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

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

**If you have sold or transferred** all your shares in Shanghai Electric Group Company Limited, you should at once hand this circular and the forms of proxy to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SHANGHAI ELECTRIC GROUP COMPANY LIMITED**

**上海電氣集團股份有限公司**

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

**(Stock Code: 02727)**

**ANNUAL REPORT FOR THE YEAR 2023**  
**REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023**  
**REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023**  
**REPORT OF THE FINANCIAL RESULTS FOR THE YEAR 2023**  
**PROFIT DISTRIBUTION PLAN FOR THE YEAR 2023**  
**RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS ZHONG TIAN LLP AS THE**  
**COMPANY'S AUDITOR FOR THE FINANCIAL YEAR 2024**  
**RATIFICATION OF EMOLUMENTS PAID TO THE DIRECTORS OF THE**  
**COMPANY FOR THE YEAR 2023 AND EMOLUMENTS OF THE DIRECTORS OF**  
**THE COMPANY FOR THE YEAR 2024**  
**RATIFICATION OF EMOLUMENTS PAID TO THE SUPERVISORS OF THE**  
**COMPANY FOR THE YEAR 2023 AND EMOLUMENTS OF THE SUPERVISORS OF**  
**THE COMPANY FOR THE YEAR 2024**  
**RENEWAL OF LIABILITY INSURANCE FOR THE DIRECTORS, SUPERVISORS AND**  
**SENIOR MANAGEMENT OF THE COMPANY**  
**CHANGE OF DOMICILE OF THE COMPANY AND AMENDMENTS TO CERTAIN**  
**ARTICLES OF THE ARTICLES OF ASSOCIATION**  
**AMENDMENTS TO THE SYSTEM FOR INDEPENDENT DIRECTORSHIP**  
**OF THE COMPANY**  
**GUARANTEE BUDGET FOR THE YEAR 2024**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

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All capitalised terms used in this circular have the meanings set out in the section headed "Definitions" of this circular. A letter from the Board is set out on pages 1 to 14 of this circular.

A notice convening the AGM to be held at 2:00 p.m. on Friday, 28 June 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC is set out on pages 15 to 19 of this circular.

A form of proxy for use at the AGM has been published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) on 28 May 2024. If you intend to appoint a proxy to attend the AGM, you are requested to complete and return the forms of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the forms of proxy will not preclude you from attending the AGM and voting in person if you so wish.

29 May 2024

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## DEFINITIONS

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*Unless the context otherwise requires, the following expressions in this circular shall have the following meanings:*

“A Share(s)”	the domestic ordinary share(s) of nominal value RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and traded in RMB;
“AGM”	the annual general meeting or any adjournment for the financial year ended 31 December 2023 of the Company to be convened at 2:00 p.m. on Friday, 28 June 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC;
“Articles of Association”	the articles of association of the Company as amended from time to time;
“Board”	the board of directors of the Company;
“Chief Executive Officer”	has the meaning ascribed thereto under the Listing Rules;
“Company”	Shanghai Electric Group Company Limited, a joint stock limited company duly incorporated in the PRC with limited liability, the H shares of which are listed on The Stock Exchange of Hong Kong Limited under stock code 02727 and the A Shares of which are listed on the Shanghai Stock Exchange under stock code 601727;
“Company Law”	the Company Law of the People’s Republic of China, as amended from time to time;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“H Share(s)”	the overseas listed foreign capital share(s) of nominal value RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of China;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;

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## DEFINITIONS

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“Independent Non-executive Director”	the independent non-executive directors of the Company;
“Latest Practicable Date”	22 May 2024, being the latest practicable date for ascertaining certain information contained in this circular prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC” or “China”	the People’s Republic of China, but for the purposes of this circular only, excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended and supplemented from time to time;
“Share(s)”	the ordinary share(s) of nominal value RMB1.00 each in the share capital of the Company, including both A Share(s) and H Share(s);
“Shareholders”	the shareholder(s) of the Company, including holders of A Share(s) and holders of H Share(s);
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules;
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“Supervisors”	the supervisors of the Company;
“Supervisory Committee”	the committee of supervisors of the Company; and
“%”	per cent.

*All times in this circular refer to Hong Kong local time, except as otherwise stated.*

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LETTER FROM THE BOARD

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SHANGHAI ELECTRIC GROUP COMPANY LIMITED

上海電氣集團股份有限公司

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

(Stock Code: 02727)

*Executive Directors:*

Dr. WU Lei  
Mr. LIU Ping  
Mr. ZHU Zhaokai

*Non-executive Directors:*

Mr. SHAO Jun  
Ms. LU Wen

*Independent Non-executive Directors:*

Dr. XI Juntong  
Dr. XU Jianxin  
Dr. LIU Yunhong

*Registered office:*

30th Floor, Maxdo Center  
No. 8 Xingyi Road  
Shanghai  
PRC

*Principal place of business in Hong Kong:*

Room 901-903  
Tower Two, Lippo Centre  
89 Queensway  
Hong Kong

29 May 2024

*To the Shareholders*

Dear Sirs or Madams,

**ANNUAL REPORT FOR THE YEAR 2023  
REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023  
REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023  
REPORT OF THE FINANCIAL RESULTS FOR THE YEAR 2023  
PROFIT DISTRIBUTION PLAN FOR THE YEAR 2023  
RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS ZHONG TIAN LLP AS THE  
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GUARANTEE BUDGET FOR THE YEAR 2024  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

\* For identification purposes only

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## LETTER FROM THE BOARD

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### 1. INTRODUCTION

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

At the AGM, the following resolutions will be proposed for Shareholders to consider and approve, among other things: (i) the annual report of the Company for the year 2023; (ii) the report of the Board of Directors of the Company for the year 2023; (iii) the report of the Supervisory Committee of the Company for the year 2023; (iv) the report of the financial results of the Company for the year 2023; (v) the profit distribution plan of the Company for the year 2023; (vi) the re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the Company's auditor for the financial year of 2024 and the authorisation to the Board to determine its remunerations; (vii) the ratification of emoluments paid to the Directors of the Company for the year of 2023 and emoluments of the Directors of the Company for the year of 2024; (viii) the ratification of emoluments paid to the Supervisors of the Company for the year of 2023 and emoluments of the Supervisors of the Company for the year of 2024; (ix) the renewal of liability insurance for the Directors, Supervisors and senior management of the Company; (x) change of domicile of the Company and amendments to certain articles of the Articles of Association; (xi) amendments to the System for Independent Directorship of the Company; and (xii) the guarantee budget for the year of 2024, in which the resolution (x) change of domicile of the Company and amendments to certain articles of the Articles of Association is a special resolution and the remaining resolutions are ordinary resolutions.

### 2. ANNUAL REPORT FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to approve the annual report of the Company for the year 2023. The annual report of the Company for the year 2023 has been despatched to the Shareholders and also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.shanghai-electric.com>) on 25 April 2024.

The aforesaid resolution was considered and approved by the Board on 28 March 2024 and is hereby presented at the AGM for consideration and approval.

### 3. REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to approve the report of the Board of Directors for the year 2023. The full text of the report of the Board of Directors for the year 2023 is set out in the annual report of the Company for the year 2023 which has been despatched to the Shareholders and also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.shanghai-electric.com>) on 25 April 2024.

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## LETTER FROM THE BOARD

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The aforesaid resolution was considered and approved by the Board on 28 March 2024 and is hereby presented at the AGM for consideration and approval.

#### **4. REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023**

An ordinary resolution will be proposed at the AGM to approve the report of the Supervisory Committee for the year 2023. The report of the Supervisory Committee for the year 2023 is set out in Appendix I to this circular.

The aforesaid resolution was considered and approved by the Supervisory Committee on 28 March 2024 and is hereby presented at the AGM for consideration and approval.

#### **5. REPORT OF THE FINANCIAL RESULTS FOR THE YEAR 2023**

An ordinary resolution will be proposed at the AGM to approve the report of the financial results of the Company for the year 2023. The relevant information on the report of the financial results of the Company for the year 2023 is set out in the annual report of the Company for the year 2023 which has been despatched to the Shareholders and also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.shanghai-electric.com>) on 25 April 2024.

The aforesaid resolution was considered and approved by the Board on 28 March 2024 and is hereby presented at the AGM for consideration and approval.

#### **6. PROFIT DISTRIBUTION PLAN FOR THE YEAR 2023**

In accordance with the Company's Articles of Association and the relevant national regulations, the profit distribution plan for the year 2023 of the Company is set out as follows:

##### **(1) Distributable profits of the Company for the year 2023**

As audited by PricewaterhouseCoopers Zhong Tian LLP, the net profit of the Company for the year 2023 as shown on the financial statements of the holding company prepared in accordance with the PRC Generally Accepted Accounting Principles was RMB283,994 thousand, the undistributed profits amounted to RMB-1,226,536 thousand at the beginning of 2023, and the distributable profits at the end of the period amounted to RMB-942,542 thousand.

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## LETTER FROM THE BOARD

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**(2) Reasons for no profit distribution proposed for the year 2023**

In accordance with the relevant provisions under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the articles of association of the Company, the distribution of cash dividends by the Company shall be made on the conditions that the holding company makes a profit and records positive accumulated undistributed profits in that year. Given that the holding company of the Company recorded negative accumulated distributable profits at the end of 2023, it did not meet the conditions for the distribution of cash dividends.

**(3) Special explanations for the negative undistributed profits as shown on the financial statements of the holding company of the Company and the positive undistributed profits as shown on the consolidated financial statements**

The undistributed profits as at the end of the period as shown on the financial statements of the holding company of the Company amounted to RMB-942,542 thousand, and the undistributed profits as at the end of the period as shown on the consolidated financial statements amounted to RMB11,678,998 thousand. For 2023, the amount of cash dividends made by the subsidiaries of the Company to the holding company of the Company amounted to RMB1,141,400 thousand.

The Company will, be in strict accordance with relevant laws and regulations and the Articles of Association and other provisions, actively implement the profit distribution policy of the Company aiming to safeguard the interests of all Shareholders, and meanwhile, continue to enhance its profitability and core competitiveness, so as to share the fruits of development with investors.

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

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## LETTER FROM THE BOARD

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### **7. RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS ZHONG TIAN LLP AS THE COMPANY'S AUDITOR FOR THE FINANCIAL YEAR 2024 AND THE AUTHORISATION TO THE BOARD TO DETERMINE ITS REMUNERATIONS**

An ordinary resolution will be proposed at the AGM to approve the re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the Company's auditor for the financial year 2024 and the authorisation to the Board to determine its remunerations. Based on the circumstance that the scope of audit services in 2024 has not changed significantly from the scope of audit services in 2023, the remunerations payable to PricewaterhouseCoopers Zhong Tian LLP for the 2024 annual audit services will not be higher than that of 2023. The services include: (1) consultancy in respect of the quarterly reports and interim reports of the Company; (2) statutory audit of the Company and its important subsidiaries; (3) an audit on the effectiveness of internal controls in respect of financial reporting of the Company and provision of the annual auditor's report; (4) training on new and revised accounting standards; (5) advisory services of tax exposure and risks assessment in respect of the overseas businesses; and (6) major events accounting treatment consultation of the Company and its subsidiaries.

The aforesaid resolution was considered and approved by the Board on 28 March 2024 and is hereby presented at the AGM for consideration and approval.

### **8. THE RATIFICATION OF EMOLUMENTS PAID TO THE DIRECTORS OF THE COMPANY FOR THE YEAR OF 2023 AND EMOLUMENTS OF THE DIRECTORS OF THE COMPANY FOR THE YEAR OF 2024**

A total of 6 Directors received remuneration from the Company in 2023, including 5 current Directors (2 executive Directors and 3 Independent Non-executive Directors), 1 resigned Director. The original budget amounted to RMB7 million and the actual expenditure was RMB3,638.6 thousand. Details are as follows:

1. LIU Ping, executive Director, received a remuneration of RMB797.5 thousand.
2. ZHU Zhaokai, executive Director, received a remuneration of RMB990.5 thousand.
3. XI Juntong, Independent Non-executive Director, received a remuneration of RMB250.0 thousand.
4. XU Jianxin, Independent Non-executive Director, received a remuneration of RMB250.0 thousand.

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## LETTER FROM THE BOARD

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5. LIU Yunhong, Independent Non-executive Director, received a remuneration of RMB250.0 thousand.
6. LENG Weiqing, former chairlady of the Board, received a remuneration of RMB1,100.6 thousand.

Save as disclosed above, none of the other Directors received any remuneration from the Company in relation to their positions as Directors.

Remuneration to be paid by the Company to the Directors for the year 2024 will not exceed RMB7 million. The above limit is based on the existing budget for the staffing of Directors.

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

### **9. THE RATIFICATION OF EMOLUMENTS PAID TO THE SUPERVISORS OF THE COMPANY FOR THE YEAR OF 2023 AND EMOLUMENTS OF THE SUPERVISORS OF THE COMPANY FOR THE YEAR OF 2024**

A total of 2 Supervisors received remuneration from the Company in 2023. The original budget amounted to RMB3 million and the actual expenditure was RMB2,026.6 thousand. Details are as follows:

1. CAI Xiaoqing, chairman of the Supervisory Committee, received a remuneration of RMB1,100.6 thousand.
2. YUAN Shengzhou, employee Supervisor, received a remuneration of RMB926.0 thousand.

Save as disclosed above, none of the other Supervisors received any remuneration from the Company in relation to their positions as Supervisors.

Remuneration to be paid by the Company to the Supervisors for the year 2024 will not exceed RMB3 million. The above limit is based on the existing budget for the staffing of Supervisors.

The aforesaid resolution was considered and approved by the Supervisory Committee on 28 March 2024 and is hereby proposed at the AGM for consideration and approval.

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## LETTER FROM THE BOARD

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### **10. RENEWAL OF LIABILITY INSURANCE FOR THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY**

An ordinary resolution will be proposed at the AGM to approve the renewal of liability insurance for the Directors, Supervisors and senior management of the Company and some of its subsidiaries to cover the risk exposure of the Directors, Supervisors and senior management of the Company in the course of discharging their duties. The insurance period shall be one year, from 26 July 2024 to 25 July 2025, with the insured liability capped at US\$50 million.

The aforesaid resolution was considered and approved by the Board on 29 April 2024 and is hereby proposed at the AGM for consideration and approval.

### **11. CHANGE OF DOMICILE OF THE COMPANY AND AMENDMENTS TO CERTAIN ARTICLES OF THE ARTICLES OF ASSOCIATION**

Based on the actual situation of the Company, the domicile of the Company is proposed to be changed from “30/F, Maxdo Center, No. 8 Xingyi Road, Shanghai” to “No. 16 Lane 1100, Huashan Road, Shanghai”. In view of the change of the Domicile, and in accordance with the “Guidelines on the Articles of Association of Listed Companies” (amended in December 2023), “Trial Measures for the Administration of Overseas Issuance of Securities and Listing of Domestic Enterprises” (promulgated in February 2023), “Measures for the Administration of Independent Directors of Listed Companies” (promulgated in August 2023), “Supervisory Guidelines No. 3 for Listed Companies – Cash Dividends of Listed Companies (revised in 2023)” and other laws, regulations and regulatory documents, as well as the requirements of The Stock Exchange of Hong Kong in relation to the paperless regime, and in order to improve its governance structure and further enhance the quality and effectiveness of its governance, the Company intends to amend certain provisions of the Articles of Association and the Rules of Procedures for the General Meeting and the Rules of Procedures for the Board of Directors annexed to the Articles of Association. A comparison table of the proposed amendments to the Articles of Association and the annexes thereto is set out in Appendix II to this circular.

The aforesaid resolutions were considered and approved by the Board on 28 March 2024 and 29 April 2024, respectively, and is hereby proposed at the AGM for consideration and approval.

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## LETTER FROM THE BOARD

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### 12. RESOLUTION ON AMENDMENTS TO THE SYSTEM FOR INDEPENDENT DIRECTORSHIP OF THE COMPANY

In accordance with the “Measures for the Administration of Independent Directors of Listed Companies” (promulgated in August 2023) and other laws, regulations and regulatory documents, the Company intends to amend the System for Independent Directorship and the full text of the amended System for Independent Directorship is set out in Appendix III to this circular.

The aforesaid resolution was considered and approved by the Board on 29 April 2024 and is hereby proposed at the AGM for consideration and approval.

### 13. GUARANTEE BUDGET FOR THE YEAR 2024

In order to ensure the normal operation activities of the Group, in 2024, the Company and its subsidiaries will provide new external guarantees to wholly-owned subsidiaries and controlled subsidiaries, including:

- (i) The provision of guarantee to the extent of RMB70.20 million by the Company for Golmud Meiman New Energy Technology Co., Ltd. (格爾木美滿新能源科技有限公司);

In 2024, the Company will provide a loan guarantee of RMB70.20 million for a term of 9 years, which will be mainly used for project construction.

- (ii) The provision of guarantee to the extent of RMB201.25 million by the Company for Wujiang Taihu Industrial Wastes Treatment Company Limited (吳江市太湖工業廢棄物處理有限公司);

In 2024, the Company will provide a loan guarantee of RMB201.25 million for a term of 10 years, which will be mainly used for project construction.

- (iii) The provision of guarantee to the extent of RMB450 million by the Company for Shanghai Electric Shangzhong Casting Forging Co., Ltd. (上海電氣上重鑄鍛有限公司);

In 2024, the Company will provide guarantees of RMB450 million, including RMB275 million guarantee for borrowings for a term of 3 years and RMB175 million guarantee for consolidated credit facilities for a term of 3 years, which will be mainly used for daily operations.

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## LETTER FROM THE BOARD

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- (iv) The provision of guarantee to the extent of RMB52.97 million by the Company for Shanghai Electric GuoXuan New Energy Technology Co., Ltd. (上海電氣國軒新能源科技有限公司);

In 2024, the Company will provide a guarantee for merger and acquisition loans of RMB52.97 million for a term of 4 years.

- (v) The provision of guarantee to the extent of RMB478.48 million by the Company for Shanghai Electric GuoXuan New Energy (Nantong) Technology Co., Ltd. (上海電氣國軒新能源科技(南通)有限公司);

In 2024, the Company will provide a loan guarantee of RMB478.48 million for a term of 7 years, which will be mainly used for project construction.

- (vi) The provision of guarantee to the extent of EUR100 million (equivalent to approximately RMB800 million) by the Company for Shanghai Prime (HK) Investment Management Company Limited (上海集優(香港)投資管理有限公司);

In 2024, the Company will provide a loan guarantee of EUR100 million (equivalent to approximately RMB800 million) for a term of 5 years to replace merger and acquisition loans.

- (vii) The provision of guarantee to the extent of RMB125 million by the Company for Shanghai Electric (Huaibei) Biomass Cogeneration Co., Ltd. (上海電氣(淮北)生物質熱電有限公司);

In 2024, the Company will provide a loan guarantee of RMB125 million for a term of 3 years to Shanghai Electric (Huaibei) Biomass Cogeneration Co., Ltd., and other shareholders of Shanghai Electric (Huaibei) Biomass Cogeneration Co., Ltd. pledged their equity interests in the company to provide a counter-guarantee for the Company.

- (viii) The provision of guarantee to the extent of RMB2,552.58 million by the Company for Shanghai Electric (Qidong) Water Development Co., Ltd. (上海電氣(啟東)水務發展有限公司);

In 2024, the Company will provide a project guarantee of RMB2,552.58 million with a term of 246 months, which will be mainly used for fulfilling the obligations during the construction and operation periods of the “Qidong City Comprehensive Improvement of Water Environment PPP Project”.

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## LETTER FROM THE BOARD

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- (ix) The provision of guarantee to the extent of RMB100 million by Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. (上海市機電設計研究院有限公司) for Shanghai Electric Xiangshui Biomass Power Co., Ltd. (上海電氣響水生物質發電有限公司);

In 2024, Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. will provide a guarantee for a loan of RMB100 million for a term of 1 year. Shanghai Electric Xiangshui Biomass Power Co., Ltd. will provide a counter-guarantee to Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. by pledging its equipment.

- (x) The provision of guarantee to the extent of RMB7.52 million by Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. for Shanghai Ouhai Energy Technology Co., Ltd. (上海歐海能源科技有限公司);

In 2024, Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. will provide a guarantee for a loan of RMB7.52 million for a term of 1 year, which will be mainly used for daily production and operation.

- (xi) The provision of guarantee to the extent of RMB406 million by Shanghai Electric (Rudong) Water Environment Treatment Co., Ltd. (上海電氣(如東)水環境治理有限公司) for Shanghai Electric (Rudong) Water Development Co., Ltd. (上海電氣(如東)水務發展有限公司); The provision of guarantee to the extent of RMB335 million by Shanghai Electric (Rudong) Water Development Co., Ltd. for Shanghai Electric (Rudong) Water Environment Treatment Co., Ltd.;

In 2024, Shanghai Electric (Rudong) Water Development Co., Ltd. will provide a loan guarantee of RMB335 million for Shanghai Electric (Rudong) Water Environment Treatment Co., Ltd. and Shanghai Electric (Rudong) Water Environment Treatment Co., Ltd. will provide a loan guarantee of RMB406 million for Shanghai Electric (Rudong) Water Development Co., Ltd. for a term of 25 years, which will be mainly used to handle the syndicated fixed asset loan business.

- (xii) The provision of guarantee to the extent of RMB16.50 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. (上海電氣研矜建築科技集團有限公司) for Shanghai Electric Kecheng (Yingde) Engineering Technology Co., Ltd. (上海電氣科城(英德)建築科技有限公司);

In 2024, Shanghai Electric Matechstone Engineering Group Co., Ltd. will provide a loan guarantee of RMB16.50 million for a term of 1 year, which will be mainly used for daily operations.

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## LETTER FROM THE BOARD

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- (xiii) The provision of guarantee to the extent of RMB55 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. for Shanghai Electric Matechstone (Rugao) Engineering Co., Ltd. (上海電氣研砮(如皋)建築科技有限公司);

In 2024, Shanghai Electric Matechstone Engineering Group Co., Ltd. will provide guarantees of RMB55 million, including RMB45 million of loan guarantee for a term of 5 years, mainly for project construction, and RMB10 million of a letter of guarantee for a term of 1 year, mainly for prepayment guarantees, performance guarantees, etc. for the fulfillment of orders of sales contracts.

- (xiv) The provision of guarantee to the extent of RMB160 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. for Shanghai Electric Matechstone (Mulei) Engineering Co., Ltd. (上海電氣研砮(木壘)建築科技有限公司);

In 2024, Shanghai Electric Matechstone Engineering Group Co., Ltd. will provide guarantees of RMB160 million, including RMB80 million of loan guarantee with a term of 6 years, mainly for project construction, and RMB80 million of letter of guarantee with a term of 1 year, mainly for prepayment guarantees, performance guarantees, etc. for the fulfilment of orders in sales contracts, Shanghai Electric Matechstone (Mulei) Engineering Co., Ltd. will pledge its assets to provide a counter-guarantee for Shanghai Electric Matechstone Engineering Group Co., Ltd.

- (xv) The provision of guarantee to the extent of RMB170 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. for Taizhou Matechstone Engineering Co., Ltd. (泰州研砮建築科技有限公司);

In 2024, Shanghai Electric Matechstone Engineering Group Co., Ltd. will provide a loan guarantee of RMB170 million for a term of 6 years, mainly for project construction.

- (xvi) The provision of guarantee to the extent of RMB250 million by Shanghai Electric Power Transmission and Distribution Engineering Co., Ltd. (上海電氣輸配電工程成套有限公司) for Shanghai Electric Power Transmission and Distribution Engineering (Malaysia) Co., Ltd. (上海電氣輸配電工程成套(馬來西亞)有限公司);

In 2024, Shanghai Electric Power Transmission and Distribution Engineering Co., Ltd. will provide a letter of guarantee of RMB250 million for a term of 6 years for the issuance of letter of guarantee for projects.

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## LETTER FROM THE BOARD

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- (xvii) The provision of guarantee to the extent of RMB256.40 million by Shanghai Electric Transmission and Distribution Group Co., Ltd. (上海電氣輸配電集團有限公司) for Shanghai Huapu Cable Co., Ltd. (上海華普電纜有限公司);

In 2024, Shanghai Electric Transmission and Distribution Group Co., Ltd. will provide a loan guarantee of RMB256.40 million for a term of 1 year, which will be mainly used for daily operations.

- (xviii) The provision of guarantee to the extent of RMB139.29 million by Shanghai Electric Investment Company Limited (上海電氣投資有限公司) for Ningxia Anneng Biomass Thermal Power Co., Ltd. (寧夏安能生物質熱電有限公司);

In 2024, Shanghai Electric Investment Company Limited will provide a financing lease guarantee of RMB139.29 million for a term of 10 years, mainly for project construction.

- (xix) The provision of guarantee to the extent of RMB2 billion by Shenzhen Yinghe Technology Co., Ltd. (深圳市贏合科技股份有限公司) for Huizhou Yinghe Technology Co., Ltd. (惠州市贏合科技有限公司);

In 2024, Shenzhen Yinghe Technology Co., Ltd. will provide a credit guarantee of RMB2 billion for a term of 1 year, which will be mainly used for daily operations.

- (xx) The provision of guarantee to the extent of RMB800 million by Shenzhen Yinghe Technology Co., Ltd. for Dongguan Areconn Precision Engineering Company Limited (東莞市雅康精密機械有限公司);

In 2024, Shenzhen Yinghe Technology Co., Ltd. will provide a credit guarantee of RMB800 million for a term of 1 year, which will be mainly used for daily operations.

- (xxi) The provision of guarantee to the extent of RMB500 million by Shenzhen Yinghe Technology Co., Ltd. for Huizhou Yinghe Intelligent Technology Co., Ltd. (惠州市贏合智能技術有限公司).

In 2024, Shenzhen Yinghe Technology Co., Ltd. will provide a credit guarantee of RMB500 million for a term of 1 year, which will be mainly used for daily operations.

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## LETTER FROM THE BOARD

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As the gearing ratio of the guaranteed under the aforesaid guarantees exceeds 70%, the aforesaid guarantees are required to be submitted to the general meeting of the Company for approval in accordance with the relevant provisions under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange. Therefore, although there is no such requirement under the Listing Rules, the proposal shall be subject to consideration and approval at the AGM of the Company in accordance with the aforesaid relevant regulations.

The transactions above do not constitute connected transactions under the Chapter 14A of the Listing Rules.

The aforesaid resolution was considered and approved by the Board on 6 March 2024 and is hereby proposed at the AGM for consideration and approval.

### 14. AGM

The AGM will be held at 2:00 p.m. on Friday, 28 June 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC. Notice of the AGM and the proxy form to be used at the AGM have been despatched to the Shareholders by the Company on 29 May 2024 and were also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.shanghai-electric.com>).

In order to determine the list of Shareholders who are entitled to attend the AGM, the register of members of the H Shares will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024 (both days inclusive) during which period no transfer of H Shares will be effected. Holders of the Company's H Shares whose names appear on the register of members of the H Shares on Friday, 28 June 2024 are entitled to attend the meeting.

In order to attend and vote at the AGM, holders of H Shares of the Company 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 or before 4:30 p.m. on Monday, 24 June 2024. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

None of the Shareholders has a material interest in any resolution proposed at the AGM and thus is required to abstain from voting at the AGM on the resolutions. None of the Directors has a material interest in any resolution proposed at the AGM.

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## LETTER FROM THE BOARD

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### 15. RECOMMENDATION

The Directors (including the Independent Non-executive Directors) are of the view that the resolutions described in this circular are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Board recommends the Shareholders to vote in favour of all these resolutions at the AGM.

### 16. VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, all resolutions at the AGM of the Company will be taken by way of poll. The English text of this circular shall prevail over the Chinese text in the event of inconsistency.

By Order of the Board  
**Shanghai Electric Group Company Limited**  
**WU Lei**  
*Chairman of the Board*

Shanghai, the PRC

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## NOTICE OF ANNUAL GENERAL MEETING

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### SHANGHAI ELECTRIC GROUP COMPANY LIMITED

### 上海電氣集團股份有限公司

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

**(Stock Code: 02727)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting for the year of 2023 (the “AGM”) of Shanghai Electric Group Company Limited (the “Company”) will be held at 2:00 p.m. on Friday, 28 June 2024 at Reporting Hall, 2/F, Block A, No. 212, Qinjiang Road, Shanghai, the PRC for the purpose of considering and, if thought fit, approving the following resolutions.

#### ORDINARY RESOLUTIONS:

1. To consider and approve the annual report of the Company for the year ended 31 December 2023.
2. To consider and approve the report of the Board of the Company for the year ended 31 December 2023.
3. To consider and approve the report of the Supervisory Committee of the Company for the year ended 31 December 2023.
4. To consider and approve the report of the financial results of the Company for the year ended 31 December 2023.
5. To consider and approve the profit distribution plan of the Company for the year ended 31 December 2023.
6. To consider and approve the re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the Company’s auditor for the financial year of 2024 and the authorisation to the Board to determine its remunerations.
7. To consider and approve the ratification of emoluments paid to the Directors of the Company for the year of 2023 and to consider and approve emoluments of the Directors of the Company for the year of 2024.

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## NOTICE OF ANNUAL GENERAL MEETING

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8. To consider and approve the ratification of emoluments paid to the Supervisors of the Company for the year of 2023 and to consider and approve emoluments of the Supervisors of the Company for the year of 2024.
9. To consider and approve the renewal of liability insurance for the Directors, Supervisors and senior management of the Company.

### SPECIAL RESOLUTION:

10. To consider and approve the change of domicile of the Company and amendments to certain articles of the Articles of Association.

### ORDINARY RESOLUTIONS:

11. To consider and approve the amendments to the System for Independent Directorship of the Company.
12. To consider and approve the guarantee budget for the year of 2024:
  - 12.01 The provision of guarantee to the extent of RMB70.20 million by the Company for Golmud Meiman New Energy Technology Co., Ltd. (格爾木美滿新能源科技有限公司);
  - 12.02 The provision of guarantee to the extent of RMB201.25 million by the Company for Wujiang Taihu Industrial Wastes Treatment Company Limited (吳江市太湖工業廢棄物處理有限公司);
  - 12.03 The provision of guarantee to the extent of RMB450 million by the Company for Shanghai Electric Shangzhong Casting Forging Co., Ltd. (上海電氣上重鑄鍛有限公司);
  - 12.04 The provision of guarantee to the extent of RMB52.97 million by the Company for Shanghai Electric GuoXuan New Energy Technology Co., Ltd. (上海電氣國軒新能源科技有限公司);
  - 12.05 The provision of guarantee to the extent of RMB478.48 million by the Company for Shanghai Electric GuoXuan New Energy (Nantong) Technology Co., Ltd. (上海電氣國軒新能源科技(南通)有限公司);
  - 12.06 The provision of guarantee to the extent of EUR100 million (equivalent to approximately RMB800 million) by the Company for Shanghai Prime (HK) Investment Management Company Limited (上海集優(香港)投資管理有限公司);

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## NOTICE OF ANNUAL GENERAL MEETING

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- 12.07 The provision of guarantee to the extent of RMB125 million by the Company for Shanghai Electric (Huaibei) Biomass Cogeneration Co., Ltd. (上海電氣(淮北)生物質熱電有限公司);
- 12.08 The provision of guarantee to the extent of RMB2,552.58 million by the Company for Shanghai Electric (Qidong) Water Development Co., Ltd. (上海電氣(啟東)水務發展有限公司);
- 12.09 The provision of guarantee to the extent of RMB100 million by Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. (上海市機電設計研究院有限公司) for Shanghai Electric Xiangshui Biomass Power Co., Ltd. (上海電氣響水生物質發電有限公司);
- 12.10 The provision of guarantee to the extent of RMB7.52 million by Shanghai Institute of Mechanical & Electrical Engineering Co., Ltd. for Shanghai Ouhai Energy Technology Co., Ltd. (上海歐海能源科技有限公司);
- 12.11 The provision of guarantee to the extent of RMB406 million by Shanghai Electric (Rudong) Water Environment Treatment Co., Ltd. (上海電氣(如東)水環境治理有限公司) for Shanghai Electric (Rudong) Water Development Co., Ltd. (上海電氣(如東)水務發展有限公司); The provision of guarantee to the extent of RMB335 million by Shanghai Electric (Rudong) Water Development Co., Ltd. for Shanghai Electric (Rudong) Water Environment Treatment Co., Ltd.;
- 12.12 The provision of guarantee to the extent of RMB16.50 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. (上海電氣研砦建築科技集團有限公司) for Shanghai Electric Kecheng (Yingde) Engineering Technology Co., Ltd. (上海電氣科城(英德)建築科技有限公司);
- 12.13 The provision of guarantee to the extent of RMB55 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. for Shanghai Electric Matechstone (Rugao) Engineering Co., Ltd. (上海電氣研砦(如皋)建築科技有限公司);
- 12.14 The provision of guarantee to the extent of RMB160 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. for Shanghai Electric Matechstone (Mulei) Engineering Co., Ltd. (上海電氣研砦(木壘)建築科技有限公司);
- 12.15 The provision of guarantee to the extent of RMB170 million by Shanghai Electric Matechstone Engineering Group Co., Ltd. for Taizhou Matechstone Engineering Co., Ltd. (泰州研砦建築科技有限公司);

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## NOTICE OF ANNUAL GENERAL MEETING

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- 12.16 The provision of guarantee to the extent of RMB250 million by Shanghai Electric Power Transmission and Distribution Engineering Co., Ltd. (上海電氣輸配電工程成套有限公司) for Shanghai Electric Power Transmission and Distribution Engineering (Malaysia) Co., Ltd. (上海電氣輸配電工程成套(馬來西亞)有限公司);
- 12.17 The provision of guarantee to the extent of RMB256.40 million by Shanghai Electric Transmission and Distribution Group Co., Ltd. (上海電氣輸配電集團有限公司) for Shanghai Huapu Cable Co., Ltd. (上海華普電纜有限公司);
- 12.18 The provision of guarantee to the extent of RMB139.29 million by Shanghai Electric Investment Company Limited (上海電氣投資有限公司) for Ningxia Anneng Biomass Thermal Power Co., Ltd. (寧夏安能生物質熱電有限公司);
- 12.19 The provision of guarantee to the extent of RMB2 billion by Shenzhen Yinghe Technology Co., Ltd. (深圳市贏合科技股份有限公司) for Huizhou Yinghe Technology Co., Ltd. (惠州市贏合科技有限公司);
- 12.20 The provision of guarantee to the extent of RMB800 million by Shenzhen Yinghe Technology Co., Ltd. (深圳市贏合科技股份有限公司) for Dongguan Areconn Precision Engineering Company Limited (東莞市雅康精密機械有限公司); and
- 12.21 The provision of guarantee to the extent of RMB500 million by Shenzhen Yinghe Technology Co., Ltd. (深圳市贏合科技股份有限公司) for Huizhou Yinghe Intelligent Technology Co., Ltd. (惠州市贏合智能技術有限公司).

By order of the Board  
**Shanghai Electric Group Company Limited**  
**WU Lei**  
*Chairman of the Board*

Shanghai, the PRC, 29 May 2024

*As at the date of this notice, the executive directors of the Company are Dr. WU Lei, Mr. LIU Ping and Mr. ZHU Zhaokai; the non-executive directors of the Company are Mr. SHAO Jun and Ms. LU Wen; and the independent non-executive directors of the Company are Dr. XI Juntong, Dr. XU Jianxin and Dr. LIU Yunhong.*

\* *For identification purpose only*

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. The voting at the AGM shall be conducted by way of poll. For details of the above resolutions, please refer to the circular of the Company dispatched on 29 May 2024.
2. The holders of A Shares and H Shares will vote as one class of shareholders. The Company's register of members for the H Shares will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024, both days inclusive, during which period no transfer of H Shares will be effected. The holders of H Shares whose names appear on the Company's register of members of the H Shares on Friday, 28 June 2024 are entitled to attend the AGM. In order to qualify for attending the AGM, the holders of H Shares whose transfers have not been registered must deposit transfer documents together with the relevant share certificates at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Monday, 24 June 2024. The address of Computershare Hong Kong Investor Services Limited is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
3. Each Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his or her behalf. A proxy needs not be a Shareholder. Each Shareholder who wishes to appoint one or more proxies should first review the annual report of the Company for the year ended 31 December 2023 and the circular of the Company dispatched.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised attorney(s). If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.
5. In order to be valid, the form of proxy together with the power of attorney or other authorisation document (if any) signed by the authorised person or notarially certified power of attorney must be deposited at Computershare Hong Kong Investor Services Limited for holders of H Shares at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the AGM if he/she so wishes.
6. The AGM is expected to last for no more than half a day. Shareholders (or their proxies) attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders (or their proxies) attending the meeting shall produce their identity documents.
7. All times refer to Hong Kong local time, except as otherwise stated.

In 2023, the Company's Supervisory Committee strictly complied with the relevant provisions of the Company Law, the Articles of Association and the Rules of Procedures for the Meeting of the Supervisory Committee to perform its duties with due diligence. Authorized by the Company's general meeting of shareholders, the Company's Supervisory Committee supervised the Company's operation in compliance with laws, business management, financial status, and the performance of the Company's senior management, and effectively performed the duties of the Supervisory Committee to ensure the healthy and stable development of the Company. The main work of the Supervisory Committee in 2023 is as follows:

## 1. BASIC INFORMATION OF THE SUPERVISORY COMMITTEE

During the reporting period, the fifth session of the Supervisory Committee of the Company consists of Mr. CAI Xiaoqing (chairman of the Supervisory Committee), Mr. YUAN Shengzhou (employee Supervisor) and Mr. HAN Quanzhi (Supervisor). The term of office of the fifth session of the Supervisory Committee of the Company expired on 17 September 2021. As the nomination and related work of the candidates for the new session of the Supervisory Committee of the Company has not been completed, in order to ensure the continuity and stability of the relevant work of the Supervisory Committee of the Company, the election of the new session of the Supervisory Committee of the Company has been postponed. Prior to the completion of the re-election of the Supervisory Committee of the Company, all members of the fifth session of the Supervisory Committee of the Company continued to perform their respective duties and obligations in accordance with the laws and regulations and the Articles of Association.

## 2. MEETINGS OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

In 2023, the Supervisory Committee actively participated in the review of the Company's major decisions and important economic activities, and put forward opinions and suggestions. A total of 7 meetings were convened to consider 23 resolutions, all of which were considered and approved. There was no veto of the resolutions. Details of the resolutions considered are as follows:

No.	Convened Time	Meeting	Resolutions
1	14 March 2023	55th meeting of the fifth session of the Supervisory Committee	Plan on Provision of External Guarantee by the Company for 2023
2			Resolution on Transfer of 100% Equity Interest in Shanghai Xinji Machine Tool Co., Ltd. (上海欣機機床有限公司) from Shanghai Electric Group Company Limited (上海電氣集團股份有限公司) to Shanghai Electric Holding Group Co., Ltd. (上海電氣控股集團有限公司)

No.	Convened Time	Meeting	Resolutions
3	29 March 2023	56th meeting of the fifth session of the Supervisory Committee	Resolution on Changes in the Accounting Policies and Related Impacts for Year 2022
4			Report of Financial Results of the Company for 2022
5			Profit Distribution Plan of the Company for 2022
6			Annual Report of the Company for 2022
7			Resolution on the Special Report on the Deposit and Actual Use of Proceeds from the Non-public Issuance of Shares of the Company
8			Resolution on the Re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the Auditor of the Company for 2023
9			Resolution on the Internal Control Assessment Report and Risk Management Assessment Report of the Company for 2022
10			Resolution on the 2022 Social Responsibility Report and the 2022 Environmental, Social and Governance Report of the Company
11			Report of the Supervisory Committee for the Year 2022
12			Written Review Opinions on the Annual Report of the Company for 2022
13	25 April 2023	57th meeting of the fifth session of the Supervisory Committee	2023 First Quarterly Report of the Company
14	30 June 2023	58th meeting of the fifth session of the Supervisory Committee	Resolution on Adjusting the Performance Commitment of Shenzhen Yinghe Technology Co., Ltd.

No.	Convened Time	Meeting	Resolutions
15	30 August 2023	59th meeting of the fifth session of the Supervisory Committee	Resolution on Changes in the Accounting Policies and Related Impacts
16			2023 Interim Report of the Company
17			Resolution on the Special Report on the Deposit and Actual Use of Proceeds from the Non-public Issuance of Shares of the Company
18			Resolution on Utilisation of Remaining Proceeds Raised from the Non-public Issuance of Shares of the Company to Replenish Working Capital on a Permanent Basis
19			Resolution on Acquisition of 20% Equity Interest in Shanghai 800 Show Co. Ltd. (上海八佰秀企業管理有限公司) by Shanghai Electric Group Property Company Limited (上海電氣集團置業有限公司)
20			Written Review Opinions of the Supervisory Committee on the 2023 Interim Report of the Company
21	30 October 2023	60th meeting of the fifth session of the Supervisory Committee	2023 Third Quarterly Report of the Company

No.	Convened Time	Meeting	Resolutions
22	4 December 2023	61st meeting of the fifth session of the Supervisory Committee	Resolution on Transfer of 28.39% Shares Held by the Company in Shenzhen Yinghe Technology Co., Ltd. to Shanghai Electric Automation Group Co., Ltd. (上海電氣自動化集團有限公司) at Nil Consideration
23			Resolution on the Related Party Transaction regarding the Acquisition by Shanghai Electric Group Shanghai Electric Machinery Co., Ltd. (上海電氣集團上海電機廠有限公司) of Partial Production and Related Equipment held by Shanghai Electric Enterprise Development Co., Ltd. (上海電氣企業發展有限公司)

**Form of meetings of the Supervisory Committee:**

Number of meetings of the Supervisory Committee convened during the year	7
Including: Number of on-site meetings	1
Number of meetings held via other communication means	4
Number of on-site meetings assisted by other communication means	2

**Attendance of Supervisors to the Supervisory Committee and general meetings:**

Name of Supervisors	Attendance of the Supervisory Committee						Attendance of general meetings	
	Required attendance during the year	On-site attendance	Attendance via other communication		Attendance by proxy	Absence	Personal absence for two or more consecutive meetings	Number of general meetings attended
				means				
CAI Xiaoqing	7	3	4	0	0	No	2	
HAN Quanzhi	7	3	4	0	0	No	2	
YUAN Shengzhou	7	1	6	0	0	No	1	

**3. INDEPENDENT OPINIONS OF THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY DURING THE REPORTING PERIOD****1. Independent Opinions of the Supervisory Committee on the Operation of the Company in Compliance of Laws**

The Supervisory Committee is of the opinion that the decision-making procedures of the Company's significant events during the reporting period were in compliance with the Articles of Association and the provisions of the listing rules of the places where the Company's securities are listed were implemented conscientiously.

**2. Independent Opinions of the Supervisory Committee on the Financial Position of the Company**

During the reporting period, the Supervisory Committee continued to pay attention to the implementation of the financial management system of the Company, carried out inspection and supervision by way of interview with the management, access to information and attending meetings of the Audit Committee, and carefully reviewed the regular reports prepared by the Board and the audit reports issued by the auditing firm, and considered that the financial reports of the Company truly, completely and fairly reflected the financial position, operating results and cash flow of the Company. PricewaterhouseCoopers Zhong Tian LLP has issued a standard unqualified audit report.

During the reporting period, the changes in the Company's accounting policies are reasonable changes made in accordance with the requirements of the relevant documents of the Ministry of Finance and are in compliance with the Accounting Standards for Business Enterprises and related regulations, and the implementation of the changes in accounting policies can objectively and fairly reflect the financial position and operating results of the Company, its decision-making procedures are in compliance with the requirements of the relevant laws, regulations and the Articles of Association and do not prejudice the interests of the Company and minority shareholders.

**3. Independent Opinions of the Supervisory Committee on the Use of Proceeds of the Company**

PricewaterhouseCoopers Zhong Tian LLP and Guotai Junan Securities Co., Ltd. have issued the special audit report and special inspection report on the deposit and use of proceeds for the year. The Supervisory Committee is of the opinion that the deposit, change, use and disclosure of the Company's raised funds during the reporting period were in compliance with the relevant decision-making procedures.

**4. Independent Opinions of the Supervisory Committee on the Acquisition and Disposal of Assets by the Company**

The Supervisory Committee is of the view that the acquisition and disposal of assets by the Company during the reporting period was made and implemented in accordance with relevant procedures, and the transaction price was reasonable. No insider trading was found. No damage to the rights and interest of the shareholders and no loss of the Company's asset were found.

**5. Independent Opinions of the Supervisory Committee on Related Party Transactions of the Company**

The Company has complied with the voting procedures of each related party transaction and fulfilled the information disclosure obligations of various connected transactions in accordance with the listing rules of the place where the Company's securities are listed. The Supervisory Committee is of the view that the related party transactions conducted during the reporting period were fair and reasonable, and no actions were found to be detrimental to the interests of the Company, its shareholders and employees.

**6. Independent Opinions of the Supervisory Committee on the Internal Control of the Company**

The Supervisory Committee has reviewed the 2023 Internal Control Assessment Report of the Company and the 2023 Internal Control Audit Report issued by PricewaterhouseCoopers Zhong Tian LLP, and has no objection to the report.

**7. Opinions of the Supervisory Committee on the Company’s Performance of Social Responsibilities**

In 2023, the Company earnestly fulfilled its social responsibilities, actively responded to the green strategy, helped to create a warm society, continued to make donations for education and poverty alleviation, and established and consolidated a good corporate image. In view of this, the Supervisory Committee of the Company approved the 2023 Environmental, Social and Governance Report of the Company.

**8. Others**

In January 2023, the Company received the “Decision on Disciplinary Action against Shanghai Electric Group Company Limited and Relevant Responsible Persons” ([2023] No. 3) issued by the Shanghai Stock Exchange, which publicly condemned the Company and CHEN Ganjin, the vice president, and required the Company and its directors, supervisors, and senior management to take effective measures to rectify relevant violations and submit a rectification report to the Shanghai Stock Exchange. As of the date of this report, the Company has completed rectification and submitted the rectification report.

This report is hereby proposed at the 2023 AGM of the Company for consideration.

## (I) Proposed amendments to the Articles of Association

Before Amendments	After Amendments
<p><b><u>Article 1</u></b></p> <p>SHANGHAI ELECTRIC GROUP CO., LTD. (the “Company”) is a joint stock limited company established in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), <i>the State Council’s Special Regulations Regarding the Issuance and Listing of Shares Overseas by Companies Limited by Shares (the “Special Regulations”)</i>, and other relevant laws and regulations of the People’s Republic of China.</p> <p>.....</p>	<p><b><u>Article 1</u></b></p> <p>SHANGHAI ELECTRIC GROUP CO., LTD. (the “Company”) is a joint stock limited company established in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), and other relevant laws and regulations of the People’s Republic of China.</p> <p>.....</p>
<p><b><u>Article 3</u></b></p> <p><i>The Company’s address: 30th Floor, Maxdo Center No. 8 Xing Yi Road Shanghai China</i></p> <p><i>Postal code: 52082103</i></p> <p><i>Telephone number: 200336</i></p> <p><i>Facsimile number: 52082266</i></p>	<p><b><u>Article 3</u></b></p> <p><i>The Company’s address: No. 16 Lane 1100 Huashan Road Shanghai</i></p> <p><i>Postal code: 200052</i></p> <p><i>Telephone number: 33261888</i></p>
<p><b><u>Article 8</u></b></p> <p><i>The Company may invest in other limited liability companies and joint stock limited companies, and shall be liable for such companies to the extent of the amount of investment.</i></p> <p><i>The Company shall not bear several and joint liabilities for the debts of the companies invested by the Company, except as otherwise specified by laws and regulations of the People’s Republic of China.</i></p>	<p><b><u>Article 8</u></b></p> <p><i>The Company may invest in other companies; where the law stipulates that the Company shall not bear several and joint liabilities for the debts of the companies invested by the Company, such provisions shall prevail.</i></p>

Before Amendments	After Amendments
<p><b><u>Article 14</u></b></p> <p><u>Upon approval by the competent securities regulatory authority of the State Council, the Company may issue shares to domestic and overseas investors.</u></p> <p><u>“Overseas investors” as referred to in the preceding Paragraph shall refer to investors from any foreign country, together with Hong Kong, Macao and Taiwan region who subscribe for shares issued by the Company; “domestic investors” as referred to in the preceding Paragraph shall refer to investors within the territory of the People’s Republic of China (excluding investors from Hong Kong, Macau or Taiwan region) who subscribe for shares issued by the Company.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 18</u></b></p> <p><u>After the approval of the Company’s plan to issue overseas-listed foreign shares and domestic shares by the competent securities regulatory authority of the State Council, the board of directors of the Company may make arrangements to issue such shares respectively.</u></p> <p><u>The Company’s plan to issue overseas-listed foreign shares and domestic shares respectively pursuant to the provisions of the preceding Paragraph may be implemented respectively within fifteen (15) months from the date of approval by the competent securities regulatory authority of the State Council.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 325 370"><b><u>Article 19</u></b></p> <p data-bbox="204 431 786 842"><i><u>The overseas-listed foreign shares and domestic shares which were issued by the Company respectively within the total number of shares determined under the issuance plan, shall each be fully subscribed for within a single issuance; if full subscription is unable to be achieved due to exceptional circumstances, subject to the approval of the competent securities regulatory authority of the State Council, the shares may be issued by installments.</u></i></p>	<p data-bbox="813 342 1385 412">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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Before Amendments	After Amendments
<p><b><u>Article 21</u></b></p> <p>The Company may approve capital increase based on its operational and development needs in accordance with relevant provisions of these Articles of Association.</p> <p>The Company may increase its capital by the following means:</p> <ol style="list-style-type: none"><li>1. <i>offering new shares to non-specific investors;</i></li><li>2. <i>placing new shares to existing shareholders;</i></li><li>3. allotting new shares to existing shareholders as bonus;</li><li>4. capitalizing any common reserve fund; or</li><li>5. other means permitted by laws, administrative regulations or approved by the competent securities regulatory authority of the State Council.</li></ol> <p>The issuance of new shares for the purpose of capital increase by the Company shall be conducted in accordance with the procedures prescribed by relevant State laws and administrative regulations, after being approved pursuant to these Articles of Association.</p>	<p><b><u>Article 18</u></b></p> <p>The Company may approve capital increase based on its operational and development needs in accordance with relevant provisions of these Articles of Association.</p> <p>The Company may increase its capital by the following means:</p> <ol style="list-style-type: none"><li>1. <i>public issuance of shares;</i></li><li>2. <i>non-public issuance of shares;</i></li><li>3. allotting new shares to existing shareholders as bonus;</li><li>4. capitalizing any common reserve fund; or</li><li>5. other means permitted by laws, administrative regulations or approved by the competent securities regulatory authority of the State Council.</li></ol> <p>The issuance of new shares for the purpose of capital increase by the Company shall be conducted in accordance with the procedures prescribed by relevant State laws and administrative regulations, after being approved pursuant to these Articles of Association.</p>

Before Amendments	After Amendments
<p><b><u>Article 22</u></b></p> <p><i>Unless otherwise provided by laws and administrative regulations, shares of the Company are freely transferable and free from all liens.</i></p> <p>The transfer of shares of the Company shall be conducted in accordance with the Articles of Associations of the Company and other relevant rules.</p>	<p><b><u>Article 19</u></b></p> <p><i>Shares of the Company are transferable in accordance with the law.</i></p> <p>The transfer of shares of the Company shall be conducted in accordance with the Articles of Associations of the Company and other relevant rules.</p>
<p><b><u>Article 24</u></b></p> <p>All issuance and transfer of overseas-listed foreign shares shall be registered in the register of shareholders of overseas-listed foreign shares which, <i>in accordance with Article 41</i> of these Articles of Associations, shall be kept in the domicile of the overseas stock exchange where shares of the Company are listed.</p>	<p><b><u>Article 21</u></b></p> <p>All issuance and transfer of overseas-listed foreign shares shall be registered in the register of shareholders of overseas-listed foreign shares which, <i>in accordance with Article 32</i> of these Articles of Associations, shall be kept in the domicile of the overseas stock exchange where shares of the Company are listed.</p>

Before Amendments	After Amendments
<p><b><u>Article 26</u></b></p> <p><u>With regard to exercising the power to cease sending dividend warrants by post to any untraceable shareholder, if such warrants have been left uncashed, such power shall not be exercised unless such warrants have been so left uncashed on two consecutive occasions. However, such power may be exercised after the first occasion under which such a warrant is returned undelivered.</u></p> <p><u>The Company may sell shares of any shareholder who is untraceable and retain the proceeds, if:</u></p> <ol style="list-style-type: none"> <li><u>1. during a period of twelve (12) years, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and</u></li> <li><u>2. upon expiration of the period of twelve (12) years, the Company, with the approval of competent securities regulatory authority of the State Council, has given notice of its intention to sell such shares by way of an advertisement published in the public newspapers and has notified the Hong Kong Stock Exchange of such intention.</u></li> </ol> <p><u>Exercising the aforesaid right shall not violate any compulsory regulations prescribed under relevant laws and administrative regulations.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 323 370"><b><u>Article 28</u></b></p> <p data-bbox="204 427 783 540">When reducing its registered capital, the Company shall prepare a balance sheet and a property inventory list.</p> <p data-bbox="204 597 783 1012">The Company shall notify its creditors within ten (10) days of the decision to reduce its registered capital, and <i>announce the decision in newspapers at least three (3) times</i> within thirty (30) days thereof. The creditors, within thirty (30) days upon receipt of the notice, or within forty- five (45) days <i>after the notice is first published</i> if no notice is received, shall be entitled to request the Company to repay the debts or to provide corresponding security for such debts.</p> <p data-bbox="204 1070 783 1183">The amount of the registered capital of the Company after the reduction may not fall below the statutory minimum requirement.</p>	<p data-bbox="812 342 932 370"><b><u>Article 24</u></b></p> <p data-bbox="812 427 1391 540">When reducing its registered capital, the Company shall prepare a balance sheet and a property inventory list.</p> <p data-bbox="812 597 1391 1012">The Company shall notify its creditors within ten (10) days of the decision to reduce its registered capital, and <i>announce the decision in newspapers that satisfy the relevant requirements</i> within thirty (30) days thereof. The creditors, within thirty (30) days upon receipt of the notice, or within forty- five (45) days <i>from the date of the announcement</i> if no notice is received, shall be entitled to request the Company to repay the debts or to provide corresponding security for such debts.</p> <p data-bbox="812 1070 1391 1183">The amount of the registered capital of the Company after the reduction may not fall below the statutory minimum requirement.</p>

Before Amendments	After Amendments
<p><b><u>Article 30</u></b></p> <p><i>The Company may acquire its own shares by any of the following means:</i></p> <ol style="list-style-type: none"> <li><i>1. centralized price bidding on the stock exchange;</i></li> <li><i>2. offer; or</i></li> <li><i>3. other means approved by the competent securities regulatory authority of the State Council.</i></li> </ol> <p>If the Company intends to acquire its own shares due to circumstances specified in Items 3, 5 and 6 of <i>Article 29 of these Articles of Association</i>, the transaction shall be conducted through centralized trading in an open way.</p>	<p><b><u>Article 26</u></b></p> <p><i>The Company may acquire its own shares through public and centralized trading or other means approved by laws, administrative regulations, and the CSRC.</i></p> <p>If the Company intends to acquire its own shares due to circumstances specified in Items 3, 5 and 6 of <i>Article 25 of these Articles of Association</i>, the transaction shall be conducted through centralized trading in an open way.</p>

Before Amendments	After Amendments
<p><b><u>Article 32</u></b></p> <p>If the Company intends to acquire its own shares due to circumstances specified in Items 1 and 2 of <i>Article 29 of these Articles of Association</i>, a resolution shall be adopted in a general meeting of the shareholders for such purchase; if the Company intends to acquire its own shares due to circumstances specified in Items 3, 5 and 6 of <i>Article 29 of these Articles of Association</i>, a resolution shall be adopted in a board meeting with more than two thirds of the directors attending in accordance with the authorization of the general meeting of the shareholders. Where the laws, administrative regulations, departmental rules, provisions of the Articles of Association and securities regulatory authorities of the listing places of the Company provide otherwise in terms of the matters involved in share repurchase, such relevant provisions thereof shall prevail.</p> <p><i><u>If the Company repurchases shares by agreement without involving any stock exchange, prior approval shall be obtained from the general meeting of the shareholders in accordance with the provisions of these Articles of Association. Upon prior approval by the general meeting of shareholders in the same manner, the Company may terminate or revise contracts concluded in the aforesaid manner or waive any of its rights thereunder.</u></i></p> <p><i><u>For the purpose of the preceding Paragraph, contracts of share repurchase shall include (but not limited to) the agreements whereby the obligation to repurchase shares is undertaken and the right to repurchase shares is acquired.</u></i></p> <p><i><u>The Company may not transfer any contract of share repurchase or any of the rights thereunder.</u></i></p>	<p><b><u>Article 28</u></b></p> <p>If the Company intends to acquire its own shares due to circumstances specified in Items 1 and 2 of <i>Article 25 of these Articles of Association</i>, a resolution shall be adopted in a general meeting of the shareholders for such purchase; if the Company intends to acquire its own shares due to circumstances specified in Items 3, 5 and 6 of <i>Article 25 of these Articles of Association</i>, a resolution shall be adopted in a board meeting with more than two thirds of the directors attending in accordance with the authorization of the general meeting of the shareholders. Where the laws, administrative regulations, departmental rules, provisions of the Articles of Association and securities regulatory authorities of the listing places of the Company provide otherwise in terms of the matters involved in share repurchase, such relevant provisions thereof shall prevail.</p>

Before Amendments	After Amendments
<p><b><u>Article 33</u></b></p> <p>In the event that the circumstances described under Item 1 of <u>Article 29</u> above occurs after the Company has acquired its own A Shares corresponding to <u>Article 29</u>, the acquired shares shall be canceled within ten (10) days of such acquisition. If the circumstances described under Items 2 and 4 of <u>Article 29</u> above occur after the Company has acquired its own shares as per <u>Article 29</u>, the acquired shares shall be transferred or canceled within six (6) months from the said acquisition; under the circumstances described in Items 3, 5 and 6 of <u>Article 29</u> above, the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued A Shares of the Company and such shares shall be transferred or canceled within three (3) years.</p> <p>After the Company has acquired its own H shares corresponding to <u>Article 29</u>, the acquired shares shall be canceled as soon as possible in compliance with laws, regulations, normative documents and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.</p> <p>The Company shall not accept its own shares as the collateral of any pledge or charge.</p>	<p><b><u>Article 29</u></b></p> <p>In the event that the circumstances described under Item 1 of <u>Article 25 of these Articles of Association</u> above occurs after the Company has acquired its own A Shares corresponding to <u>Article 25 of these Articles of Association</u>, the acquired shares shall be canceled within ten (10) days of such acquisition. If the circumstances described under Items 2 and 4 of <u>Article 25 of these Articles of Association</u> above occur after the Company has acquired its own shares as per <u>Article 25 of these Articles of Association</u>, the acquired shares shall be transferred or canceled within six (6) months from the said acquisition; under the circumstances described in Items 3, 5 and 6 of <u>Article 25 of these Articles of Association</u> above, the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued A Shares of the Company and such shares shall be transferred or canceled within three (3) years.</p> <p>After the Company has acquired its own H shares corresponding to <u>Article 25 of these Articles of Association</u>, the acquired shares shall be canceled as soon as possible in compliance with laws, regulations, normative documents and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.</p> <p>The Company shall not accept its own shares as the collateral of any pledge or charge.</p>

Before Amendments	After Amendments
<p><b><u>Article 34</u></b></p> <p><u>Unless already in liquidation, the Company shall comply with the following provisions in repurchasing its outstanding shares:</u></p> <p><u>1. if the Company repurchases shares at their par value, the payment therefor shall be deducted from the distributable profits as represented by the balance on the Company’s account book and/or the proceeds from new shares issued for the purpose of repurchasing old shares;</u></p> <p><u>2. if the Company repurchases shares at a price higher than their par value, the payment for the portion of par value shall be deducted from the distributable profits as represented by the balance on the Company’s account book and/or from the proceeds from new shares issued for the purpose of repurchasing old shares; the portion of premium shall be handled in the following manners:</u></p> <p><u>(1) repurchase of shares issued at par shall be paid out of the distributable profits as represented by the balance on the Company’s account book;</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><u>(2) repurchase of shares issued at a price higher than the par value shall be paid out of the distributable profits as represented by the balance on the Company’s account book and/or from the proceeds from new shares issued for the purpose of repurchasing old shares. The amount paid out of the proceeds from new shares may not exceed the total premium received on the issuance of the repurchased old shares, nor may it exceed the amount in the Company’s premium account or capital reserve account (including the amount of premium received on the issuance of new shares) at the time of repurchase.</u></p> <p><u>3. the amount paid by the Company for the following purposes shall be disbursed from the Company’s distributable profits:</u></p> <p><u>(1) acquiring the right to repurchase its shares;</u></p> <p><u>(2) modifying the contract of share repurchase;</u></p> <p><u>(3) relieving itself of its obligations under the repurchase contract.</u></p> <p><u>4. After deduction, upon verification of the aggregate par value of the canceled shares from the Company’s registered capital pursuant to relevant provisions, the amount deducted from the distributable profits for repurchasing the shares at their par value shall be credited to the Company’s premium account or capital reserve account.</u></p>	

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<p><b><u>Article 35</u></b></p> <p>The Company or its subsidiaries shall not, at any time or in any manner, provide any financial assistance to any person who acquires or intends to acquire the shares of the Company. Persons who acquire shares of the Company as mentioned above shall include persons who directly or indirectly assume relevant obligations as a result of purchasing shares of the Company.</p> <p>The Company or its subsidiaries shall not, at any time or in any manner, provide any financial assistance for the aforementioned obligors to reduce or relieve them of their obligations.</p> <p><i><u>Provisions under this Article 35 shall not apply to the circumstances described in Article 37 of these Articles of Associations.</u></i></p>	<p><b><u>Article 30</u></b></p> <p>The Company or its subsidiaries shall not, at any time or in any manner, provide any financial assistance to any person who acquires or intends to acquire the shares of the Company. Persons who acquire shares of the Company as mentioned above shall include persons who directly or indirectly assume relevant obligations as a result of purchasing shares of the Company.</p> <p>The Company or its subsidiaries shall not, at any time or in any manner, provide any financial assistance for the aforementioned obligors to reduce or relieve them of their obligations.</p>

Before Amendments	After Amendments
<p><b>Article 36</b></p> <p><i>For the purpose of this Chapter 5, financial assistance shall include but not limited to the financial assistance provided in the following manners:</i></p> <ol style="list-style-type: none"><li><i>1. <u>gifts;</u></i></li><li><i>2. <u>guarantees (including assumption of liabilities or offering of property by the guarantor to secure the performance of obligations by the obligor), remuneration (excluding compensation for losses caused by the Company’s own fault), relief or waiver of rights;</u></i></li><li><i>3. <u>provision of loans or conclusion of any contract under which the Company is obligated to make performance prior to performance by the other party, changes to such loans or the contracting parties, and transfer of rights pertaining to such loans or contracts, etc.;</u></i></li><li><i>4. <u>any other forms of financial assistance provided by the Company, when the Company is insolvent or has no net assets, or if such financial assistance will lead to a substantial reduction in the Company’s net assets.</u></i></li></ol> <p><i>For the purpose of this Chapter 5, obligations shall include obligations assumed by the obligor as a result of changing its financial status by entering into any contract, making any arrangement (regardless of whether such contracts or arrangements are enforceable or whether the obligor assumes obligations alone or jointly with others), or by any other means.</i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 323 368"><b><u>Article 37</u></b></p> <p data-bbox="204 423 783 491"><i><u>The following acts shall not be regarded as acts prohibited under Article 35 of this Chapter:</u></i></p> <ol data-bbox="204 544 783 1874" style="list-style-type: none"><li data-bbox="204 544 783 817">1. <i><u>if the financial assistance given by the Company is genuinely for the benefit of the Company and the purchase of the Company's shares is not the main purpose of the financial assistance, or the financial assistance provided is an incidental part of a general plan of the Company;</u></i></li><li data-bbox="204 868 783 936">2. <i><u>if the Company distributes its property as dividends;</u></i></li><li data-bbox="204 987 783 1055">3. <i><u>if the Company distributes dividends in the form of shares;</u></i></li><li data-bbox="204 1106 783 1259">4. <i><u>if the company reduces the registered capital, repurchases shares or adjusts the share capital structure in accordance with these Articles of Association;</u></i></li><li data-bbox="204 1310 783 1583">5. <i><u>if the Company provides loans for its normal business activities within its scope of business provided that this shall not result in a reduction in the Company's net assets, or otherwise, the financial assistance is paid out of the Company's distributable profits); or</u></i></li><li data-bbox="204 1634 783 1874">6. <i><u>if the Company provides funds for its employee stock option plan (provided that this shall not result in a reduction of the Company's net assets, or otherwise, the financial assistance is paid out of the Company's distributable profits).</u></i></li></ol>	<p data-bbox="812 342 1393 410">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 38</u></b></p> <p>Share certificates of the Company shall be in registered form.</p> <p>The share certificate of the Company shall contain following main particulars:</p> <ol style="list-style-type: none"> <li>1. the name of the Company;</li> <li>2. the incorporation date of the Company;</li> <li>3. the class of shares, par value and number of shares it represents;</li> <li>4. the share certificate number; and</li> <li>5. other matters required to be stated therein by <i>the Company Law, Special Regulations and</i> the stock exchange(s) on which the Company's shares are listed.</li> </ol>	<p><b><u>Article 31</u></b></p> <p>Share certificates of the Company shall be in registered form.</p> <p>The share certificate of the Company shall contain following main particulars:</p> <ol style="list-style-type: none"> <li>1. the name of the Company;</li> <li>2. the incorporation date of the Company;</li> <li>3. the class of shares, par value and number of shares it represents;</li> <li>4. the share certificate number; and</li> <li>5. other matters required to be stated therein by the stock exchange(s) on which the Company's shares are listed.</li> </ol>
<p><b><u>Article 39</u></b></p> <p><i><u>Share certificates shall be signed by the chairman of the board of directors. In the event that signatures of other senior management officers of the Company are required by the stock exchange on which the shares of the Company are listed, the share certificates shall also be signed by such other senior management officers. Share certificates shall become effective after the seal of the Company is affixed thereto or printed thereon. The share certificate shall be affixed the seal of the Company under the authorization of the board of directors. Signatures of the chairman of the board of the directors or any other relevant senior management officers of the Company on the share certificates may also be in the printed form.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b>Article 40</b></p> <p><u>The Company shall have a register of shareholders, in which the following particulars shall be registered:</u></p> <ol style="list-style-type: none"><li><u>1. the name, address (domicile), occupation or nature of each shareholder;</u></li><li><u>2. the class and number of shares held by each shareholder;</u></li><li><u>3. the amount paid or payable for the shares held by each shareholder;</u></li><li><u>4. the serial numbers of the shares held by each shareholder;</u></li><li><u>5. the date on which each shareholder is registered as a shareholder; and</u></li><li><u>6. the date on which each shareholder ceases to be a shareholder.</u></li></ol> <p><u>Unless there is proof to the contrary, the register of shareholders shall be sufficient evidence to the holding of the shares of the Company by a shareholder.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 41</u></b></p> <p><i><u>Based on an understanding or agreement reached by and between the competent securities regulatory authority of the State Council and an overseas securities regulatory authority, the Company may keep the register of holders of overseas- listed foreign shares in an overseas location and entrust an overseas agency with the management thereof. The original copy of the register of holders of H shares shall be maintained in Hong Kong.</u></i></p> <p><i><u>The Company shall keep the duplicate of the register of holders of overseas-listed foreign shares at the domicile of the Company; the entrusted overseas agency shall ensure the consistency between the original copy and the duplicate of the register of holders of overseas-listed foreign shares at all times.</u></i></p> <p><i><u>In the event of any inconsistency between the original copy and the duplicate of the register of holders of overseas-listed foreign shares, the original copy shall prevail.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b><u>Article 42</u></b></p> <p>The Company shall keep a complete register of shareholders.</p> <p>The register of shareholders shall include the following parts:</p> <ol style="list-style-type: none"><li>1. registers of shareholders kept at the domicile of the Company other than those specified in Item 2 and Item 3 of this Article;</li><li>2. registers of holders of overseas-listed foreign shares kept in the domicile of the overseas stock exchange on which shares of the Company are listed;</li><li>3. registers of shareholders kept in other places as deemed necessary for listing of the shares of the Company by the board of directors.</li></ol>	<p><b><u>Article 32</u></b></p> <p>The Company shall keep a complete register of shareholders.</p> <p>The register of shareholders shall include the following parts:</p> <ol style="list-style-type: none"><li>1. registers of shareholders kept at the domicile of the Company other than those specified in Item 2 and Item 3 of this Article;</li><li>2. registers of holders of overseas-listed foreign shares kept in the domicile of the overseas stock exchange on which shares of the Company are listed; <u>and among the registers of holders of overseas-listed foreign shares, the original register in respect of those holders of shares listed on the Hong Kong Stock Exchange shall be kept in Hong Kong;</u></li><li>3. registers of shareholders kept in other places as deemed necessary for listing of the shares of the Company by the board of directors.</li></ol> <p><u>The Hong Kong branch register of shareholders must be available for inspection by shareholders, provided that the Company may be permitted to suspend the register of shareholders on terms equivalent to section 632 of the Companies Ordinance.</u></p>

Before Amendments	After Amendments
<p><b><u>Article 43</u></b></p> <p><i><u>Various parts of the register of shareholders shall not overlap each other. The transfer of shares registered in a certain part of the register of shareholders may not be registered in another part of the register of shareholders during the existence of the registration of such shares.</u></i></p> <p><i><u>Modification or correction of a given part of the register of shareholders shall be carried out in accordance with the local laws of where such part of the register of shareholders is kept.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 47</u></b></p> <p>When the Company convenes a general meeting of shareholders, distributes dividends, enters into liquidation or carries out other activities for which confirmation of share ownership is required, the <i><u>board of directors</u></i> shall set a date for confirmation (registration) of share ownership, and shareholders who remain on the register at the end of that date shall be shareholders with related interests.</p>	<p><b><u>Article 36</u></b></p> <p>When the Company convenes a general meeting of shareholders, distributes dividends, enters into liquidation or carries out other activities for which confirmation of share ownership is required, the <i><u>board of directors or the convener of the general meeting</u></i> shall set a date for confirmation (registration) of share ownership, and shareholders who remain on the register at the end of that date shall be shareholders with related interests.</p>
<p><b><u>Article 48</u></b></p> <p><i><u>Any person who objects to the contents of the register of shareholders, requesting to have his/her/its name registered therein, or have his/her/its name removed therefrom may apply to a court with competent jurisdiction for modification of the register of shareholders.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 323 370"><b><u>Article 49</u></b></p> <p data-bbox="204 427 783 757"><i><u>If a shareholder registered in the register of shareholders or a person who requires to have his/her/its name registered in the register of shareholders has lost his/her/its share certificate (i.e. the “original share certificate”), he/she/it may apply to the Company for issuing a replacement share certificate in respect of such shares (i.e. “relevant shares”).</u></i></p> <p data-bbox="204 815 783 1144">Applications for the issuance of replacement share certificates submitted by holders of domestic shares who have lost their share certificates shall be handled in accordance with the Company Law, other relevant laws, administrative regulations and rules made by securities registration and settlement agency and the stock exchange at which the shares of the company are listed.</p> <p data-bbox="204 1202 783 1532">Applications for the issuance of replacement share certificates submitted by holders of overseas-listed foreign shares who have lost their share certificates may be handled in accordance with the local laws, rules of stock exchanges and other relevant provisions of where the original of the register of holders of overseas-listed foreign shares is kept.</p>	<p data-bbox="812 342 932 370"><b><u>Article 37</u></b></p> <p data-bbox="812 427 1391 757">Applications for the issuance of replacement share certificates submitted by holders of domestic shares who have lost their share certificates shall be handled in accordance with the Company Law, other relevant laws, administrative regulations and rules made by securities registration and settlement agency and the stock exchange at which the shares of the company are listed.</p> <p data-bbox="812 815 1391 1144">Applications for the issuance of replacement share certificates submitted by holders of overseas-listed foreign shares who have lost their share certificates may be handled in accordance with the local laws, rules of stock exchanges and other relevant provisions of where the original of the register of holders of overseas-listed foreign shares is kept.</p>

Before Amendments	After Amendments
<p><u>In the event a holder of H shares of the Company who has lost his/her/its share certificates applies for the issuance of replacement share certificates, the issuance shall meet the following requirements:</u></p> <p><u>1. the applicant shall submit the application in the standard format designated by the Company, with a notarized certificate or statutory declaration attached. The notarized certificate or statutory declaration shall contain the reasons for the application, the circumstances surrounding and proof of the loss of the share certificates and a declaration that no other person may claim to be registered as the holder of the relevant shares.</u></p> <p><u>2. the Company does not receive any claim from any person other than the applicant for being registered as the shareholder of such shares before the Company decides to issue the replacement share certificates.</u></p> <p><u>3. if the Company decides to issue replacement share certificates to the applicant, the Company shall publish an announcement of the intention to issue replacement share certificates in newspapers/periodicals designated by the board of directors; the announcement period shall be ninety (90) days, during which the announcement shall be repeatedly published at least once every thirty (30) days.</u></p>	

Before Amendments	After Amendments
<p>4. <u>before publishing an announcement of its intention to issue replacement share certificates, the Company shall submit a duplicate of the announcement to be published to the stock exchange on which its shares are listed; the Company may proceed with the publication upon receipt of a reply from the stock exchange confirming that the announcement has been displayed in the stock exchange. The announcement shall be displayed in the stock exchange for a period of ninety (90) days.</u></p> <p><u>If the application for issuing replacement share certificates is made without the consent of the registered holders of the relevant shares, the Company shall mail thereto the copies of the announcement to be published.</u></p> <p>5. <u>upon the expiration of the 90-day period for announcement and display as prescribed in Item 3 and Item 4 of this Article, if the Company has not received any objection to the issuance of replacement share certificates, it may issue replacement share certificates as per the application filed by the applicant.</u></p> <p>6. <u>when issuing replacement share certificates in accordance with the provisions of this Article, the Company shall cancel the original share certificates forthwith, and record the cancellation and replacement issuance in the register of shareholders.</u></p>	

Before Amendments	After Amendments
<p><u>7. all costs incurred by the Company in connection with the cancellation of the original share certificates and issuance of replacement share certificates shall be borne by the applicant. Unless the applicant provides reasonable assurance, the Company shall be entitled to refuse to take any action.</u></p>	
<p><b><u>Article 50</u></b></p> <p><u>After the Company has issued a replacement share certificate in accordance with the provisions of these Articles of Association, the name of a bona fide purchaser who acquires the aforesaid replacement share certificate or a shareholder who is subsequently registered as the owner of the share (provided that the shareholder is a bona fide purchaser) shall not be removed from the register of shareholders.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 51</u></b></p> <p><u>The Company shall not be liable for any damage suffered by any person as a result of cancellation of the original share certificate or the issuance of a replacement share certificate, unless the person concerned can prove that the Company has acted fraudulently.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b><u>Article 53</u></b></p> <p>Holders of ordinary shares of the Company shall be entitled to the following rights:</p> <ol style="list-style-type: none"> <li>1. <i>receiving</i> dividends and other forms of profit distribution in accordance with the number of shares held;</li> <li>2. petitioning, convening, presiding over, attending general meetings of shareholders and exercising their voting rights personally or by proxy pursuant to the law;</li> <li>3. conducting supervision <i>and administration</i> over the <i>business activities</i> of the Company, and making suggestions or inquiries;</li> <li>4. transferring shares in accordance with laws, administrative regulations and the provisions of these Articles of Association;</li> <li>5. <i>obtaining relevant information in accordance with the provisions of these Articles of Association, including:</i> <ol style="list-style-type: none"> <li>(1) <i>obtaining these Articles of Association after paying the production cost thereof;</i></li> <li>(2) <i>after paying a reasonable charge, acquiring the right to inspect and duplicate:</i> <ol style="list-style-type: none"> <li>i <i>all parts of the register of shareholders;</i></li> </ol> </li> </ol> </li> </ol>	<p><b><u>Article 39</u></b></p> <p>Holders of ordinary shares of the Company shall be entitled to the following rights:</p> <ol style="list-style-type: none"> <li>1. <i>obtaining</i> dividends and other forms of profit distribution in accordance with the number of shares held;</li> <li>2. petitioning, convening, presiding over, attending general meetings of shareholders and exercising their voting rights personally or by proxy pursuant to the law;</li> <li>3. conducting supervision over the <i>operation</i> of the Company, and making suggestions or inquiries;</li> <li>4. transferring shares in accordance with laws, administrative regulations and the provisions of these Articles of Association;</li> <li>5. <i>inspecting these Articles of Association, register of shareholders, corporate bond stubs, minutes of the general meetings of shareholders, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors, and financial and accounting reports;</i></li> <li>6. participating in the distribution of the remaining property of the Company proportionate to their shareholdings when the Company is terminated or liquidated;</li> </ol>

Before Amendments	After Amendments
<p><i>ii</i> <u>personal information of the directors, supervisors, general manager, deputy general managers or other senior management officers of the Company, including:</u></p> <p><i>a.</i> <u>current and former names and aliases;</u></p> <p><i>b.</i> <u>principal address (domicile);</u></p> <p><i>c.</i> <u>nationality;</u></p> <p><i>d.</i> <u>full-time occupation and all other part-time occupations or positions;</u></p> <p><i>e.</i> <u>identity certificate documents and the numbers thereof.</u></p> <p><i>iii</i> <u>information on the share capital of the Company;</u></p> <p><i>iv</i> <u>a report on the aggregate par value, number and highest and lowest prices of each class of shares repurchased by the Company since the last fiscal year, and the total payment made by the Company for such repurchases;</u></p> <p><i>v</i> <u>minutes of the general meetings of shareholders.</u></p>	<p>7. demanding that the Company acquire the shares of the shareholders who raise objections to the merger/consolidation and division resolutions adopted by the general meetings of shareholders;</p> <p>8. other rights conferred by relevant laws, administrative regulations and these Articles of Association.</p>
<p>6. participating in the distribution of the remaining property of the Company proportionate to their shareholdings when the Company is terminated or liquidated;</p>	

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<p>7. demanding that the Company acquire the shares of the shareholders who raise objections to the merger/consolidation and division resolutions adopted by the general meetings of shareholders;</p> <p>8. <u>in the event that the interests of the Company and lawful personal interests of the shareholders were infringed, commencing an action with the people's court to claim relevant interests in accordance with the Company Law or other laws and administrative regulations;</u></p> <p>9. other rights conferred by relevant laws, administrative regulations and these Articles of Association.</p> <p><u>No powers shall be taken by the Company to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.</u></p>	

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<p><b><u>Article 59</u></b></p> <p>The general meeting shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> <li>1. determining the business policies and investment plans of the Company;</li> <li>2. <i>electing and replacing directors, and deciding on matters concerning the remuneration of directors;</i></li> <li>3. <i>electing and replacing supervisors assumed by representatives of shareholders, and deciding on matters concerning the remuneration of supervisors;</i></li> <li>4. deliberating on and approving reports of the board of directors;</li> <li>5. deliberating on and approving reports of the board of supervisors;</li> <li>6. deliberating on and approving the annual financial budget plan and final account plan of the Company;</li> </ol> <p>.....</p> <ol style="list-style-type: none"> <li>14. deliberating on proposals put forward by shareholders representing <u>3% or more</u> of the Company’s voting shares;</li> </ol> <p>.....</p>	<p><b><u>Article 45</u></b></p> <p>The general meeting shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> <li>1. determining the business policies and investment plans of the Company;</li> <li>2. <i>electing and replacing directors and supervisors not served by employee representatives, and deciding on matters concerning the remuneration of directors and supervisors;</i></li> <li>3. deliberating on and approving reports of the board of directors;</li> <li>4. deliberating on and approving reports of the board of supervisors;</li> <li>5. deliberating on and approving the annual financial budget plan and final account plan of the Company;</li> </ol> <p>.....</p> <ol style="list-style-type: none"> <li>13. deliberating on proposals put forward by shareholders representing <u>1% or more</u> of the Company’s voting shares;</li> </ol> <p>.....</p>

Before Amendments	After Amendments
<p><b><u>Article 60</u></b></p> <p><i>Without prior approval by the general meeting,</i> the Company may not enter into any contract with any person other than a director, supervisor, general manager, deputy general manager or other senior management officer of the Company to delegate thereto the management of all or any material business of the Company.</p>	<p><b><u>Article 46</u></b></p> <p><i>Save for and except in exceptional circumstances, such as when the Company is in crisis,</i> the Company may not, <i>without approval by the general meeting with a special resolution,</i> enter into any contract with any person other than a director, supervisor, general manager, deputy general manager or other senior management officer of the Company to delegate thereto the management of all or any material business of the Company.</p>
<p><b><u>Article 63</u></b></p> <p>When the Company decides to convene an annual general meeting, it shall issue a written notice twenty (20) clear business days prior to the meeting. When the Company decides to convene an extraordinary general meeting, it shall issue a written notice ten (10) clear business days or fifteen (15) days (whichever is longer) prior to the meeting. Such notice shall serve to inform all registered shareholders of the matters to be deliberated at the meeting as well as the date and place of the meeting.</p> <p>All the directors, supervisors, secretary to the Board and legal counsels engaged by the Company shall be present at the meeting, and the general manager and other senior management personnel shall attend the meeting as observers.</p>	<p><b><u>Article 49</u></b></p> <p>When the Company decides to convene an annual general meeting, it shall issue a written notice twenty (20) clear business days <i>(and not less than twenty-one (21) days)</i> prior to the meeting. When the Company decides to convene an extraordinary general meeting, it shall issue a written notice ten (10) clear business days or fifteen (15) days (whichever is longer) prior to the meeting. Such notice shall serve to inform all registered shareholders of the matters to be deliberated at the meeting as well as the date and place of the meeting.</p> <p>All the directors, supervisors, secretary to the Board and legal counsels engaged by the Company shall be present at the meeting, and the general manager and other senior management personnel shall attend the meeting as observers.</p>

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<p><b><u>Article 64</u></b></p> <p>When the Company decides to convene an <u>annual general meeting</u>, <u>shareholders holding 3% or more of the voting shares of the Company</u> shall be entitled to put forward proposals to the Company in writing.</p> <p><u>The shareholders that severally or jointly hold more than 3% of the Company's shares</u> may, before twenty (20) days prior to the general meeting, raise interim proposals and submit them in writing to the <u>board of directors</u>. The <u>board of directors</u> shall, within two (2) days after receipt of such proposal or at least fourteen (14) days prior to the original date of the general meeting, issue a notice and public announcement of the general meeting to all shareholders and submit such proposals to the general meeting for discussion and approval.</p> <p>Except as prescribed in the preceding Paragraph, <u>proposals which are not listed in the said notice shall not be decided by the general meeting.</u></p>	<p><b><u>Article 50</u></b></p> <p>When the Company decides to convene a general meeting, <u>shareholders holding 1% or more of the voting shares of the Company</u> shall be entitled to put forward proposals to the Company in writing.</p> <p><u>The shareholders that severally or jointly hold more than 1% of the Company's shares</u> may, before twenty (20) days prior to the general meeting, raise interim proposals and submit them in writing to the <u>convener</u>. The <u>convener</u> shall, within two (2) days after receipt of such proposal <u>and</u> at least fourteen (14) days prior to the original date of the general meeting, issue a notice and public announcement of the general meeting to all shareholders and submit such proposals to the general meeting for discussion and approval.</p> <p>Except as prescribed in the preceding Paragraph, <u>the convener may not amend the proposals already set out in the notice of the general meeting or add new proposals thereto after such announcement of the notice of the general meeting has been issued.</u></p> <p><u>Proposals which are not listed in the said notice, or which do not comply with the provisions of Article 51 of these Articles of Association, shall neither be put to vote nor decided by the general meeting.</u></p>
<p><b><u>Article 66</u></b></p> <p><u>An extraordinary general meeting may not decide on matters not specified in the notice.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b>Article 67</b></p> <p>The notice of the general meeting shall meet the following requirements:</p> <p>.....</p> <p>7. if the election of directors, supervisors is to be discussed, the notice of the general meeting shall fully disclose the detailed particulars of the director and supervisor candidates and at least shall include the following contents: personal particulars such as educational background, working experience and part-time jobs; whether they have any related relationship with the Company or its controlling shareholder and actual controller; and shall disclose the number of shares of the Company held; and whether they have been imposed with any penalties by the CSRC and other relevant authorities or any sanctions by any stock exchange. Each director or supervisor candidate shall be proposed by way of single motions;</p> <p>8. <u>containing the full text of any special resolution proposed to be adopted at the meeting;</u></p> <p>9. <u>containing an explicit statement that shareholders entitled to attend and vote shall have the right to appoint one or more proxies to attend and vote on their behalf and that the proxy or proxies need not be a shareholder/shareholders;</u></p> <p>10. <u>specifying the time and place for delivering the power of attorney;</u></p> <p>.....</p>	<p><b>Article 52</b></p> <p>The notice of the general meeting shall meet the following requirements:</p> <p>.....</p> <p>7. if the election of directors, supervisors is to be discussed, the notice of the general meeting shall fully disclose the detailed particulars of the director and supervisor candidates and at least shall include the following contents: personal particulars such as educational background, working experience and part-time jobs; whether they have any related relationship with the Company or its controlling shareholder and actual controller; and shall disclose the number of shares of the Company held; and whether they have been imposed with any penalties by the CSRC and other relevant authorities or any sanctions by any stock exchange. Each director or supervisor candidate shall be proposed by way of single motions;</p> <p>8. <u>containing an explicit statement that all ordinary shareholders are entitled to attend general meetings, and may appoint a proxy or proxies to attend and vote at such meetings in writing and that the proxy or proxies need not be a shareholder/shareholders of the Company;</u></p> <p>9. <u>specifying the time and place for delivering the power of attorney;</u></p> <p>.....</p>

Before Amendments	After Amendments
<p><b><u>Article 68</u></b></p> <p><i><u>The notice of a general meeting shall be delivered to all shareholders (regardless of whether they have the right to vote at the general meeting) by designated messenger(s) or in a postpaid letter at the address recorded in the register of shareholders. Holders of domestic shares may be notified of the general meeting by means of an announcement.</u></i></p> <p><i><u>The announcement referred to in the preceding Paragraph shall be published on the website of the stock exchange and in the media that meet the conditions specified by securities regulatory authorities and other regulatory authorities. Once the announcement is made, all holders of domestic shares are deemed to have received the notice of the general meeting.</u></i></p> <p><i><u>Notwithstanding the above provisions in this Article 68, if any listing rules of where the Company is listed or relevant applicable regulations shall provide otherwise concerning the notice of general meeting sent by the Company to its domestic shareholders, such provisions of the relevant laws shall prevail.</u></i></p> <p>Once the notice of the general meeting is issued, the general meeting shall not be postponed or canceled without justifiable cause, nor shall the proposals set out in the general meeting notice be canceled. In the case of the said postponement or cancellation of the general meeting, the convener shall make an announcement and state reasons for such postponement or cancellation, at least two (2) working days prior to the original date of the general meeting.</p>	<p><b><u>Article 53</u></b></p> <p><i><u>Subject to compliance with laws, administrative regulations, departmental regulations and the relevant regulations of the stock exchange on which the Company’s shares are listed, the Company can publish the notice of general meeting by way of announcements, including announcement via the Company’s website.</u></i></p> <p>Once the notice of the general meeting is issued, the general meeting shall not be postponed or canceled without justifiable cause, nor shall the proposals set out in the general meeting notice be canceled. In the case of the said postponement or cancellation of the general meeting, the convener shall make an announcement and state reasons for such postponement or cancellation, at least two (2) working days prior to the original date of the general meeting.</p>

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<p><b><u>Article 71</u></b></p> <p><i><u>A shareholder shall appoint his/her proxy by a written instrument signed by the principal or an agent authorized by the principal in writing. If the principal is a legal person, the written instrument shall be affixed with its official seal, or signed by its directors or a duly authorized agent. The letter of authorization shall contain the number of the shares to be represented by the proxy. If several persons are authorized as the proxies of the shareholder, the letter of authorization shall specify the number of shares to be represented by each such proxy.</u></i></p>	<p><b><u>Article 56</u></b></p> <p><i><u>The proxy form issued by a shareholder to appoint a proxy to attend shareholders' general meetings shall contain the following:</u></i></p> <ol style="list-style-type: none"><li><i><u>1. the name of the proxy;</u></i></li><li><i><u>2. whether the proxy has voting rights;</u></i></li><li><i><u>3. the indication of consent, objection or abstention concerning each proposal to be resolved on the agenda of the general meeting;</u></i></li><li><i><u>4. the date of signing the instrument of appointment and term of validity;</u></i></li><li><i><u>5. the signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed.</u></i></li></ol>

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<p><b><u>Article 72</u></b></p> <p>An instrument appointing a voting proxy <i>shall be placed at the domicile of the Company or another place specified in the notice of the meeting at least 24 hours prior to the commencement of the meeting in question or 24 hours prior to the scheduled time for voting. Where the instrument</i> is signed by a personnel authorized by the principal, the power of attorney or other authorization documents shall be notarized. The power of attorney or other authorization documents so notarized shall be placed at the domicile of the Company or another place specified in the notice of the meeting, together with the instrument appointing the voting proxy.</p> <p>If the principal is a legal person, it shall be represented at the general meeting of the Company by its legal representative or a personnel authorized by its board of directors or other decision-making bodies.</p>	<p><b><u>Article 57</u></b></p> <p><i>Where</i> an instrument appointing a voting proxy is signed by a personnel authorized by the principal, the power of attorney or other authorization documents shall be notarized. The power of attorney or other authorization documents so notarized shall be placed at the domicile of the Company or another place specified in the notice of the meeting, together with the instrument appointing the voting proxy.</p> <p>If the principal is a legal person, it shall be represented at the general meeting of the Company by its legal representative or a personnel authorized by its board of directors or other decision-making bodies.</p>
<p><b><u>Article 75</u></b></p> <p><i>Notwithstanding the death or incapacity of the principal, the revocation of the appointment or the power of attorney by which the instrument of appointment is signed, or the transfer of relevant shares prior to voting, a vote by the proxy based on the power of attorney shall remain valid, as long as no written notice in respect of the aforesaid events has been received by the Company prior to the commencement of the relevant meeting.</i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b><u>Article 78</u></b></p> <p>When voting at the general meeting, shareholders (including proxies) shall exercise their voting rights according to the number of voting rights represented by the shares thereof. Save for the requirement that the cumulative voting system shall be adopted in the election of directors or supervisors who are not the employee representatives under <u>Article 108 of these Articles of Association</u>, each share shall carry one voting right.</p> <p>When material issues affecting the interests of small and medium investors are being considered at the general meeting, the votes of such investors shall be counted separately. The separate counting results shall be promptly and publicly disclosed.</p> <p>Shares held by the Company have no voting rights, and such shares will not be included in the total number of shares with voting rights at the general meeting.</p> <p>If the purchase of the voting shares of the Company by a shareholder is in violation of the provisions of items 1 and 2 of Article 63 of the Securities Law, the shares exceeding the prescribed proportion shall not carry voting rights within 36 months after the purchase, and shall be not included in the total number of voting shares present at general meeting of shareholders.</p>	<p><b><u>Article 62</u></b></p> <p>When voting at the general meeting, shareholders (including proxies) shall exercise their voting rights according to the number of voting rights represented by the shares thereof. Save for the requirement that the cumulative voting system shall be adopted in the election of directors or supervisors who are not the employee representatives under <u>Article 87 of these Articles of Association</u>, each share shall carry one voting right.</p> <p>When material issues affecting the interests of small and medium investors are being considered at the general meeting, the votes of such investors shall be counted separately. The separate counting results shall be promptly and publicly disclosed.</p> <p>Shares held by the Company have no voting rights, and such shares will not be included in the total number of shares with voting rights at the general meeting.</p> <p>If the purchase of the voting shares of the Company by a shareholder is in violation of the provisions of items 1 and 2 of Article 63 of the Securities Law, the shares exceeding the prescribed proportion shall not carry voting rights within 36 months after the purchase, and shall be not included in the total number of voting shares present at general meeting of shareholders.</p>

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<p><b><u>Article 79</u></b></p> <p><u>Votes of the general meeting shall be taken by show of hands, unless the following persons require voting by poll before or after voting by show of hands:</u></p> <ol style="list-style-type: none"><li><u>1. chairman of the meeting;</u></li><li><u>2. at least two (2) shareholders or proxies thereof having the right to vote; or</u></li><li><u>3. one (1) or several shareholders (including proxies) holding, separately or collectively, 10% or more of the shares carrying the voting right at the meeting.</u></li></ol> <p><u>Unless voting by poll is proposed, the chairman of the meeting shall declare whether a proposal has been adopted according to the results of voting by show of hands, and record the same in the minutes of the meeting as the final basis. There is no need to prove the number or proportion of the votes for or against a given resolution adopted at the meeting.</u></p> <p><u>The demand for voting by poll may be withdrawn by the person who requested the same.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 80</u></b></p> <p><i><u>If the matter demanded to be voted upon by poll is the election of the chairman or the adjournment of the meeting, a poll shall be held immediately. Poll demanded for any others matters shall be taken at the time decided by the chairman, and the meeting may proceed with the discussion of other matters. The poll result shall still be regarded as a resolution passed at the meeting.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 81</u></b></p> <p><i><u>When a poll is held, shareholders (including proxies) entitled to two (2) or more votes are not required to cast all their votes for or against a resolution.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 82</u></b></p> <p><i><u>In the event the number of affirmative votes equals to that of negative votes, the chairman of the meeting shall be entitled to one additional vote, regardless of whether the voting is taken by show of hands or by poll.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p data-bbox="204 342 325 370"><b><u>Article 84</u></b></p> <p data-bbox="204 431 783 502">The following matters shall be adopted by way of an ordinary resolution at the general meeting:</p> <ol data-bbox="204 559 783 1357" style="list-style-type: none"><li data-bbox="204 559 783 629">1. work reports of the board of directors and the board of supervisors;</li><li data-bbox="204 687 783 757">2. profit distribution plans and loss recovery plans drafted by the board of directors;</li><li data-bbox="204 815 783 970">3. dismissal of members of the board of directors or the board of supervisors, their remuneration and the method of payment thereof;</li><li data-bbox="204 1027 783 1140">4. the annual budget and final accounts, <i>balance sheet, profit statement and other financial statements</i> of the Company; and</li><li data-bbox="204 1198 783 1357">5. matters other than those that shall be adopted by way of a special resolution as required by relevant laws and administrative regulations or these Articles of Association.</li></ol>	<p data-bbox="812 342 933 370"><b><u>Article 64</u></b></p> <p data-bbox="812 431 1391 502">The following matters shall be adopted by way of an ordinary resolution at the general meeting:</p> <ol data-bbox="812 559 1391 1315" style="list-style-type: none"><li data-bbox="812 559 1391 629">1. work reports of the board of directors and the board of supervisors;</li><li data-bbox="812 687 1391 757">2. profit distribution plans and loss recovery plans drafted by the board of directors;</li><li data-bbox="812 815 1391 970">3. dismissal of members of the board of directors or the board of supervisors, their remuneration and the method of payment thereof;</li><li data-bbox="812 1027 1391 1098">4. the annual budget and final accounts, <i>annual reports</i> of the Company; and</li><li data-bbox="812 1155 1391 1315">5. matters other than those that shall be adopted by way of a special resolution as required by relevant laws and administrative regulations or these Articles of Association.</li></ol>

Before Amendments	After Amendments
<p data-bbox="204 342 325 370"><u>Article 87</u></p> <p data-bbox="204 431 256 449">.....</p> <p data-bbox="204 512 783 715"><i>If two or more independent directors</i> or the board of supervisors calls for an extraordinary general meeting, such independent directors or the board of supervisors shall act in accordance with the following procedures:</p> <ol data-bbox="204 772 783 1187" style="list-style-type: none"><li data-bbox="204 772 783 1187">1. Sign one or several written requisitions of the same format and contents, requesting the board of directors to convene an extraordinary general meeting, and provide the topics for discussion at the meeting. With regard to such proposal, the board of directors shall provide its feedback in writing on the approval or disapproval within ten (10) days from the receipt of the said proposal.</li></ol> <p data-bbox="204 1247 256 1264">.....</p>	<p data-bbox="812 342 933 370"><u>Article 67</u></p> <p data-bbox="812 431 865 449">.....</p> <p data-bbox="812 512 1391 715"><i>If a simple majority of the independent directors</i> or the board of supervisors calls for an extraordinary general meeting, such independent directors or the board of supervisors shall act in accordance with the following procedures:</p> <ol data-bbox="812 772 1391 1187" style="list-style-type: none"><li data-bbox="812 772 1391 1187">1. Sign one or several written requisitions of the same format and contents, requesting the board of directors to convene an extraordinary general meeting, and provide the topics for discussion at the meeting. With regard to such proposal, the board of directors shall provide its feedback in writing on the approval or disapproval within ten (10) days from the receipt of the said proposal.</li></ol> <p data-bbox="812 1247 865 1264">.....</p>

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<p><b><u>Article 88</u></b></p> <p><u>The general meeting shall be convened and chaired by the chairman of the board of directors. If the chairman is unable to or fails to perform his duties, the general meeting shall be convened and chaired by the vice chairman, authorized by the chairman of the board of directors. If such authorized vice chairman is unable to or fails to perform his duties, the general meeting shall be presided over and chaired by a director jointly elected by a simple majority of all the directors.</u></p> <p>If independently convened by the board of supervisors, the general meeting shall be chaired by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable to or fails to perform his duties, a supervisor shall be jointly elected by a simple majority of all the supervisors to preside over the general meeting.</p> <p>.....</p>	<p><b><u>Article 68</u></b></p> <p><u>The general meeting shall be presided over by the chairman of the board of directors. If the chairman is unable to or fails to perform his duties, the general meeting shall be presided over by the vice chairman (or one of the vice chairmen jointly elected by a simple majority of all the directors, if there are two or more vice chairmen in the Company). If the vice chairman is unable to or fails to perform his duties, the general meeting shall be presided over by a director jointly elected by a simple majority of all the directors.</u></p> <p>If independently convened by the board of supervisors, the general meeting shall be chaired by the chairman of the board of supervisors. If the chairman of the board of supervisors is unable to or fails to perform his duties, a supervisor shall be jointly elected by a simple majority of all the supervisors to preside over the general meeting.</p> <p>.....</p>

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<p><b><u>Article 89</u></b></p> <p><i><u>The chairman of the meeting shall be responsible for deciding whether a resolution of the general meeting shall be passed. The decision thereof shall be final, and be announced at the meeting and recorded in the minutes of the meeting. The Company shall announce such resolution of the general meeting in accordance with rules of the stock exchange where the Company's shares are listed.</u></i></p>	<p><b><u>Article 69</u></b></p> <p><i><u>The general meeting shall not conclude earlier at the venue than via the internet or otherwise, and the person presiding over the meeting shall announce the details and result of voting of each resolution and declare whether the resolution is passed or not based on the poll results.</u></i></p> <p><i><u>Before the official announcement of the poll results, the Company, vote counters, vote scrutineers, substantial Shareholders, network service providers and other related parties involved in the general meeting at the venue, via the internet and by another voting method shall be under a confidentiality obligation for the details of voting.</u></i></p>
<p><b><u>Article 91</u></b></p> <p><i><u>If counting of votes is conducted at a general meeting, the result of the counting shall be recorded in the minutes of the meeting.</u></i> The attending directors, supervisors, secretary of the board of directors, convener or its representatives, and the meeting presider shall sign the meeting minutes. <i><u>The meeting minutes, together with the sign-in sheet of the shareholders present and the instruments of proxy shall be kept at the domicile of the Company</u></i> for a period of at least fifteen (15) years.</p>	<p><b><u>Article 71</u></b></p> <p><i><u>The convener of the general meeting shall warrant the truthfulness, accuracy and completeness of the contents of the minutes of the meeting.</u></i> The attending directors, supervisors, secretary of the board of directors, convener or its representatives, and the meeting presider shall sign the meeting minutes. <i><u>The meeting minutes, together with the sign-in sheet of the shareholders attending in person and the instruments of proxy, and valid information about the details of voting via the internet or otherwise shall be kept</u></i> for a period of at least fifteen (15) years.</p>

Before Amendments	After Amendments
<p><b><u>Article 93</u></b></p> <p><i>Shareholders are entitled to inspect photocopies of the meeting minutes of general meetings during the Company's office hours free of charge. If any shareholder asks the Company for a copy of relevant meeting minutes of the general meetings, the Company shall send out the copy within seven (7) days upon receipt of reasonable payment.</i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 95</u></b></p> <p>If the Company intends to change or abrogate the rights of class shareholders, such change or abrogation shall be approved by way of a special resolution at the general meeting, and be approved by class shareholders who are so affected, at the general meeting separately convened in accordance with <u>Article 97 through to Article 101</u>.</p>	<p><b><u>Article 74</u></b></p> <p>If the Company intends to change or abrogate the rights of class shareholders, such change or abrogation shall be approved by way of a special resolution at the general meeting, and be approved by class shareholders who are so affected, at the general meeting separately convened in accordance with <u>Article 76 through to Article 80 of these Articles of Association</u>.</p>

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<p><b><u>Article 97</u></b></p> <p>Regardless of whether the class shareholders affected originally have the right to vote at the general meeting, they shall have the right to vote at the meeting of class shareholders in respect of the matters mentioned in Item 2 through to Item 8, and Item 11 through to Item 12 of <u>Article 96 of these Articles of Association</u>, except for interested shareholders.</p> <p><i>For the purposes of the preceding Paragraph, “interested shareholders” shall mean:</i></p> <ol style="list-style-type: none"> <li><i>1. if the Company makes a repurchase offer to all shareholders in proportion to their shareholdings or repurchases its shares by public trading on a stock exchange in accordance with the provisions of Article 29 of these Articles of Association, “interested shareholders” shall refer to the controlling shareholders as defined in Article 57 of these Articles of Association;</i></li> <li><i>2. if the Company repurchases its shares by agreement without involving a stock exchange in accordance with the provisions of Article 29 of these Articles of Association, “interested shareholders” shall refer to shareholders involved in the agreement; or</i></li> <li><i>3. in the restructuring plan of the Company, “interested shareholders” shall refer to shareholders who assume liabilities to a lesser extent than other shareholders of the same class or shareholders whose interests are different from those of other shareholders of the same class.</i></li> </ol>	<p><b><u>Article 76</u></b></p> <p>Regardless of whether the class shareholders affected originally have the right to vote at the general meeting, they shall have the right to vote at the meeting of class shareholders in respect of the matters mentioned in Item 2 through to Item 8, and Item 11 through to Item 12 of <u>Article 75 of these Articles of Association</u>, except for interested shareholders.</p>

Before Amendments	After Amendments
<p><b><u>Article 98</u></b></p> <p>Resolutions of a meeting of class shareholders shall be passed by shareholders attending the meeting who represent more than two-thirds (2/3) of the voting rights in accordance with <u>Article 97</u>.</p>	<p><b><u>Article 77</u></b></p> <p>Resolutions of a meeting of class shareholders shall be passed by shareholders attending the meeting who represent more than two-thirds (2/3) of the voting rights in accordance with <u>Article 76 of these Articles of Association</u>.</p>
<p><b><u>Article 99</u></b></p> <p>When the Company decides to convene a meeting of class shareholders, it shall issue a written notice with reference to the notice period of the general meeting set out in <u>Article 63</u>, informing all registered shareholders of such class of the matters to be deliberated at the meeting as well as the date and place of the meeting.</p>	<p><b><u>Article 78</u></b></p> <p>When the Company decides to convene a meeting of class shareholders, it shall issue a written notice with reference to the notice period of the general meeting set out in <u>Article 49 of these Articles of Association</u>, informing all registered shareholders of such class of the matters to be deliberated at the meeting as well as the date and place of the meeting. <u>Subject to compliance with laws, administrative regulations, departmental regulations and the relevant regulations of the stock exchange on which the Company's shares are listed, the Company may give notice of the meeting by way of announcements, including announcement via the Company's website.</u></p>

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<p><b><u>Article 105</u></b></p> <p>The Company shall have a board of directors (the “board”). The board of directors shall be composed of nine (9) directors, of whom one (1) shall be chairman of the board and vice chairman of the board can be appointed.</p> <p>The board of directors may have one member who is an employee representative. The employee representative serving on the board of directors shall be elected or removed by workers and staff members of the Company through a democratic process.</p> <p>The board of directors shall be independent from controlling entities (hereafter “controlling entities” refers to companies, enterprises and institutions with legal person status that have a controlling interest in the Company).</p> <p>The external directors shall comprise half (1/2) or more of the directors on the board (hereafter “external directors” refers to directors who do not hold a position in the Company), and the independent directors shall comprise at least one-third (1/3) or more of the directors on the board (hereafter “independent directors” refers to directors who are independent from the shareholders of the Company and do not hold a position within the Company), and at least one of those independent directors should be a professional accountant (<i>the term “professional accountant” refers a person with a senior title or qualification as a certified public accountant</i>).</p>	<p><b><u>Article 84</u></b></p> <p>The Company shall have a board of directors (the “board”). The board of directors shall be composed of nine (9) directors, of whom one (1) shall be chairman of the board and vice chairman of the board can be appointed.</p> <p>The board of directors may have one member who is an employee representative. The employee representative serving on the board of directors shall be elected or removed by workers and staff members of the Company through a democratic process.</p> <p>The board of directors shall be independent from controlling entities (hereafter “controlling entities” refers to companies, enterprises and institutions with legal person status that have a controlling interest in the Company).</p> <p>The external directors shall comprise half (1/2) or more of the directors on the board (hereafter “external directors” refers to directors who do not hold a position in the Company), and the independent directors shall comprise at least one-third (1/3) or more of the directors on the board (hereafter “independent directors” refers to directors who are independent from the shareholders of the Company and do not hold a position within the Company), and at least one of those independent directors should be a professional accountant <i>with appropriate professional qualifications or with appropriate accounting or related financial management expertise as required by the listing rules of the stock exchange on which the Company’s shares are listed</i>.</p>

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<p><b><u>Article 106</u></b></p> <p>Directors shall be elected by the general meeting and serve a term of three (3) years. A director may be re-elected upon the expiration of his/her term. However, an independent director shall not serve more than six (6) years consecutively.</p> <p>The minimum length of the period during which a notice may be sent to the Company of the intention to propose a person for election as a director, and during which a notice may be sent to the Company by such person of his willingness to be elected, shall be at least seven (7) days. Such period for the abovementioned notices shall commence no earlier than the first day after which the notice of the general meeting for such elections has been issued, and shall end no later than seven (7) days prior to the date of the relevant general meeting.</p> <p>The chairman and the vice chairman shall be elected and removed by a simple majority (1/2) of all directors on the board. The term of office of each of the chairman and the vice chairman shall be three (3) years, and is renewable upon re-election.</p> <p>Subject to compliance with all relevant laws and administrative regulations, the general meeting may by ordinary resolution remove any director before the expiration of his term of office. However, such director’s right to claim for relevant damages under any agreement shall not be affected thereby.</p>	<p><b><u>Article 85</u></b></p> <p>Directors shall be elected by the general meeting and serve a term of three (3) years. A director may be re-elected upon the expiration of his/her term. However, an independent director shall not serve more than six (6) years consecutively.</p> <p><i><u>The term of office of a director shall commence from his accession till the expiry of the term of the current session of the board of directors. Where election of directors fails to be timely conducted upon expiry of the term of office of the former directors, the former directors shall, prior to the accession of the newly elected directors, perform their duties as directors in accordance with laws, administrative regulations, regulations of regulatory authorities and provisions of these Articles of Association.</u></i></p> <p>The minimum length of the period during which a notice may be sent to the Company of the intention to propose a person for election as a director, and during which a notice may be sent to the Company by such person of his willingness to be elected, shall be at least seven (7) days. Such period for the abovementioned notices shall commence no earlier than the first day after which the notice of the general meeting for such elections has been issued, and shall end no later than seven (7) days prior to the date of the relevant general meeting.</p> <p>The chairman and the vice chairman shall be elected and removed by a simple majority (1/2) of all directors on the board. The term of office of each of the chairman and the vice chairman shall be three (3) years, and is renewable upon re-election.</p>

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<p><u>Any person appointed by the directors to fill an interim vacancy on or as an additional to the board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election.</u></p> <p><u>No more than two senior management officers of any controlling entity of the Company (i.e. the chairman of the board, vice-chairmen of the board and executive directors) may concurrently hold the position of chairman of the board, vice-chairman of the board or executive director of the Company.</u></p> <p>The general manager or other senior management officer may also act as a director. However, the number of the directors who also act as the general manager or other senior management officers shall not be more than half (1/2) of the total number of the directors of the Company.</p> <p>The external directors shall have sufficient time and necessary knowledge and ability to perform their duties. When an external director performs his/her/its duties, the Company shall provide necessary information and independent directors may directly report to the general meeting, the competent securities regulatory authority under the State Council and other relevant departments thereon.</p> <p>Directors are not required to hold shares of the Company.</p>	<p>Subject to compliance with all relevant laws and administrative regulations, the general meeting may by ordinary resolution remove any director before the expiration of his term of office. However, such director’s right to claim for relevant damages under any agreement shall not be affected thereby.</p> <p>The general manager or other senior management officer may also act as a director. However, the number of the directors who also act as the general manager or other senior management officers <u>as well as those directors who are employee representative</u>, shall not be more than half (1/2) of the total number of the directors of the Company.</p> <p>The external directors shall have sufficient time and necessary knowledge and ability to perform their duties. When an external director performs his/her/its duties, the Company shall provide necessary information and independent directors may directly report to the general meeting, the competent securities regulatory authority under the State Council and other relevant departments thereon.</p> <p>Directors are not required to hold shares of the Company.</p>

Before Amendments	After Amendments
<p><b><u>Article 109</u></b></p> <p>The board of directors shall be accountable to the general meeting, and exercise the following functions and powers:</p> <p>.....</p> <p>6. formulating plans for increasing or reducing the registered capital of the Company and the plan for corporate bond issuance;</p> <p>7. drafting plans for the merger, division or dissolution of the Company;</p> <p>8. deciding on the setup of internal management organizations of the Company;</p> <p>.....</p> <p>11. drafting proposals for the amendment to these Articles of Association;</p> <p><u>12. to review any single investment beyond the current annual investment budget with a total amount of RMB100,000,000 or more which is less than 30% of the audited net assets of the Company in the previous fiscal year; and the board of directors shall authorise the chairman to examine and approve any single investment beyond the current annual investment budget with a total amount less than RMB100,000,000 which is less than 30% of the audited net assets of the Company in the previous fiscal year, and the aggregate of such investments approved by the chairman in a full fiscal year shall not exceed RMB300,000,000;</u></p>	<p><b><u>Article 88</u></b></p> <p>The board of directors shall be accountable to the general meeting, and exercise the following functions and powers:</p> <p>.....</p> <p>6. formulating plans for increasing or reducing the registered capital of the Company and the plan for corporate bond issuance;</p> <p>7. drafting plans for <u>the Company's material acquisition, repurchase of the Company's share</u>, or the merger, division or dissolution of the Company;</p> <p>8. deciding on the setup of internal management organizations of the Company;</p> <p>.....</p> <p>11. drafting proposals for the amendment to these Articles of Association; and</p> <p><u>12.</u> to review any asset mortgage created by the Company over any of its owned property, equipment or equity investment for the benefit of any financial institution or other institution with a total amount exceeding RMB1,000,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>

Before Amendments	After Amendments
<p><u>13.</u> to review any asset mortgage created by the Company over any of its owned property, equipment or equity investment for the benefit of any financial institution or other institution with a total amount exceeding RMB1,000,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>	<p><u>13.</u> to review any entrusted wealth management in a total amount exceeding RMB800,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>
<p><u>14.</u> to review any entrusted wealth management in a total amount exceeding RMB800,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>	<p><u>14.</u> to decide on matters relating to investment, purchase or sale of assets, mortgage of assets, external guarantee, financial assistance, entrusted wealth management, related party transactions and external donations by the Company within the scope of authority conferred by the general meeting of shareholders;</p>
<p><u>15.</u> to decide on matters relating to investment, purchase or sale of assets, mortgage of assets, external guarantee, financial assistance, entrusted wealth management, related party transactions and external donations by the Company within the scope of authority conferred by the general meeting of shareholders;</p>	<p><u>15.</u> to debrief the audit committee's report on risk management and internal control, and review at least once a year on the effectiveness of the risk management and internal control system of the Company and its principal subsidiaries;</p>
<p><u>16.</u> to debrief the audit committee's report on risk management and internal control, and review at least once a year on the effectiveness of the risk management and internal control system of the Company and its principal subsidiaries;</p>	<p><u>16.</u> other functions and powers as stipulated in the Articles or granted by the shareholders' general meeting.</p>

Before Amendments	After Amendments
<p>17. other functions and powers as stipulated in the Articles or granted by the shareholders’ general meeting.</p> <p>Any resolution of the board of directors on any of the foregoing matter, other than the following matters may be adopted by a simple majority.</p> <p><u>Any resolution of the board of directors on any of the foregoing paragraphs 6, 7 and 11 shall be considered and approved by at least two-thirds of the directors present at the meeting of Board.</u></p> <p>Except for the consideration and approval of more than half of all directors, the transaction matter of “providing guarantee” occurred in the Company shall also be considered and approved by more than two-thirds of the directors present at the meeting of Board.</p> <p>.....</p> <p><u>In addition to the powers delegated to the chairman by the board of directors in subparagraph 12 above,</u> the board of directors also authorise the chairman to decide the following matters: the establishment of the Company’s internal management organisation and branches; the appointment and replacement of directors and senior management personnel of wholly-owned subsidiaries; and the appointment, replacement or nomination of shareholder representatives, directors and senior management personnel (candidates) of subsidiaries in which the Company holds a controlling or other interest.</p> <p>.....</p>	<p>Any resolution of the board of directors on any of the foregoing matter, other than the following matters may be adopted by a simple majority.</p> <p>Except for the consideration and approval of more than half of all directors, the transaction matter of “providing guarantee” occurred in the Company shall also be considered and approved by more than two-thirds of the directors present at the meeting of Board.</p> <p>.....</p> <p>The board of directors also authorise the chairman to decide the following matters: the establishment of the Company’s internal management organisation and branches; the appointment and replacement of directors and senior management personnel of wholly-owned subsidiaries; and the appointment, replacement or nomination of shareholder representatives, directors and senior management personnel (candidates) of subsidiaries in which the Company holds a controlling or other interest.</p> <p>.....</p>

Before Amendments	After Amendments
<p><b><u>Article 112</u></b></p> <p><u>When disposing of fixed assets, in the event the expected value of the fixed assets to be disposed of, combined with the value derived from the fixed assets already disposed of in the four (4) months immediately preceding the disposal proposal, exceed 33% of the value of the Company’s fixed assets as shown in the balance sheet that has been deliberated at the most recent general meeting, the board of directors may not, without the prior approval of the general meeting, dispose of or agree to the disposal of such fixed assets.</u></p> <p><u>For the purposes of this Article, disposal of fixed assets shall include the acts of transferring certain assets-related rights and interests, but excluding the acts of using fixed assets as collaterals.</u></p> <p><u>The validity of the transactions whereby the Company disposes of fixed assets shall not be affected by a breach of Paragraph 1 of this Article.</u></p> <p><u>The power of the board of directors shall be specified regarding external investment, acquisition and sale of assets, mortgage of assets, external guarantee, entrusted management of wealth and related party transactions, external donations, etc. The board shall establish strict examination and decision-making procedures. Substantial investment projects shall be subject to review by relevant experts and professionals and be submitted to the general meeting for approval.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b><u>Article 113</u></b></p> <p>The chairman of the board of directors shall exercise the following functions and powers:</p> <ol style="list-style-type: none"><li>1. presiding over general meetings, and convening and presiding over board meetings;</li><li>2. <i><u>inspecting the implementation of the resolutions adopted by the board of directors;</u></i></li><li>3. <i><u>signing securities certificates issued by the Company; and</u></i></li><li>4. performing other functions and powers conferred by the board of directors.</li></ol> <p>If the chairman of the board of directors is unable to exercise his/her functions and powers, he/she may appoint a vice chairman of the board of directors to exercise the functions and powers on his/her behalf.</p>	<p><b><u>Article 91</u></b></p> <p>The chairman of the board of directors shall exercise the following functions and powers:</p> <ol style="list-style-type: none"><li>1. presiding over general meetings, and convening and presiding over board meetings;</li><li>2. <i><u>supervising and inspecting the implementation of the resolutions adopted by the board of directors;</u></i></li><li>3. performing other functions and powers conferred by the board of directors.</li></ol> <p>If the chairman of the board of directors is unable to exercise his/her functions and powers, he/she may appoint a vice chairman of the board of directors to exercise the functions and powers on his/her behalf.</p>

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<p>This article to be newly added, the serial numbers of subsequent articles shall be adjusted accordingly.</p>	<p><b><u>Article 93</u></b></p> <p><i><u>The following matters shall be submitted to the board for deliberation after the consent of a majority of all the independent Directors of the Company is obtained:</u></i></p> <ol style="list-style-type: none"><li><i><u>1. disclosable related party transactions;</u></i></li><li><i><u>2. proposals for the Company and the relevant parties to modify or waive their undertakings;</u></i></li><li><i><u>3. the decisions made and the measures taken by the Board in relation to the acquisition of the Company;</u></i></li><li><i><u>4. other matters prescribed by laws, administrative regulations, the securities regulatory authority of the place where the shares of the Company are listed, business rules of stock exchanges and the Articles of Association.</u></i></li></ol>

Before Amendments	After Amendments
<p><b><u>Article 115</u></b></p> <p>Board meetings shall be held at least twice a year. Board meetings shall be convened by the chairman of the board of directors, with a notice to all directors ten (10) days before the meetings are held. An extraordinary board meeting may be held <u>when it is proposed by at least one-third (1/3) of the directors, or by at least two (2) independent directors, or by the board of supervisors, or by the general manager of the Company.</u></p> <p>Reasonable expenses incurred by a director attending a meeting of the board of directors shall be borne by the Company. Such expenses shall include the transportation expense between the then-current location of the director and the location (if such locations shall be different) of the meeting, accommodation expenses during the meeting, rent of the meeting place, local transportation costs.</p>	<p><b><u>Article 94</u></b></p> <p>Board meetings shall be held at least twice a year. Board meetings shall be convened by the chairman of the board of directors, with a notice to all directors <u>and supervisors</u> ten (10) days before the meetings are held. An extraordinary board meeting may be held <u>when it is proposed by the shareholders representing more than one-tenth of voting rights, or by at least one-third (1/3) of the directors, or by more than half of the independent directors, or by the board of supervisors. The chairman of the board of directors shall convene and preside over the meetings of the board of directors within ten days of receipt of the proposal.</u></p> <p>Reasonable expenses incurred by a director attending a meeting of the board of directors shall be borne by the Company. Such expenses shall include the transportation expense between the then-current location of the director and the location (if such locations shall be different) of the meeting, accommodation expenses during the meeting, rent of the meeting place, local transportation costs.</p>

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Before Amendments	After Amendments
<p><b><u>Article 116</u></b></p> <p>Notice of meetings of the board of directors <u>or extraordinary board meetings</u> shall be delivered according to the following requirements:</p> <ol style="list-style-type: none"> <li>1. No notice of the convening of such meetings will be needed for regular meetings of the board of directors, of which the time and location have been prior determined by the board of directors.</li> <li>2. For meetings of the board of directors of which the time and location have not been prior decided by the board of directors, the chairman of the board of directors shall notify the directors and supervisors of the time and location of such meeting at least ten (10) days in advance by telex, telegraph, facsimile, express delivery service, registered mail or in person.</li> <li>3. In the event of an urgent matter, the chairman of the board of directors shall appoint the secretary of the board of directors to notify all directors and supervisor of the time, location and form of the extraordinary board meeting by telex, telegraph, facsimile, express delivery service or by registered mail or in person. The above notice shall be sent out at least five (5) day but no more than ten (10) days before the meetings of the board of directors.</li> <li>4. Notice of meetings may be served in Chinese and may also have an English version if necessary, and in each case accompanied by a meeting agenda. A director may waive his right to receive notice of a board meeting.</li> </ol>	<p><b><u>Article 95</u></b></p> <p>Notice of meetings of the board of directors shall be delivered according to the following requirements:</p> <ol style="list-style-type: none"> <li>1. No notice of the convening of such meetings will be needed for regular meetings of the board of directors, of which the time and location have been prior determined by the board of directors.</li> <li>2. For meetings of the board of directors of which the time and location have not been prior decided by the board of directors, the chairman of the board of directors shall notify the directors and supervisors of the time and location of such meeting at least ten (10) days in advance <i>by email</i>, telex, telegraph, facsimile, express delivery service, registered mail, in person <i>or other means approved by the Stock Exchange where the Company's shares have been listed</i>.</li> <li>3. In the event of an urgent matter, the chairman of the board of directors shall appoint the secretary of the board of directors to notify all directors and supervisor of the time, location and form of the extraordinary board meeting by <i>email</i>, telex, telegraph, facsimile, express delivery service or by registered mail, in person <i>or other means approved by the Stock Exchange where the Company's shares have been listed</i>. The above notice shall be sent out at least five (5) day but no more than ten (10) days before the meetings of the board of directors.</li> <li>4. Notice of meetings may be served in Chinese and may also have an English version if necessary, and in each case accompanied by a meeting agenda. A director may waive his right to receive notice of a board meeting.</li> </ol>

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Before Amendments	After Amendments
<p><b><u>Article 118</u></b></p> <p>Any regular or extraordinary meeting of the board of directors may be held by way of telephone conference or similar communication equipment as long as all directors participating in the meeting may clearly hear and communicate with each other. All such directors shall be deemed to be present in person at such meeting. If the Company has already given the notice of the meeting of board of directors to all the directors and has delivered all the proposed matters for resolution to all the directors, <u>a meeting of the board of directors may be held via fax or via any other similar communication devices</u>. If the directors who sign and approve such resolution have reached the quorum required under <u>Article 109 of these Articles of Association</u>, such board resolution shall be deemed effective.</p>	<p><b><u>Article 97</u></b></p> <p>Any regular or extraordinary meeting of the board of directors may be held by way of telephone conference or similar communication equipment as long as all directors participating in the meeting may clearly hear and communicate with each other. All such directors shall be deemed to be present in person at such meeting. If the Company has already given the notice of the meeting of board of directors to all the directors and has delivered all the proposed matters for resolution to all the directors, <u>a meeting of the board of directors may be held via communication devices</u>. If the directors who sign and approve such resolution have reached the quorum required under <u>Article 88 of these Articles of Association</u>, such board resolution shall be deemed effective.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
TO THE ARTICLES OF ASSOCIATION AND  
THE AMENDMENTS TO THE ANNEXES THERETO

Before Amendments	After Amendments
<p><b><u>Article 119</u></b></p> <p>Board meetings may only be held when more than half (1/2) of all the directors of the Company (including authorized directors stipulated under <i>Article 120 hereof</i>) are present.</p> <p>Each director shall be entitled to one (1) vote. Unless otherwise specified in these Articles of Association, resolutions of the board of directors shall be passed by a simple majority of all directors.</p> <p><i><u>When the number of affirmative votes equals that of negative votes, the chairman of the board of directors shall be entitled to one additional vote.</u></i></p> <p>In the event there should be an interested director to matters deliberated at a meeting, such interested director shall withdraw and shall not be entitled to vote for such matters. Such director shall not be counted when calculating the quorum of the directors present at the meeting.</p>	<p><b><u>Article 98</u></b></p> <p>Board meetings may only be held when more than half (1/2) of all the directors of the Company (including authorized directors stipulated under <i>Article 99 hereof</i>) are present.</p> <p>Each director shall be entitled to one (1) vote. Unless otherwise specified in these Articles of Association, resolutions of the board of directors shall be passed by a simple majority of all directors.</p> <p>In the event there should be an interested director to matters deliberated at a meeting, such interested director shall withdraw and shall not be entitled to vote for such matters. Such director shall not be counted when calculating the quorum of the directors present at the meeting.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE AMENDMENTS TO THE ANNEXES THERETO

Before Amendments	After Amendments
<p><b><u>Article 120</u></b></p> <p>Board meetings shall be attended by the directors in person. If a director is unable to attend a meeting in person for any reason, such director may appoint, in writing, another director to attend the meeting on his/her behalf. <u>The authority delegated shall be specified in the power of attorney.</u> An independent director shall not appoint a non- independent director to vote on his/her behalf.</p> <p>A director who attends a board meeting on behalf of another director shall exercise the rights of a director within the delegated authority. If a director fails to attend a board meeting in person, and has not appointed a representative to attend the meeting on his/her behalf, the director shall be deemed to have waived his/her right to vote at the meeting.</p> <p>Any director who fails to attend in person two (2) consecutive meetings of the board of directors and further fails to entrust other directors to attend the meeting, <u>and any independent director who fails to attend in person three (3) consecutive meetings of the board of directors,</u> shall be deemed incapable of performing his/her duties and the board of directors shall propose a general meeting to replace such director.</p>	<p><b><u>Article 99</u></b></p> <p>Board meetings shall be attended by the directors in person. If a director is unable to attend a meeting in person for any reason, such director may appoint, in writing, another director to attend the meeting on his/her behalf. <u>The name of the entrusted director, the items that are delegated to be handled, authority delegated and the duration of such entrustment shall be specified in the power of attorney. Such letter shall be signed or sealed by the delegating director.</u> An independent director shall not appoint a non-independent director to vote on his/her behalf.</p> <p>A director who attends a board meeting on behalf of another director shall exercise the rights of a director within the delegated authority. If a director fails to attend a board meeting in person, and has not appointed a representative to attend the meeting on his/her behalf, the director shall be deemed to have waived his/her right to vote at the meeting.</p> <p>Any director who fails to attend in person two (2) consecutive meetings of the board of directors and further fails to entrust other directors to attend the meeting, shall be deemed incapable of performing his/her duties and the board of directors shall propose a general meeting to replace such director.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
TO THE ARTICLES OF ASSOCIATION AND  
THE AMENDMENTS TO THE ANNEXES THERETO

Before Amendments	After Amendments
<p><b><u>Article 121</u></b></p> <p>The board of directors shall record decisions on matters deliberated at a meeting to form the minutes of the meeting. Directors <i>and secretary of the board of directors</i> present at the meeting <i>and the recorder</i> shall affix their signatures on the meeting minutes.</p> <p>The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors is in violation of any laws, administrative regulations, or the Articles of Association and the resolutions of the general meeting, and therefore, results in any material losses to the Company, directors involved in the resolution shall be liable to indemnify the Company. However, any director who is proven to have expressed his objection to such resolution in voting and whose objection has been recorded in the minutes may be exempted from liabilities.</p> <p>Opinions expressed by independent directors shall be recorded in the resolution of the meeting of the board of directors.</p> <p>The minutes of the meeting of the board of directors shall be kept on file at the Company by the secretary of the board of directors for a period of fifteen (15) years.</p>	<p><b><u>Article 100</u></b></p> <p>The board of directors shall record decisions on matters deliberated at a meeting to form the minutes of the meeting. Directors present at the meeting shall affix their signatures on the meeting minutes.</p> <p>The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors is in violation of any laws, administrative regulations, or the Articles of Association and the resolutions of the general meeting, and therefore, results in any material losses to the Company, directors involved in the resolution shall be liable to indemnify the Company. However, any director who is proven to have expressed his objection to such resolution in voting and whose objection has been recorded in the minutes may be exempted from liabilities.</p> <p>Opinions expressed by independent directors shall be recorded in the resolution of the meeting of the board of directors.</p> <p>The minutes of the meeting of the board of directors shall be kept on file at the Company by the secretary of the board of directors for a period of fifteen (15) years.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE AMENDMENTS TO THE ANNEXES THERETO

Before Amendments	After Amendments
<p><b><u>Article 123</u></b></p> <p>The Company shall have a secretary of the board of directors, who shall be responsible for preparing the general meetings and board meetings of the Company, keeping relevant documents, managing the information of shareholders of the Company, dealing with information disclosure related matters, investor relations related work and others.</p> <p>The secretary of the board of directors shall be a senior management officer of the Company, who shall be entitled to attend relevant meetings, review relevant documents, and keep himself/herself abreast of the Company’s financial position and operations to perform his/her duties. The board of directors and other senior management members or officers shall support the work of the secretary of the board of directors. Any institution or individual shall not interfere with the secretary of the board of directors in performing his/her duties.</p> <p>Management officers of any controlling entity of the Company may not concurrently hold the position of secretary of the board of directors of the Company.</p>	<p><b><u>Article 102</u></b></p> <p>The Company shall have a secretary of the board of directors, who shall be responsible for preparing the general meetings and board meetings of the Company, keeping relevant documents, managing the information of shareholders of the Company, dealing with information disclosure related matters, investor relations related work and others. <u>The secretary of the Board of Directors shall comply with relevant provisions of laws, administrative regulations, departmental rules and the Articles of Association.</u></p> <p>The secretary of the board of directors shall be a senior management officer of the Company, who shall be entitled to attend relevant meetings, review relevant documents, and keep himself/herself abreast of the Company’s financial position and operations to perform his/her duties. The board of directors and other senior management members or officers shall support the work of the secretary of the board of directors. Any institution or individual shall not interfere with the secretary of the board of directors in performing his/her duties.</p> <p>Management officers of any controlling entity of the Company may not concurrently hold the position of secretary of the board of directors of the Company.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE AMENDMENTS TO THE ANNEXES THERETO

Before Amendments	After Amendments
<p><b><u>Article 130</u></b></p> <p><i>In exercising his/her functions and powers, the general manager and deputy general managers shall perform the duty of good faith and due diligence in accordance with relevant laws, administrative regulations and these Articles of Association.</i></p>	<p><b><u>Article 109</u></b></p> <p><i>Senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If any senior officers of the Company causes damage to the interests of the Company and its public shareholders due to failure in faithfully performing his/her duties or violation of his/her fiduciary duties, he/she shall be liable for compensation in accordance with the laws.</i></p>
<p><b><u>Article 132</u></b></p> <p>The board of supervisors shall be composed of at least three (3) persons, of whom one (1) shall be the chairman of the board of supervisors <u>and one (1) shall be the vice chairman of the board of supervisors</u>. The term of office of a supervisor shall be three (3) years. A supervisor may be re-elected upon the expiration of his/her term.</p> <p>The election or removal of the chairman of the board of supervisors shall be determined by the affirmative votes of two-thirds (2/3) or more of the members of the board of supervisors.</p>	<p><b><u>Article 111</u></b></p> <p>The board of supervisors shall be composed of at least three (3) persons, of whom one (1) shall be the chairman of the board of supervisors, <u>and the board of supervisors may have one (1) vice chairman</u>. The term of office of a supervisor shall be three (3) years. A supervisor may be re-elected upon the expiration of his/her term.</p> <p>The election or removal of the chairman of the board of supervisors shall be determined by the affirmative votes of two-thirds (2/3) or more of the members of the board of supervisors.</p>

Before Amendments	After Amendments
<p><b><u>Article 139</u></b></p> <p>Meetings of the board of supervisors shall have meeting minutes recorded. Attending supervisors and recorders shall sign the minutes of the meeting of the board of supervisors. Supervisors shall have the right to require that descriptive contents of their speeches be recorded in the meeting minutes. Minutes of the meeting of the board of supervisors shall be kept <i>by the secretary of the board of directors</i> on the Company's file for fifteen (15) years.</p>	<p><b><u>Article 118</u></b></p> <p>Meetings of the board of supervisors shall have meeting minutes recorded. Attending supervisors and recorders shall sign the minutes of the meeting of the board of supervisors. Supervisors shall have the right to require that descriptive contents of their speeches be recorded in the meeting minutes. Minutes of the meeting of the board of supervisors shall be kept on the Company's file for fifteen (15) years.</p>
<p><b><u>Article 143</u></b></p> <p><i>The validity of an act of directors, supervisors, general manager, deputy general managers or other senior management officers acting on behalf the Company towards a bona fide third party shall not be affected by any irregularities in their appointment, election or qualifications.</i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 149</u></b></p> <p><i><u>The fiduciary duties of directors, supervisors, general manager, deputy general managers or other senior management officers of the Company do not necessarily cease upon expiration of their terms of office. Their obligations to keep confidential the trade secrets of the Company shall remain effective after the expiration of their terms of office. The continuance of other obligations shall be determined based on the principle of equity, and dependent on the time interval between the occurrence of the event and departure from office as well as the circumstances and conditions under which such person's relationship with the Company was terminated.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 150</u></b></p> <p><i><u>A director, supervisor, general manager or any other senior management officer of the Company may be relieved of the liabilities for breach of a certain obligation by the general meeting in an informed manner, except in circumstances specified in Article 56 of these Articles of Association.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b>Article 151</b></p> <p><i><u>If a director, supervisor, general manager or any other senior management officer of the Company, directly or indirectly, has a substantial stake in a contract, transaction or arrangement concluded or planned by the Company (except for the employment contract signed by and between the Company and such director, supervisor, general manager or other senior management officer), regardless of whether relevant matters are subject to the approval of the board of directors under normal circumstances, he/she shall disclose the nature and extent of his/her involvement in such a contract, transaction or arrangement to the board of directors as soon as possible.</u></i></p> <p><i><u>Unless such a director, supervisor or general manager or any other interested senior management officer of the Company has disclosed such involvement to the board of directors as required under the preceding Paragraph of this Article, and the board of directors has approved the matter at a meeting in which the said personnel has not been counted in the quorum and has refrained from voting, the Company shall be entitled to revoke the contract, transaction or arrangement, except where the other party is a bona fide party who has no knowledge of the breach of duties by the director, supervisor, general manager or other senior management officer.</u></i></p> <p><i><u>If any of the Connected Parties of a director, supervisor, general manager, deputy general manager or other senior management officer of the Company has a stake in a certain contract, transaction or arrangement, the director, supervisor, general manager, deputy general manager or other senior management officer shall also be deemed to have a stake in such a contract, transaction or arrangement.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 152</u></b></p> <p><i><u>If, before the Company first considers entering into a contract, transaction or arrangement, a director, supervisor, general manager or other senior management officer of the Company gives a written notice to the board of directors stating that by virtue of the matters set out in the notice, he/she has a stake in the contract, transaction or arrangement that may be concluded by the Company in the future, the director, supervisor, general manager or other senior management officer shall be deemed to have made the disclosure described in the preceding Article of this Chapter 14 to the extent stated in the notice.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 153</u></b></p> <p><i><u>The Company may not, in any way, pay tax for any of its directors, supervisors, general manager, deputy general managers or other senior management officer.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 338 368"><b><u>Article 154</u></b></p> <p data-bbox="204 423 783 729"><i><u>The Company may not, directly or indirectly, provide loans or loan guarantees for directors, supervisors, general manager, deputy general managers or other senior management officers of the Company or its parent company. Nor may the Company provide loans or loan guarantees for Connected Parties of the aforementioned personnel.</u></i></p> <p data-bbox="204 785 783 853"><i><u>Provisions of the preceding Paragraph shall not apply to the following circumstances:</u></i></p> <ol data-bbox="204 908 783 1853" style="list-style-type: none"><li data-bbox="204 908 783 976"><i><u>1. when the Company provides loans or loan guarantees to its subsidiaries;</u></i></li><li data-bbox="204 1032 783 1415"><i><u>2. according to the relevant employment contract approved by the general meeting, the Company provides loans, loan guarantees or other funds to a director, supervisor, general manager or other senior management officer of the Company to enable him/her to pay for the expenses incurred for the purpose of the Company or in performing his/her duties towards the Company;</u></i></li><li data-bbox="204 1470 783 1853"><i><u>3. if the normal scope of business of the Company includes the provision of loans and loan guarantees, the Company may provide loans or loan guarantees for relevant directors, supervisors, general manager, deputy general managers or other senior management officers and their Connected Parties, provided that the conditions of such loans or loan guarantees are normal commercial conditions.</u></i></li></ol>	<p data-bbox="812 342 1393 410">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 155</u></b></p> <p><i><u>If the Company provides a loan in violation of the provisions of the preceding Article, the recipient of the funds shall immediately repay the loan regardless of the conditions thereof.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 156</u></b></p> <p><i><u>The Company may not be forced to perform a loan guarantee provided thereby in violation of the provisions of Paragraph 1 of Article 154, except under the following circumstances:</u></i></p> <p><i><u>1. when the loan is provided to a Connected Party of a director, supervisor, general manager or any other senior management officer of the Company or its parent company without the knowledge of the lender; or</u></i></p> <p><i><u>2. when the collateral provided by the Company has been lawfully sold by the lender to a bona fide purchaser.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 157</u></b></p> <p><i><u>“Guarantees” mentioned in the preceding Article of this Chapter 14 shall include any act in which the guarantor assumes liabilities or provides property to secure the performance by the obligor.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 336 338 368"><b>Article 158</b></p> <p data-bbox="204 410 783 655"><u>In the event a director, supervisor, general manager or other senior management officer of the Company is in violation of his/her obligations towards the Company, in addition to various rights and remedies provided for by relevant laws and administrative regulations, the Company shall be entitled to take the following measures:</u></p> <ol data-bbox="204 697 783 1921" style="list-style-type: none"><li data-bbox="204 697 783 878">1. <u>requiring the director, supervisor, general manager or other senior management officer to compensate the Company for the losses suffered thereby as a result of his/her dereliction of duty;</u></li><li data-bbox="204 921 783 1304">2. <u>rescinding any contract or transaction made by and between the Company and the director, supervisor, general manager or other management officers, and any contract or transaction made by and between the Company and a third party (if such third party knows or should have known that the director, supervisor, general manager or other senior management officer representing the Company is in breach of his/her obligations towards the Company);</u></li><li data-bbox="204 1347 783 1485">3. <u>requiring the director, supervisor, general manager or other senior management officer to disgorge the gains he/she earned by breach of the obligations;</u></li><li data-bbox="204 1527 783 1708">4. <u>recovering from the director, supervisor, general manager or other management officer any money that should have been received by the Company, including (but not limited to) commissions; and</u></li><li data-bbox="204 1751 783 1921">5. <u>requiring the director, supervisor, general manager or any other management officer to return the interest earned or may be earned on the funds that should have been given to the Company.</u></li></ol>	<p data-bbox="812 336 1393 400">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 159</u></b></p> <p><u>The Company shall enter into a written contract with each director and supervisor of the Company in respect of remuneration. Such a contract shall be approved by the general meeting in advance. The above-mentioned remuneration shall include:</u></p> <ol style="list-style-type: none"><li><u>1. remuneration for serving as a director, supervisor or other senior management officer of the Company;</u></li><li><u>2. remuneration for serving as a director, supervisor or other senior management officer of a subsidiary of the Company;</u></li><li><u>3. remuneration for provision of other services for management of the Company or its subsidiaries; and</u></li><li><u>4. compensation for loss of office or retirement of such a director or supervisor.</u></li></ol> <p><u>Except pursuant to the aforementioned contract, a director or supervisor may not sue the Company for any benefits payable to him/her on the basis of the aforesaid matters.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 160</u></b></p> <p><i><u>The Company shall stipulate in the contract on remuneration signed between with a director or supervisor of the Company that, in the event of the Company being acquired, the director or supervisor shall be entitled to the compensation or other payments for loss of office or retirement upon prior approval by the general meeting.</u></i></p> <p><i><u>“In the event of the Company being acquired” above shall mean any of the following situations:</u></i></p> <ol style="list-style-type: none"><li><i><u>1. when any person makes a tender offer to all the shareholders; or</u></i></li><li><i><u>2. when any person makes a tender offer aiming at making the such person the controlling shareholder as defined in Article 54 of these Articles of Association.</u></i></li></ol> <p><i><u>In the event a director or supervisor fails to comply herewith, any fund received by him/her shall belong to those who have sold their shares as acceptance of the above-mentioned offer. The expenses incurred in the pro rata distribution of such funds shall be borne by the director or supervisor, and such expenses may not be deducted from the funds.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
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Before Amendments	After Amendments
<p>This article has been newly added and the subsequent articles have been renumbered accordingly.</p>	<p><b><u>Article 127</u></b></p> <p><i><u>Upon effective resignation or expiration of his/her term of office, a director shall complete his/her hand-over procedures with the Board. The fiduciary duties of such director towards the Company and shareholders shall not be necessarily released upon the expiration of his tenure of office. His/Her obligation of confidentiality in respect of the Company’s business secrets shall remain in force after expiration of his/her tenure until the same falls into public domain. The duration of other fiduciary obligations shall be decided on the basis of the principle of fairness, the time lapse between the occurrence of the event concerned and the resignation, and on the circumstances and conditions under which the relationship between the director and the Company are terminated.</u></i></p>
<p>This article has been newly added and the subsequent articles have been renumbered accordingly.</p>	<p><b><u>Article 128</u></b></p> <p><i><u>If a director, supervisor or senior management officer breaches the laws, administrative regulations, departmental regulations or these Articles of Association when carrying out his/her duties and causes loss to the Company, he/she shall be held responsible for damages.</u></i></p>

Before Amendments	After Amendments
<p data-bbox="201 342 336 374"><b><u>Article 161</u></b></p> <p data-bbox="201 427 783 793"><i><u>The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the senior management of the Company fail to faithfully perform their duties or violate their fiduciary obligations, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with the laws.</u></i></p>	<p data-bbox="810 342 1390 417">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 163</u></b></p> <p>The Company shall prepare financial reports at the end of each fiscal year. Such reports shall be examined and verified pursuant to the laws and regulations.</p> <p>Such financial reports shall include the following financial accounting statements and ancillary detailed lists:</p> <ol style="list-style-type: none"> <li>1. the balance sheet;</li> <li>2. <i><u>the profit and loss statement;</u></i></li> <li>3. <i><u>the statements of financial position;</u></i></li> <li>4. <i><u>the explanation of financial position;</u></i></li> <li>5. <i><u>the statements of profit distribution;</u></i></li> <li>6. the notes to its financial statements.</li> </ol> <p>The fiscal year shall be in accordance with the calendar year (i.e. from January 1st to December 31st).</p>	<p><b><u>Article 130</u></b></p> <p>The Company shall prepare financial reports at the end of each fiscal year. Such reports shall be examined and verified pursuant to the laws and regulations.</p> <p>Such financial reports shall include the following financial accounting statements and ancillary detailed lists:</p> <ol style="list-style-type: none"> <li>1. the balance sheet;</li> <li>2. <i><u>the income statement;</u></i></li> <li>3. <i><u>the statement of cash flows;</u></i></li> <li>4. <i><u>the statement of changes in shareholders' equity;</u></i></li> <li>5. the notes to its financial statements.</li> </ol> <p>The fiscal year shall be in accordance with the calendar year (i.e. from January 1st to December 31st).</p>
<p><b><u>Article 164</u></b></p> <p><i><u>The board of directors of the Company shall submit to shareholders at each annual general meeting financial reports that are required to be prepared by the Company by relevant laws, administrative regulations and normative documents promulgated by local government or competent authorities.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 338 370"><b><u>Article 165</u></b></p> <p data-bbox="204 431 783 672"><u>Financial reports of the Company shall be placed at the Company for inspection by shareholders twenty (20) days prior to each annual general meeting. Each shareholder of the Company shall be entitled to a copy of the financial reports referred to in this Chapter 15.</u></p> <p data-bbox="204 732 783 1012"><u>The Company shall, at least twenty-one (21) days prior to the general meeting, send copies of the financial reports, together with copies of the reports of the board, in a postage pre-paid mail to each holder of overseas-listed foreign shares. The recipient's address shall be the address recorded in the register of shareholders.</u></p>	<p data-bbox="813 342 1380 412">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 338 370"><b><u>Article 174</u></b></p> <p data-bbox="204 431 783 757">Profits shall be distributed pro rata among shareholders <u>within six (6) months of the end of each fiscal year</u>. Plans for the distribution of profits shall be resolved by way of ordinary resolution at the general meeting. Except as otherwise resolved by the general meeting, the general meeting may grant the board of director the right to distribute interim profits.</p> <p data-bbox="204 817 783 1057"><u>The amount of any share paid up before the issuance of the payment demand of such share may carry interests, but the holder of such share shall not be entitled to participate in the distribution of the dividend of such pre-paid shares subsequently declared.</u></p> <p data-bbox="204 1117 783 1272"><u>In the event that the power should be exercised to forfeit unclaimed dividends, such power shall not be exercised at least six (6) years after the date of declaration of the dividend.</u></p> <p data-bbox="204 1332 783 1444"><u>Any of the above disposals under this Article 167 shall not violate the mandatory provisions of laws and administrative regulations.</u></p>	<p data-bbox="812 342 946 370"><b><u>Article 139</u></b></p> <p data-bbox="812 431 1391 715">Profits shall be distributed pro rata among shareholders. Plans for the distribution of profits shall be resolved by way of ordinary resolution at the general meeting. Except as otherwise resolved by the general meeting, the general meeting may grant the board of director the right to distribute interim profits.</p>

Before Amendments	After Amendments
<p><b><u>Article 175</u></b></p> <p>The Company’s profit distribution policies:</p> <p>1. Basic principle of profit distribution: The Company shall carry out an ongoing and stable profit distribution policy. The distribution of profit of the Company shall be focused on providing reasonable investment returns to investors and take into account the Company’s sustainable development;</p> <p>.....</p> <p>3. Conditions and proportion of cash dividends distribution: Save for special conditions, the Company shall adopt cash dividends when there are positive accumulated and undistributed profits in a profitable year. The accumulated distribution of cash dividends over the last three years shall not be less than 30% of the average annual distributable profits for the last three years in principle.</p> <p>.....</p> <p>Where the Company fails to determine a profit distribution proposal of that year in accordance with the above cash dividends policy in the event of special conditions, the Company shall disclose in the regular report such information as the specific reasons, the exact purpose for retention of the undistributed profit and the expected return for such purpose. <u>Independent directors of the Company shall express an independent opinion in this regard.</u></p>	<p><b><u>Article 140</u></b></p> <p>The Company’s profit distribution policies:</p> <p>1. Basic principle of profit distribution: The Company shall carry out an ongoing and stable profit distribution policy. The distribution of profit of the Company shall be focused on providing reasonable investment returns to investors and take into account the Company’s sustainable development. <u>The objective of the cash dividend policy is to fix the dividend payout ratio.</u></p> <p>.....</p> <p>3. Conditions and proportion of cash dividends distribution: Save for special conditions, the Company shall adopt cash dividends when there are positive accumulated and undistributed profits in a profitable year. The accumulated distribution of cash dividends over the last three years shall not be less than 30% of the average annual distributable profits for the last three years in principle.</p> <p>.....</p> <p>Where the Company fails to determine a profit distribution proposal of that year in accordance with the above cash dividends policy in the event of special conditions, the Company shall disclose in the regular report such information as the specific reasons, the exact purpose for retention of the undistributed profit and the expected return for such purpose.</p>

Before Amendments	After Amendments
<p>4. Conditions of dividend distribution in the form of shares: Where the Company's share capital size and equity structure are reasonable and its share capital increases in line with its growth in operating results, the Company may distribute its profit in the form of shares. The profit distribution in the form of shares by the Company shall be made on the premise of giving reasonable cash dividends return to shareholders and maintaining proper share capital size, while taking into full consideration of factors including the growth of the Company and the dilution to net asset value per share.</p>	<p>4. Conditions of dividend distribution in the form of shares: <u>Subject to the fulfillment of the conditions of cash dividends distribution in paragraph (3) above,</u> where the Company's share capital size and equity structure are reasonable and its share capital increases in line with its growth in operating results, the Company may distribute its profit in the form of shares. The profit distribution in the form of shares by the Company shall be made on the premise of giving reasonable cash dividends return to shareholders and maintaining proper share capital size, while taking into full consideration of factors including the growth of the Company and the dilution to net asset value per share.</p>

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<p>5. Consideration and deliberation procedures and decision- making mechanism for profit distribution proposal: In the event of profit distribution by the Company, the Board of directors shall formulate the distribution proposal and submit the proposal to the Shareholders’ meeting of the Company for approval. The Board of directors shall carefully study and deliberate such matters including the timing, conditions and minimum proportion, conditions of adjustment and the requirements of the decision-making process for cash dividend distribution of the Company in formulating the detailed proposal of cash dividends distribution, <u>and independent directors shall expressly give their opinions</u>. The independent directors may gather views from minority shareholders and propose a distribution proposal which will be submitted directly to the Board of directors for its approval. Prior to the consideration of the detailed proposal of cash dividends distribution at the general meeting, the Company shall actively communicate and exchange views with the shareholders, in particular the minority shareholders, through various channels, such that the opinions and requests of the minority shareholders can be fully heard, and their concerns can be responded in a timely manner.</p>	<p>5. Consideration and deliberation procedures and decision-making mechanism for profit distribution proposal: In the event of profit distribution by the Company, the Board of directors shall formulate the distribution proposal and submit the proposal to the Shareholders’ meeting of the Company for approval. The Board of directors shall carefully study and deliberate such matters including the timing, conditions and minimum proportion, conditions of adjustment and the requirements of the decision-making process for cash dividend distribution of the Company in formulating the detailed proposal of cash dividends distribution. <u>Where the independent directors consider that the detailed proposal of cash dividends distribution may impair the interests of the Company or minority shareholders, they are entitled to give their independent opinions. If the board of directors has not adopted or fully adopted the opinions of the independent directors, it shall state the opinions of the independent directors and the specific reasons for not adopting the opinions in the resolutions of the board of directors, and disclose such matter</u>. The independent directors may gather views from minority shareholders and propose a distribution proposal which will be submitted directly to the Board of directors for its approval. Prior to the consideration of the detailed proposal of cash dividends distribution at the general meeting, the Company shall actively communicate and exchange views with the shareholders, in particular the minority shareholders, through various channels, such that the opinions and requests of the minority shareholders can be fully heard, and their concerns can be responded in a timely manner.</p>

Before Amendments	After Amendments
<p>6. Amendment of profit distribution policy: The profit distribution policy of the Company shall not be amended randomly. The profit distribution policy can be amended where there is a material change in the production and operations of the Company, the need for an investment plan or a long-term development of the Company, changes in the external operating environment or changes in policies and regulations, the profit distribution policy may be amended after detailed discussion and upon the satisfaction of conditions stipulated by this Articles of Association. <u>Independent directors shall expressly give their opinions regarding the amendments of profit distribution policy.</u> The amended profit distribution policy shall not violate the relevant provisions of the regulatory authorities. The relevant proposal to amend the profit distribution policy shall first be approved by the Board of the Company and then submitted by the Board of the Company for consideration at a shareholders' general meeting. Such proposal should be passed by an affirmative vote of more than two-thirds of the Company's total voting shares being held by the shareholders who are present at the general meeting.</p>	<p>6. Amendment of profit distribution policy: The profit distribution policy of the Company shall not be amended randomly. The profit distribution policy can be amended where there is a material change in the production and operations of the Company, the need for an investment plan or a long-term development of the Company, changes in the external operating environment or changes in policies and regulations, the profit distribution policy may be amended after detailed discussion and upon the satisfaction of conditions stipulated by this Articles of Association. The amended profit distribution policy shall not violate the relevant provisions of the regulatory authorities. The relevant proposal to amend the profit distribution policy shall first be approved by the Board of the Company and then submitted by the Board of the Company for consideration at a shareholders' general meeting. Such proposal should be passed by an affirmative vote of more than two-thirds of the Company's total voting shares being held by the shareholders who are present at the general meeting.</p>

Before Amendments	After Amendments
<p><b><u>Article 176</u></b></p> <p>After the general meeting has adopted the resolution on the plan for distribution of the Company's profits, <u>the board of directors of the Company shall complete the distribution of dividends (or shares) within two (2) months of the date of the completion of such general meeting.</u></p>	<p><b><u>Article 141</u></b></p> <p>After the general meeting has adopted the resolution on the plan for distribution of the Company's profits, <u>or after the board of directors of the Company has formulated a detailed proposal in accordance with the conditions and upper limit of next year's interim dividend distribution as considered and approved by the annual general meeting, it shall complete the distribution of dividends (or shares) within two (2) months.</u></p>
<p><b><u>Article 182</u></b></p> <p><u>The Company shall engage an independent accounting firm that meets relevant PRC requirements to audit annual financial reports and verify other financial reports of the Company.</u></p> <p><u>The first accounting firm of the Company may be engaged at the inaugural meeting prior to the first annual general meeting, and the term of office of such accounting firm shall expire upon the conclusion of the first annual general meeting.</u></p> <p>The engagement of an accounting firm by the Company shall be decided by the general meeting, and the board of director shall not engage an accounting firm before any resolution made by the general meeting.</p>	<p><b><u>Article 147</u></b></p> <p><u>The Company shall engage an accounting firm in compliance with the Securities Law to conduct accounting statements audit, net assets verification and other related consulting services for a term of one year, which may be renewed.</u></p> <p>The engagement of an accounting firm by the Company shall be decided by the general meeting, and the board of director shall not engage an accounting firm before any resolution made by the general meeting.</p>
<p><b><u>Article 183</u></b></p> <p><u>The engagement period of an accounting firm appointed by the Company shall start from the end of one annual general meeting of the Company throughout the conclusion of the next annual general meeting.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><b><u>Article 184</u></b></p> <p><i><u>An accounting firm engaged by the Company shall be entitled to the following rights:</u></i></p> <ol style="list-style-type: none"><li><i><u>1. the right to inspect the account books, records or vouchers of the Company at all times, and the right to require directors, general manager, deputy general managers and other senior management officers of the Company to provide relevant information and explanations;</u></i></li><li><i><u>2. the right to require the Company to take all reasonable measures to obtain from its subsidiaries information and explanations necessary for the accounting firm to perform its duties;</u></i></li><li><i><u>3. the right to attend general meetings, receive notices of meetings or other information relating to the meetings to which any shareholder is entitled, and speak at any general meeting on matter related to its capacity as the accounting firm of the Company.</u></i></li></ol>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 186</u></b></p> <p><i><u>The general meeting may, by ordinary resolution, dismiss any accounting firm prior to the expiration of its term of office, regardless of the terms of the contract signed by and between such accounting firm and the Company. However, right of such accounting firm to claim damages for dismissal by the Company shall not be so affected.</u></i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b><u>Article 187</u></b></p> <p><i>The remuneration of an accounting firm or the method to determine the remuneration shall be decided by the general meeting. The remuneration of an accounting firm engaged by the board of directors shall be decided by the board of directors.</i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p>This article has been newly added and the subsequent articles have been renumbered accordingly.</p>	<p><b><u>Article 149</u></b></p> <p><i>The auditing fee of the accounting firm shall be determined by the general meeting.</i></p>
<p><b><u>Article 188</u></b></p> <p>The engagement, dismissal or non-renewal of the engagement of an accounting firm shall be decided by the general meeting, <i>and reported to the competent securities regulatory authority of the State Council for record-filing.</i></p> <p>.....</p>	<p><b><u>Article 150</u></b></p> <p>The engagement, dismissal or non-renewal of the engagement of an accounting firm shall be decided by the general meeting.</p> <p>.....</p>

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<p><b><u>Article 189</u></b></p> <p>In the event the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm in advance. The accounting firm shall have the right to be heard at the general meeting. In the event an accounting firm tenders its resignation, it shall explain to the general meeting whether there is any irregularity in the Company.</p> <p>.....</p> <p>The Company shall, within fourteen (14) days after receipt of the notice referred to in the preceding Paragraph, send a copy of the notice to the relevant governing authority. If the notice contains a statement stipulated under item 2 of preceding Article hereof, a copy of such statement shall be placed at the Company for shareholders’ inspection. <i>The Company shall also send a copy of such statement by postage prepaid mail to every shareholder of overseas-listed foreign shares at the address registered in the register of shareholders.</i></p> <p>If the accounting firm’s notice of resignation contains a statement regarding the abovementioned information that needs to be informed, such accounting firm may require the board of directors of the Company to convene an extraordinary general meeting, to make explanation of the circumstances connected with its resignation to the shareholders.</p>	<p><b><u>Article 151</u></b></p> <p>In the event the Company dismisses or does not renew the engagement of an accounting firm, it shall notify the accounting firm <i>thirty (30) days</i> in advance. The accounting firm shall have the right to be heard at the general meeting. In the event an accounting firm tenders its resignation, it shall explain to the general meeting whether there is any irregularity in the Company.</p> <p>.....</p> <p>The Company shall, within fourteen (14) days after receipt of the notice referred to in the preceding Paragraph, send a copy of the notice to the relevant governing authority. If the notice contains a statement stipulated under item 2 of preceding Article hereof, a copy of such statement shall be placed at the Company for shareholders’ inspection. <i>Subject to compliance with laws, administrative regulations, departmental regulations and the relevant regulations of the stock exchange on which the Company’s shares are listed, the Company may provide a copy of the foregoing statement to each shareholder entitled to receive a report on the financial condition of the Company by way of announcements, including announcement via the Company’s website.</i></p> <p>If the accounting firm’s notice of resignation contains a statement regarding the abovementioned information that needs to be informed, such accounting firm may require the board of directors of the Company to convene an extraordinary general meeting, to make explanation of the circumstances connected with its resignation to the shareholders.</p>

Before Amendments	After Amendments
<p><b><u>Article 190</u></b></p> <p><i>All of the Company's insurances shall be determined by the board of directors in accordance with relevant laws and regulations of the PRC concerning insurances.</i></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>
<p><b><u>Article 198</u></b></p> <p>In the event of any merger or division of the Company, the board of directors shall propose a plan. After such plan has been adopted in accordance with the procedures prescribed in these Articles of Association, the board of directors shall handle relevant examination and approval formalities pursuant to the laws and regulations. Shareholders who oppose to the plan of merger or division of the Company shall be entitled to require the Company <u>or the shareholders who agree to the plan</u> to purchase their shares at a fair price. The resolutions approving the merger or division of the Company shall be compiled into a special document for inspection by shareholders.</p> <p><i>Holders of overseas-listed foreign shares shall be delivered the copies of the above-mentioned document by mail. The address of the recipient shall be in accordance with the address registered on the register of shareholders.</i></p>	<p><b><u>Article 159</u></b></p> <p>In the event of any merger or division of the Company, the board of directors shall propose a plan. After such plan has been adopted in accordance with the procedures prescribed in these Articles of Association, the board of directors shall handle relevant examination and approval formalities pursuant to the laws and regulations. Shareholders who oppose to the plan of merger or division of the Company shall be entitled to require the Company to purchase their shares at a fair price. The resolutions approving the merger or division of the Company shall be compiled into a special document for inspection by shareholders.</p>

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<p data-bbox="204 342 338 370"><b><u>Article 199</u></b></p> <p data-bbox="204 431 783 502">Merger of the Company may be conducted through consolidation or incorporation.</p> <p data-bbox="204 559 783 932">In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement, and prepare the balance sheet and property inventory. The Company shall notify its creditors within ten (10) days after the reaching of the resolution of the merger, and <u>publish an announcement thereof at least three (3) times</u> in a newspaper that complies with relevant provisions within thirty (30) days.</p> <p data-bbox="204 989 783 1187">After the merger of the Company, the company surviving the merger or the company newly incorporated after the merger shall succeed the creditors' rights and liabilities of the parties to such merger.</p>	<p data-bbox="812 342 946 370"><b><u>Article 160</u></b></p> <p data-bbox="812 431 1391 757">Merger of the Company may be conducted through consolidation or incorporation. <u>Merger through consolidation refers to the absorption of one company by another, whereby the absorbed company shall dissolve, and merger through incorporation refers to the merger of two or more companies to create a new company, whereby the merging parties shall dissolve.</u></p> <p data-bbox="812 815 1391 1187">In the event of a merger of the Company, the parties to the merger shall enter into a merger agreement, and prepare the balance sheet and property inventory. The Company shall notify its creditors within ten (10) days after the reaching of the resolution of the merger, and <u>publish an announcement thereof</u> in a newspaper that complies with relevant provisions within thirty (30) days.</p> <p data-bbox="812 1244 1391 1442">After the merger of the Company, the company surviving the merger or the company newly incorporated after the merger shall succeed the creditors' rights and liabilities of the parties to such merger.</p>

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<p data-bbox="204 342 338 370"><b><u>Article 200</u></b></p> <p data-bbox="204 427 783 502">In the event of a division of the Company, the property thereof shall be divided accordingly.</p> <p data-bbox="204 559 783 932">In the event of a division of the Company, the parties to the division shall enter into a division agreement, and prepare the balance sheet and property inventory. The Company shall notify its creditors within ten (10) days after the reaching of the resolution of division, and <u>publish an announcement thereof at least three (3) times</u> in a newspaper that complies with relevant provisions within thirty (30) days.</p> <p data-bbox="204 989 783 1144"><u>Liabilities of the Company prior to the division shall be assumed by the companies in existence after the division in accordance with the agreement reached.</u></p>	<p data-bbox="812 342 946 370"><b><u>Article 161</u></b></p> <p data-bbox="812 427 1391 502">In the event of a division of the Company, the property thereof shall be divided accordingly.</p> <p data-bbox="812 559 1391 932">In the event of a division of the Company, the parties to the division shall enter into a division agreement, and prepare the balance sheet and property inventory. The Company shall notify its creditors within ten (10) days after the reaching of the resolution of division, and <u>publish an announcement thereof</u> in a newspaper that complies with relevant provisions within thirty (30) days.</p> <p data-bbox="812 989 1391 1229"><u>Liabilities of the Company prior to the division shall be jointly and severally assumed by the companies in existence after the division, save and except for those otherwise agreed in a written agreement between the Company and its creditors on the settlement of debts prior to the division.</u></p>

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<p><b>Article 202</b></p> <p>Under any of the following circumstances, the Company shall be dissolved and liquidated pursuant to laws and regulations:</p> <ol style="list-style-type: none"> <li>1. pursuant to the provisions of these Articles of Association, the operational period of the Company has expired or one of the other events which triggers the dissolution of the Company has occurred;</li> <li>2. the resolution of dissolution has been made by the general meeting;</li> <li>3. dissolution of the Company is necessary due to the merger/consolidation or division of the Company;</li> <li>4. if the Company has substantial difficulties in its management or business operation, and its continuation may incur significant loss to the interests of the shareholders, which cannot be solved by other means, then any shareholder hold more than 10% of the voting shares of the Company may petition to the people’s court for dissolution of the Company.</li> <li>5. <u>if the Company is ordered to shut down pursuant to the law for violation of relevant laws and administrative regulations.</u></li> </ol> <p><u>In the event that the Company should be dissolved in accordance with provisions in the preceding Paragraph hereof,</u> the Company shall establish a liquidation group within fifteen (15) days of the occurrence of the cause of liquidation to commence liquidation proceedings. The liquidation group shall be composed of directors or persons decided by the general meeting. If the liquidation group fails to be timely established, the creditors of the Company may apply to the people’s court to request the establishment of the liquidation group to undertake liquidation proceedings.</p>	<p><b>Article 163</b></p> <p>Under any of the following circumstances, the Company shall be dissolved and liquidated pursuant to laws and regulations:</p> <ol style="list-style-type: none"> <li>1. pursuant to the provisions of these Articles of Association, the operational period of the Company has expired or one of the other events which triggers the dissolution of the Company has occurred;</li> <li>2. the resolution of dissolution has been made by the general meeting;</li> <li>3. dissolution of the Company is necessary due to the merger/consolidation or division of the Company;</li> <li>4. if the Company has substantial difficulties in its management or business operation, and its continuation may incur significant loss to the interests of the shareholders, which cannot be solved by other means, then any shareholder holding more than 10% of the voting shares of the Company may petition to the people’s court for dissolution of the Company;</li> <li>5. <u>having its business license revoked, being ordered to shut down or having its registration revoked in accordance with the law.</u></li> </ol> <p><u>In the event that the Company should be dissolved in accordance with provision (1), (2), (4) or (5) in the preceding Paragraph hereof,</u> the Company shall establish a liquidation group within fifteen (15) days of the occurrence of the cause of liquidation to commence liquidation proceedings. The liquidation group shall be composed of directors or persons decided by the general meeting. If the liquidation group fails to be timely established, the creditors of the Company may apply to the people’s court to request the establishment of the liquidation group to undertake liquidation proceedings.</p>

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<p><b><u>Article 203</u></b></p> <p><u>If the Company is to be dissolved pursuant to Item 1 of the preceding Article, it shall establish a liquidation team within fifteen (15) days. Members of the liquidation team shall be determined by the general meeting by means of an ordinary resolution.</u></p> <p><u>If the Company is to be dissolved pursuant to Item 2 of the preceding Article, the liquidation shall be conducted by the parties of such merger/consolidation or division pursuant to the merger/consolidation or division agreement executed among such parties.</u></p> <p><u>If the Company is to be dissolved pursuant to Item 3 of the preceding Article, the Company shall, as instructed by any relevant people’s court in accordance with the provisions of relevant laws and regulations, organize the shareholders, relevant bodies and professionals to establish a liquidation team for the liquidation process.</u></p> <p><u>If the Company is to be dissolved pursuant to Item 4 of the preceding Article, the relevant competent authority shall arrange for the shareholders, relevant entities and professionals to establish a liquidation team for the liquidation process.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p data-bbox="204 342 338 370"><b><u>Article 204</u></b></p> <p data-bbox="204 431 783 842"><u>In the event the board of directors decides to liquidate the Company (except when the Company is declared bankrupt and needs to be liquidated), it shall declare in the notice of the general meeting to be convened for such purpose that the board of directors has conducted a thorough investigation on the condition of the Company and is of the opinion that the Company will be able to fully satisfy its debts within twelve (12) months after the commencement of liquidation.</u></p> <p data-bbox="204 902 783 1012"><u>The functions and powers of the board of directors shall cease forthwith after the general meeting passes the resolution on liquidation.</u></p> <p data-bbox="204 1072 783 1357"><u>The liquidation team shall follow the instructions of the general meeting, report the income and expenditure of the liquidation team, business of the Company and progress of the liquidation process to the general meeting at least once a year, and submit a final report to the general meeting upon completion of the liquidation process.</u></p>	<p data-bbox="813 342 1390 412">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

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<p><b><u>Article 205</u></b></p> <p>The liquidation team shall notify the creditors within ten (10) days of its establishment, <u>and publish an announcement thereof at least three (3) times in a newspaper within sixty (60) days.</u></p> <p>The creditors shall, within thirty (30) days from the receipt of the said notice, or if failing to personally receive such notice, <u>within ninety (90) days from the said announcement,</u> declare their creditors’ rights to the liquidation team. If a creditor fails to declare his/her/its claim within the above time limit, such creditor shall be deemed to have waived his/her/its right to declare the creditors’ right. When reporting claims, the creditors shall explain matters relevant to their claims and shall provide evidentiary materials. The liquidation team shall register the creditor’s rights.</p>	<p><b><u>Article 164</u></b></p> <p>The liquidation team shall notify the creditors within ten (10) days of its establishment, <u>and publish an announcement thereof in a newspaper that complies with relevant provisions within sixty (60) days.</u></p> <p>The creditors shall, within thirty (30) days from the receipt of the said notice, or if failing to personally receive such notice, <u>within forty-five (45) days from the said announcement,</u> declare their creditors’ rights to the liquidation team. If a creditor fails to declare his/her/its claim within the above time limit, such creditor shall be deemed to have waived his/her/its right to declare the creditors’ right. When reporting claims, the creditors shall explain matters relevant to their claims and shall provide evidentiary materials. The liquidation team shall register the creditor’s rights. <u>The liquidation team shall not satisfy the creditors during the period of reporting claims.</u></p>

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<p data-bbox="204 342 338 370"><b><u>Article 206</u></b></p> <p data-bbox="204 431 783 544">The liquidation team shall exercise the following functions and powers during the period of liquidation:</p> <ol data-bbox="204 602 783 1400" style="list-style-type: none"><li data-bbox="204 602 783 715">1. disposing of the Company’s property, and preparing a balance sheet and a property inventory respectively;</li><li data-bbox="204 772 783 842">2. notifying creditors by notice or announcement;</li><li data-bbox="204 900 783 970">3. dealing with and settling relevant unfinished business of the Company;</li><li data-bbox="204 1027 783 1055">4. <i><u>paying all outstanding taxes;</u></i></li><li data-bbox="204 1112 783 1140">5. settling creditors’ rights and debts;</li><li data-bbox="204 1198 783 1268">6. disposing of the remaining property after the Company has settled its debts; and</li><li data-bbox="204 1325 783 1395">7. participating in civil proceedings on behalf of the Company.</li></ol>	<p data-bbox="812 342 946 370"><b><u>Article 165</u></b></p> <p data-bbox="812 431 1391 544">The liquidation team shall exercise the following functions and powers during the period of liquidation:</p> <ol data-bbox="812 602 1391 1442" style="list-style-type: none"><li data-bbox="812 602 1391 715">1. disposing of the Company’s property, and preparing a balance sheet and a property inventory respectively;</li><li data-bbox="812 772 1391 842">2. notifying creditors by notice or announcement;</li><li data-bbox="812 900 1391 970">3. dealing with and settling relevant unfinished business of the Company;</li><li data-bbox="812 1027 1391 1098">4. <i><u>settling tax arrears and taxes arising from the liquidation process;</u></i></li><li data-bbox="812 1155 1391 1183">5. settling creditors’ rights and debts;</li><li data-bbox="812 1240 1391 1310">6. disposing of the remaining property after the Company has settled its debts; and</li><li data-bbox="812 1368 1391 1438">7. participating in civil proceedings on behalf of the Company.</li></ol>

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<p><b><u>Article 207</u></b></p> <p>After having liquidated the Company’s property and prepared the balance sheet and property inventory, the liquidation team shall formulate a liquidation plan, <u>and submit the same to the general meeting or relevant competent organ for confirmation.</u></p> <p><u>The Company’s property shall be used to repay debts in the order required by laws and regulations. In the event there are no applicable laws or regulation, the Company’s property shall be used to repay debts in the fair and reasonable order decided by the liquidation team.</u></p> <p><u>The property remaining in the Company after debt repayment in accordance with provisions of the preceding Paragraph shall be distributed to shareholders of the Company in accordance with the class and percentage of the shares held thereby.</u></p> <p>During the liquidation period, <u>the Company may not be engaged in any new business activities.</u></p>	<p><b><u>Article 166</u></b></p> <p>After having liquidated the Company’s property and prepared the balance sheet and property inventory, the liquidation team shall formulate a liquidation plan, <u>and submit the same to the general meeting or the people’s court for confirmation.</u></p> <p><u>The property remaining in the Company after payment of liquidation expenses, employees’ salaries, social insurance costs and statutory compensation, payment of taxes arrears and settlement of the Company’s debts, respectively, shall be distributed by the Company to its shareholders in accordance with the percentage of the shares held thereby.</u></p> <p>During the liquidation period, <u>the Company shall survive but may not be engaged in any business activities unrelated to the liquidation.</u></p> <p><u>The Company’s assets shall not be distributed to its shareholders before payment is made pursuant to the foregoing provision.</u></p>

Before Amendments	After Amendments
<p><b><u>Article 209</u></b></p> <p>Upon completion of the liquidation of the Company, <u>the liquidation team shall prepare a liquidation report, and an income and expenditure statement and financial books for the liquidation period, and submit the same to the general meeting or relevant competent organs for confirmation after verification by a Chinese certified public accountant.</u></p> <p><u>The liquidation team shall, within thirty (30) days of confirmation by the general meeting or relevant competent organs, submit the aforementioned documents to the company registration authority to apply for deregistration of the Company, and publicly announce the termination of the Company. Such announcement shall be published on the newspapers which comply with relevant provisions.</u></p>	<p><b><u>Article 168</u></b></p> <p>Upon completion of the liquidation of the Company, <u>the liquidation team shall prepare a liquidation report and submit the same to the general meeting or the people's court for confirmation, and submit the same to the company registration authority</u> to apply for deregistration of the Company, and publicly announce the termination of the Company.</p>
<p><b><u>Article 211</u></b></p> <p><u>Amendments to these Articles of Association that involve any of the contents of the Mandatory Clauses of the Articles of Association of Companies Seeking Overseas Listing shall come into effect upon approval of the authorized department (if necessary). In the event any registration matter of the Company is involved, the Company shall apply for modification of registration in accordance with the laws and regulations.</u></p>	<p>This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 338 370"><b><u>Article 212</u></b></p> <p data-bbox="204 427 783 495"><u>The Company shall adopt the following rules for dispute resolution:</u></p> <p data-bbox="204 549 783 1200">1. <u>if any dispute or claim concerning the Company’s business on the basis of the rights and obligations set out in the Articles of Association, the PRC Company Law or other relevant laws and administrative regulations arises between holders of overseas-listed foreign shares and the Company, or between holders of overseas-listed foreign shares and directors, supervisors, general manager, deputy general manager or other senior management officers of the Company, or between holders of overseas-listed foreign shares and holders of domestic shares, the parties concerned shall resolve such dispute or claim by arbitration.</u></p> <p data-bbox="277 1257 783 1740"><u>When the aforementioned dispute or claim is submitted for resolution by arbitration, the dispute or claim shall be submitted in its entirety; all parties acting in the capacity of the Company or its shareholders, directors, supervisors, general manager, deputy general manager or other senior management officers of the Company that have a cause of action arising out of the same circumstance or whose participation is necessary for resolution of the dispute or claim shall abide by the arbitration award.</u></p> <p data-bbox="277 1798 783 1906"><u>Disputes concerning the identity of shareholders and the register of shareholders may be resolved in ways other than arbitration.</u></p>	<p data-bbox="812 342 1390 410">This article has been deleted and the subsequent articles have been renumbered accordingly.</p>

Before Amendments	After Amendments
<p><u>2. the party requesting arbitration may select China International Economic and Trade Arbitration Commission to conduct arbitration in accordance with its arbitration rules or the Hong Kong International Arbitration Centre to conduct arbitration in accordance with its securities arbitration rules. After such party requesting arbitration has submitted the dispute or claim for arbitration, the other party shall participate in the arbitration in the arbitration commission selected by the party requesting arbitration.</u></p> <p><u>If the party requesting arbitration selects arbitration with the Hong Kong International Arbitration Centre, either party may request the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Centre.</u></p> <p><u>3. unless otherwise provided for in laws and administrative regulations, the laws of the People's Republic of China shall apply to the resolution of disputes or claims described in Item 1 by means of arbitration.</u></p> <p><u>4. the award made by the arbitration commission shall be final and binding upon all parties.</u></p>	

Before Amendments	After Amendments
<p><b><u>Article 213</u></b></p> <p>Any notice of the Company shall be sent out by the following means:</p> <ol style="list-style-type: none"> <li>1. personal delivery;</li> <li>2. mail;</li> <li>3. email;</li> <li>4. announcement; and</li> <li>5. any other means <i>prescribed in</i> these Articles of Association.</li> </ol>	<p><b><u>Article 170</u></b></p> <p>Any notice of the Company shall be sent out by the following means:</p> <ol style="list-style-type: none"> <li>1. personal delivery;</li> <li>2. mail;</li> <li>3. email;</li> <li>4. announcement; and</li> <li>5. any other means <i>permitted by</i> these Articles of Association <u>or the stock exchange on which the Company's shares are listed.</u></li> </ol>

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<p><b><u>Article 215</u></b></p> <p><i>Except as otherwise provided in these Articles of Association, all notices, materials or written statements issued by the Company to holders of overseas-listed foreign shares shall be delivered by messenger or by postage pre-paid mails to the registered address of each holder of such shares in the register of shareholders.</i></p> <p>The notices to holders of domestic shares shall be published in one (1) or more national newspapers designated by the competent securities regulatory authority of the State Council. After the publication of such announcement, the holders of domestic shares shall be deemed to have received the aforesaid notices.</p>	<p><b><u>Article 172</u></b></p> <p><i>In respect of the manner in which corporate communications are made available and/or distributed to shareholders as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, corporate communications may be sent or made available to shareholders of the Company either by electronic means, by announcement (e.g. published on the Company’s website), or by mail in accordance with relevant laws and regulations and the relevant provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time. Corporate communications include, but are not limited to, the Company’s annual report (including the report of the board of directors, the Company’s annual accounts, auditor’s report and summary financial report, where applicable); the Company’s interim report and summary interim report, where applicable; notices of meetings; listing documents; circulars; proxy forms (which shall have the meanings ascribed thereto under the listing rules of the stock exchange on which the Company’s shares are listed); and other types of corporate communications as set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.</i></p> <p>The notices to holders of domestic shares shall be published in one (1) or more national newspapers designated by the competent securities regulatory authority of the State Council. After the publication of such announcement, the holders of domestic shares shall be deemed to have received the aforesaid notices.</p>

Before Amendments	After Amendments
<p data-bbox="204 342 338 372"><b><u>Article 217</u></b></p> <p data-bbox="204 431 783 587">Any notices, files, materials or written statements to the Company sent by shareholders or directors shall be mailed by messenger or registered mail to the legal address of the Company.</p>	<p data-bbox="812 342 946 372"><b><u>Article 174</u></b></p> <p data-bbox="812 431 1391 629">Any notices, files, materials or written statements to the Company sent by shareholders or directors shall be <i>made by electronic means</i>, mailed by messenger or registered mail to the legal address of the Company.</p>

(II) Proposed amendments to Rules of Procedure for General Meetings in the Appendix to the Articles of Association

Before amendments	After amendments
<p><b><u>Article 9 of the Rules of Procedure for the General Meeting</u></b></p> <p>The general meeting shall be the power organ of the Company. It shall exercise powers and perform the following functions according to the laws:</p> <ol style="list-style-type: none"> <li>1. to decide on the Company’s operational policies and investment plans;</li> <li>2. <i>to elect and remove directors and to decide on matters relating to the remuneration of directors;</i></li> <li>3. <i>to elect and remove supervisors represented by shareholders and to decide on matters relating to the remuneration of supervisors;</i></li> <li>4. to consider and approve reports of the Board of Directors;</li> <li>5. to consider and approve reports of the Supervisory Committee;</li> <li>6. to consider and approve the Company’s proposals for annual financial budget and final accounts;</li> </ol> <p>.....</p> <ol style="list-style-type: none"> <li>14. deliberating on proposals put forward by shareholders representing <u>3% or more</u> of the Company’s voting shares;</li> </ol> <p>.....</p>	<p><b><u>Article 9 of the Rules of Procedure for the General Meeting</u></b></p> <p>The general meeting shall be the power organ of the Company. It shall exercise powers and perform the following functions according to the laws:</p> <ol style="list-style-type: none"> <li>1. to decide on the Company’s operational policies and investment plans;</li> <li>2. <i>to elect and remove directors and supervisors who are not employee representatives and to decide on matters relating to the remuneration of directors and supervisors;</i></li> <li>3. to consider and approve reports of the Board of Directors;</li> <li>4. to consider and approve reports of the Supervisory Committee;</li> <li>5. to consider and approve the Company’s proposals for annual financial budget and final accounts;</li> </ol> <p>.....</p> <ol style="list-style-type: none"> <li>13. deliberating on proposals put forward by shareholders representing <u>1% or more</u> of the Company’s voting shares;</li> </ol> <p>.....</p>

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<p><b><u>Article 10 of the Rules of Procedure for the General Meeting</u></b></p> <p>The Company shall not, <i>without the prior approval at a shareholders’ general meeting,</i> enter into any contract with any party (other than the directors, supervisors, general manager and other senior management), pursuant to which such party shall be in charge of management of all of the Company’s businesses or the Company’s major businesses.</p>	<p><b><u>Article 10 of the Rules of Procedure for the General Meeting</u></b></p> <p><i>Except when the Company is under a special circumstance such as a crisis,</i> the Company shall not, <i>without an approval by a special resolution at a general meeting,</i> enter into any contract with any party (other than the directors, supervisors, general manager and other senior management), pursuant to which such party shall be in charge of management of all of the Company’s businesses or the Company’s major businesses.</p>
<p><b><u>Article 13 of the Rules of Procedure for the General Meeting</u></b></p> <p>The following procedures shall be followed by <i>more than two independent directors</i> or the Board of Supervisors requesting for convening of extraordinary general meetings or class meetings:</p> <ol style="list-style-type: none"> <li>1. Sign one or more written requests with the same format and contents, which request the Board to hold the extraordinary general meeting and explain the topic of the meeting. Within ten days after receiving the above-mentioned written request, the Board must provide written feedback regarding approval or rejection of the request.</li> </ol> <p>.....</p>	<p><b><u>Article 13 of the Rules of Procedure for the General Meeting</u></b></p> <p>The following procedures shall be followed by <i>more than half of the independent directors</i> or the Board of Supervisors requesting for convening of extraordinary general meetings or class meetings:</p> <ol style="list-style-type: none"> <li>1. Sign one or more written requests with the same format and contents, which request the Board to hold the extraordinary general meeting and explain the topic of the meeting. Within ten days after receiving the above-mentioned written request, the Board must provide written feedback regarding approval or rejection of the request.</li> </ol> <p>.....</p>

Before amendments	After amendments
<p><b><u>Article 16 of the Rules of Procedure for the General Meeting</u></b></p> <p>In case of holding shareholders' meeting, the Company shall send out written notice twenty business days ahead of the holding of meeting; when the Company convenes an extraordinary Shareholders' general meeting, written notice of the meeting shall be given 10 business days or 15 days (whichever is longer) before the date of meeting, and notify the matters to be deliberated at the meeting as well as the date and place of meeting to all registered shareholders.</p>	<p><b><u>Article 16 of the Rules of Procedure for the General Meeting</u></b></p> <p>In case of holding shareholders' meeting, the Company shall send out written notice twenty business days <i>(and not less than 21 days)</i> ahead of the holding of meeting; when the Company convenes an extraordinary Shareholders' general meeting, written notice of the meeting shall be given 10 business days or 15 days (whichever is longer) before the date of meeting, and notify the matters to be deliberated at the meeting as well as the date and place of meeting to all registered shareholders.</p>

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<p><b><u>Article 17 of the Rules of Procedure for the General Meeting</u></b></p> <p>Proposals of Shareholders’ General Meeting shall be presented by the Board of Directors in general. The Board of Supervisors, shareholders, solely or jointly, holding more than <u>3%</u> of the total shares of the company may, on or before 20 days prior to the holding of a general meeting submit to the <u>Board of Directors</u> in writing the proposed resolutions. The <u>Board of Directors</u> shall issue a notice informing other shareholders within 2 days from the date of receipt of such proposal <u>or</u> at least fourteen (14) days prior to the original date of the general meeting, issue a notice and public announcement of the general meeting to all shareholders and to table the proposed resolutions at the shareholders’ general meeting for consideration. The contents of the proposal should be within the authority of general meeting with a clear subject and concrete resolution and comply with the relevant provisions of laws, administrative regulations and articles of association of the Company. Except for those stipulated in this paragraph, no resolution shall be passed on any matter which is not set out in the notice of the shareholders’ general meeting.</p>	<p><b><u>Article 17 of the Rules of Procedure for the General Meeting</u></b></p> <p>Proposals of Shareholders’ General Meeting shall be presented by the Board of Directors in general. The Board of Supervisors, shareholders, solely or jointly, holding more than <u>1%</u> of the total shares of the company may, on or before 20 days prior to the holding of a general meeting submit to the <u>convener</u> in writing the proposed resolutions. The <u>convener</u> shall issue a notice informing other shareholders within 2 days from the date of receipt of such proposal <u>and</u> at least fourteen (14) days prior to the original date of the general meeting, issue a notice and public announcement of the general meeting to all shareholders and to table the proposed resolutions at the shareholders’ general meeting for consideration. The contents of the proposal should be within the authority of general meeting with a clear subject and concrete resolution and comply with the relevant provisions of laws, administrative regulations and articles of association of the Company. Except for those stipulated in this paragraph, no resolution shall be passed on any matter which is not set out in the notice of the shareholders’ general meeting.</p>

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Before amendments	After amendments
<p><b><u>Article 19 of the Rules of Procedure for the General Meeting</u></b></p> <p>The notice of the general meeting shall meet the following requirements:</p> <p>.....</p> <p>7. In the event that matters involving the election of directors and supervisors are to be considered, the notice of such general meeting shall fully disclose the detailed information of the candidates for such directors and supervisors, which shall at least include the following: personal particulars including education background, working experience and any part-time job; whether there is any related relationship with the Company or its controlling shareholders and de facto controller; disclosure of the shareholdings in the Company; whether or not they have been penalized by CSRC and other relevant authorities and the stock exchange. Each candidate of director or supervisor shall be individually proposed;</p> <p>8. <u>shall include the full text of any special resolution to be proposed for approval at the meeting;</u></p> <p>9. <u>shall contain a conspicuous statement that a shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote at the meeting on his/her behalf and such proxy needs not to be a shareholder;</u></p> <p>10. specifying the time and place for delivering the power of attorney;</p> <p>.....</p>	<p><b><u>Article 19 of the Rules of Procedure for the General Meeting</u></b></p> <p>The notice of the general meeting shall meet the following requirements:</p> <p>.....</p> <p>7. In the event that matters involving the election of directors and supervisors are to be considered, the notice of such general meeting shall fully disclose the detailed information of the candidates for such directors and supervisors, which shall at least include the following: personal particulars including education background, working experience and any part-time job; whether there is any related relationship with the Company or its controlling shareholders and de facto controller; disclosure of the shareholdings in the Company; whether or not they have been penalized by CSRC and other relevant authorities and the stock exchange. Each candidate of director or supervisor shall be individually proposed;</p> <p>8. <u>shall contain a conspicuous statement that: all ordinary shareholders are entitled to attend the shareholders' general meeting, and to appoint proxies to attend and vote on his/her behalf at the meeting, and that a proxy need not be a shareholder of the Company;</u></p> <p>9. specifying the time and place for delivering the power of attorney;</p> <p>.....</p>

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<p><b><u>Article 20 of the Rules of Procedure for the General Meeting</u></b></p> <p><i>The notice of the shareholders’ general meeting shall be served on the shareholders (whether or not such shareholder is entitled to vote at the shareholders’ general meeting) by hand or postage prepaid mail. The address of the recipient shall be the registered address as shown in the register of shareholders. For holders of domestic shares, the notice of Shareholders’ general meeting may be in the form of an announcement.</i></p> <p><i>The above-mentioned announcement shall be published on the website of the stock exchange and in the media that meet the conditions specified by securities regulatory authorities and other regulatory authorities. Once the announcement is made, all holders of domestic shares are deemed to have received the notice of the general meeting.</i></p>	<p><b><u>Article 20 of the Rules of Procedure for the General Meeting</u></b></p> <p><i>Subject to compliance with laws, administrative regulations, departmental rules and the relevant provisions of the stock exchange where the Company’s shares are listed, the Company may publish notice of the shareholders’ general meeting of by way of announcement (including publishing through the Company’s website).</i></p>
<p><b><u>Article 27 of the Rules of Procedure for the General Meeting</u></b></p> <p>Shareholders shall appoint their proxies in writing. The content of such written proxy form shall state the following:</p> <p>.....</p> <p>4. instruction to vote “for” or “against” in respect of each matter on the agenda of the shareholders’ general meeting;</p> <p>.....</p>	<p><b><u>Article 27 of the Rules of Procedure for the General Meeting</u></b></p> <p>Shareholders shall appoint their proxies in writing. The content of such written proxy form shall state the following:</p> <p>.....</p> <p>4. instruction to vote for, against <i>or abstain from</i> in respect of each matter on the agenda of the shareholders’ general meeting;</p> <p>.....</p>

Before amendments	After amendments
<p data-bbox="204 342 780 417"><b><u>Article 28 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="204 474 786 1144"><u>The instrument appointing a proxy shall be deposited at the seat of the Company or such other place as is specified in the notice of meeting not less than twenty-four (24) hours before the time appointed for the meeting at which the person named in the instrument proposes to vote or, twenty-four (24) hours before the time appointed for taking of the poll. Where such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, that power of attorney or other authority shall be notarized. A notarially certified copy of that power of attorney or other authority together with the instrument appointing a proxy shall be deposited at the seat of the Company or such other place as is specified in the notice of the meeting.</u></p> <p data-bbox="204 1202 256 1219">.....</p>	<p data-bbox="812 342 1388 417"><b><u>Article 28 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="812 474 1394 842"><u>Where the instrument appointing a proxy is signed by a person under a power of attorney or other authority on behalf of the appointer, that power of attorney or other authority shall be notarized. A notarially certified copy of that power of attorney or other authority together with the instrument appointing a proxy shall be deposited at the seat of the Company or such other place as is specified in the notice of the meeting.</u></p> <p data-bbox="812 900 865 917">.....</p>

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<p><b><u>Article 30 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>The chairman of the board of directors shall act as the chairman of the shareholders' general meeting. If the chairman of the board of directors cannot attend the meeting for some reasons, the vice-chairman of the board of directors authorized by the chairman shall act as the chairman of the meeting. If both the chairman and the vice-chairman of the board of directors are unable to attend the meeting, the board of directors may appoint a director of the Company to act as the chairman of the meeting. If the board of directors fails to appoint the chairman of the meeting, shareholders attending the meeting may elect one person among them to become the chairman of the meeting; in the event that shareholders are for any reason unable to elect a chairman, the shareholder (including his or her proxy) who attends the meeting and holds the highest number of voting shares shall then become the chairman of the meeting.</u></i></p>	<p><b><u>Article 30 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>The shareholders' general meeting shall be presided over by the chairman of the board of directors. If the chairman is unable to or fails to perform his duties, the general meeting shall be presided over by the vice chairman (or one of the vice chairmen jointly elected by a simple majority of all the directors, if there are two or more vice chairmen in the Company). If the vice chairman is unable to or fails to perform his duties, the general meeting shall be presided over by a director jointly elected by a simple majority of all the directors. If independently convened by the shareholders, the general meeting shall be presided over by a representative elected by the convener. If a chairman of the meeting is yet to be elected, shareholders attending the meeting may elect one person among them to become the chairman of the meeting; in the event that shareholders are for any reason unable to elect a chairman, the shareholder (including his or her proxy) who attends the meeting and holds the highest number of voting shares shall then become the chairman of the meeting.</u></i></p>

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<p><b><u>Article 32 of the Rules of Procedure for the General Meeting</u></b></p> <p>After the chairman of the meeting finishes his inquiries on the meeting agenda, he may start to read the motions or authorise a person to read them out and, when necessary, make an explanation on the motions in accordance with the following requirements:</p> <p>1. If the motion is proposed by <i>the board of directors, the chairman of the board of directors</i> or other persons entrusted by him shall give an account thereof;</p> <p>.....</p>	<p><b><u>Article 32 of the Rules of Procedure for the General Meeting</u></b></p> <p>After the chairman of the meeting finishes his inquiries on the meeting agenda, he may start to read the motions or authorise a person to read them out and, when necessary, make an explanation on the motions in accordance with the following requirements:</p> <p>1. If the motion is proposed by the board of directors, <i>the chairman of the meeting</i> or other persons entrusted by him shall give an account thereof;</p> <p>.....</p>
<p><b><u>Article 40 of the Rules of Procedure for the General Meeting</u></b></p> <p>Each shareholder or its proxy shall exercise its voting right on the basis of the number of the voting shares represented by it. Save for the requirement that the cumulative voting system shall be adopted in the election of directors or supervisors who are not the employee representatives under <i>Article 105</i> of these Articles of Association, each share shall have the right to one vote.</p>	<p><b><u>Article 40 of the Rules of Procedure for the General Meeting</u></b></p> <p>Each shareholder or its proxy shall exercise its voting right on the basis of the number of the voting shares represented by it. Save for the requirement that the cumulative voting system shall be adopted in the election of directors or supervisors who are not the employee representatives under <i>Article 87</i> of these Articles of Association, each share shall have the right to one vote.</p>

Before amendments	After amendments
<p><b><u>Article 44 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>A vote at the shareholders' general meeting shall be taken by show of hands, unless a poll is specially required under the Hong Kong Listing Rules of the Stock Exchange, or a poll is demanded (before or after a vote is taken with show of hands) by the following persons:</u></i></p> <ol style="list-style-type: none"> <li><i><u>1. the chairman of the meeting;</u></i></li> <li><i><u>2. at least two shareholders present in person or by proxy;</u></i></li> <li><i><u>3. one or a number of shareholders (including proxies) holding individually or in aggregate 10% or more of the voting rights represented at the meeting.</u></i></li> </ol> <p><i><u>Unless otherwise stipulated in the Hong Kong Listing Rules of the Stock Exchange or someone demands a poll, the chairman of the meeting shall announce the passing of a resolution based on the result of a vote taken by show of hands and shall have the result recorded in the minutes of the meeting as conclusive evidence, and it is not necessary to prove the number or the proportion of votes for or against the resolution passed.</u></i></p> <p><i><u>A demand for poll may be withdrawn by the requisitioning party.</u></i></p>	<p>This article has been deleted, and the serial numbers of subsequent articles shall be adjusted accordingly.</p>

Before amendments	After amendments
<p><b><u>Article 45 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>If the matter demanded to be voted upon by poll is the election of the chairman or the adjournment of the meeting, a poll shall be taken forthwith. A poll demanded on any other matter shall be taken at such time as the chairman of the meeting directs and the meeting may proceed with the discussion of such matters; the results of the poll shall still be regarded as a resolution passed at that meeting.</u></i></p>	<p>This article has been deleted, and the serial numbers of subsequent articles shall be adjusted accordingly.</p>
<p><b><u>Article 46 of the Rules of Procedure for the General Meeting</u></b></p> <p>Shareholders or proxies who attend the shareholders’ general meeting shall express one of the following opinions regarding a motion put to vote: for, against or abstention. Any ballot which is unfilled, wrongly filled or illegibly filled or which is not cast shall be deemed to be a waiver by the voter of its voting right, and the voting results of the shares held by it shall be counted towards “abstention”.</p> <p><i><u>In the course of voting, shareholders or proxies having two or more votes are not required to cast all their votes either “for” or “against” a resolution. If the number of votes cast for or against a resolution is equal, the chairman of the meeting shall have the right to cast one additional vote.</u></i></p>	<p><b><u>Article 44 of the Rules of Procedure for the General Meeting</u></b></p> <p>Shareholders or proxies who attend the shareholders’ general meeting shall express one of the following opinions regarding a motion put to vote: for, against or abstention. Any ballot which is unfilled, wrongly filled or illegibly filled or which is not cast shall be deemed to be a waiver by the voter of its voting right, and the voting results of the shares held by it shall be counted towards “abstention”.</p>

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Before amendments	After amendments
<p><b><u>Article 50 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>The chairman of the meeting shall be responsible for determining whether a resolution has been passed at a shareholders’ general meeting based on the results of ballot count conducted by the counting officers, and the chairman’s decision shall be final and shall be announced at the meeting and recorded in the minutes of the meeting.</u></i></p> <p>.....</p> <p><i><u>The attending directors, secretary of the board of directors, convener of the meeting, and chairman of the meeting shall sign the minutes of the meeting, and shall ensure the content of the meeting minutes is true, accurate and complete. The minutes of the meeting, the signed attendance record of those shareholders present on the spot, the powers of attorney for attendance by proxy, and the valid data on voting through the network or by other means shall be kept together for a period of 15 years.</u></i></p>	<p><b><u>Article 48 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>The general meeting shall not conclude earlier at the venue than via the internet or otherwise, and the person presiding over the meeting shall announce the details and result of voting of each resolution and declare whether the resolution is passed or not based on the poll results.</u></i></p> <p><i><u>Before the official announcement of the poll results, the Company, vote counters, vote scrutineers, substantial Shareholders, network service providers and other related parties involved in the general meeting at the venue, via the internet and by another voting method shall be under a confidentiality obligation for the details of voting.</u></i></p> <p>.....</p> <p><i><u>The convener shall ensure that the meeting minutes are true, accurate and complete. The directors, supervisors and secretary to the board of directors who attended the meeting, the convener or his/ her representative and the chairman of the meeting shall sign the minutes. The meeting minutes shall be kept together with the sign-in register of the shareholders present in person, the instruments of appointment of proxies and valid information on votes cast online or by other means for a period of 15 years.</u></i></p>

Before amendments	After amendments
<p><b><u>Article 57 of the Rules of Procedure for the General Meeting</u></b></p> <p>The Company shall not proceed to change or abrogate the shareholders' rights of a class of shares unless such change or abrogation has been approved by way of a special resolution at the general meeting and at a separate class meeting by the shareholders of the affected class in accordance with <u>Articles 60 to 68</u>.</p>	<p><b><u>Article 55 of the Rules of Procedure for the General Meeting</u></b></p> <p>The Company shall not proceed to change or abrogate the shareholders' rights of a class of shares unless such change or abrogation has been approved by way of a special resolution at the general meeting and at a separate class meeting by the shareholders of the affected class in accordance with <u>Articles 57 to 61</u>.</p>
<p><b><u>Article 59 of the Rules of Procedure for the General Meeting</u></b></p> <p>Shareholders of the affected class, whether or not otherwise having the right to vote at shareholders' general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning sub-paragraphs (2) to (8), (11) and (12) of <u>Article 58</u>, but interested shareholder(s) shall not be entitled to vote at such class meetings.</p>	<p><b><u>Article 57 of the Rules of Procedure for the General Meeting</u></b></p> <p>Shareholders of the affected class, whether or not otherwise having the right to vote at shareholders' general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning sub-paragraphs (2) to (8), (11) and (12) of <u>Article 56 herein</u>, but interested shareholder(s) shall not be entitled to vote at such class meetings.</p>

Before amendments	After amendments
<p><b><u>Article 60 of the Rules of Procedure for the General Meeting</u></b></p> <p><i><u>The term “interested shareholders” mentioned in the preceding paragraph shall mean:</u></i></p> <p><i><u>In the event that the Company repurchases its own shares by making an offer to all shareholders in proportion to their respective shareholdings or through open transactions on a stock exchange, in accordance with the provisions of the Articles of Association in each case, “interested shareholders” mean the controlling shareholders defined in the Articles of Association;</u></i></p> <p><i><u>In the event that the Company repurchases its own shares by way of an off-market agreement in accordance with the Articles of Association, “interested shareholders” mean the shareholders to whom such agreement relates;</u></i></p> <p><i><u>Under the proposed restructuring of the Company, “interested shareholders” mean the shareholders who assume the liability thereof in a proportion less than that assumed by other holders of the same class of shares or who have a different interest to other holders of the same class of shares.</u></i></p>	<p>This article has been deleted, and the serial numbers of subsequent articles shall be adjusted accordingly.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
TO THE ARTICLES OF ASSOCIATION AND  
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Before amendments	After amendments
<p data-bbox="204 342 780 412"><b><u>Article 61 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="204 474 783 668">Resolutions of a class meeting shall be passed by more than two thirds of the total number of shares of the class of the voting rights held by the shareholders of that class presented at the relevant meeting who are entitled to vote thereat.</p>	<p data-bbox="812 342 1388 412"><b><u>Article 58 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="812 474 1390 753">Resolutions of a class meeting shall be passed by more than two thirds of the total number of shares of the class of the voting rights held by the shareholders of that class presented at the relevant meeting who, <i>according to the Articles of Association of the Company</i>, are entitled to vote thereat.</p>
<p data-bbox="204 787 780 857"><b><u>Article 62 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="204 919 783 1198">When the Company decides to convene a meeting of class shareholders, it shall issue a written notice with reference to the notice period of the general meeting set out in Article 16, informing all registered shareholders of such class of the matters to be deliberated at the meeting as well as the date and place of the meeting.</p>	<p data-bbox="812 787 1388 857"><b><u>Article 59 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="812 919 1390 1498">When the Company decides to convene a meeting of class shareholders, it shall issue a written notice with reference to the notice period of the general meeting set out in Article 16, informing all registered shareholders of such class of the matters to be deliberated at the meeting as well as the date and place of the meeting. <i>Subject to the laws, administrative regulations, department rules, the relevant requirements of the stock exchange in the jurisdiction in which the shares of the Company are listed, the Company may also send the notice of the meeting by way of announcements (including through publishing announcements on the Company’s website).</i></p>

Before amendments	After amendments
<p data-bbox="201 342 783 417"><b><u>Article 69 of the Rules of Procedure for the General Meeting</u></b></p> <p data-bbox="201 474 783 798"><i><u>Copies of the minutes of shareholders' general meetings shall be available for inspection by shareholders free of charge during business hours of the Company. If a shareholder requests a copy of minutes of shareholders' general meetings from the Company, the Company shall send a copy of such minutes to him/her within seven days after receipt of a reasonable fee.</u></i></p>	<p data-bbox="810 342 1390 459">This article has been deleted, and the serial numbers of subsequent articles shall be adjusted accordingly.</p>

(III) Proposed amendments to the Rules of Procedure for the Board of Directors in the Appendix to the Articles of Association

Before Amendments	After Amendments
<p data-bbox="204 453 780 523"><b><u>Article 2 of the Rules of Procedure for the Board of Directors</u></b></p> <p data-bbox="204 580 780 821">A board office has been established under the Board to deal with daily affairs of the Board. The Secretary of the Board or securities affair representative shall serve concurrently as the officer in charge of the board office and keep the seals of the board and the board Office.</p>	<p data-bbox="812 453 1388 523"><b><u>Article 2 of the Rules of Procedure for the Board of Directors</u></b></p> <p data-bbox="812 580 1388 821">A board office has been established under the Board to deal with daily affairs of the Board. The Secretary of the Board or securities affair representative <i>could</i> serve concurrently as the officer in charge of the board office and keep the seals of the board and the board Office.</p>

Before Amendments	After Amendments
<p><b><u>Article 3 of the Rules of Procedure for the Board of Directors</u></b></p> <p>The Board shall be accountable to the general meeting, and exercise the following functions and powers:</p> <p>.....</p> <p>6. To formulate the plan for increase or reduction of the Company's registered capital, and the plan for issue of the Company's bonds;</p> <p>7. To prepare plans for the Company's merger, division or dissolution;</p> <p>8. To decide on the internal management structure of the Company;</p> <p>.....</p> <p>11. to formulate amendments to the Articles;</p> <p><i><u>12. to review any single investment beyond the current annual investment budget with a total amount of RMB100,000,000 or more which is less than 30% of the audited net assets of the Company in the previous fiscal year; and the board of directors shall authorise the Chairman to examine and approve any single investment beyond the current annual investment budget with a total amount less than RMB100,000,000 which is less than 30% of the audited net assets of the Company in the previous fiscal year, and the aggregate of such investments approved by the chairman in a full fiscal year shall not exceed RMB300,000,000;</u></i></p>	<p><b><u>Article 3 of the Rules of Procedure for the Board of Directors</u></b></p> <p>The Board shall be accountable to the general meeting, and exercise the following functions and powers:</p> <p>.....</p> <p>6. To formulate the plan for increase or reduction of the Company's registered capital, and the plan for issue of the Company's bonds;</p> <p>7. To prepare plans for the Company's <i>material acquisition, repurchase of the Company's share, or</i> the Company's merger, division, dissolution;</p> <p>8. To decide on the internal management structure of the Company;</p> <p>.....</p> <p>11. to formulate amendments to the Articles;</p> <p>12. to review any asset mortgage created by the Company over any of its owned property, equipment or equity investment for the benefit of any financial institution or other institution with a total amount exceeding RMB1,000,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p> <p>13. to review any entrusted wealth management in a total amount exceeding RMB800,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>

Before Amendments	After Amendments
<p><u>13.</u> to review any asset mortgage created by the Company over any of its owned property, equipment or equity investment for the benefit of any financial institution or other institution with a total amount exceeding RMB1,000,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>	<p><u>14.</u> to decide on matters relating to investment, purchase or sale of assets, mortgage of assets, external guarantee, financial assistance, entrusted wealth management, related party transactions and external donations by the Company within the scope of authority conferred by the general meeting of shareholders;</p>
<p><u>14.</u> to review any entrusted wealth management in a total amount exceeding RMB800,000,000 but not more than 10% of the most recently audited total assets of the Company and 30% of the net assets of the Company;</p>	<p><u>15.</u> to debrief the audit committee's report on risk management and internal control, and review at least once a year on the effectiveness of the risk management and internal control system of the Company and its principal subsidiaries;</p>
<p><u>15.</u> to decide on matters relating to investment, purchase or sale of assets, mortgage of assets, external guarantee, financial assistance, entrusted wealth management, related party transactions and external donations by the Company within the scope of authority conferred by the general meeting of shareholders;</p>	<p><u>16.</u> other functions and powers as stipulated in the Articles or granted by the shareholders' general meeting.</p> <p>Any resolution of the board of directors on any of the foregoing matter, other than those set forth in the following, may be adopted by a simple majority.</p>
<p><u>16.</u> to debrief the audit committee's report on risk management and internal control, and review at least once a year on the effectiveness of the risk management and internal control system of the Company and its principal subsidiaries;</p>	<p>Except for the consideration and approval of more than half of all directors, the transaction matter of "providing guarantee" occurred in the Company shall also be considered and approved by more than two-thirds of the directors present at the meeting of Board.</p>
<p><u>17.</u> other functions and powers as stipulated in the Articles or granted by the shareholders' general meeting.</p>	<p>.....</p>

Before Amendments	After Amendments
<p>Any resolution of the board of directors on any of the foregoing matter, other than those set forth in the following, may be adopted by a simple majority.</p> <p><u>Any resolution of the board of directors on any of the foregoing paragraphs 6, 7 and 11 shall be considered and approved by at least two-thirds of the directors present at the meeting of Board.</u></p> <p>Except for the consideration and approval of more than half of all directors, the transaction matter of “providing guarantee” occurred in the Company shall also be considered and approved by more than two-thirds of the directors present at the meeting of Board.</p> <p>.....</p> <p><u>In addition to the powers delegated to the chairman by the board of directors in subparagraph 12 above,</u> the board of directors also authorise the chairman to decide the following matters: the establishment of the Company’s internal management organisation and branches; the appointment and replacement of directors and senior management personnel of wholly-owned subsidiaries; and the appointment, replacement or nomination of shareholder representatives, directors and senior management personnel (candidates) of subsidiaries in which the Company holds a controlling or other interest.</p> <p>With regard to any of the above-mentioned transactions requiring the approval of the board or the chairman, if such transaction reaches the threshold for examination by the shareholders’ general meeting as provided in the Articles of the Company, it shall be submitted to the shareholders’ general meeting for examination accordingly.</p>	<p>The board of directors also authorise the chairman to decide the following matters: the establishment of the Company’s internal management organisation and branches; the appointment and replacement of directors and senior management personnel of wholly-owned subsidiaries; and the appointment, replacement or nomination of shareholder representatives, directors and senior management personnel (candidates) of subsidiaries in which the Company holds a controlling or other interest.</p> <p>With regard to any of the above-mentioned transactions requiring the approval of the board or the chairman, if such transaction reaches the threshold for examination by the shareholders’ general meeting as provided in the Articles of the Company, it shall be submitted to the shareholders’ general meeting for examination accordingly.</p> <p><u>The following matters shall be submitted to the board for deliberation after the consent of a simple majority of all the independent Directors of the Company is obtained:</u></p> <ol style="list-style-type: none"> <li><u>1. disclosable related party transactions;</u></li> <li><u>2. proposals for the Company and the relevant parties to modify or waive their undertakings;</u></li> <li><u>3. the decisions made and the measures taken by the Board in relation to the acquisition of the Company;</u></li> <li><u>4. other matters prescribed by laws, administrative regulations, the securities regulatory authority of the place where the shares of the Company are listed, business rules of stock exchanges and the Articles of Association.</u></li> </ol>

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Before Amendments	After Amendments
<p><b><u>Article 5 of the Rules of Procedure for the Board of Directors</u></b></p> <p>The secretary of the board shall be responsible for collecting draft motions regarding matters to be discussed at the board meeting. <i>The respective proposers of the relevant motions shall submit the relevant motions and the relevant explanatory material 15 days before the meeting is convened. Where a motion involves any substantial related party transaction requiring the consideration of the board or the shareholders’ general meeting (as determined in accordance with the standards promulgated by the competent departments of regulatory supervision). The consent of independent directors shall first be obtained.</i> The secretary of the board shall collate the relevant information and submit the same to the chairman, setting out the time, venue, and agenda of the meeting.</p> <p>The collection of motions shall mainly have regard to the following circumstances:</p> <ol style="list-style-type: none"> <li>1. matters proposed by directors;</li> <li>2. matters proposed by the supervisory committee;</li> <li>3. motions made by any special committees of the board of directors;</li> <li>4. matters proposed by the general manager;</li> <li>5. matters to be considered at a shareholders’ meeting (shareholders’ general meeting) which shall be convened by a holding subsidiary of the Company or by a company in which the Company is a shareholder.</li> </ol>	<p><b><u>Article 5 of the Rules of Procedure for the Board of Directors</u></b></p> <p>The secretary of the board shall be responsible for collecting draft motions regarding matters to be discussed at the board meeting. The secretary of the board shall collate the relevant information and submit the same to the chairman, setting out the time, venue, and agenda of the meeting.</p> <p>The collection of motions shall mainly have regard to the following circumstances:</p> <ol style="list-style-type: none"> <li>1. matters proposed by directors;</li> <li>2. matters proposed by the supervisory committee;</li> <li>3. motions made by any special committees of the board of directors;</li> <li>4. matters proposed by the general manager;</li> <li>5. matters to be considered at a shareholders’ meeting (shareholders’ general meeting) which shall be convened by a holding subsidiary of the Company or by a company in which the Company is a shareholder.</li> </ol>

Before Amendments	After Amendments
<p><b><u>Article 6 of the Rules of Procedure for the Board of Directors</u></b></p> <p>Before dispatching the notice of regular meeting of the board, the board office shall enquire the directors for matters to be discussed and then proposes motions to the chairman for consideration. Before preparing the motions, the chairman shall, if necessary, seek opinions of the general manager and other senior management members.</p> <p>A proposal for convening an extraordinary board meeting <i>shall be in written form, affixed with the signature (seal) of the proposer, and submitted to the chairman directly or via the board office. The written proposal shall contain:</i></p> <ol style="list-style-type: none"> <li>1. name of the proposer;</li> <li>2. reason for the proposal or the objective facts on which the proposal is based;</li> <li>3. <i>time or duration, venue or form of the meeting proposed;</i></li> <li>4. clear and specific particulars of the motions; and</li> <li>5. contacts of the proposer and date of proposal, etc.</li> </ol> <p>The motion proposed shall be within the functions and powers of the board as specified in the Articles of Association and shall be submitted together with the relevant documents.</p> <p>The board office shall present to the chairman the aforesaid proposal and related documents on the day of receipt of the same. If the chairman considers that the particulars of the proposal are unclear or not specific or the relevant documents are inadequate, the chairman may require the proposer to amend or supplement the proposal.</p>	<p><b><u>Article 6 of the Rules of Procedure for the Board of Directors</u></b></p> <p>Before dispatching the notice of regular meeting of the board, the board office shall enquire the directors for matters to be discussed and then proposes motions to the chairman for consideration. Before preparing the motions, the chairman shall, if necessary, seek opinions of the general manager and other senior management members.</p> <p>A proposal for an extraordinary board meeting <i>shall be in written form submitted to the chairman directly or via the board office, and the written proposal shall contain:</i></p> <ol style="list-style-type: none"> <li>1. name of the proposer;</li> <li>2. reason for the proposal or the objective facts on which the proposal is based;</li> <li>3. clear and specific particulars of the motions; and</li> <li>4. contacts of the proposer and date of proposal, etc.</li> </ol> <p>The motion proposed shall be within the functions and powers of the board as specified in the Articles of Association and shall be submitted together with the relevant documents.</p> <p>The board office shall present to the chairman the aforesaid proposal and related documents on the day of receipt of the same. If the chairman considers that the particulars of the proposal are unclear or not specific or the relevant documents are inadequate, the chairman may require the proposer to amend or supplement the proposal.</p>

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Before Amendments	After Amendments
<p><b><u>Article 8 of the Rules of Procedure for the Board of Directors</u></b></p> <ol style="list-style-type: none"> <li>1. If the venue and time of the regular meeting of the board of directors have been fixed by the board, then no notice is required to be sent;</li> <li>2. If the Board of Directors has not fixed the time and venue for the regular meeting, a notice of the time and venue of the board meeting shall be served to all directors and supervisors ten (10) days prior to the meeting by cable, telegraph, fax, special delivery, registered mail or by person;</li> <li>3. To consider urgent matters, the chairman shall instruct the secretary for the board to serve notice of the time, venue and form of the extraordinary board meeting by cable, telegraph, fax, special delivery, registered mail or by person to all directors and supervisors at least five (5) and no more than ten (10) days prior to the meeting;</li> <li>4. Notices including agenda of the meeting shall be in Chinese, and in English additionally if necessary. Any director may decide to give up the right to receive notice of the meeting of the board;</li> </ol> <p>A director, who attends to the meeting and has not shown disagreement on receiving notice of the meeting before attending the meeting or at the time of arriving, is deemed to have received notice.</p>	<p><b><u>Article 8 of the Rules of Procedure for the Board of Directors</u></b></p> <p><i><u>Notice of meetings of the board of directors shall be delivered according to the following requirements:</u></i></p> <ol style="list-style-type: none"> <li>1. If the venue and time of the regular meeting of the board of directors have been fixed by the board, then no notice is required to be sent;</li> <li>2. If the Board of Directors has not fixed the time and venue for the regular meeting, a notice of the time and venue of the board meeting shall be served to all directors and supervisors ten (10) days prior to the meeting by <i><u>email</u></i>, cable, telegraph, fax, special delivery, registered mail, by person <i><u>or other notification methods permitted by the stock exchange where the company's shares are listed;</u></i></li> <li>3. To consider urgent matters, the chairman shall instruct the secretary for the board to serve notice of the time, venue and form of the extraordinary board meeting by <i><u>email</u></i>, cable, telegraph, fax, special delivery, registered mail, by person <i><u>or other notification methods permitted by the stock exchange where the company's shares are listed</u></i> to all directors and supervisors at least five (5) and no more than ten (10) days prior to the meeting;</li> </ol>

Before Amendments	After Amendments
	<p data-bbox="810 342 1394 544">4. Notices including agenda of the meeting shall be in Chinese, and in English additionally if necessary. Any director may decide to give up the right to receive notice of the meeting of the board;</p> <p data-bbox="810 602 1394 804">A director, who attends to the meeting and has not shown disagreement on receiving notice of the meeting before attending the meeting or at the time of arriving, is deemed to have received notice.</p>

COMPARISON TABLE OF THE PROPOSED AMENDMENTS  
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Before Amendments	After Amendments
<p><b><u>Article 12 of the Rules of Procedure for the Board of Directors</u></b></p> <p>In principle, the directors shall attend Board meetings in person. Where a director is unable to attend a meeting for any reason, he shall peruse the meeting documents in advance, form definite opinions, and appoint another director in writing to attend the meeting on his behalf.</p> <p>The power of attorney shall specify:</p> <ol style="list-style-type: none"> <li>1. The names of the principal and proxy;</li> <li>2. Outline opinions of the principal on respective proposals;</li> <li>3. The principal’s scope of authorization and instructions about voting intent in relation to respective proposals;</li> <li>4. Signature of the principal and proxy, date, etc.</li> </ol> <p>Where any director signs the regular reports by proxy, the said director shall specify such authorization in the power of attorney.</p> <p>The proxy director shall present the written power of attorney to the chairman of the meeting, and explain proxy attendance in the attendance book.</p>	<p><b><u>Article 12 of the Rules of Procedure for the Board of Directors</u></b></p> <p>In principle, the directors shall attend Board meetings in person. Where a director is unable to attend a meeting for any reason, he shall peruse the meeting documents in advance, form definite opinions, and appoint another director in writing to attend the meeting on his behalf.</p> <p>The power of attorney shall specify:</p> <ol style="list-style-type: none"> <li>1. The names of the principal and proxy;</li> <li>2. Outline opinions of the principal on respective proposals;</li> <li>3. The principal’s scope of authorization, <i>valid term</i> and instructions about voting intent in relation to respective proposals;</li> <li>4. Signature of the principal and proxy, date, etc.</li> </ol> <p>Where any director signs the regular reports by proxy, the said director shall specify such authorization in the power of attorney.</p> <p>The proxy director shall present the written power of attorney to the chairman of the meeting, and explain proxy attendance in the attendance book.</p>

Before Amendments	After Amendments
<p><b><u>Article 14 of the Rules of Procedure for the Board of Directors</u></b></p> <p>Board meetings shall be held on site as far as possible. If necessary, board meetings shall also be conducted in a non-on-site manner via videoconference, telephone conference, fax or email provided that the directors can fully express their views. The motions to be proposed at the board meetings must be sent to each director <u>by hand, registered mail, courier, telegram or fax</u>. For board meetings not being held on site, resolutions will be deemed to be duly passed at the meeting if the number of directors who signed the written acknowledgement forms a quorum as required for the relevant resolution under the Articles of Association.</p>	<p><b><u>Article 14 of the Rules of Procedure for the Board of Directors</u></b></p> <p>Board meetings shall be held on site as far as possible. If necessary, board meetings shall also be conducted in a non-on-site manner via videoconference, telephone conference, fax or email provided that the directors can fully express their views. The motions to be proposed at the board meetings must be sent to each director <u>by electronic mail, teletex, telegram, fax, courier, registered mail, by hand or other notification methods permitted by the stock exchange where the company's shares are listed</u>. For board meetings not being held on site, resolutions will be deemed to be duly passed at the meeting if the number of directors who signed the written acknowledgement forms a quorum as required for the relevant resolution under the Articles of Association.</p>

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Before Amendments	After Amendments
<p><b><u>Article 17 of the Rules of Procedure for the Board of Directors</u></b></p> <p>After adequate discussion, the chairman of the meeting shall put each resolution to the vote of the attending directors.</p> <p>Each attendee shall cast one vote <u>and voting can be conducted by open ballot and in writing and otherwise.</u></p> <p>Each director may vote for, or against a resolution or abstain from voting. Each attending director shall choose one out of the aforesaid intents. If any director does not make any choice or selects two or more choices, the chairman of the meeting shall require the director to make his choice again, otherwise the director shall be deemed as having abstained from voting. Any director who has left the meeting without making any choice shall be deemed as having abstained from voting.</p>	<p><b><u>Article 17 of the Rules of Procedure for the Board of Directors</u></b></p> <p>After adequate discussion, the chairman of the meeting shall put each resolution to the vote of the attending directors.</p> <p>Each attendee shall cast one vote <u>and shall be conducted by way of open ballot.</u></p> <p>Each director may vote for, or against a resolution or abstain from voting. Each attending director shall choose one out of the aforesaid intents. If any director does not make any choice or selects two or more choices, the chairman of the meeting shall require the director to make his choice again, otherwise the director shall be deemed as having abstained from voting. Any director who has left the meeting without making any choice shall be deemed as having abstained from voting.</p>

Except for the above amendments, the remaining provisions of the Articles of Association and its Appendix remain unchanged.

## SHANGHAI ELECTRIC GROUP COMPANY LIMITED SYSTEM FOR INDEPENDENT DIRECTORSHIP

- Article 1 Shanghai Electric Group Company Limited (the “**Company**”) has formulated this system of independent directorship (the “**System**”) in accordance with the relevant laws, regulations and regulatory documents such as the Company Law of the People’s Republic Of China (the “**Company Law**”), and the Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》) issued by the China Securities Regulatory Commission (the “**CSRC**”), and the Articles of Association of Shanghai Electric Group Company Limited (the “**Articles**”). The purposes of the System are to further improve the Company’s corporate governance, enhance its corporate governance and render protection of the interests of its shareholders as a whole.
- Article 2 Independent directors mean the directors who do not hold other positions at the Company other than as a director, or have any direct or indirect interest in the Company in which they are employed and its substantial shareholders (i.e. shareholders holding more than 5% of the Company’s shares or less than 5% of the Company’s shares but exert significant influence over the Company, hereinafter the same), de facto controllers, or have other relationship that may prevent them from making independent and objective judgments.
- Article 3 Independent directors owe the duty of fidelity and diligence to the Company and all its shareholders. Independent directors shall diligently perform their duties in accordance with the requirements of the relevant laws, administrative regulations, the regulations of the securities regulatory authorities of the places where the Company’s shares are listed, the business rules of the stock exchanges, the Articles and this System, play a role in decision making, supervision, check-and-balance, and professional consultancy of the board of directors, and safeguard the Company’s interests as a whole as well as protect the lawful rights and interests of the minority shareholders. Independent directors shall perform their duties independently without being subject to the influence of the Company’s substantial shareholders, de facto controllers or other units or individuals.
- Article 4 The board of directors of the Company shall include at least three independent directors, who account for not less than one-third of the members of the board of directors of the Company, and at least one of the independent directors shall be a professional in accounting field with appropriate professional qualifications, or with appropriate accounting or relevant financial management expertise as stipulated in the listing rules of the stock exchange where the Company’s shares are listed.

The members of the audit committee shall be directors who do not hold senior management positions in the Company, of which a majority shall be independent directors, and the chairperson shall be an accounting professional among the independent directors. The nomination committee and remuneration committee of the board of directors shall comprise a majority of independent directors, one of whom shall be the chairperson.

Article 5 Independent directors shall satisfy the following conditions:

- (1) possessing the qualifications for a listed company's directorships in accordance with the laws, administrative regulations and other relevant provisions;
- (2) meeting the independence requirements set out in Article 6 of this System;
- (3) having basic knowledge in the operation of listed companies and being familiar with the relevant laws, administrative regulations, rules and regulations;
- (4) having more than five years' experience in the legal, accounting or economic sectors or other areas deemed necessary to discharging the duties of an independent director;
- (5) possessing good personal integrity without major breach of trust or other adverse records;
- (6) other conditions as stipulated under the laws, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of the stock exchanges and the Articles.

Article 6 Independent directors must maintain their independence. The following persons shall not be appointed as independent directors:

- (1) employees of the Company or its subsidiaries, and their spouse, parents and children, and relatives (i.e. siblings, spouses of siblings, parents of spouses, siblings of spouses, spouses of children, parents of children's spouses, etc.);
- (2) natural person shareholders who directly or indirectly hold more than 1% of the issued share capital of the Company or who rank among the top ten shareholders of the Company, as well as their spouses, parents and children;

- (3) employees of those corporate shareholders who directly or indirectly hold more than 5% of the issued share capital of the Company or employees of the top five shareholders of the Company, as well as their spouses, parents and children;
- (4) employees of the subsidiaries (i.e. enterprises directly or indirectly controlled by the subject entities, hereinafter the same) of the Company's controlling shareholders or de facto controllers, and their spouses, parents and children;
- (5) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or employees of the entities which have significant business dealings with the Company and their controlling shareholders or de facto controllers;
- (6) persons providing financial, legal, consulting and sponsorship and other services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including but not limited to, all members of the project team of the intermediaries providing the services, reviewers at all levels, persons signing the report, partners, directors, senior management and principals;
- (7) any persons who fall within the categories stated in (1) to (6) during the last twelve months;
- (8) any other persons who do not possess independence as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

The subsidiaries of the controlling shareholders and de facto controllers of the Company mentioned in (4) to (6) of the preceding paragraph do not include those enterprises which are controlled by the same state-owned assets administrative authority as the Company and do not constitute a related party relationship with the Company under the relevant provisions.

The independent directors shall conduct an annual self-examination of their independence and submit the findings of their self-examination to the board of directors each year. The board of directors shall annually assess the independence of the incumbent independent directors and issue a special opinion, which shall be disclosed at the same time as the annual report.

In principle, independent directors shall act as independent directors of not more than three (3) domestic listed companies concurrently, and they shall ensure that they have enough time and energy to perform their duties as independent directors of the Company.

Article 7 The board of directors, supervisory committee, or shareholders who individually or jointly hold more than 1% of the Company's shares in issue are entitled to nominate candidates of independent directors to be elected at the general meetings.

An investor protection agency established in accordance with law may openly request shareholders to entrust it to exercise the right to nominate independent directors on its behalf.

The nominator provided for in paragraph (1) shall not nominate any person with whom he/she has relationship of interest or any other closely related person who has a circumstance that may influence the independent performance of his/her duties, as a candidate of independent director.

Article 8 The party nominating a person for election as independent director shall have obtained the consent of such nominee. The nominating party shall be fully aware of the occupation, academic qualifications, professional title, detailed work experience, all part-time positions held by the nominee, or any bad conduct records such as material breach of integrity, and shall advise on his/her independence and other conditions for holding the office of independent director. The nominee shall make a public statement confirming that he/she satisfies the independence and other conditions for him/her to hold the office of independent director.

Article 9 Independent directors are appointed with a term of office of three years and are eligible for re-election upon expiration of the term of office subject to a maximum of six consecutive years. A person who has served as an independent director of the Company for six (6) consecutive years shall not be nominated as a candidate of independent director of the Company within thirty-six (36) months from the date of occurrence of the above.

Article 10 Where two or more independent directors are to be elected at the general meetings of the Company, a cumulative voting system shall be adopted. The votes of minority shareholders (i.e. shareholders who individually or collectively hold less than 5% of the Company's shares and do not serve as directors, supervisors or senior management of the Company, hereinafter the same) shall be counted and disclosed separately.

Article 11 Prior to the general meeting for the election of independent directors, the Company shall submit the relevant materials of all candidates of independent directors to the Shanghai Stock Exchange, and the relevant materials submitted shall be true, accurate and complete. For any candidate of independent director who has been objected to by the Shanghai Stock Exchange, the Company shall not submit the same to the general meeting for election. If the proposal has been submitted to the general meeting for consideration, it shall be cancelled.

Article 12 The Company may remove the independent directors from their offices in accordance with legal procedures prior to the expiration of their term of office. In case of early dismissal of an independent director, the Company shall promptly disclose the specific reasons and basis. If the independent directors have objections, the Company shall disclose them in a timely manner.

If an independent director fails to comply with the provisions of Article 5 (1) or (2) of this System, he/she shall immediately cease to perform his/her duties and resign from his/her position. If the resignation is not tendered, the board of directors shall, as soon as it knows or ought to have known of the occurrence of such fact, remove him/her from office in accordance with the regulations.

Where any independent director resigns or is relieved of his/her duties as a result of the circumstances set forth in the preceding paragraph, resulting in the proportion of independent directors in the board of directors or its special committees failing to comply with the provisions of the relevant laws and regulations, the Articles and other management systems, or there is a lack of accounting professionals among the independent directors, the Company shall complete the by-election to fill the vacancy within 60 days from the date of the occurrence of the aforesaid fact.

Article 13 Independent directors may resign from their offices prior to the expiration of their term of office. A resigning independent director shall submit a resignation report in writing to the board of directors and disclose any information relating to his/her resignation or otherwise being considered necessary to be brought to the attention of the shareholders and creditors of the Company. Where the resignation of any independent directors will result in the proportion of independent directors in the board of directors of the Company or its special committees failing to comply with the provisions of the relevant laws and regulations, the Articles and other management systems, or there is a lack of accounting professionals among the independent directors, the independent director who intends to resign shall continue to perform his/her duties until the date on which a new independent director is elected. The Company shall complete the by-election to fill the vacancy within 60 days from the date on which the independent director tendered his/her resignation.

Article 14 Independent directors shall perform the following duties:

- (1) to participate in the decision making of the board of directors and express clear opinions on the matters discussed;
- (2) to supervise the matters of potential material conflict of interests between the Company and its controlling shareholders, de facto controllers, directors and senior management as set out in Articles 19, 22, 23 and 24 of this System, facilitating the board of directors to make decisions in the interests of the Company as a whole and protect the legitimate rights and interests of the minority shareholders;
- (3) to provide professional and objective advice on the operation and development of the Company and promote the improvement of the decision-making level of the board of directors;
- (4) other duties as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

Article 15 Independent directors shall exercise the following special mandates:

- (1) to independently engage intermediaries to audit, consult or verify specific matters of the Company;
- (2) to request the board of directors to convene extraordinary general meetings;
- (3) to propose convening board meetings;
- (4) to solicit shareholders' rights publicly according to laws;
- (5) to deliver independent opinions on matters that may prejudice the interests of the Company or the minority shareholders;
- (6) other mandates as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

Independent directors shall obtain the approval from more than half of all the independent directors before executing the mandates stated in (1) to (3) of the preceding paragraph.

The Company shall make timely disclosure if the independent directors exercise the mandate in paragraph 1. If the exercise of the aforementioned mandate is impeded, the Company shall disclose the specific circumstances and reasons.

Article 16 Before convening a board meeting, independent directors may communicate with the secretary to the board of directors to enquire about the matters to be considered, request for supplementary materials and provide opinions and suggestions. The board of directors and relevant personnel shall carefully study the questions, requests and opinions raised by the independent directors, and timely report to the independent directors on the implementation of the amendments to the proposals and other matters.

Article 17 Independent directors shall attend board meetings in person. If any independent director cannot attend the meeting in person for any reason, he/she shall review the material to be tabled at the meeting in advance and formulate his/her views for submission at the meeting by another independent director appointed by him/her as proxy in writing.

The board of directors shall propose to convene a general meeting for the removal of an independent director who fails to attend board meetings in person or by entrusting another independent director to attend thereat on his or her behalf for two consecutive times within 30 days from the date of the occurrence of such fact.

Article 18 Independent directors shall monitor the implementation of the resolution of the board of directors in relation to the matters set out in Articles 19, 22, 23 and 24 of this System on an ongoing basis, and shall report to the board of directors in a timely manner and may require the Company to make written explanations if any violation against the laws, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges, the Articles, or the resolutions of the general meetings or the meetings of board of directors was found. Where a disclosure is required, the Company shall make timely disclosures.

Where the Company fails to make explanations or make timely disclosure in accordance with the preceding paragraph, independent directors may report the same to the CSRC and the securities regulatory authorities of the place where the Company's shares are listed.

Article 19           The following matters shall be submitted to the board of directors for consideration after being approved by more than half of all the independent directors of the Company:

- (1)    related party transactions that shall be disclosed;
- (2)    plan for change or waiver of undertakings by the Company and related parties;
- (3)    decisions made and measures taken by the board of directors in response to acquisitions of the Company;
- (4)    other matters as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

Article 20           The Company shall hold a meeting attended by independent directors only (the “**Special Meeting of Independent Directors**”) on a regular or irregular basis. Matters set out in items 1 to 3 of the first paragraph of Article 15 and Article 19 herein shall be considered at the Special Meeting of Independent Directors.

The Special Meeting of Independent Directors may consider and discuss other matters of the Company when necessary.

The Special Meeting of Independent Directors shall be convened and presided over by an independent director jointly recommended by more than half of the independent directors; if the convener fails or is unable to perform his/her duties, two or more independent directors may convene and recommend a representative to preside over the meeting.

The Company shall facilitate and support the convening of the Special Meeting of Independent Directors.

Article 21 Independent directors shall perform their duties in the special committees under the board of directors of the Company in accordance with the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles. Independent directors shall attend the meetings of the special committees in person. If any independent director cannot attend the meeting in person for any reason, he/she shall review the material to be tabled at the meeting in advance and formulate his/her views for submission at the meeting by another independent director appointed by him/her as proxy in writing. If noticing any major issues within the scope of duties of the special committees in the performance of their duties, independent directors in accordance with relevant procedures, propose to the special committees for discussion and consideration in a timely manner.

Article 22 The audit committee under the board of directors of the Company shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating the internal and external audits and internal controls, and the following matters shall be submitted to the board of directors for consideration after being approved by more than half of all members of the audit committee:

- (1) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;
- (2) engagement or dismissal of an accounting firm that undertakes audits of the Company;
- (3) appointment or dismissal of the person in charge of accounting of the Company;
- (4) changes in accounting policies, accounting estimates or corrections of significant accounting errors for reasons other than changes in accounting standards;
- (5) other matters as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

The audit committee shall meet at least once a quarter and may meet on an ad hoc basis when proposed by two or more members, or when deemed necessary by the chairman. Meetings of the audit committee shall be held with more than two-thirds of members present.

Article 23 The nomination committee under the board of directors of the Company shall be responsible for formulating the criteria and procedures for the selection of directors and senior management, selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the board of directors on the following matters:

- (1) nomination or appointment or removal of directors;
- (2) appointment or dismissal of senior management;
- (3) other matters as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

If the board of directors has not adopted or fully adopted the recommendations of the nomination committee, it shall state the opinions of the nomination committee and the specific reasons for non-adoption in the resolutions of the board of directors and disclose the same.

Article 24 The remuneration committee under the board of directors of the Company shall be responsible for formulating the criteria of assessment for and conducting such assessment of directors and senior management, formulating and reviewing the remuneration policies and schemes for the directors and senior management, and making recommendations to the board of directors on the following matters:

- (1) remuneration of directors and senior management;
- (2) formulation or changes of equity incentive schemes and employee stock ownership plans, and fulfilment of the conditions for the participants to be granted with entitlements and to exercise their entitlements;
- (3) arrangement of stock ownership plans for directors and senior management in a subsidiary to be spun off;
- (4) other matters as stipulated under the law, administrative regulations, the regulations of the securities regulatory authorities of the place where the Company's shares are listed, the business rules of stock exchanges and the Articles.

If the board of directors has not adopted or fully adopted the recommendations of the remuneration committee, it shall state the opinions of the remuneration committee and the specific reasons for non-adoption in the resolutions of the board of directors and disclose the same.

Article 25 Independent directors shall work on site at the Company for at least 15 days each year.

In addition to attending general meetings, board meetings and the meetings of its special committees, as well as the Special Meeting of Independent Directors as required, independent directors may perform their duties by obtaining information on the Company's operation on a regular basis, listening to reports from the management, communicating with intermediaries such as the person in charge of the internal audit department and the accounting firm undertaking the Company's audit business, conducting on-site visits and communicating with the minority shareholders.

Article 26 Minutes shall be prepared for the meetings of the board of directors of the Company and its special committees, as well as the Special Meeting of Independent Directors as required, and opinions of independent directors shall be set out in the minutes. Independent directors shall sign and confirm the minutes.

Independent directors shall prepare work records and record in detail the performance of their duties. Information obtained by independent directors in the course of discharging their duties, relevant meeting minutes, communication records with the Company and intermediary staff, etc. constitute an integral part of the working records. For important contents in the working records, independent directors may request the secretary to the board of directors and other relevant personnel to sign for confirmation, upon which the Company and relevant personnel shall cooperate.

The working records of independent directors and the information provided by the Company to independent directors shall be maintained for at least ten years.

Article 27 The Company shall improve the communication mechanism between independent directors and minority shareholders, and independent directors may verify the questions raised by investors in a timely manner.

Article 28 Independent directors shall submit their working report and give an explanation on their work during the annual general meeting of the Company. The annual working report shall include the following elements:

- (1) number and manner of attendance and voting at the board meetings, and number of general meetings attended;
- (2) participation in the work of special committees under the board of directors and Special Meeting of Independent Directors;
- (3) consideration of the matters as set forth in Articles 19, 22, 23 and 24 of this System and exercise of the special mandate of the independent directors as set forth in the first paragraph of Article 15 of this System;
- (4) significant matters, methods and results of communication with the internal audit institutions and accounting firms undertaking audit matters of the Company in respect of the Company's financial and business conditions;
- (5) communication with minority shareholders;
- (6) time and content of the on-site work in the Company;
- (7) other circumstances in the performance of duties.

The annual working report of independent directors shall be disclosed no later than the date when the Company issues the notice of the annual general meeting.

Article 29 Independent directors shall continuously step up their efforts in learning securities laws, regulations and rules, so as to strengthen their capability of duty performance.

Article 30 The Company shall provide the working conditions and personnel support necessary for independent directors to perform their duties, and designate the board office, the secretary to the board of directors and other specialized departments and personnel to assist the independent directors in performing their duties.

The secretary to the board of directors shall ensure the smooth flow of information between independent directors and other directors, senior management and other relevant personnel, and accessibility of adequate resources and necessary professional advice to independent directors in the performance of their duties.

Article 31 The Company shall ensure that the independent directors have equal access information as other directors. For the purpose of effective execution of the duties of the independent directors, the Company shall regularly inform independent directors of the operation of the Company, provide them with information, and organize or cooperate with them to carry out on-site inspections and other work. The Company may organize independent directors to participate in research and demonstrations and other links, and fully listen to the opinions of independent directors before the board of directors considers major and complex matters, and provide timely feedback to independent directors on the adoption of their opinions.

Article 32 When the independent directors are discharging their duties, directors, senior management and other relevant personnel of the Company shall provide the required assistance without rejection, impediment, withholding information or interference on their independence in exercising their functions and powers.

If independent directors encounter obstacles in exercising their functions and powers in accordance with the laws, they may explain the situation to the board of directors and require directors, senior management and the relevant personnel to cooperate, and record the specific situation of the obstruction and the related solutions in the working record; for those obstacles that cannot be eliminated, they may report to the CSRC and the securities regulatory authorities of the places where the Company's shares are listed.

Where the performance of duties by independent directors involves information that should be disclosed, the Company shall make disclosure in a timely manner; if the Company refuses to disclose, independent directors may directly apply for disclosure or report to the CSRC and the securities regulatory authorities of the places where the Company's shares are listed.

Article 33 The Company shall bear the expenses incurred by independent directors for engaging professional institutions and exercising their functions and powers.

Article 34 The Company shall grant the independent directors with subsidies appropriate to their duties and responsibilities. The standard of such subsidies shall be formulated by the board of directors, considered and approved by the general meetings, and disclosed in the annual report of the Company.

Apart from the above-mentioned subsidies, the independent directors shall not obtain other benefits from the Company, its substantial shareholders, de facto controllers or the interested entities or personnel.

Article 35           Matters not herein should be dealt with in accordance with the relevant laws, administrative rules, regulatory documents and the Articles.

Article 36           This System will become effective after being approved in general meetings. Any subsequent revision will also require approval in the general meetings. The interpretation of the same shall be vested in the board of directors.

*This English language version is provided for reference purposes only. In the event of any inconsistency between the English and the Chinese version, the Chinese version shall prevail.*