recipient's address shown in the register of shareholders, or by publishing such reports on the website of the Company, no later than 21 days prior to an annual shareholders' general meeting.	**Article 165** The financial reports of the Company shall be made available for inspection by shareholders 20 days prior to an annual shareholders' general meeting. Each shareholder of the Company shall have the right to obtain a copy of the financial reports referred to in this Part. The Company shall deliver ~~or send~~ the aforesaid reports and the report of the board of directors to each shareholder of foreign investment shares listed outside the People's Republic of China ~~by prepaid mail~~ at the recipient's address shown in the register of shareholders~~, or by publishing such reports on the website of the Company,~~ no later than 21 days prior to an annual shareholders' general meeting. However, the Company may also deliver the aforesaid reports to the shareholders of foreign investment shares listed outside the People's Republic of China by publishing such reports on the website of the Company within the same time limit.

Original Articles	Amended Articles
Article 159 The Company may not establish any account books other than statutory account books.	**Article 169** The Company may not establish any account books other than statutory account books. The funds of the Company shall not be deposited in any account opened in the name of any other individuals.
Article 160 The Company practices internal audit system, establish internal audit department or equip internal auditors, and process internal audit supervision for the financial revenue and expenditure and economic activities of the Company under the lead of the board of directors.	**Article 170** The Company practices internal audit system, ~~establish internal audit department or equip internal auditors, and process internal audit supervision for the financial revenue and expenditure and economic activities of the Company under the lead of the board of directors~~, which specifies the leadership system, duties and responsibilities, staffing, financial assurance, application of audit results and accountability for internal audit work. The internal audit system of the Company shall be implemented after approval by the board of directors and be publicly disclosed.
Article 161 The internal audit system and the duties of the auditors of the Company shall be implemented subject to the approval of the board of directors. The personnel in charge of auditorial affairs shall be accountable to and report to the board of directors.	Delete this Article
Add this Article	**Article 171** The internal audit institution of the Company conducts supervision and inspection of the business activities, risk management, internal control, financial information and other matters of the Company.

Original Articles	Amended Articles
Add this Article	**Article 172** The internal audit institution shall be accountable to the board of directors. In the course of supervising and inspecting the Company's business activities, risk management, internal control, and financial information, the internal audit institution shall accept the supervision and guidance of the audit committee. Should the internal audit institution discover any significant issues or clues, it shall report directly to the audit committee immediately.
Add this Article	**Article 173** The internal audit institution is responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue its annual internal control evaluation report based on the evaluation report issued by the internal audit institution and reviewed by the audit committee and relevant materials.
Add this Article	**Article 174** When the audit committee communicates with external audit units such as accounting firms and national audit authorities, the internal audit institution shall actively cooperate and provide necessary support and collaboration.
Add this Article	**Article 175** The audit committee participates in the appraisal of the person in charge of internal audit.

Original Articles	Amended Articles
Article 163 When distributing the after-tax profits of the current year, the Company shall allocate 10 percent of its profits to the statutory reserve fund. In the event that the accumulated statutory reserve fund of the Company has reached more than 50 percent of the registered capital of the Company, no allocation is needed. In the event that the statutory reserve fund of the Company is insufficient to make up the losses of the Company of the last year, before allocating the statutory reserve fund in accordance with the stipulations of the previous paragraph, the Company shall first make up the losses by using the profits of the current year. After allocating the statutory surplus reserve fund from the after-tax profits of the Company, the Company can allocate the other reserve fund according to the resolution of the shareholders' general meeting. The remaining profits shall, after making up the losses and allocating the reserve funds, be distributed in accordance with the proportion of shares held by the shareholders, priority should be given to the distribution of profits in cash. The Company should keep its policy of distribution of profits consecutive and stable. The Company should give adequate consideration to shareholders' return. Except for the circumstances set out in paragraph 6 of this Article, in ensuring the normal operation of the Company and continuous development, and as long as the profit for the relevant year and accumulated retained earnings remain positive, the annual dividend level shall not be lower than 20% of the total net profit for the year. The specific payout amount shall be finally approved by the shareholders in a general meeting.	**Article 177** When distributing the after-tax profits of the current year, the Company shall allocate 10 percent of its profits to the statutory reserve fund. In the event that the accumulated statutory reserve fund of the Company has reached more than 50 percent of the registered capital of the Company, no allocation is needed. In the event that the statutory reserve fund of the Company is insufficient to make up the losses of the Company of ~~the last year~~previous years, before allocating the statutory reserve fund in accordance with the stipulations of the previous paragraph, the Company shall first make up the losses by using the profits of the current year. After allocating the statutory surplus reserve fund from the after-tax profits of the Company, the Company can allocate the other reserve fund from the after-tax profits according to the resolution of the shareholders' general meeting. The remaining after-tax profits shall, after making up the losses and allocating the reserve funds, be distributed in accordance with the proportion of shares held by the shareholders, priority should be given to the distribution of profits in cash. The Company should keep its policy of distribution of profits consecutive and stable. The Company should give adequate consideration to shareholders' return. Except for the circumstances set out in paragraph 6 of this Article, in ensuring the normal operation of the Company and continuous development, and as long as the profit for the relevant year and accumulated retained earnings remain positive, the annual dividend level shall not be lower than 20% of the total net profit for the year. The specific payout amount shall be finally approved by the shareholders in a general meeting.

Original Articles	Amended Articles
When the operating conditions of the Company are good, and the Board is of the view that the price of the Share does not match the Company's capital structure and it is in the interest of the shareholders for the Company to pay share dividend, the Company may make a preliminary distribution of share dividend as long as the conditions about cash dividend above can be met. In case of war, natural disasters and other force majeure event, or there exist changes to the external operating environment that have a material impact on the Company's operation, or the Company's own operating conditions changed significantly, the Company may adjust its profit distribution policy. The adjustment of the profit distribution policy shall be subject to the opinion of the independent directors and shall be discussed in detail by the Board on the reasons for the adjustment. The resolution of the Board shall be submitted to the shareholders for approval by way of a special resolution. Internet voting for shareholders shall be arranged by the Company for the general meeting to approve changes to the profit distribution policy.	When the operating conditions of the Company are good, and the Board is of the view that the price of the Share does not match the Company's capital structure and it is in the interest of the shareholders for the Company to pay share dividend, the Company may make a preliminary distribution of share dividend as long as the conditions about cash dividend above can be met. In case of war, natural disasters and other force majeure event, or there exist changes to the external operating environment that have a material impact on the Company's operation, or the Company's own operating conditions changed significantly, the Company may adjust its profit distribution policy. The adjustment of the profit distribution policy shall be subject to the opinion of the independent directors and shall be discussed in detail by the Board on the reasons for the adjustment. The resolution of the Board shall be submitted to the shareholders for approval by way of a special resolution. Internet voting for shareholders shall be arranged by the Company for the general meeting to approve changes to the profit distribution policy. <u>If the shareholders' general meeting, in violation of the Company Law, distributes profits to the shareholders, the shareholders shall return the profits distributed in violation of the regulations to the Company. In the event of any loss caused to the Company, the shareholders and the responsible directors and senior management staff shall be liable for compensation.</u> <u>The Company shall not be entitled to any distribution of profits in respect of shares held by it.</u>

Original Articles	Amended Articles
Article 165 The common reserve fund of the Company shall be used only for the following purposes: (1) covering the Company's losses, provided however that the capital reserve fund must not be used to cover the Company's losses; (2) Expanding the Company's production and operation; and (3) Converting the common reserve fund into the capital of the Company. The Company may convert its common reserve fund into capital subject to the approval of the shareholders' general meeting. When such conversion takes place, the Company shall either distribute new shares in proportion to the existing shareholders' number of shares or increase the par value of each share, provided, however, that when the statutory common reserve fund is converted into capital, the balance of the statutory common reserve fund may not fall below 25 percent of the registered capital.	**Article 179** The common reserve fund of the Company shall be used only for the following purposes: (1) Covering the Company's losses~~, provided however that the capital reserve fund must not be used to cover the Company's losses~~; (2) Expanding the Company's production and operation; and (3) ~~Converting the common reserve fund into the~~ Increasing the registered capital of the Company. When the common reserve funds are used to make up the losses of the Company, the discretionary reserve and the statutory common reserve shall be prioritized; the capital reserve may be used in accordance with the regulations if such reserves are not sufficient to recover the losses. The Company may convert its common reserve fund into increasing the registered capital subject to the approval of the shareholders' general meeting. When such conversion takes place, the Company shall either distribute new shares in proportion to the existing shareholders' number of shares or increase the par value of each share, provided, however, that when the statutory common reserve fund is converted into increasing the registered capital, the balance of the statutory common reserve fund may not fall below 25 percent of the registered capital.

Original Articles	Amended Articles
Article 166 The dividends shall be distributed in proportion to shareholders' number of shares within 6 months after the end of the fiscal year. The dividends shall be decided by way of ordinary resolution of the shareholders' general meeting. The shareholders' general meeting may authorize the board of directors to distribute interim dividends unless otherwise determined by the shareholders' general meeting. Unless otherwise provided for in laws and administrative regulations, the amount of interim dividends may not exceed 50 percent of the distributable profits specified in the interim profit statement of the Company. The payments of any share having been paid before the demand for payment shall enjoy interest, however, the shareholders shall have no right to dividend allocated thereafter in respect of the advance payments of shares. As for the power of seizing the dividends having not been drawn, it may not be exercised until the application term expires.	**Article <u>180</u>** The dividends shall be distributed in proportion to shareholders' number of shares within 6 months after the end of the fiscal year. The dividends shall be decided by way of ordinary resolution of the shareholders' general meeting. <u>When considering the annual profit distribution plan at the annual shareholders' general meetings of the Company, the conditions, proportion caps and amount caps of interim cash dividend distribution for the following year can also be considered and approved. The board of directors shall formulate specific interim dividend distribution plan based on the resolution of the annual shareholders' general meeting upon fulfillment of profit distribution conditions.</u> The shareholders' general meeting may authorize the board of directors to distribute interim dividends unless otherwise determined by the shareholders' general meeting. Unless otherwise provided for in laws and administrative regulations, the amount of interim dividends may not exceed 50 percent of the distributable profits specified in the interim profit statement of the Company. The payments of any share having been paid before the demand for payment shall enjoy interest, however, the shareholders shall have no right to dividend allocated thereafter in respect of the advance payments of shares. As for the power of seizing the dividends having not been drawn, it may not be exercised until the application term expires.
Article 167 The Company may distribute dividends in the following forms: (1) cash;	**Article <u>181</u>** The Company may distribute dividends in the following forms <u>and orders</u>: (1) cash;

Original Articles	Amended Articles
(2) shares; (3) a mix of cash and shares.	(2) shares; (3) a mix of cash and shares.
Article 168 The Company's profit distribution plan shall be prepared by the Chief Executive Officer and submitted to the board of directors to review, the independent directors shall provide their independent opinions, and the Board resolution shall be submitted to the shareholders at a general meeting to approve. The convening of the shareholders' general meeting should be consistent with the regulatory requirements of the place of listing of the Company. After the shareholders at a general meeting have resolved for a profit distribution, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months of the shareholders' general meeting. If the Company elects not to make a cash dividend in accordance with the special circumstances set forth in Article 163, the board of directors shall provide the specific reasons for not paying a cash dividend, the exact purpose of the retained earnings of the Company and the expected investment income and other related matters, present to the independent directors for their opinion and submitted to the shareholders' general meeting for approval. The reasons shall also be disclosed in designated media.	**Article 182** The Company's profit distribution plan shall be prepared by the Chief Executive Officer and submitted to the board of directors to review, ~~the independent directors shall provide their independent opinions,~~ and the Board resolution shall be submitted to the shareholders at a general meeting to approve. Independent directors are entitled to express their independent opinions if they are in view that the specific cash dividend distribution plan may harm the interests of the Company or minority shareholders. If the board of directors does not adopt or does not fully adopt the opinions of independent directors, the board of directors shall record the opinions of independent directors and specific reasons for not adopting such opinions under the board resolution, and make relevant disclosures. The convening of the shareholders' general meeting should be consistent with the regulatory requirements of the place of listing of the Company. After the shareholders at a general meeting have resolved for a profit distribution, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months of the shareholders' general meeting. If the Company elects not to make a cash dividend in accordance with the special circumstances set forth in Article ~~163~~177, the Board of Directors shall provide the specific reasons for not paying a cash dividend, the exact purpose of the retained earnings of the Company and the expected investment income and other related matters, ~~present to the independent directors for their opinion~~ and submit~~ted~~ to the shareholders' general meeting for approval. The reasons shall also be disclosed in designated media.

Original Articles	Amended Articles
	Before considering the specific cash dividend distribution plan at the shareholders' general meeting, the Company shall actively communicate and exchange information with the shareholders, especially minority shareholders, through a number of channels, take into full account the opinions and requests of minority shareholders and address their concerns in a timely manner.
Article 176 If the position of accounting firm becomes vacant, the board of directors may appoint an accounting firm to fill such vacancy before a shareholders' general meeting is held. However, if there are other accounting firms holding the position of accounting firm of the Company while such vacancy still exists, such accounting firms may continue to act.	**Article 190** ~~If the position of accounting firm becomes vacant, the board of directors may appoint an accounting firm to fill such vacancy before a shareholders' general meeting is held. However, if there are other accounting firms holding the position of accounting firm of the Company while such vacancy still exists, such accounting firms may continue to act.~~ The appointment and dismissal of accounting firm by the Company shall be decided by the shareholders' general meeting. The board of directors may not appoint accounting firm before the decision of the shareholders' general meeting.
Article 179 The employment, dismissal or refusal of the renewal of the employment of an accounting firm shall be decided upon by the shareholders' general meeting and reported to the State Council authorities in charge of securities for the record. Where a resolution at a shareholders' general meeting is passed to appoint an accounting firm other than an incumbent accounting firm, to fill any vacancy in the office of the accounting firm, to reappoint an accounting firm which was appointed by the board of directors to fill a causal vacancy or to remove an accounting firm before expiry of its term of office, the following provisions shall apply:	Delete the article

Original Articles	Amended Articles
(1) A copy of the appointment or removal proposal shall be sent before the issue of the notice of shareholders' general meeting to the accounting firm proposed to be appointed or proposing to leave its post or the accounting firm which has left its post in the relevant fiscal year. Reference as leaving herein includes leaving by removal, resignation and retirement. (2) If the accounting firm leaving its post makes representations in writing and requests the Company to give a notice of such representations to the shareholders, the Company shall take the following measures unless it has received the representations too late: (I) In any notice of the resolution given to shareholders, state the fact of the representations having been made by the accounting firm leaving its post; and (II) Attach a copy of the representations to the notice and deliver it to the shareholders in the manner stipulated in the Company's Articles of Association. (3) If the Company fails to circulate the accounting firm's representations in the manner set out in the second paragraph of the Article, such accounting firm may require the representations to be read out at the meeting in addition to his right to be heard. (4) The accounting firm which has left its post shall be entitled to attend the following meetings: (I) The shareholders' general meeting at which its term of office would otherwise have expired; (II) The shareholders' general meeting at which it is proposed to fill the vacancy caused by its removal;	

Original Articles	Amended Articles
(III) The shareholders' general meeting at which is convened as a result of its voluntary resignation. The leaving accounting firm shall have the right to receive all notices of, and other information relating to, any such meeting, and to speak at any such meeting which it attends on any affair which concerns it as the former accounting firm of the Company.	
Article 180 When the Company dismisses or does not renew the employment of an accounting firm, it shall give a notice to the accounting firm 30 days in advance. The accounting firm shall have the right to present its views on the shareholders' general meeting. Where an accounting firm tenders its resignation, it shall inform the shareholders' general meeting of whether there is any irregularity in the Company. An accounting firm may resign its office by way of depositing at the Company's domicile a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall contain the following statements: (1) A statement to the effect that there are no circumstances connected with its resignation which it considers necessary to be explained to shareholders or creditors of the Company; or (2) A statement of any such circumstances as it considers necessary to be explained.	**Article <u>193</u>** When the Company dismisses or does not renew the employment of an accounting firm, it shall give a notice to the accounting firm 30 days in advance. The accounting firm shall have the right to present its views on the shareholders' general meeting. Where an accounting firm tenders its resignation, it shall inform the shareholders' general meeting of whether there is any irregularity in the Company. An accounting firm may resign its office by way of depositing at the Company's domicile a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall contain the following statements: (1) A statement to the effect that there are no circumstances connected with its resignation which it considers necessary to be explained to shareholders or creditors of the Company; or (2) A statement of any such circumstances as it considers necessary to be explained.

Original Articles	Amended Articles
Where a notice is deposited under the preceding paragraph, the Company shall send a copy of the notice to the relevant authorities within 14 days. If the notice contains a statement referred to in item (2) of the preceding paragraph, a copy of such statement shall be placed at the Company for shareholders' inspection. The Company shall also send a copy of such statement by prepaid mail to every holder of foreign investment shares listed outside the People's Republic of China at the address registered in the register of shareholders. Where the accounting firm's notice of resignation contains a statement of any circumstances as it considers necessary to be explained, it may require the board of directors to convene an extraordinary shareholders' general meeting for the purpose of listening to the explanation of the circumstances connected with its resignation.	Where a notice is deposited under the preceding paragraph, the Company shall send a copy of the notice to the relevant authorities within 14 days. If the notice contains a statement referred to in item (2) of the preceding paragraph, a copy of such statement shall be placed at the Company for shareholders' inspection. ~~The Company shall also send a copy of such statement by prepaid mail to every holder of foreign investment shares listed outside the People's Republic of China at the address registered in the register of shareholders.~~ Where the accounting firm's notice of resignation contains a statement of any circumstances as it considers necessary to be explained, it may require the board of directors to convene an extraordinary shareholders' general meeting for the purpose of listening to the explanation of the circumstances connected with its resignation.
Article 189 The merger or division of the Company shall require the preparation of a proposal by the board of directors. After such proposal has been adopted in accordance with the procedures specified in the Articles of Association of the Company, relevant examination and approval procedures shall be carried out according to law. Shareholders that oppose such proposal on the merger or division of the Company shall have the right to require the Company or shareholders that are in favour of such proposal to purchase their shares at a fair price. The contents of resolutions approving the merger or division of the Company shall be compiled in a special document for inspection by shareholders.	**Article 202** The merger or division of the Company shall require the preparation of a proposal by the board of directors. After such proposal has been adopted in accordance with the procedures specified in the Articles of Association of the Company, relevant examination and approval procedures shall be carried out according to law. Shareholders that oppose such proposal on the merger or division of the Company shall have the right to require the Company or shareholders that are in favour of such proposal to purchase their shares at a fair price. The contents of resolutions approving the merger or division of the Company shall be compiled in a special document for inspection by shareholders. If the consideration paid by the Company for the merger does not exceed ten percent of the Company's net assets, a resolution of the shareholders' general meeting is not required, unless otherwise provided by the Articles of Association or the listing rules of the stock exchange where the shares of the Company are listed.

Original Articles	Amended Articles
Holders of foreign investment shares listed outside the People's Republic of China shall be served copies of the above-mentioned document by mail to the address registered in the register of shareholders.	Mergers conducted in accordance with the preceding paragraphs without a resolution of the shareholders' general meeting must be approved by a resolution of the board of directors. Holders of foreign investment shares listed outside the People's Republic of China shall be served copies of the above-mentioned document by ~~mail to the address registered in the register of shareholders~~ means that meet the regulatory requirements of the overseas listing place of the shares.
Article 190 Merger of the Company may take the form of merger by absorption and merger by new establishment. For merger of companies, the parties to the merger shall enter into a merger agreement and prepare balance sheets and a property list. The Company shall notify its creditors within a period of 10 days from the date on which the merger resolution is passed and publish at least three announcements on the merger in China Securities Newspaper within 30 days of that date. Upon completion of the merger, the company that survives the merger or the newly established company shall succeed to the claims and debts of the parties to the merger.	**Article 203** Merger of the Company may take the form of merger by absorption and merger by new establishment. For merger of companies, the parties to the merger shall enter into a merger agreement and prepare balance sheets and a property list. The Company ~~shall~~ will notify its creditors within a period of 10 days from the date on which the merger resolution is passed and publish ~~at least three announcements on the merger in China Securities Newspaper~~ announcements in the newspapers recognized by the stock exchange of the place where the Company's shares are listed or in the National Enterprise Credit Information Publicity System within 30 days of that date. The creditors may require the Company to pay off the debts or to provide corresponding guarantee within 30 days of the receipt of the notice, or within 45 days upon the date of the announcement if they do not receive the notice. Upon ~~completion of~~ the merger, the company that survives the merger or the newly established company shall succeed to the claims and debts of the parties to the merger.

Original Articles	Amended Articles
Article 191 If the Company is to be divided, its property shall be divided accordingly. For division of a company, the parties to the division shall enter into a division agreement and prepare balance sheets and an asset list. The Company shall notify its creditors within a period of 10 days from the date on which the division resolution is passed and publish at least three announcements on the division in China Securities Newspaper within 30 days of that date. Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division in accordance with the agreement reached, unless otherwise stipulated in an written agreement concluded between the Company and the creditor with respect to the repayment of such debts prior to the Company's division.	**Article 204** If the Company is to be divided, its property shall be divided accordingly. For division of a company, ~~the parties to the division shall enter into a division agreement and prepare~~ a balance sheet~~s~~ and an asset list shall be prepared. The Company ~~shall~~ will notify its creditors within a period of 10 days from the date on which the division resolution is passed and publish ~~at least three announcements on the division in China Securities Newspaper~~ announcements in the newspapers recognized by the stock exchange of the place where the Company's shares are listed or in the National Enterprise Credit Information Publicity System within 30 days of that date. Debts owed by the Company prior to the division shall be assumed by the companies in existence after the division in accordance with the agreement reached, unless otherwise stipulated in an written agreement concluded between the Company and the creditor with respect to the repayment of such debts prior to the Company's division.

Original Articles	Amended Articles
Add this article	**Article 205** Where the Company still incurs losses after making up its losses in accordance with the provisions of paragraph 2 of Article 179 of the Articles of Association, it may reduce its registered capital to make up for the losses. If the registered capital is reduced to make up for losses, the Company shall not make distribution to its shareholders, nor exempt the shareholders from their obligation to make capital contribution or call on shares. The provisions of paragraph 2 of Article 26 of the Articles of Association shall not apply to the reduction in the registered capital in accordance with the preceding paragraph. The Company shall publish announcements in the newspapers recognized by the stock exchange of the place where the Company's shares are listed or in the National Enterprise Credit Information Publicity System within 30 days from the date on which the resolution on the reduction of its registered capital is passed at the shareholders' general meeting. After reducing its registered capital in accordance with the preceding two paragraphs, the Company shall not distribute profits until the accumulated amount of its statutory reserve and discretionary reserve reaches 50% of its registered capital.
Add this article	**Article 206** If the reduction of the registered capital is in violation of the Company Law and other relevant regulations, shareholders shall return the funds they have received and the reduced capital contribution of the shareholders shall be restored to its original amount; in case of losses caused to the Company, the shareholders and the responsible directors and senior management staff shall be liable for compensation.

Original Articles	Amended Articles
Add this article	**Article 207** When the Company issues new shares to increase its registered capital, shareholders do not have pre-emptive rights, unless otherwise stipulated in the Articles of Association or decided by a resolution of the shareholders' general meeting that shareholders shall have pre-emptive rights.
Article 193 The Company shall be dissolved and liquidated according to law under the following circumstances: (1) If the shareholders' general meeting resolves to dissolve the Company; (2) If dissolution is necessary as a result of the merger or dissolution of the Company; (3) If the Company is declared bankrupt according to law because it is unable to pay its debts upon maturity; or (4) If the Company is lawfully ordered to close down as a result of violation of laws or administrative regulations. (5) If serious difficulties have arisen in the operation of the Company and the continuation of the Company would certainly impair the shareholders' interests to a significant extent; however, where any such scenario cannot be resolved through other channels, shareholders holding 10% of all voting rights of the Company may petition the people's court to dissolve the Company.	**Article 209** The Company shall be dissolved for the following reasons: (1) If the term of operation stipulated in the Articles of Association expires or other grounds for dissolution specified in the Articles of Association occurs; (~~1~~2) If the shareholders' general meeting resolves to dissolve the Company; (~~2~~3) If dissolution is necessary as a result of the merger or dissolution of the Company; ~~(3) If the Company is declared bankrupt according to law because it is unable to pay its debts upon maturity; or~~ (4) If the ~~Company is lawfully~~ operating license is revoked in accordance with the laws, or the Company is ordered to close down or is cancelled ~~as a result of violation of laws or administrative regulations.~~; (5) If serious difficulties have arisen in the operation of the Company and the continuation of the Company would certainly impair the shareholders' interests to a significant extent; however, where any such scenario cannot be resolved through other channels, shareholders holding more than 10% of ~~all~~ the voting rights of the Company may petition the people's court to dissolve the Company.

Original Articles	Amended Articles
	If any of the reasons for dissolution in the preceding paragraph occurs, the Company shall disclose the reasons for dissolution in the National Enterprise Credit Information Publicity System within 10 days.
Add this article	**Article 210** The Company may continue to exist by amending the Articles of Association or by a resolution of the shareholders' general meeting under the circumstances set out in item (1) and item (2) of Article 209 and if the Company has not distributed properties to shareholders. Any amendment to the Articles of Association or resolution of the shareholders' general meeting made pursuant to the preceding paragraph shall be subject to approval of more than two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting.
Article 194 Where the Company is to be dissolved pursuant to item (1), (4) and (5) of the preceding Article, it shall establish a liquidation committee within 15 days. The members of such liquidation committee shall be determined by the shareholders' general meeting by way of an ordinary resolution. Where a liquidation committee is not established according to schedule, the creditors may appeal to the People's Court to organize the relevant personnel to establish a liquidation committee to carry out liquidation.	**Article 211** Where the Company is to be dissolved pursuant to items (1), (2), (4) and (5) of the ~~preceding~~ Article 209, it shall ~~establish~~ be liquidated. Directors shall be the liquidation obligors of the Company, and a liquidation committee shall be established within 15 days from the date of occurrence of events giving rise to dissolution. The members of such liquidation committee shall be ~~determined by the shareholders' general meeting by way of an ordinary resolution~~ directors, unless otherwise stipulated in the Articles of Association or otherwise selected by a resolution of the shareholders' general meeting. If a liquidation obligor fails to perform his/her liquidation obligations in a timely manner and causes losses to the Company or the creditors, such liquidation obligor shall be liable for compensation. Where a liquidation committee is not established according to schedule, the creditors may appeal to the People's Court to organize the relevant personnel to establish a liquidation committee to carry out liquidation.

Original Articles	Amended Articles
Where the Company is to be dissolved pursuant to item (2) of the preceding Article, liquidation shall be carried out by the parties to the merger or division in accordance to the agreements reached at the time of merger or division. Where the Company is to be dissolved pursuant to item (3) of the preceding Article, the People's Court shall, in accordance with relevant laws, organize the shareholders, relevant authorities and relevant professionals to establish a liquidation committee to carry out liquidation.	Where the Company is to be dissolved pursuant to item (~~2~~3) of Article 209, liquidation shall be carried out by the parties to the merger or division in accordance to the agreements reached at the time of merger or division. Where the Company is to be dissolved pursuant to item (~~3~~4) of Article 209, the People's Court shall, in accordance with relevant laws, organize the shareholders, relevant authorities and relevant professionals to establish a liquidation committee to carry out liquidation.
Article 196 The liquidation committee shall notify creditors within a period of 10 days from the date of its establishment and publish at least three announcements of the liquidation in a newspaper within 60 days. Creditor shall, within 30 days since the date of receiving the notice, report their creditors' rights to the liquidation committee, or for creditors who do not receive the notice, within 45 days since the date of the first public notice. Where creditors do not report their creditors' rights to the liquidation committee according to schedule, the rights shall be deemed to have been waived by the creditors. When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to the creditor's rights and shall provide evidentiary materials. The liquidation committee shall register the creditors' rights.	**Article 213** The liquidation committee shall notify creditors within a period of 10 days from the date of its establishment and publish ~~at least three announcements of the liquidation in a newspaper~~ announcements in the newspapers recognized by the stock exchange of the place where the Company's shares are listed or in the National Enterprise Credit Information Publicity System within 60 days. Creditor shall, within 30 days since the date of receiving the notice, or within 45 days from the date of the public announcement if no such notice is received, report their creditors' rights to the liquidation committee~~, or for creditors who do not receive the notice, within 45 days since the date of the first public notice. Where creditors do not report their creditors' rights to the liquidation committee according to schedule, the rights shall be deemed to have been waived by the creditors~~. When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to the creditor's rights and shall provide evidentiary materials. The liquidation committee shall register the creditors' rights. The liquidation committee may not pay off any debts to any creditors during the period of reporting creditors' rights.

Original Articles	Amended Articles
Article 198 After the liquidation committee has thoroughly examined the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the shareholders' general meeting or People's Court in charge for confirmation. Payment of debts out of Company property shall be made in the sequence required by laws and regulations, or in the event that there are no applicable laws, in the just and reasonable sequence determined by the liquidation committee. Company property left after full payment in accordance with the provisions of the preceding paragraph shall be distributed to the Company's shareholders according to the category and proportion of their shareholding. During the liquidation, the Company shall not carry on any business irrelevant to the liquidation.	**Article 215** After the liquidation committee has thoroughly examined the Company's property and prepared a balance sheet and property list, it shall formulate a liquidation plan and submit such plan to the shareholders' general meeting or People's Court in charge for confirmation. ~~Payment of debts out of Company property shall be made in the sequence required by laws and regulations, or in the event that there are no applicable laws, in the just and reasonable sequence determined by the liquidation committee.~~ The remaining properties after paying off the liquidation expenses, wages of employees, social insurance premiums and statutory compensation, the outstanding taxes and the debts of the Company may be distributed in proportion to the respective shareholding of the shareholders. ~~Company property left after full payment in accordance with the provisions of the preceding paragraph shall be distributed to the Company's shareholders according to the category and proportion of their shareholding.~~ During the liquidation, the Company continues to exist but shall not carry on any business irrelevant to the liquidation. Before the settlement of repayments as provided in the preceding paragraphs has been made, the Company's properties shall not be distributed to shareholders.

Original Articles	Amended Articles
Article 199 If the Company is liquidated due to dissolution and the liquidation committee, having thoroughly examined the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall immediately appeal to the People's Court for a declaration of bankruptcy. After the People's Court has ruled to declare the Company bankrupt, the Company's liquidation committee shall refer the liquidation matters to the People's Court.	**Article 216** If ~~the Company is liquidated due to dissolution and~~ the liquidation committee, having ~~thoroughly examined~~ sorted out the Company's property and prepared a balance sheet and property list, discovers that the Company's property is insufficient to pay its debts in full, it shall ~~immediately appeal~~ apply to the People's Court for ~~a declaration of~~ bankruptcy liquidation in accordance with the law. After the People's Court ~~has ruled to declare the Company bankrupt~~ accepts the bankruptcy application, the ~~Company's~~ liquidation committee shall ~~refer~~ hand over the liquidation matters to the bankruptcy administrator designated by the People's Court. The Company shall disclose major progress of the matters in a timely manner in accordance with laws, regulations and regulatory provisions before the court makes a rule on whether to accept the bankruptcy matter.
Article 200 Following the completion of liquidation, the liquidation committee shall formulate a liquidation report, a revenue and expenditure statement and financial account books in respect of the liquidation period and, after verification thereof by an accountant registered in China, submit the same to the shareholders' general meeting or People's Court in charge of confirmation. Within 30 days from the date of confirmation of the above-mentioned documents by the shareholders' general meeting or People's Court in charge, the liquidation committee shall deliver the same to the company registry, apply for cancellation of the Company's registration and publicly announce the Company's termination.	**Article 217** Following the completion of liquidation, the liquidation committee shall formulate a liquidation report~~, a revenue and expenditure statement and financial account books in respect of the liquidation period and, after verification thereof by an accountant registered in China,~~ and submit the same to the shareholders' general meeting or People's Court in charge of confirmation, then deliver the same to the company registry, and apply for cancellation of registration of the Company. ~~Within 30 days from the date of confirmation of the above-mentioned documents by the shareholders' general meeting or People's Court in charge, the liquidation committee shall deliver the same to the company registry, apply for cancellation of the Company's registration and publicly announce the Company's termination.~~

Original Articles	Amended Articles
Add this article	**Article 218** The members of the liquidation committee perform their liquidation duties, and have the obligations of fiduciary and diligence. The members of the liquidation committee shall bear the liability for damages suffered by the Company due to their negligence in performing the liquidation duties; if a member of the liquidation committee causes loss to the creditors due to intentional misconduct or gross negligence, he/she shall be liable for compensation.
Add this article	**Article 219** Where the Company is declared bankruptcy in accordance with laws, it shall implement bankruptcy liquidation in accordance with laws relating to bankruptcy of enterprise.
PART TWENTY-THREE: SETTLEMENT OF DISPUTES	Delete the entire chapter
Article 208 Any number used in these Articles of Associations shall include the number itself.	**Article 226** ~~Any number used in these Articles of Associations shall include the number itself.~~ The terms "more than" and "within" as stated in the Articles of Association shall include the given figure; the terms "over", "beyond", "less than" and "above" shall exclude the given figure.
Add this article	**Article 227** Appendixes to the Articles of Association include the rules of procedure for the shareholders' general meeting and the rules of procedure for the board of directors.

Notes:

1. The expressions of "shareholders' general meeting (股東大會)" involved in other articles of the full text is adjusted to the "shareholders' general meeting (股東會)" in the Chinese version of the amended edition of the Articles of Association;

2. The expressions of the "board of supervisors" and the "supervisors" involved in other articles of the full text are deleted;

3. The sequential numbers and pages of the content, relevant chapters, articles and cross references are adjusted accordingly, according to the addition or deletion of articles and adjustments of chapters.

中海油田服务股份有限公司
China Oilfield Services Limited

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

(Stock Code: 2883)

NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2025 first extraordinary general meeting (the "**First EGM**") of China Oilfield Services Limited (the "**Company**") will be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC on Tuesday, 2 December 2025 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments the following resolutions of the Company:

AS ORDINARY RESOLUTIONS

1. To consider and approve the resolution in relation to the Continuing Connected Transactions for the next three years.

2. To consider and approve the amendments to the Rules of Procedure for Shareholders' General Meeting.

3. To consider and approve the amendments to the Rules of Procedure of the Board of Directors.

4. To consider and approve the amendments to the Independent Director System.

5. To consider and approve the amendments to the Connected Transactions Decision-Making Mechanism.

AS A SPECIAL RESOLUTION

6. To consider and approve the cancellation of the Supervisory Committee and amendments to the Articles of Association.

By Order of the Board
China Oilfield Services Limited
Sun Weizhou
Company Secretary

14 November 2025

As at the date of this notice, the executive directors of the Company are Messrs. Zhao Shunqiang (Chairman), Lu Tao and Xiao Jia; the non-executive directors of the Company are Messrs. Fan Baitao and Liu Qiudong; and the independent non-executive directors of the Company are Ms. Chiu Lai Kuen, Susanna, Messrs. Kwok Lam Kwong, Larry and Yao Xin.

Notes:

(1) All resolutions at the meeting will be taken by poll pursuant to the Hong Kong Listing Rules and the results of the poll will be published on the Stock Exchange's and the Company's websites in accordance to the Hong Kong Listing Rules.

(2) Holders of the Company's overseas listed foreign invested shares (H Shares) whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited on Tuesday, 2 December 2025 are entitled to attend and vote at the First EGM.

(3) Each shareholder of the Company who has the right to attend and vote at the First EGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the First EGM. Where a shareholder has appointed more than one proxy to attend the general meeting, the shareholder shall specify the class and number of shares of the Company in respect of which each proxy is so appointed. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing. In the case that an appointer is a legal person, the power of attorney must be either under the common seal of the legal person or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointer, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. For holders of H Shares, the power of attorney or other documents of authorisation and proxy forms must be delivered to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by post or facsimile, no less than 24 hours before the time appointed for the holding of the First EGM in order for such documents to be valid. For holders of A Shares, the above-mentioned documents must be delivered to the Office of the Secretary of the Board of the Company before the above-mentioned time.

(4) Holders of H Shares whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited and holders of A Shares whose name appear on the Company's register of members maintained by Shanghai branch of China Securities Depository and Clearing Corporation Limited on Tuesday, 2 December 2025 are entitled to attend the First EGM. The Company's register of members will be closed from Thursday, 27 November 2025 to Tuesday, 2 December 2025 (both days inclusive), during which time no transfer of shares will be registered. Transferees of H Shares who wish to attend the First EGM must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to Computershare Hong Kong Investor Services Limited by no later than 4:30 p.m. on Wednesday, 26 November 2025 for completion of the registration of the relevant transfer in accordance with the Articles of Association of the Company.

Computershare Hong Kong Investor Services Limited's address is as follows:

Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

(5) Shareholders or their proxies must present proof of their identities upon attending the First EGM. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.

(6) The First EGM is expected to last not more than one day. Shareholders or proxies attending the First EGM are responsible for their own transportation and accommodation expenses.