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If you have sold or transferred all your shares in **Baoye Group Company Limited***, you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission.



寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

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

(Stock Code: 2355)

PROPOSED GENERAL MANDATE TO ISSUE SHARES
PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES
RE-ELECTION OF AN EXECUTIVE DIRECTOR
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICES OF ANNUAL GENERAL MEETING AND CLASS MEETINGS

Notices of convening an annual general meeting (the “**Annual General Meeting**”) and the respective class meetings for holders of H shares (the “**H Shares**”) and domestic shares (the “**Domestic Shares**”) of Baoye Group Company Limited* to be held at 2nd Floor, Baoye Group, No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, PRC at 9:00 a.m. and immediately after the conclusion of AGM on Friday, 14 June 2024 is set out on pages 10 to 21 of this circular. Whether or not you are able to attend the AGM and the class meetings, you are requested to complete the forms of proxy in accordance with the instructions printed thereon and return them to the H Shares registrar of Baoye Group Company Limited*, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) or to the office address of Baoye Group Company Limited* at No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC (Post Code: 312030) (for holders of Domestic Shares) as soon as possible and in any event not less than 48 hours before the time for holding the meeting or not less than 48 hours before the time appointed for taking the poll. Completion and return of the form of proxies will not preclude you from attending and voting in person at the AGM and class meetings or any adjournment thereof if you so wish.

* For identification purposes only

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 2nd Floor, Baoye Group, No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC at 9:00 a.m. on 14 June 2024
“AGM Notice”	The notice for convening the AGM set out on pages 10 to 15 of this circular
“Articles” or “Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Class Meetings”	the class meeting for holders of H Shares to be held immediately after the conclusion of the AGM and the class meeting for holders of Domestic Shares to be held immediately after the conclusion of the said class meeting for holders of H Shares, the respective notices of which are set out on pages 16 to 21 of this circular, or any adjournment thereof respectively
“Class Meeting Notices”	the notices for convening the Class Meetings set out on pages 16 to 21 of this circular
“Company”	Baoye Group Company Limited* (寶業集團股份有限公司), a joint stock limited company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Stock Exchange
“Company Law”	the Company Law of the PRC
“day(s)”	calendar day(s), unless otherwise specified
“Director(s)”	the director(s) of the Company
“Domestic Shares”	domestic shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which were subscribed for in RMB
“Group”	the Company and its subsidiaries
“Guidelines on Articles of Association”	the Guidelines on Articles of Association of Listed Companies (《上市公司章程指引》)
“H Shares”	overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange

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DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	19 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mandatory Provisions”	《到境外上市公司章程必備條款》(the Mandatory Provisions for the Articles of Association of the Companies to be Listed Overseas) issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System of the PRC
“PRC”	the People’s Republic of China, and for the purpose of this circular only, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC laws”	applicable PRC laws, administrative regulations, government departmental rules, local regulations and regulatory documents of the regulatory authorities which are binding on the Company
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	State Administration of Foreign Exchange of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	include Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisors”	The Supervisors of the Company
“Supervisory Committee”	The Supervisory Committee of the Company
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent

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寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

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

(Stock Code: 2355)

Non-Executive Director:

Mr. Pang Baogen (*Chairman*)

Executive Directors:

Mr. Gao Lin

Mr. Gao Jun

Mr. Jin Jixiang

Mr. Xu Gang

Mr. Wang Rongbiao

Mr. Xia Feng

Independent non-executive Directors:

Mr. Li Wangrong

Ms. Liang Jing

Mr. Xiao Jianmu

Mr. Fung Ching, Simon

Corporate address:

No. 1687, Guazhu East Road,
Keqiao District, Shaoxing City,
Zhejiang Province, PRC

Registered address:

Yangxunqiao Subdistrict,
Keqiao District, Shaoxing City,
Zhejiang Province, PRC

Correspondence address in Hong Kong:

Room A, 7th Floor,
Southern Commercial Building,
11 Luard Road,
Wanchai,
Hong Kong

26 April 2024

To the Shareholders

PROPOSED GENERAL MANDATE TO ISSUE SHARES
PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES
RE-ELECTION OF AN EXECUTIVE DIRECTOR
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICES OF ANNUAL GENERAL MEETING AND CLASS MEETINGS

INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM and the Class Meetings for the Shareholders for the approval of, inter alia: (i) the proposed general mandate to issue Shares; (ii) the proposed general mandate to repurchase H shares; (iii) the proposed re-election of an executive Director; (iv) the proposed amendments to the Articles of Association, and to give you the AGM Notice and the Class Meeting Notices.

* For identification purposes only

LETTER FROM THE BOARD

PROPOSED GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of the Company held on 16 June 2023, a special resolution was passed whereby a general mandate was granted to the Directors to allot and issue new shares and dispose of outstanding Shares individually and collectively up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of such resolution.

Such mandate will lapse at the conclusion of the forthcoming AGM. In order to increase the flexibility and efficiency in operation of the Company, and to give discretion to the Board in the event that it becomes desirable to issue any shares, the Board proposes a special resolution to grant to the Directors a general mandate to allot, issue and otherwise deal with H Shares up to a maximum of 20% of the total nominal value of H Shares in issue as at the date of passing of the resolution as set out in Resolution 8 of the AGM Notice.

As at the Latest Practicable Date, the Company had in issue an aggregate of 520,756,053 Shares, comprising 170,014,000 H Shares and 350,742,053 Domestic Shares. On the basis that no further Shares will be issued by the Company during the period from the Latest Practicable Date to the date of the AGM, subject to the passing of Resolution 8 of the AGM Notice for the approval of the general mandate, the Company will be allowed to allot, issue and deal with up to a maximum of 34,002,800 H Shares, representing 20% of H Shares in issue on the date of the passing of the proposed resolution.

With reference to the proposed general mandate, the Directors, as at the date hereof, wish to state that they have no immediate plans to issue any new H Shares pursuant to the general mandate.

PROPOSED GENERAL MANDATE TO REPURCHASE H SHARES

Repurchase Mandate

The Company Law, the Mandatory Provisions and the Articles of Association provide for certain restrictions on share repurchase which are applicable to all classes of shares of the Company.

A special resolution was passed at the annual general meeting and class meetings of the Company held on 16 June 2023 whereby a general mandate was granted to the Board to repurchase H Shares of the Company up to a maximum of 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of the special resolution, such mandate will lapse at the conclusion of the forthcoming AGM of the Company. In order to increase the flexibility and efficiency in operation of the Company, the Board proposes a special resolution to grant to the Directors a general mandate to repurchase H Shares of the Company up to a maximum of 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of the proposed resolution.

The Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may repurchase its shares in the following circumstances: (a) to reduce its registered capital; (b) to merge with another company which holds its shares; (c) to utilise the shares for employee share ownership plan or as share incentive plan; (d) where the shareholders disagree to the resolutions on the merger or demerger of company made in the general meeting and request the Company to repurchase their shares; (e) to convert the shares into convertible corporate bonds issued by the listed company; (f) where it is necessary for the company to maintain its corporate value and shareholders' rights; or (g) other circumstances approved by laws,

LETTER FROM THE BOARD

administrative regulations and relevant state authorities. The Mandatory Provisions, which the Company has incorporated in the Articles of Association, provide that subject to obtaining the approval of the relevant PRC regulatory authorities and in compliance with the Articles of Association, the Company may repurchase its issued Shares for the purpose of reducing its share capital or in connection with a merger with another company which holds its Shares or in other circumstances permitted by laws or administrative regulations.

The Listing Rules permit the shareholders of a PRC joint stock limited company to grant a general mandate to its directors to repurchase shares of such company that is listed on the Stock Exchange. Such mandate is required to be given by way of a special resolution passed by its shareholders in general meeting and special resolutions passed by holders of domestic shares and holders of overseas listed foreign shares at separate meetings.

H Shares are traded on the Stock Exchange in Hong Kong dollars. Therefore, the repurchase of H Shares by the Company is subject to the approval of the SAFE (or its successor authority), and the price payable by the Company upon any repurchase of H Shares will be paid in Hong Kong dollars.

In accordance with the requirements of the Articles of Association applicable to capital reduction, the Company will have to notify its creditors of the passing of the resolution for the reduction of the registered capital of the Company. In addition, the Company Law provides that the shares repurchased by a company will have to be cancelled and the registered capital of that company will therefore be reduced by an amount equivalent to the aggregate nominal value of the shares so cancelled. In the event of a reduction of registered capital, the Company shall inform its creditors by way of written notice and announcement within a prescribed period after the passing of the relevant resolutions approving such reduction. The creditors shall be entitled to request the Company for repayment of loan or provision of guarantee.

Conditions to repurchase H Shares

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares (including where such repurchase may lead to an enhancement of the net asset value per Share and/or the earnings per Share), approval is proposed to be sought from the Shareholders for the grant of the Repurchase Mandate to the Directors. In accordance with the legal and regulatory requirements described above, the Directors give notices to convene the AGM and the Class Meetings. At each such meeting, a special resolution will be proposed to grant to the Directors the Repurchase Mandate which is a conditional general mandate to repurchase H Shares in issue on the Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing of such special resolution.

The Repurchase Mandate will be conditional upon (a) the special resolution for approving the grant of the Repurchase Mandate being passed at each of the AGM and the Class Meetings; and (b) the approvals of SAFE (or its successor authority) and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate. If the above conditions are not fulfilled, the Repurchase Mandate will not be exercisable by the Directors.

The Repurchase Mandate would expire on the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of a period of twelve months following the passing of the relevant resolution at the AGM and the Class Meetings; or (c) the date on which the authority conferred by the special resolution is

LETTER FROM THE BOARD

revoked or varied by a special resolution of the Shareholders in a general meeting or by a special resolution of holders of H Shares or holders of Domestic Shares at their respective Class Meetings.

The H Shares which may be repurchased by the Company pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing of the resolution approving the Repurchase Mandate at the AGM and the Class Meetings.

An explanatory statement giving certain information regarding the Repurchase Mandate is set out in the Appendix I to this circular.

RE-ELECTION OF AN EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 1 August 2023 in relation to the appointment of an executive Director.

The term of office of the executive Director, Mr. Xia Feng (“**Mr. Xia**”), will expire on the conclusion of the AGM. The Board suggests to re-elect Mr. Xia as the executive Director of the eighth Board of Directors, and the term of an executive Director office will commence on the conclusion of the AGM and expire on the end of the eighth Board of Directors.

Biographical details of Mr. Xia are as follows:

Mr. Xia Feng, born in 1977, is an executive Director of the Company and holds an undergraduate degree and senior engineer qualification, majoring in construction. Mr. Xia is currently the general manager of Shanghai Zibao Industry Investment Company Limited* (上海紫寶實業投資有限公司), a wholly owned subsidiary of the Company, and director of Shanghai Research Institute of Construction Technology Company Limited* (上海建科集團股份有限公司) which is listed on the main board of Shanghai Stock Exchange (stock code: 603153.SH). Mr. Xia served for Shaoxing County Planning and Construction Bureau* (紹興縣規劃建築管理處) and joined the Group in 2002. Mr. Xia is devoted to property development, research and development of prefabricated and low-carbon energy saving construction to realise the upgrade of traditional construction industry.

As at the date of this circular, save as disclosed above, Mr. Xia does not currently hold and has not in the past three years held any directorship in other listed public companies. According to Article 104 of the Articles of Association of the Company, a service contract will be entered into between Mr. Xia and the Company in respect of his appointment and the term of office of Mr. Xia as executive Director shall commence on the conclusion of the AGM and is due to expire at the 2025 annual general meeting of the Company whereby Mr. Xia will be eligible for re-election. The emolument of Mr. Xia will be determined by the Board with reference to his duties, responsibilities and the prevailing market conditions.

Apart from being an executive Director, Mr. Xia does not have any relationship with any Directors, Supervisors, senior management, substantial shareholders or controlling shareholders or their respective associates of the Company. As at the date of this circular, the Company has a total of 520,756,053 shares. Mr. Xia is interested in 18,918,851 Domestic Shares and 770,000 H Shares, representing 3.78% of the entire share capital of the Company. Save as disclosed above, Mr. Xia does not have any other interests in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Xia will be entitled to a director’s fee not less than RMB100,000 per annum, which is determined with reference to his duties and responsibilities with the Company, the Company’s performance, the remuneration policy of the Company and the prevailing market situation.

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Save as disclosed above, there is no other information that is required to be disclosed pursuant to any of the requirements under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters that need to be brought to the attention of the shareholders of the Company relating to Mr. Xia's re-election.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board proposes to amend the existing Articles of Association by adopting a new set of the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company, in view of the below and to make some other amendments.

On 14 February 2023, the State Council (the "**State Council**") of the PRC published the "Decision of the State Council to Repeal Certain Administrative Regulations and Documents*" (《國務院關於廢止部分行政法規和文件的決定》). Accordingly, the "Special Provisions of the State Council Concerning the Overseas Securities Offering and Listing by Limited Stock Companies*" (《國務院關於股份有限公司境外募集股份及上市的特別規定》) (the "**Special Provisions**") was abolished. On 17 February 2023, with the approval of the State Council, the China Securities Regulatory Commission (the "**CSRC**") published the "Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies*" (《境內企業境外發行證券和上市管理試行辦法》). Accordingly, the Mandatory Provisions was abolished with effect from 31 March 2023. The Stock Exchange amended the Listing Rules based on the above new regulations with effect from 1 August 2023.

In addition, pursuant to the consultation conclusions of the "Consultation Paper on Proposals to Expand the Paperless Listing Regime and Other Rule Amendments" published by the Stock Exchange in June 2023, the relevant amendments to the Listing Rules came into effect on 31 December 2023, so that, among other things, to the extent permitted under all applicable laws and regulations, a listed issuer must (i) send or otherwise make available the corporate communications (as defined under the Listing Rules) to the relevant holders of its securities using electronic means; or (ii) make the corporate communications available on its website and the Stock Exchange's website.

Based on the above institutional amendments, the Board proposed to amend the Articles of Association of the Company (the "**Proposed Amendments**") in order to remove such provisions that are obsolete as a result of the repeal of the Special Provisions and the Mandatory Provisions to reflect the new PRC regulations and the consequential amendments to the Listing Rules. In particular, under the new PRC regulations and the Listing Rules, (i) holders of domestic shares and H shares are no longer deemed as different classes of shareholders and therefore the class meeting requirement originally applicable to holders of domestic shares and H shares are no longer necessary; and (ii) holders of H shares are allowed to seek to resolve disputes through Hong Kong courts or the courts at the incorporation place of the issuer, and therefore, the provisions of arbitration to resolve disputes are no longer required; and (iii) other consequential, tidy-up and housekeeping amendments. Details of the Proposed Amendments are set out in Appendix II of this circular.

The Board considers that the Proposed Amendments will not undermine the protection of the Shareholders and will not have material impact on measures relating to shareholder protection.

According to the new PRC regulations, (i) domestic shares and H shares shall be regarded as the same class of ordinary shares and holders of domestic shares and H shares shall no longer be deemed as different classes of shareholders and (ii) the substantive

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LETTER FROM THE BOARD

rights attached to the two types of shares (including voting rights, dividends and asset distribution in case of liquidation) shall be identical. Therefore, the removal of the class meeting requirement from the Articles of Association will not undermine the protection of the Shareholders. In addition, given that there are sufficient dispute resolution channels (such as court proceedings in the PRC and Hong Kong) to enable the shareholders to exercise their rights under the Articles of Association, the removal of the arbitration provision from the Articles of Association and the abolition of arbitration as the sole means of dispute resolution will not affect the protection of the Shareholders.

The Proposed Amendments are subject to the approval by the Shareholders by way of a special resolution at the forthcoming AGM and Class Meetings. Shareholders are advised that the Articles of Association is available in English and Chinese. The English translation of the Articles of Association is for reference only. In case of any inconsistency, the Chinese version shall prevail.

At the same time, in view of the passing of the independent supervisor of the eighth supervisory committee of the Company, namely Mr. Zhang Xindao, during his term of office as announced by the Company on 17 August 2023, the number of supervisors of the Company does not comply with the provisions of the Company's Articles of Association. The Company does not seek to increase the number of Supervisors to meet the provisions of the current Articles of Association. In compliance with the Company Law and relevant guidelines, the Board recommends that amendments be made to the Articles of Association. The provisions regarding the number and type of members of the Supervisory Committee shall be in line with the existing composition of the Supervisory Committee.

After the Proposed Amendments have taken effect, the Company will continue to comply with the Listing Rules to meet the core shareholder protection standards through compliance with PRC laws in combination with its constitutional documents pursuant to Appendix 3 to the Listing Rules and will further monitor its ongoing compliance with these standards and notify the Stock Exchange if it becomes unable to comply with any of these standards.

Save for the Proposed Amendments set out above, other provisions in the Articles of Association remain unchanged.

AGM AND CLASS MEETINGS

Notices convening the AGM and the Class Meetings to be held at 2nd Floor, Baoye Group, No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC, on 14 June 2024, are set out on pages 10 to 21 of this circular for the purpose of considering and if thought fit, passing the resolutions set out therein.

Forms of proxy for use at each of the AGM and the Class Meetings are enclosed with this circular. Whether or not you are able to attend the AGM and/or the Class Meetings, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the H Shares registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) or to the Company's office address at No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC (Post Code: 312030) (for holders of Domestic Shares) as soon as possible and in any event not less than 48 hours before the time for holding the meetings or not less than 48 hours before the time appointed for taking the poll. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM and the Class Meetings or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

BOOK CLOSURE FOR AGM AND CLASS MEETINGS ATTENDANCE

The register of members of the Company will be closed from 14 May 2024 to 14 June 2024, both dates inclusive, during which period no share transfers will be effected. In order to qualify for attending and voting at the AGM and Class Meetings, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Shares registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) and to the office address of the Company at No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC (Post Code: 312030) (for holders of Domestic Shares) no later than 4:30 p.m. on 13 May 2024.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at general meetings must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. An announcement on the poll vote results will be made by the Company after the AGM and Class Meetings in the manner prescribed by Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that all the proposed resolutions in the AGM and the Class Meetings are in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favor of all such resolutions relating to these matters to be proposed at the AGM and the Class Meetings.

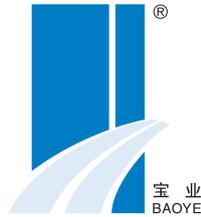
GENERAL INFORMATION

Your attention is drawn to the appendices to this circular.

As at the date of this circular, the Board comprises Mr. Pang Baogen as Chairman and non-executive Director, six executive Directors, namely, Mr. Gao Lin, Mr. Gao Jun, Mr. Jin Jixiang, Mr. Xu Gang, Mr. Wang Rongbiao and Mr. Xia Feng, and four independent non-executive Directors, namely, Mr. Li Wangrong, Ms. Liang Jing, Mr. Xiao Jianmu and Mr. Fung Ching, Simon.

Yours faithfully,
For and on behalf of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

* For identification purposes only



寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

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

(Stock Code: 2355)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting (the “AGM”) of Baoye Group Company Limited* (the “**Company**”) will be held at 2nd Floor, Baoye Group, No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the People's Republic of China (the “**PRC**”) at 9:00 a.m. on Friday, 14 June 2024 for the following purposes:

I. As ordinary resolutions:

1. To consider and approve the report of the board (the “**Board**”) of directors (the “**Directors**”) of the Company for the year ended 31 December 2023;
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2023;
3. To consider and approve the audited consolidated financial statements of the Company and its subsidiaries (collectively, the “**Group**”) and the report of the auditors of the Company for the year ended 31 December 2023;
4. To consider and approve the matters relating to no payment of final dividend for the year ended 31 December 2023;
- 5A. To re-appoint PricewaterhouseCoopers as the Company's international auditors and to authorise the Board to fix their remuneration;
- 5B. To re-appoint PricewaterhouseCoopers Zhongtian CPAs as the Company's PRC statutory auditors and to authorise the Board to fix their remuneration;
6. To consider and approve the re-election of Mr. Xia Feng as an executive Director of the Company and to authorise the Board to fix his remuneration;
7. To consider and approve any motion proposed by any shareholder of the Company holding 3% or more of the shares with voting rights at such meeting, if any;

NOTICE OF AGM

II. As special resolutions:

8. To consider and, if thought fit, pass the following as special resolution:

“THAT:

- (a) Subject to sub-paragraphs (c) and (d) herein below and pursuant to The Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (as the same may be amended from time to time) and the Company Law of the PRC (the “**PRC Company Law**”), the Directors are generally and unconditionally authorised to exercise all the rights of the Company, to allot and issue new shares and dispose of outstanding shares of the Company individually and collectively during the Relevant Period (as defined in sub-paragraph (e) below) and to determine the terms and conditions in relation to the allotment and issue of new shares including, inter alia:
 - (i) the type and number of new shares to be issued;
 - (ii) the issue price of the new shares;
 - (iii) the date for the commencement and closing of the issue;
 - (iv) the class and the number of new shares to be issued to the existing shareholders;
 - (v) to make, execute or grant offer proposals, agreements and options as may be necessary in the exercise of such powers; and
 - (vi) all other matters in relation thereto.
- (b) The Directors are authorised to make or grant offer proposals, agreements and options as required or may be required in the exercise of such powers during the Relevant Period (as defined in sub-paragraph (e) below) as referred to in sub-paragraph (a) or after the expiry of the Relevant Period.
- (c) The total nominal amount of H Shares (as defined in sub-paragraph (e) below), Domestic Shares (as defined in sub-paragraph (e) below) and non-H foreign shares (other than those issued under the PRC Company Law and the articles of association of the Company (the “**Articles of Association**”) by the capitalisation of the statutory capital reserve fund) agreed to be allotted and/or conditionally or unconditionally agreed to be allotted by the Directors pursuant to sub-paragraph (a) above (whether pursuant to the exercise of option or otherwise) shall not exceed 20% of such class of the shares in issue of the Company as at the date of the passing of this special resolution.

NOTICE OF AGM

- (d) Upon the exercise of the powers pursuant to sub-paragraph (a) above, the Directors shall comply with the PRC Company Law and the Listing Rules (as the same may be amended from time to time) and obtain the approval from the China Securities Regulatory Commission.
- (e) For the purpose of this resolution:
- “Domestic Shares” means the domestic shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which were subscribed for in Renminbi;
- “H Shares” means the overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and subscribed for and traded in Hong Kong dollars;
- “Relevant Period” means the period from the date of the passing of this resolution to the earliest of the following three:
- (i) twelve months after the passing of this resolution;
 - (ii) conclusion of the next annual general meeting of the Company; and
 - (iii) the date of the passing of a special resolution to revoke or amend the mandated as referred to in this resolution by shareholders in shareholders’ general meeting.
- (f) Subject to the approval by the relevant authorities of the PRC and pursuant to the PRC Company Law, when exercising the powers under sub-paragraph (a) above, the Directors are authorised to increase the registered capital of the Company to the required amount respectively and attend to the relevant registration procedures with the relevant authorities in the PRC, Hong Kong or such other relevant place.
- (g) Subject to the approval by the relevant authorities of the PRC, the Board is authorised to make appropriate and necessary amendments to the Articles of Association of the Company, so as to reflect the changes in the capital of the Company that may have arisen under this mandate.”

NOTICE OF AGM

9. To consider and, if thought fit, pass the following as special resolution:

“THAT:

To authorise the Board to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on the Stock Exchange, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this special resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the AGM of the Company to be held on Friday, 14 June 2024 (or on such adjourned date as may be applicable); and the class meetings for holders of H Shares of the Company and for holders of Domestic Shares of the Company to be held on Friday, 14 June 2024 (or on such adjourned date as may be applicable); and
 - (ii) the approval of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of Domestic Shares of the Company at their respective class meeting.

NOTICE OF AGM

- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
- (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC."
10. To consider and, if thought fit, pass the following as special resolution:
- "**THAT:** subject to the approval by the relevant authorities of the PRC, the Articles of Association of the Company shall be amended as set out in Appendix II of the circular of the Company dated 26 April 2024."

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang Province, the PRC
26 April 2024

Notes:

1. The register of members of the Company will be closed from Tuesday, 14 May 2024 to Friday, 14 June 2024, both dates inclusive, during which period no share transfers will be effected. In order to qualify for attending and voting at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Shares registrar in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) or to the office address of the Company (for holders of Domestic Shares), no later than 4:30 p.m. on Monday, 13 May 2024.
2. Holders of Domestic Shares and H Shares entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form must be deposited by hand or by post, for holders of H Shares of the Company, to the H Shares registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, and for holders of Domestic Shares of the Company, to the office address of the Company at No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC (Post Code: 312030) not less than 48 hours before the time for holding the meeting or not less than 48 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
4. Shareholders or their proxies shall present their identity documents when attending the meeting.

NOTICE OF AGM

5. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. On a poll, every shareholder present in person or by proxy shall have one vote for each share registered in his/her name in the register of members. A shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same manner.
6. Shareholders who intend to attend the AGM should complete and return the reply slip and return it by hand or by post to the share registrar of the Company (for holders of H Shares) or to the office address of the Company (for holders of Domestic Shares) on or before 7 June 2024.
7. The AGM is expected to take half a day. Shareholders attending the AGM shall be responsible for their own travel and accommodation expenses.
8. The office address of the Company is as follows:

No. 1687 Guazhu East Road, Keqiao District
Shaoxing City
Zhejiang Province
The People's Republic of China
Post Code: 312030
Tel: 86-575-84135837
Fax: 86-575-84118792

As at the date of this announcement, the Board comprises Mr. Pang Baogen as Chairman and non-executive Director, six executive Directors, namely, Mr. Gao Lin, Mr. Gao Jun, Mr. Jin Jixiang, Mr. Xu Gang, Mr. Wang Rongbiao and Mr. Xia Feng, and four independent non-executive Directors, namely, Mr. Li Wangrong, Ms. Liang Jing, Mr. Xiao Jianmu and Mr. Fung Ching, Simon.

* For identification purposes only

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES



寶業集團股份有限公司 BAOYE GROUP COMPANY LIMITED*

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

(Stock Code: 2355)

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

NOTICE IS HEREBY GIVEN that a class meeting (the “**Class Meeting**”) for holders of H Shares of Baoye Group Company Limited* (the “**Company**”) will be held at 2nd Floor, Baoye Group, No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the People’s Republic of China (the “**PRC**”) at 11:00 a.m. (or immediately after the annual general meeting of the Company to be convened and held on the same date and at the same place) on Friday, 14 June 2024 for the following purpose of considering and if thought fit, passing the following resolutions:

Special Resolution

1. To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
 - (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this special resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the annual general meeting of the Company (the “**AGM**”) to be held on Friday 14 June 2024; and the class meetings for holders of H Shares of the Company and for holders of domestic shares of the Company to be held on the same day; and

NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

- (ii) the approval of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of Domestic Shares of the Company at their respective class meetings; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

Special Resolution

2. “**THAT:** subject to the approval by the relevant authorities of the PRC, the Articles of Association of the Company shall be amended as set out in Appendix II of the circular of the Company dated 26 April 2024.”

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang Province, the PRC
26 April 2024

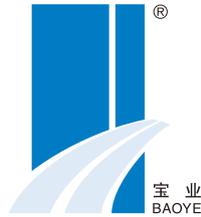
NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

Notes:

1. The register of members of the Company will be closed from Tuesday, 14 May 2024 to Friday, 14 June 2024, both dates inclusive, during which period no share transfers will be effected. In order to qualify for attending and voting at the Class Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Shares registrar in Hong Kong, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 13 May 2024
2. Holders of H Shares entitled to attend and vote at the Class Meeting may appoint one or more proxies to attend and to vote on their behalves. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form must be deposited by hand or by post, for holders of H Shares of the Company, to the H Shares registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road Hong Kong, not less than 48 hours before the time for holding the meeting or not less than 48 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
4. Shareholders or their proxies shall present their identity documents when attending the meeting.
5. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. On a poll, every shareholder present in person or by proxy shall have one vote for each share registered in his/her name in the register of members. A shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same manner.
6. Shareholders who intend to attend the Class Meeting should complete and return the reply slip and return it by hand or by post to the H Share registrar of the Company on or before 7 June 2024.
7. The Class Meeting for holders of H Shares is expected to take half an hour after the AGM. Shareholders attending the Class Meeting shall be responsible for their own travel and accommodation expenses.

As at the date of this announcement, the Board comprises Mr. Pang Baogen as Chairman and non-executive Director, six executive Directors, namely, Mr. Gao Lin, Mr. Gao Jun, Mr. Jin Jixiang, Mr. Xu Gang, Mr. Wang Rongbiao and Mr. Xia Feng, and four independent non-executive Directors, namely, Mr. Li Wangrong, Ms. Liang Jing, Mr. Xiao Jianmu and Mr. Fung Ching, Simon.

** For identification purposes only*



寶業集團股份有限公司
BAOYE GROUP COMPANY LIMITED*

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

(Stock Code: 2355)

NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

NOTICE IS HEREBY GIVEN that a class meeting (the “**Class Meeting**”) for holders of domestic shares of Baoye Group Company Limited* (the “**Company**”) will be held at 2nd Floor, Baoye Group, No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the People’s Republic of China (the “**PRC**”) at 11:30 a.m. (or immediately after the class meeting for holders of H Shares of the Company to be convened and held on the same date and at the same place) on Friday, 14 June 2024 for the following purpose of considering and if thought fit, passing the following resolutions:

Special Resolution

1. To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to repurchase H Shares of the Company (the “**H Shares**”) subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue of the Company on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
 - (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of the passing of this special resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the annual general meeting of the Company to be held on Friday, 14 June 2024; and the class meetings for holders of H Shares of the Company and for holders of Domestic Shares of the Company to be held on the same day; and

NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

- (ii) the approval of the State Administration of Foreign Exchange of the PRC and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) for the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting following the passing of this special resolution;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution; or
 - (iii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the members of the Company in any general meeting or by a special resolution of holders of H Shares or holders of Domestic Shares of the Company at their respective class meetings; and
- (e) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the Articles of Association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended Articles of Association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

Special Resolution

2. “**THAT:** subject to the approval by the relevant authorities of the PRC, the Articles of Association of the Company shall be amended as set out in Appendix II of the circular of the Company dated 26 April 2024.”

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang Province, the PRC
26 April 2024

NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

Notes:

1. The register of members of the Company will be closed from Tuesday, 14 May 2024 to Friday, 14 June 2024, both dates inclusive, during which period no share transfers will be effected. In order to qualify for attending and voting at the Class Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the office address of the Company at No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC (Post Code: 312030) no later than 4:30 p.m. on Monday, 13 May 2024.
2. Holders of Domestic Shares entitled to attend and vote at the Class Meeting may appoint one or more proxies to attend and to vote on their behalves. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form must be deposited by hand or by post to the office address of the Company at No. 1687 Guazhu East Road, Keqiao District, Shaoxing City, Zhejiang Province, the PRC (Post Code: 312030) not less than 48 hours before the time for holding the meeting or not less than 48 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
4. Shareholders or their proxies shall present their identity documents when attending the meeting.
5. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. On a poll, every shareholder present in person or by proxy shall have one vote for each share registered in his/her name in the register of members. A shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same manner.
6. Shareholders who intend to attend the Class Meeting should complete and return the reply slip and return it by hand or by post to the Company on or before 7 June 2024.
7. The Class Meeting for holders of Domestic Shares is expected to take half an hour after the Class Meeting for holders of H Shares of the Company. Shareholders attending the Class Meeting shall be responsible for their own travel and accommodation expenses.
8. The office address of the Company is as follows:

No. 1687 Guazhu East Road, Keqiao District
Shaoxing City
Zhejiang Province
The People's Republic of China
Post Code: 312030
Tel: 86-575-84135837
Fax: 86-575-84118792

As at the date of this announcement, the Board comprises Mr. Pang Baogen as Chairman and non-executive Director, six executive Directors, namely, Mr. Gao Lin, Mr. Gao Jun, Mr. Jin Jixiang, Mr. Xu Gang, Mr. Wang Rongbiao and Mr. Xia Feng, and four independent non-executive Directors, namely, Mr. Li Wangrong, Ms. Liang Jing, Mr. Xiao Jianmu and Mr. Fung Ching, Simon.

** For identification purposes only*

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision on whether to vote for or against the special resolution to approve the grant of the Repurchase Mandate to the Directors.

LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below. The Company is empowered by the Articles of Association to repurchase its own securities.

REGISTERED CAPITAL

As at the Latest Practicable Date, the registered capital of the Company was RMB520,756,053 comprising 350,742,053 Domestic Shares and 170,014,000 H Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM and the Class Meetings, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 17,001,400 H Shares, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant resolution.

REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

In repurchasing the H Shares, the Company may only apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC, including but not limited to surplus funds and undistributed profits of the Company.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with its position as at 31 December 2023 as disclosed in the Company's latest published audited accounts contained in the annual report for the year ended 31 December 2023. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing and in the best interests of the Company.

STATUS OF REPURCHASED H SHARES

The Listing Rules provide that the listing of all the H Shares repurchased by the Company shall automatically be cancelled and the relevant share certificates shall be cancelled and destroyed. Under the PRC laws, the H Shares repurchased by the Company will be cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled.

H SHARE PRICES

The highest and lowest prices at which the H Shares have traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

Month	H Shares	
	The Highest Price (HKD)	The Lowest Price (HKD)
In 2023		
May	4.38	4.04
June	4.20	3.97
July	4.25	3.88
August	4.17	3.95
September	4.28	3.96
October	4.12	3.91
November	4.18	3.81
December	4.78	3.92
In 2024		
January	4.72	4.10
February	4.28	3.94
March	4.10	3.95
April (up to and including the Latest Practicable Date)	5.26	4.01

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates, have any present intention to sell to the Company any of the H Shares in the Company if the Repurchase Mandate is approved at the AGM and the Class Meetings.

No connected person, as defined in the Listing Rules, has notified the Company that he or she or it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the Company has a total of 520,756,053 Shares. Mr. Pang Baogen held 193,753,054 Domestic shares (representing approximately 55.24% of the total issued Domestic Shares and approximately 37.21% of the registered capital of the Company) was the controlling shareholder (as defined under the Listing Rules) of the Company, On the basis that 520,756,053 Shares were in issue as at the Latest Practicable Date and assuming that no other Shares will be issued or repurchased by the Company on or prior to the date of the AGM and the Class Meetings, if the Repurchase Mandate is exercised in full,

- (a) the percentage interests in the Company of Mr. Pang Baogen (in terms of Domestic Shares only) would remain as approximately 55.24% of the then total issued Domestic Shares of the Company. To the best knowledge and belief of the Directors, the repurchase of H Shares will not give rise to an obligation to make a mandatory offer under the Takeovers Code;
- (b) the percentage interests in the Company of Mr. Pang Baogen would increase to approximately 38.46% of the then registered capital of the Company. To the best knowledge and belief of the Directors, such increase will not give rise to an obligation to make a mandatory offer under the Takeovers Code.

Save as aforesaid, the Directors are not aware of any consequences which will arise under either or both of the Takeovers Code and any similar applicable law as a result of any repurchases to be made under the Repurchase Mandate. Moreover, the Directors will not make share repurchase on the Stock Exchange if such repurchase would result in the requirements under Rule 8.08 of the Listing Rules not being complied with.

SECURITIES REPURCHASE MADE BY THE COMPANY

During the six months immediately preceding the Latest Practicable Date, the Company has repurchased H Shares for one time in aggregate of 128,000 H Shares, representing 0.0753% and 0.0246% respectively of the total number of H Shares and the total number of issued Shares of the Company since the passing of this special resolution. Total amount paid was HK\$560,760 (excluding transaction charges). Details of the H shares were as shown in the next day disclosure returns dated 11 April 2024 published on the website of the Stock Exchange.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Original	Amended
Content	Content
Chapter 1 General Rules	Chapter 1 General Provisions
Chapter 2 Objectives and Scope of Operation	Chapter 2 Objectives and Scope of Operation
Chapter 3 Shares and Registered Capital	Chapter 3 Shares
Chapter 4 Reduction of Capital and Repurchase of Shares	Deleted
Chapter 5 Financial Assistance for Acquiring the Shares of the Company	Deleted
Chapter 6 Share Certificate and Register of Shareholders	Deleted
Chapter 7 The Rights and Obligations of Shareholders	Chapter 4 Shareholders and General Meetings
Chapter 8 General Meeting	Deleted
Chapter 9 Special Procedures for Voting by a Class of Shareholders	Deleted
Chapter 10 Board of Directors	Chapter 5 Board of Directors
Chapter 11 Secretary to the Board of the Company	Chapter 6 Secretary to the Board of the Company
Chapter 12 General Manager of the Company	Chapter 7 General Manager and Other Senior Management Officers of the Company
Chapter 13 Supervisory Committee	Chapter 8 Supervisory Committee
Chapter 14 Qualifications and Obligations of Directors, Supervisors, General Manager, Deputy General Manager and Other Senior Management Officers of the Company	Deleted
Chapter 15 Financial and Accounting System and Profit Distribution	Chapter 9 Financial and Accounting System and Profit Distribution
Chapter 16 Appointment of Accounting firm	Chapter 10 Appointment of Accounting firm
Chapter 17 Insurance	Chapter 11 Insurance
Chapter 18 Labor and Personnel Management Systems	Chapter 12 Labor and Personnel Management Systems
Chapter 19 Trade Union	Chapter 13 Trade Union
Chapter 20 Merger and Demerger of the Company	Chapter 14 Merger, Demerger, Capital Increase and Capital Reduction of the Company
Chapter 21 Dissolution and Liquidation of the Company	Chapter 15 Dissolution and Liquidation of the Company
Chapter 22 Procedures for Amendments to the Articles of Association	Chapter 16 Procedures for Amendments to the Articles of Association
Chapter 23 Settlement of Disputes	Deleted
Chapter 24 Notices	Chapter 17 Notices
Chapter 25 Supplementary Articles	Chapter 18 Supplementary Articles

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
1	<p>Footnote: In the margin notes to the provisions of the Articles of Association, “Mandatory Provisions” refer to the “Mandatory Provisions for Articles of Association of Companies to be Listed Overseas” jointly promulgated by the State Council Securities Policy Committee and the State Restructuring Commission; the “Listing Rules” refers to the “Listing Rules” issued by The Stock Exchange of Hong Kong Limited; the “Opinions” refers to the “Opinion on the Further Promotion of the Regular Operation and In-Depth Reform of Companies Listed Overseas” jointly issued by the State Economic and Trade Commission and the China Securities Regulatory Commission (“CSRC”); the “Practice Guidelines for Company Secretaries” refers to the “Practice Guidelines for Company Secretaries of Companies to be Listed Overseas” promulgated by CSRC; the “Company Law” refers to the amendment to the “Company Law of the People’s Republic of China” amended on 26 October 2018 ; “Reply to Adjustment Request” refers to No. 97 National Circular [2019] “the State Council Reply to Adjustment of Regulations of the Notice Period for Convening Shareholders Meetings of Overseas-listed Companies”.</p>	<p>Footnote: In the margin notes to the provisions of the Articles of Association, “Guidelines on Articles of Association” refer to the “Guidelines on Articles of Association of Listed Companies” promulgated by the China Securities Regulatory Commission (“CSRC”); the “Listing Rules” refer to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited promulgated by The Stock Exchange of Hong Kong Limited; the “Company Law” refers to the “Company Law of the People’s Republic of China”.</p>
	<p>Chapter 1 General Rules</p>	<p>Chapter 1 General Provisions</p>
		<p>Article 1 In order to protect the legal rights and interests of the Company, its shareholders and creditors, and to regulate the organisation and activities of the Company, the Articles of Association are formulated 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”), “Guidelines on Articles of Association of Listed Companies” (“Guidelines on Articles of Association”) and other relevant laws, administrative regulations and rules of the State.</p> <p>(Article 1 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
2	<p>Article 1 The Company is a foreign investment joint stock company established in accordance with the “Company Law of the People’s Republic of China”, “Rules of the State Council on the Overseas Issuance and Listings”, “Provisional Regulations Concerning Certain Issues on the Establishment of Foreign Investment Joint Stock Company Limited” and other relevant laws and administrative regulations of the State.</p> <p>Upon the approval of Zhe Shang Shi [2002] No. 53 issued by the People’s Government of Zhejiang Province, the Company was established by way of the conversion from the original Baoye Construction Group Co., Ltd. into a joint stock limited company, and registered with Zhejiang Administration for Industry & Commerce from which it obtained the corporate business license (license number: 3300001008966) on 30 August 2002.</p> <p>Upon the approval of Zheng Jian Guo He Zi [2003] No. 1 issued by CSRC, the Company issued 180,684,000 H shares which were listed on The Stock Exchange of Hong Kong Limited on 30 June 2003. On 28 July 2004, the Ministry of Commerce approved the Company to change into a foreign investment joint stock company by the way of issuing approval document Shang Zi Pi [2004] No. 119.</p> <p>Upon the approval of Zheng Jian Guo He Zi [2004] No. 45 issued by CSRC, the Company issued 36,136,800 H shares which were listed on The Stock Exchange of Hong Kong Limited on 23 January 2005.</p> <p>Upon the approval of Zheng Jian Guo He Zi [2005] No. 30 issued by CSRC, the Company issued 43,364,160 H shares which were listed on The Stock Exchange of Hong Kong Limited on 14 December 2005.</p> <p>Upon the approval of Zheng Jian Guo He Zi [2007] No. 1 issued by CSRC, the Company issued 52,036,992 H shares which were listed on The Stock Exchange of Hong Kong Limited on 2 February 2007.</p> <p>The Promoters of the Company are Pang Baogen, Gao Jiming, Sun Guofan, Gao Jiqian, Sun Yongxiang, Gao Lin, Zhou Hanwan, Xu Jianbiao, Wang Rongfu, Wu Xianfu, Pang Baisong, Gao Jun, Lou Zhonghua, Wu Zhanglin, Wang Jianguo, Yuan Ajin, Tang Liping, Hu Jilian, Xia Weimin, Xia Yahong, Wang Rongbiao, Jin Jixiang, Sun Guoxun, Xie Baojin, Xia Huihua, Wang Jianhua, Wang Liequan, Chen Baorong, Chen Lianlu, Feng Yunfa, Qiu Shuifu.</p> <p>(Article 1 of the Mandatory Provisions)</p>	<p>Article 2 The Company (the “Company”) is a foreign investment joint stock company established in accordance with the “Company Law of the People’s Republic of China” and other relevant laws and administrative regulations of the State.</p> <p>Upon the approval of Zhejiang Listing [2002] No. 53 issued by the People’s Government of Zhejiang Province, the Company was established by way of promotion through conversion from the original Baoye Construction Group Co., Ltd. into a joint stock limited company, and registered with the Zhejiang Provincial Administration for Market Regulation from which it obtained the corporate business license (unified social credit code: 91330000726606415Y).</p> <p>Upon the approval of Zheng Jian Guo He Zi [2003] No. 1 issued by CSRC, the Company issued 180,684,000 H shares for the first time, which were listed on The Stock Exchange of Hong Kong Limited on 30 June 2003. On 28 July 2004, the Ministry of Commerce approved the Company to change into a foreign investment joint stock limited company by the way of issuing approval document Shang Zi Pi [2004] No. 119.</p> <p>(Article 2 and 3 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
3	<p>Article 2 The registered name of the Company: Chinese: 寶業集團股份有限公司 English: Baoye Group Company Limited</p> <p>(Article 2 of the Mandatory Provisions)</p>	<p>Article 3 The registered name of the Company: Chinese: 寶業集團股份有限公司 English: Baoye Group Company Limited</p> <p>(Article 4 of Guidelines on Articles of Association)</p>
4	<p>Article 3 Residence of the Company: No. 228 Yangxun Road, Yangxunqiao Subdistrict, Keqiao District, Shaoxing City, Zhejiang Province Postal Code: 312028 Telephone No.: 0575-84111090 Facsimile No.: 0575-84118792</p> <p>(Article 3 of the Mandatory Provisions)</p>	<p>Article 4 Residence of the Company: No. 228 Yangxun Road, Yangxunqiao Subdistrict, Keqiao District, Shaoxing City, Zhejiang Province Postal Code: 312028</p> <p>(Article 5 of Guidelines on Articles of Association)</p>
		<p>Article 5 The registered capital of the Company is RMB520,756,053.</p> <p>(Article 6 of Guidelines on Articles of Association)</p>
5	<p>Article 4 The chairman of the board of the Company shall be the legal representative of the Company.</p> <p>(Article 4 of the Mandatory Provisions)</p>	<p>Article 6 The chairman of the board (“Board”) of directors (“Directors”) is the legal representative of the Company.</p> <p>(Article 8 of Guidelines on Articles of Association)</p>
6	<p>Article 5 The Company shall be a perpetual joint stock limited company.</p> <p>(Article 5 of the Mandatory Provisions)</p> <p>The Company is an independent legal entity and is governed and protected by the laws and administrative regulations of the People’s Republic of China.</p>	<p>Article 7 The Company is a joint stock company with limited liabilities in perpetual existence.</p> <p>(Article 7 of Guidelines on Articles of Association)</p> <p>The Company is an independent legal entity and is governed and protected by the laws and administrative regulations of the People’s Republic of China (“PRC”).</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
7	<p>Article 6 Pursuant to the “Company Law of the People’s Republic of China” (“Company Law”) “the PRC Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (“Special Regulations”), “Mandatory Provisions for Articles of Association of Companies to be Listed Overseas” (“Mandatory Provisions”) and the relevant provisions of other laws and administrative regulations of the State, the Articles of Association passed in the general meeting on 25 August 2002 (the “Original Articles of Association”) and were amended by the Company in the extraordinary general meetings held on 3 September 2002 and the annual general meetings held on 30 June 2004, 20 May 2005, 1 June 2006, 25 June 2007, 15 June 2012, 14 June 2014, 15 June 2016, 13 June 2017, 11 June 2021 and 14 June 2022 pursuant to which these Articles of Association (“these Articles of Association”) were formulated.</p>	Deleted
8	<p>Article 7 The Original Articles of Association came into effect when registration formalities with Zhejiang Administration for Industry & Commerce were completed.</p> <p>These Articles of Association took effect after approval was granted by the companies approving department authorised by the State Council. The Original Articles of Association shall be replaced by these Articles of Association once effective.</p> <p>The Company shall, within the period stipulated by laws and administrative regulations, process the registration of changing statutory registered items due to the amendment to the Original Articles of Association.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
9	<p>Article 8 From the date of the Articles of Association becoming effective, the Articles of Association constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders.</p> <p>(Article 6 of the Mandatory Provisions)</p>	<p>Article 8 Since the date of the Articles of Association becoming effective, the Articles of Association shall constitute a legally binding document regulating the Company's organisation and activities, and the rights and obligations between the Company and its shareholders and between shareholders inter se, and is binding upon the Company, shareholders, Directors, supervisors and senior management. The Articles of Association are actionable by shareholders against each other, by a shareholder against the directors, supervisors, general manager and other senior management, by a shareholder against the Company and by the Company against the directors, supervisors, general manager and other senior management.</p> <p>(Article 10 of Guidelines on Articles of Association)</p>
10	<p>Article 9 The Articles of Association are binding on the Company and its shareholders, directors, supervisors, general manager, deputy general manager and other senior management officers; all of whom are entitled to claim rights concerning the affairs of the Company in accordance with these Articles.</p> <p>The Articles of Association are actionable by a shareholder against the Company and vice versa, by shareholders against each other, by a shareholder against the directors, supervisors, general manager, deputy general manager and other senior management officers of the Company.</p> <p>The aforesaid proceedings include lodging a lawsuit in a court or applying for an arbitration in an arbitration institution.</p> <p>(Article 7 of the Mandatory Provisions)</p>	Deleted
11	<p>Article 10 The Company may invest in other corporates. However, the Company shall not be an investor of a corporate where it assumes joint liability of the debts of such corporate.</p> <p>(Article 8 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
12	<p>Article 11 The entire capital of the Company is divided into shares of equal value and shareholders of the Company shall be liable to the Company to the extent of the shares held by them. The Company shall be liable for its debts with all its assets.</p>	<p>Article 9 All of the assets of the Company are divided into shares of equal par value. The shareholders are responsible for the Company to the limit of the shares they have subscribed for. The Company is responsible for its debts to the limit of all of its assets.</p> <p>(Article 9 of Guidelines on Articles of Association)</p>
13	<p>Article 12 On condition of compliance with the laws and administrative regulations of the PRC, the Company has the power to raise and borrow money, which power to raise money includes issuing bonds of the Company, mortgage or pledge of part or all of the Company’s business or properties and other rights permitted by the PRC laws and administrative regulations.</p> <p>Pursuant to the decision made in the general meeting, the board of the Company may process the aforesaid raising or borrowing after obtaining the approvals from the relevant departments of the government.</p>	Deleted
		<p>Article 10 The term “other senior management” in these Articles of Association shall refer to the deputy general manager, the secretary to the Board of Directors and financial controller of the Company.</p> <p>(Article 11 of Guidelines on Articles of Association)</p>
	Chapter 2 Objectives and Scope of Operation	Chapter 2 Objectives and Scope of Operation
14	<p>Article 13 The objectives of the operation of the Company are: Being technology-oriented, taking innovation as its foundation, and aiming at becoming a leader among industry peers in the State, to stand firm in the domestic market, to actively develop the overseas markets, to safeguard the fundamental interests of the investors, to achieve a fast, stable and healthy development of the Company.</p> <p>(Article 9 of the Mandatory Provisions)</p>	<p>Article 11 The objectives of the operation of the Company are: Being technology-oriented, taking innovation as its foundation, and aiming at becoming a leader among industry peers in the State, to stand firm in the domestic market, to actively develop the overseas markets, to safeguard the fundamental interests of the investors, to achieve a fast, stable and healthy development of the Company.</p> <p>(Article 13 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
15	<p>Article 14 The scope of operation of the Company shall be subject to the items authorised by the companies registration authority of the People’s Republic of China.</p> <p>The scope of operation of the Company includes: general contracting of construction works; equipment installation; research, development, production and sales of new building materials; research, development and technical extension services of high-technology products; Industrial investments; internal asset management within the group.</p> <p>(Article 10 of the Mandatory Provisions)</p>	<p>Article 12 The scope of operation of the Company shall be subject to the items authorised by the companies registration authority of the PRC.</p> <p>The scope of operation of the Company includes: general contracting of construction works; equipment installation; research, development, production and sales of new building materials; research, development and technical extension services of high-technology products; Industrial investments; internal asset management within the group.</p> <p>(Article 14 of Guidelines on Articles of Association)</p>
16	<p>Article 15 The Company may, according to the changes in the domestic and overseas markets, the demand for the domestic and overseas business and its ability of development, and upon the resolution adopted by the general meeting and approved by the relevant governing authority of the State, adjust its scope of operation or investment orientation and methods, etc.</p>	<p>Article 13 The Company may, according to the relevant laws and regulations, the changes in the domestic and overseas markets, the demand for the domestic and overseas business and its ability of development, and upon the resolution adopted by the general meeting, adjust its scope of operation or investment orientation and methods, etc.</p>
17	<p>Article 16 There must at all times be ordinary shares in the Company. Subject to the approval from the companies-approving department authorised by the State Council, the Company may create other classes of shares according to its needs.</p> <p>(Article 11 of the Mandatory Provisions)</p>	Deleted
	Chapter 3 Shares and Registered Capital	Chapter 3 Shares
		Section 1 Issuance of Shares
18	<p>Article 17 The shares issued by the Company shall have a nominal value of RMB1.00 per share.</p> <p>The aforesaid RMB refers to the lawful currency of the People’s Republic of China.</p> <p>(Article 12 of the Mandatory Provisions)</p>	Deleted
		<p>Article 14 The shares of the Company shall take the form of share certificates.</p> <p>(Article 15 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 15 The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights.</p> <p>All shares of the same class issued at the same time shall be issued under the same conditions and at the same price; the same price shall be paid for each share subscribed for by any entity or individual.</p> <p>(Article 16 of Guidelines on Articles of Association)</p>
		<p>Article 16 The shares issued by the Company shall have a nominal value of RMB1.00 per share.</p> <p>The aforesaid RMB refers to the lawful currency of the PRC.</p> <p>(Article 17 of Guidelines on Articles of Association)</p>
19	<p>Article 18 Subject to the approval from the securities governing authority under the State Council, the Company may issue shares to domestic investors and foreign investors.</p> <p>The aforesaid overseas investors refer to the investors from foreign countries and the regions of Hong Kong Special Administrative Region of the People’s Republic of China, Macau Special Administrative Region of the People’s Republic of China, and Taiwan who subscribe for the shares issued by the Company; domestic investors refer to the investors within the People’s Republic of China other than those investors from the aforesaid regions who subscribed for the shares issued by the Company.</p> <p>(Article 13 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
20	<p>Article 19 The ordinary shares issued by the Company include domestic shares and foreign shares. Shares issued by the Company to domestic investors for subscription in RMB shall be referred to as domestic shares. Shares issued by the Company to foreign investors for subscription in foreign currencies shall be referred to as foreign shares. Foreign shares which are listed overseas are called overseas listed foreign shares.</p> <p>The aforesaid foreign currencies refer to the lawful currencies (apart from RMB) of other countries or regions which are recognized by the foreign exchange control authority of the State and could be used to pay the Company for the shares.</p> <p>(Article 14 of the Mandatory Provisions)</p>	Deleted
21	<p>Article 20 Foreign shares issued by the Company and listed in Hong Kong shall be called as H shares. H Shares are shares which have been approved by the relevant departments of the State and admitted for listing on The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”), the nominal value of which is denominated in RMB and which are subscribed for and traded in Hong Kong dollars.</p>	<p>Article 17 “H shares” are overseas listed shares issued by the Company and listed on The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”), the par value of which is denominated in RMB and which are subscribed for and traded in Hong Kong dollars.</p> <p>Shares issued by the Company which are not listed on domestic or overseas stock exchanges are referred to as unlisted shares. Shareholders of the unlisted shares of the Company may convert their unlisted shares into overseas listed shares and have them listed and circulated on overseas stock exchanges, but shall comply with the relevant regulations of the CSRC and entrust the Company to do the filing with the CSRC. The aforesaid shares that are listed and circulated on the overseas stock exchanges shall also comply with the regulatory procedures, regulations and requirements of the domestic and overseas securities markets.</p> <p>Among the shares issued by the Company, the unlisted shares shall be centrally registered and deposited with a domestic securities registration and clearing institution, and the registration and clearing arrangements for overseas listed shares shall be subject to the regulations of the place where the Company’s shares are listed.</p> <p>(Article 18 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended																																																																																																																																			
		<p>Article 18 The total number of shares issued by the Company when it was converted into a joint stock limited company as a whole is 350,742,053; the name of each promoter, total number of shares held, method of capital contribution and time of capital contribution are as follows:</p>																																																																																																																																			
		<table border="1"> <thead> <tr> <th data-bbox="836 442 986 538">Name of promoter</th> <th data-bbox="986 442 1107 538">Total number of shares held</th> <th data-bbox="1107 442 1227 538">Method of capital contribution</th> <th data-bbox="1227 442 1367 538">Time of capital contribution</th> </tr> </thead> <tbody> <tr><td>Pang Baogen</td><td>198,753,054</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Gao Jiming</td><td>13,024,647</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Sun Guofan</td><td>11,705,283</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Gao Jiqian</td><td>11,602,611</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Sun Yongxiang</td><td>10,677,864</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Gao Lin</td><td>9,544,775</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Zhou Hanwan</td><td>8,233,510</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Xu Jianbiao</td><td>7,524,884</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wang Rongfu</td><td>7,147,039</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wu Xianfu</td><td>7,141,108</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Pang Baisong</td><td>5,942,846</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Gao Jun</td><td>5,794,259</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Lou Zhonghua</td><td>5,633,172</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wu Zhanglin</td><td>5,500,592</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wang Jianguo</td><td>5,250,290</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Yuan Ajin</td><td>4,803,572</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Tang Liping</td><td>3,621,316</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Hu Jilian</td><td>3,304,596</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Xia Weimin</td><td>3,214,391</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Xia Yahong</td><td>3,056,111</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wang Rongbiao</td><td>2,647,911</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Jin Jixiang</td><td>2,440,527</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Sun Guoxun</td><td>2,202,022</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Xie Baojin</td><td>1,972,127</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Xia Huihua</td><td>1,918,240</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wang Jianhua</td><td>1,641,473</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Wang Liequan</td><td>1,641,473</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Chen Baorong</td><td>1,498,370</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Chen Lianlu</td><td>1,395,953</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Feng Yunfa</td><td>1,206,553</td><td>Net assets</td><td>2002.8.30</td></tr> <tr><td>Qiu Shuifu</td><td>701,484</td><td>Net assets</td><td>2002.8.30</td></tr> </tbody> </table>	Name of promoter	Total number of shares held	Method of capital contribution	Time of capital contribution	Pang Baogen	198,753,054	Net assets	2002.8.30	Gao Jiming	13,024,647	Net assets	2002.8.30	Sun Guofan	11,705,283	Net assets	2002.8.30	Gao Jiqian	11,602,611	Net assets	2002.8.30	Sun Yongxiang	10,677,864	Net assets	2002.8.30	Gao Lin	9,544,775	Net assets	2002.8.30	Zhou Hanwan	8,233,510	Net assets	2002.8.30	Xu Jianbiao	7,524,884	Net assets	2002.8.30	Wang Rongfu	7,147,039	Net assets	2002.8.30	Wu Xianfu	7,141,108	Net assets	2002.8.30	Pang Baisong	5,942,846	Net assets	2002.8.30	Gao Jun	5,794,259	Net assets	2002.8.30	Lou Zhonghua	5,633,172	Net assets	2002.8.30	Wu Zhanglin	5,500,592	Net assets	2002.8.30	Wang Jianguo	5,250,290	Net assets	2002.8.30	Yuan Ajin	4,803,572	Net assets	2002.8.30	Tang Liping	3,621,316	Net assets	2002.8.30	Hu Jilian	3,304,596	Net assets	2002.8.30	Xia Weimin	3,214,391	Net assets	2002.8.30	Xia Yahong	3,056,111	Net assets	2002.8.30	Wang Rongbiao	2,647,911	Net assets	2002.8.30	Jin Jixiang	2,440,527	Net assets	2002.8.30	Sun Guoxun	2,202,022	Net assets	2002.8.30	Xie Baojin	1,972,127	Net assets	2002.8.30	Xia Huihua	1,918,240	Net assets	2002.8.30	Wang Jianhua	1,641,473	Net assets	2002.8.30	Wang Liequan	1,641,473	Net assets	2002.8.30	Chen Baorong	1,498,370	Net assets	2002.8.30	Chen Lianlu	1,395,953	Net assets	2002.8.30	Feng Yunfa	1,206,553	Net assets	2002.8.30	Qiu Shuifu	701,484	Net assets	2002.8.30			
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Wang Liequan	1,641,473	Net assets	2002.8.30																																																																																																																																		
Chen Baorong	1,498,370	Net assets	2002.8.30																																																																																																																																		
Chen Lianlu	1,395,953	Net assets	2002.8.30																																																																																																																																		
Feng Yunfa	1,206,553	Net assets	2002.8.30																																																																																																																																		
Qiu Shuifu	701,484	Net assets	2002.8.30																																																																																																																																		
		<p>(Article 19 of Guidelines on Articles of Association)</p>																																																																																																																																			

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
22	<p>Article 21 As approved by the companies-approving department authorised by the State Council, the Company has a total of 520,756,053 ordinary shares in issue, of which 350,742,053 shares were issued to the promoters upon incorporation, representing 67.3525% of the total issued ordinary shares of the Company.</p> <p>(Article 15 of the Mandatory Provisions)</p>	<p>Article 19 The total number of shares issued by the Company is 520,756,053 shares, comprising 170,014,000 H shares and 350,742,053 unlisted shares, representing 32.6475% and 67.3525% of the total issued ordinary shares of the Company respectively.</p> <p>(Article 20 of Guidelines on Articles of Association)</p>
		<p>Article 20 The Company or its subsidiaries (including associated entities of the Company) shall not, by way of a gift, advance, guarantee, compensation, loans or otherwise, provide any assistance to a person who purchases or intends to purchase its own shares.</p> <p>(Article 21 of Guidelines on Articles of Association)</p>
23	<p>Article 22 Upon its incorporation, the Company further issued 170,014,000 ordinary shares, all being H shares, representing 32.6475% of the total issued ordinary shares of the Company.</p> <p>The existing structure of the share capital of the Company is as follows: the total number of ordinary shares in issue is 520,756,053 shares, whereas domestic share holders holding 350,742,053 shares and H share holders holding 170,014,000 shares.</p> <p>(Article 16 of the Mandatory Provisions)</p> <p>(Rule 9 of Appendix 3 to the Listing Rules)</p>	Deleted
24	<p>Article 23 Upon the approval of the proposal to issue overseas listed foreign shares and domestic shares by the securities governing authority under the State Council, the board of the Company may make separate implementing arrangements for their issuance.</p> <p>The abovementioned proposal to issue overseas listed foreign shares and domestic shares by the Company may be implemented within 15 months from the date of obtaining approval from CSRC respectively.</p> <p>(Article 17 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
25	<p>Article 24 The Company shall issue the total amount of overseas listed foreign shares and domestic shares as stipulated in the issuance proposal on a one-off basis. If, under special conditions, the Company could not issue all the shares on a one-off basis, the Company may carry out several issuances after obtaining approval from the securities regulatory authority under the State Council.</p> <p>(Article 18 of the Mandatory Provisions)</p>	Deleted
26	<p>Article 25 The registered capital of the Company shall be RMB520,756,053.</p> <p>(Article 19 of the Mandatory Provisions)</p>	Deleted
		Section 2 Increase, Decrease and Buyback of Shares
27	<p>Article 26 Subject to its needs of operation and development, the Company may increase its capital in accordance with the approval of the relevant provisions of these Articles of Association.</p> <p>The Company may adopt the following methods to increase the capital:</p> <ol style="list-style-type: none"> (1) issuing new shares to unspecified investors; (2) placing new shares to the existing shareholders; (3) distributing new shares to the existing shareholders; (4) other ways permitted by laws and administrative regulations. <p>Increase in capital of the Company by way of an issue of new shares shall be proceeded in accordance with the relevant laws and administrative regulations of the State, and subject to the approval by these Articles of Association.</p> <p>(Article 20 of the Mandatory Provisions)</p>	<p>Article 21 Based on its operation and development needs, in accordance with the laws, regulations and the Rules Governing the Listing of Securities on the Main Board of the Hong Kong Stock Exchange, and subject to the resolution at the shareholder’s general meeting, the Company may increase its capital in the following manners:</p> <ol style="list-style-type: none"> (1) a public offering of shares; (2) a private placement of shares; (3) bonus issue to existing shareholders; (4) converting the reserve fund into share capital; (5) any other means stipulated in the laws and administrative regulations, and approved by the CSRC. <p>(Article 22 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
28	<p>Article 27 Unless otherwise specified by the laws and administrative regulations, the shares of the Company may be freely transferable without carrying any lien.</p> <p>Directors, supervisors, senior management officers of the Company shall report to the Company about the shares of the Company held by them and any changes thereof, and shall not transfer more than 25% of the total number of shares held by them during their term of office, while shares of the Company held by them must not be transferred within one year commencing from the date on which the shares of the Company were listed. The aforesaid persons shall not transfer the shares of the Company held by them within six months commencing from the termination of their service.</p> <p>(Article 21 of the Mandatory Provisions)</p> <p>(Rule 1(2) of Appendix 3 to the Listing Rules)</p>	Deleted
29	<p>Article 28 The issuance or the subsequent transfer of all H shares shall be registered in the part of the register of shareholders maintained in Hong Kong pursuant to Article 46.</p>	Deleted
30	<p>Article 29 Any H share holder may transfer all or part of his shares by using any written instrument of transfer commonly used in Hong Kong. The instruments of transfer shall be signed by both transferor and the transferee or bearing machine printed signatures.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
31	<p>Article 30 The Company shall ensure that all its H shares include the statements stipulated below and must instruct and cause its share registrar to refuse the registration by any person as a holder of the subscription, purchase or transfer of any of its shares unless and until such person delivers to such share registrar a signed form in respect of such shares bearing statements to the following effect:</p> <p>(1) the acquirer agrees with the Company and each shareholder of the Company, and the Company also agrees with each shareholder, to observe and comply with the Company Law and other relevant laws, administrative regulations and these Articles of Association;</p> <p>(2) the acquirer agrees with the Company, each shareholder, director, supervisor and management officer of the Company and the Company on behalf of itself and of each director, supervisor and management officer agrees with each shareholder to refer all disputes and claims arising from these Articles of Association or any rights or obligations incident with or regulated by the Company Law and other relevant laws and administrative regulations to arbitration in accordance with these Articles of Association. Any reference to arbitration shall be deemed to authorize the arbitration to conduct the hearing in open session and to publish the award;</p> <p>(3) the acquirer agrees with the Company and each shareholder of the Company that the shares of the Company are freely transferable by the holder(s);</p> <p>(4) the acquirer authorizes the Company on his behalf to enter into a contract with each director and management officer of the Company and such directors and management officers shall undertake to observe and comply with their obligations to shareholders stipulated in these Articles of Association.</p>	Deleted
32	<p>Article 31 The H shares of the Company are listed on the Hong Kong Stock Exchange.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 4 Reduction of Capital and Repurchase of Shares	Deleted
33	<p>Article 32 The Company may reduce its registered capital pursuant to the provisions of these Articles of Association.</p> <p>(Article 22 of the Mandatory Provisions)</p>	<p>Article 22 The Company may reduce its registered capital. The reduction in registered capital shall be made in accordance with the procedures stipulated in the Company Law, the Listing Rules, other applicable regulations and the Articles of Association.</p> <p>(Article 23 of Guidelines on Articles of Association)</p>
34	<p>Article 33 When the Company reduces its registered capital, it shall draw up a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within ten days from the date of the Company’s resolution for reduction of registered capital and shall publish an announcement in a newspaper within thirty days from the date of such resolution. A creditor has the right, within thirty days of receiving the notice from the Company or, in the case of a creditor who has not received the notice, within 45 days from the date of the announcement, to require the Company to repay its debts or provide corresponding guarantee for such debts.</p> <p>The registered capital of the Company after reduction shall not be less than the minimum statutory amount.</p> <p>(Article 23 of the Mandatory Provisions)</p>	<p>Article 23 When the Company reduces its registered capital, it shall draw up a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within ten days from the date of the Company’s resolution for reduction of registered capital and shall publish an announcement in a newspaper within thirty days from the date of such resolution. A creditor has the right, within thirty days of receiving the notice from the Company or, in the case of a creditor who has not received the notice, within forty-five days from the date of the announcement, to require the Company to repay its debts or provide corresponding guarantee for such debts.</p> <p>The registered capital of the Company after reduction shall not be less than the minimum statutory amount.</p> <p>(Article 177 of the Company Law)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
35	<p>Article 34 The Company, in accordance with the laws, administrative regulations, departmental regulations and the provisions of these Articles, may repurchase the shares of the Company in the following circumstances:</p> <ol style="list-style-type: none"> (1) to reduce the Company’s registered capital; (2) to merge with another company which holds shares of the Company; (3) to utilise the shares for employee share ownership plan or as share incentive plan; (4) where the shareholders disagree to the resolutions on the merger or demerger of the Company made in the general meeting and request the Company to repurchase their shares; (5) to convert the shares as convertible corporate bonds issued by the listed company; (6) where it is necessary for the company to maintain its corporate value and shareholders’ rights; (7) Other circumstances approved by laws, administrative regulations and relevant state authorities. <p>Except for the above circumstances, the company may not purchase the company’s shares. The Company shall not accept the shares of the Company as the subject of pledge.</p> <p>(Article 142 of the Company Law)</p> <p>Where the Company has the power to repurchase redeemable shares:</p> <ol style="list-style-type: none"> (1) repurchases not made through the market or by tender shall be limited to a maximum price; (2) If repurchases are by tender, the Company shall provide the tender proposals to all shareholders alike. <p>(Rule 8 of Appendix 3 to the Listing Rules)</p>	<p>Article 24 The Company shall not repurchase its shares, except under any of the following circumstances:</p> <ol style="list-style-type: none"> (1) to reduce the Company’s registered capital; (2) to merge with another company which holds shares of the Company; (3) to utilise the shares for employee stock ownership plan or as equity incentives; (4) where the shareholders disagree to the resolutions on the merger or demerger of the Company made in the general meeting and request the Company to repurchase their shares; (5) to convert the shares as convertible corporate bonds issued by the listed company; (6) where it is necessary for the Company to maintain its corporate value and shareholders’ rights; (7) Other circumstances stipulated by laws and administrative regulations and approved by relevant state authorities. <p>(Article 24 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
36	<p>Article 35 The Company may, with the approval of the relevant governing authority of the State for repurchasing its shares, conduct the repurchase in one of the following ways:</p> <ol style="list-style-type: none"> (1) making a pro rata general offer of repurchase to all its shareholders; (2) repurchase through public dealing on a stock exchange; (3) repurchase by an off-market agreement outside a stock exchange; (4) other ways recognized by the securities governing authority under the State Council. <p>The Company’s repurchase of its own shares under the circumstance as stipulated in (3), (5) or (6) of Paragraph 1, Article 34 of this Article of Associate shall be conducted by an open and centralized transaction method or methods permitted by laws, administrative regulations, departmental rules, other regulatory documents, and the securities regulatory authority in the place where the company’s shares are listed.</p> <p>(Article 25 of the Mandatory Provisions)</p>	<p>Article 25 The Company may repurchase its shares through public and centralised trading or other methods permitted by laws, administrative regulations, the CSRC and the Hong Kong Stock Exchange.</p> <p>(Article 25 of Guidelines on Articles of Association)</p>
37	<p>Article 36 Where the Company repurchases its shares by an off-market agreement outside a stock exchange, the prior sanction of general meeting shall be obtained in accordance with these Articles of Association. The Company may release or vary a contract so entered into in such manner or waive any right thereunder with the prior approval of general meeting obtained in the same manner.</p> <p>The aforesaid contract for repurchasing shares includes but not limited to an agreement to become obliged to repurchase shares or to acquire the right to repurchase shares.</p> <p>A contract for the Company to repurchase its shares or any rights thereunder shall not be assignable.</p> <p>(Article 26 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
38	<p>Article 37 Repurchase of the Company’s shares for reasons set out in (1), (2) of Paragraph 1, Article 34 of the Articles of Association shall be subject to resolution at a general meeting; repurchase of the Company’s shares in circumstances as provided in (3), (5) and (6) of Paragraph 1, Article 34 of the Articles of Association shall be resolved by more than two-thirds of the directors present at the board meeting.</p> <p>Unless otherwise stated in applicable rules governing the listing of securities or other laws and regulations on securities, after the Company has repurchased its shares in accordance with Article 34 of the Articles of Association, such shares shall be cancelled within 10 days after repurchase in the circumstance set out in (1) of Paragraph 1, or shall be transferred or cancelled within six months under circumstances set out in (2) and (4) of Paragraph 1; total shares held by the Company shall not exceed 10% of the total issued shares of the Company under the circumstances set out in (3), (5) and (6) of Paragraph 1, and such shares shall be transferred or cancelled within 3 years.</p> <p>The Company shall make an application to its original company’s registration authority to alter the registration on its registered capital after shares cancellation.</p> <p>The Company shall deduct the total nominal value of the shares cancelled from its registered capital.</p> <p>(Article 27 of the Mandatory Provisions, Article 142 of the Company Law)</p>	<p>Article 26 Repurchase of the Company’s shares for reasons set out in (1), (2) of Article 24 of the Articles of Association shall be subject to resolution at a general meeting; repurchase of the Company’s shares in circumstances as provided in (3), (5) and (6) of Article 24 of the Articles of Association shall be resolved by two-thirds or more of the Directors present at the board meeting.</p> <p>Unless otherwise stated in the Listing Rules or other laws and regulations on securities, after the Company has repurchased its shares in accordance with Article 24 of the Articles of Association, such shares shall be cancelled within 10 days after repurchase in the circumstance set out in (1), or shall be transferred or cancelled within six months under circumstances set out in (2) and (4); total shares held by the Company shall not exceed 10% of the total issued shares of the Company under the circumstances set out in (3), (5) and (6), and such shares shall be transferred or cancelled within 3 years.</p> <p>(Article 26 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
39	<p>Article 38 Unless the Company is in the course of liquidation, it must comply with the following provisions in relation to repurchase of its issued shares:</p> <p>(1) where the Company repurchases its shares at nominal value, payment shall be made out of book surplus distributable profits of the Company or out of proceeds from the issue of new shares made for that purpose;</p> <p>(2) where the Company repurchases its shares at a premium to its nominal value, payment up to the nominal value may be made out of the book surplus distributable profits of the Company or out of the proceeds from the issue of new shares made for that purpose. Payment of the portion in excess of the nominal value shall be effected as follows:</p> <p>1. if the shares being repurchased were issued at nominal value, payment shall be made out of the book surplus distributable profits of the Company;</p> <p>2. if the shares being repurchased were issued at a premium to its nominal value, payment shall be made out of the book surplus distributable profits of the Company or out of the proceeds from the issue of new shares made for that purpose, provided that the amount paid out of the proceeds from the issue of new shares shall not exceed the aggregate of premiums received by the Company on the issue of the shares repurchased or the current amount (including the premiums on the issue of new shares) of the Company's premium account at the time of the repurchase;</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(3) payment by the Company in consideration of the following shall be made out of the Company's distributable profits:</p> <ol style="list-style-type: none"> 1. acquisition of rights to repurchase its shares; 2. variation of any contract to repurchase its shares; 3. release of any of its obligation under any contract to repurchase its shares; <p>(4) after the Company's registered capital has been reduced by the total nominal value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits for paying up the nominal value portion of the shares repurchased shall be transferred to the Company's premium account.</p> <p>(Article 28 of the Mandatory Provisions)</p>	
	<p>Chapter 5 Financial Assistance for Acquiring the Shares of the Company</p>	Deleted
40	<p>Article 39 The Company and its subsidiaries shall not, by any means and at any time, provide any kind of financial assistance to any person who acquired or proposed to acquire shares in the Company. The said acquirer of shares in the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares in the Company.</p> <p>The Company or its subsidiaries shall not, by any means and at any time, provide financial assistance to the obligor as referred to in the preceding paragraph for the purpose of reducing or discharging the obligations assumed by that person.</p> <p>This Article shall not apply to the circumstances specified in Article 41.</p> <p>(Article 29 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
41	<p>Article 40 For the purpose of this Chapter, “financial assistance” includes but not limited to the following meanings:</p> <p>(1) gift;</p> <p>(2) guarantee (including the assumption of liability or provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (other than compensation in respect of the Company’s own default) or discharge or waiver of any rights;</p> <p>(3) provision of loan or conclusion of any other contract under which the obligations of the Company are to be fulfilled before the obligations of another party, or the novation of, or the assignment of rights arising under, such loan or contract;</p> <p>(4) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.</p> <p>For the purpose of this Chapter, “incurring any obligations” includes the incurring of obligations by the changing of the obligor’s financial position by way of contract or the making of arrangement (whether enforceable or not, and whether made on his own account or with any other persons), or by any other means.</p> <p>(Article 30 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
42	<p>Article 41 The following activities shall not be deemed to be prohibited by Article 39 of this Chapter:</p> <ol style="list-style-type: none"> (1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interests of the Company, and the principal purpose of giving such financial assistance is not for the acquisition of shares in the Company, or the giving of such financial assistance is an incidental part of some larger purpose of the Company; (2) the lawful distribution of the Company's assets by way of dividend; (3) the allotment of dividends in the form of shares; (4) a reduction of registered capital, a repurchase of shares of the Company or a reorganization of the share capital structure of the Company effected in accordance with these Articles of Association; (5) the lending of money by the Company within the scope and in the ordinary course of its business, provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, such financial assistance is provided out of the distributable profits of the Company; (6) the provision of money by the Company for contributions to staff and workers' shares schemes, provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, such financial assistance is provided out of the distributable profits of the Company. <p>(Article 31 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		Section 3 Share Transfer
		<p>Article 27 The shares of the Company may be transferred according to laws.</p> <p>(Article 27 of Guidelines on Articles of Association)</p>
		<p>Article 28 The Company shall not accept any of its own shares as the subject of pledge.</p> <p>(Article 28 of Guidelines on Articles of Association)</p>
		<p>Article 29 Shares of the Company held by promoters shall not be transferred within one year since the date of the incorporation of the Company. Shares issued prior to the public offering shall not be transferred within one year from the date on which the shares of the Company are listed and circulated on a stock exchange.</p> <p>The Directors, supervisors and senior management of the Company shall report to the Company the shares (including preferred shares) of the Company that they hold and the changes in their shareholdings and shall not transfer more than 25% of their shares of the same class per annum during their terms of office; the shares they hold in the Company shall not be transferred within one year from the date that the shares of the Company are listed. The aforesaid persons shall not transfer their shares of the Company within half a year after they terminate service with the Company.</p> <p>(Article 29 of Guidelines on Articles of Association)</p>
	Chapter 6 Share Certificate and Register of Shareholders	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		Chapter 4 Shareholders and General Meetings
		Section 1 Shareholders
43	<p>Article 42 Share certificates of the Company shall be in registered form.</p> <p>Share certificates of the Company shall contain the following major particulars:</p> <ul style="list-style-type: none"> (1) name of the Company; (2) date of incorporation of the Company; (3) class of the shares, nominal value and number of shares represented; (4) serial number of the share certificates; (5) other items to be contained as required by the Company Law, the Special Regulations and the stock exchange on which the shares of the Company are listed. <p>(Article 32 of the Mandatory Provisions)</p>	Deleted
44	<p>Article 43 The Company's shares may be transferred, given as gift(s), inherited and charged in accordance with the provisions of relevant laws, administrative regulations and these Articles.</p> <p>The transfer and assignment of shares must be registered with the share registration entity authorised by the Company and be conducted on such stock exchanges as incorporated in accordance with laws.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
45	<p>Article 44 Share certificates shall be signed by the legal representative. Where the stock exchanges on which the Company's shares are listed require other senior management officer(s) of the Company to sign on the share certificates, the share certificates shall also be signed by such senior management officer(s). The share certificates shall take effect after being sealed (including the securities seal of the Company) or printed with the seal of the Company. The share certificates shall only be sealed with the Company's seal under the authorisation of the board. The signatures of the chairman of the board or other senior management officer(s) of the Company may be printed in mechanical form.</p> <p>(Article 33 of the Mandatory Provisions)</p> <p>(Rule 2(1) of Appendix 3 to the Listing Rules)</p>	Deleted
46	<p>Article 45 The Company shall keep a register of its shareholders and enter in the register the following particulars:</p> <ol style="list-style-type: none"> (1) the name and address (residence), the occupation or nature of each shareholder; (2) the class and quantity of shares held by each shareholder; (3) the amount paid or payable on the shares of each shareholder; (4) the serial numbers of the shares held by each shareholder; (5) the date on which each person was entered in the register as a shareholder; and (6) the date on which any shareholder ceased to be a shareholder. <p>Unless evidence to the contrary is shown, the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company.</p> <p>(Article 34 of the Mandatory Provisions)</p>	<p>Article 30 The Company shall maintain a register of shareholders with the evidences provided by the securities registration institution, and the register of shareholders shall be sufficient evidence of the shareholders' shareholdings in the Company. Shareholder shall enjoy rights and assume obligations according to the class of shares held; shareholders who hold shares of the same class shall enjoy the same rights and assume the same obligations.</p> <p>The register of holders of overseas listed shares shall be accessible to shareholders; however, the Company may close the register of holders of overseas listed shares on terms equivalent to section 632 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</p> <p>(Article 31 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
47	<p>Article 46 The Company may, in accordance with the mutual understanding and agreements between the securities governing authority under the State Council and overseas securities regulatory organisations, maintain the register of shareholders of overseas listed foreign shares overseas and appoint overseas agent(s) to manage such register. The original share register for H share holders shall be maintained in Hong Kong.</p> <p>A duplicate of the register for holders of overseas listed foreign shares shall be maintained at the Company’s residence. The appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of such register.</p> <p>If there is any inconsistency between the original and the duplicate of the register for holders of overseas listed foreign shares, the original version shall prevail.</p> <p>(Article 35 of the Mandatory Provisions)</p>	Deleted
48	<p>Article 47 The Company shall have a complete register of shareholders which shall comprise the following:</p> <ol style="list-style-type: none"> (1) the register of shareholders maintained at the Company’s residence other than those places mentioned in clauses (2) and (3) of this Article; (2) the register of shareholders in respect of the H share holders maintained in the place of the Hong Kong Stock Exchange; and (3) the register of shareholders maintained at such other places as the board may consider necessary for the purpose of listing the shares of the Company. <p>(Article 36 of the Mandatory Provisions)</p> <p>(Section 1(b) of Appendix 13D to the Listing Rules)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
49	<p>Article 48 Each part of the register of shareholders shall not overlap. No transfer of any shares registered in any part of the register shall, during the continuance of such registration, be registered in any other part of the register.</p> <p>The alteration or rectification of each part of the register of shareholders shall be conducted in accordance with the laws of the place(s) where that part of the register is maintained.</p> <p>(Article 37 of the Mandatory Provisions)</p>	Deleted
50	<p>Article 49 All the fully paid-up H shares may be freely transferred in accordance with these Articles of Association. However, the board may refuse to recognize any instrument of transfer without giving any reason, unless:</p> <ol style="list-style-type: none"> (1) a fee (for each share certificate) of 2.5 Hong Kong dollars or any higher fee as agreed by the Hong Kong Stock Exchange has been paid to the Company for registration of any instrument of transfer or other document(s) which is related to or will affect title of the shares; (2) the instrument of transfer only involves H Share; (3) the stamp duty chargeable on the instrument of transfer has been paid; (4) the relevant share certificate and, upon the reasonable request of the board, any evidence in relation to the right of the transferor to transfer the shares have been submitted; (5) if it is intended to transfer the shares to joint holders, then the maximum number of joint holders shall not exceed 4; and (6) the Company does not have any lien on the relevant shares. <p>(Rule 1(1), 1(2) and 1(3) of Appendix 3 to the Listing Rules)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
51	<p>Article 50 No changes in the register of shareholders due to the transfer of shares may be made within 30 days before the date of a general meeting or within 5 days before the record date for the Company’s distribution of dividends.</p> <p>Where laws, administrative regulations, departmental rules, other regulatory documents, and the securities regulatory authority in the place where the company’s shares are listed, have other provisions regarding the suspension of the share transfer registration procedures before the shareholders’ meeting or the base date the Company decided to distribute dividends, those provisions shall prevail.</p> <p>(Article 38 of the Mandatory Provisions)</p>	Deleted
52	<p>Article 51 Where the Company decides to convene a general meeting, distribute dividends, liquidate and carry out other activities which would require the determination of shareholdings, the board shall fix a record date for the purpose of determining shareholdings. A person who is registered in the register as shareholder(s) at the end of the record date shall be a shareholder of the Company.</p> <p>(Article 39 of the Mandatory Provisions)</p>	<p>Article 31 When the Company convenes a general meeting, distributes dividends, commences liquidation and participates in other activities requiring the identification of shareholdings, the Board or the convener of general meeting shall determine the record date. The shareholders included in the register of shareholders at the close of business on record date shall be the entitled shareholders.</p> <p>(Article 32 of Guidelines on Articles of Association)</p>
53	<p>Article 52 Any person aggrieved and claiming to be entitled to have his name to be entered in or removed from the register of shareholders may apply to a court of competent jurisdiction for rectification of the register.</p> <p>(Article 40 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
54	<p>Article 53 Any person who is a registered shareholder or who claims to be entitled to have his name entered into the register of shareholders may, if his share certificate (the “Original Certificate”) is lost, apply to the Company for an issue of replacement certificate(s) in respect of such shares (the “Relevant Shares”).</p> <p>If a shareholder of domestic shares loses his share certificate(s) and applies to the Company for a replacement certificate, it shall be dealt with in accordance with Article 143 of the Company Law.</p> <p>If a shareholder of overseas listed foreign shares loses his share certificate(s) and applies to the Company for a replacement certificate, it may be dealt with in accordance with the laws of the place where the original register of holders of overseas listed foreign shares is maintained, rules of the stock exchanges or other relevant regulations.</p> <p>If a shareholder of H Shares loses his share certificate(s), the issue of a replacement certificate shall comply with the following requirements:</p> <ol style="list-style-type: none"> (1) The applicant shall submit an application to the Company in a prescribed form accompanied by a notarial certificate or a statutory declaration stating the grounds upon which the application is made and the circumstances and the evidence of the loss, and declaring that no other person is entitled to have his name entered in the register of shareholders in respect of the Relevant Shares. (2) Before the Company decides to issue the replacement certificates, no statement made by any person other than the applicant declaring that his name shall be entered in the register of shareholders in respect of such shares has been received. (3) The Company shall, if it intends to issue a replacement certificate, publish an announcement of its intention at least once every 30 days in a period of 90 consecutive days in such newspapers as may be prescribed by the board. 	Deleted

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	<p>(4) The Company shall have, prior to the announcement of its intention to issue a replacement certificate,</p> <ol style="list-style-type: none"> 1. delivered to the stock exchange on which its shares are listed a copy of the announcement to be published, and may publish the announcement upon receiving confirmation from such stock exchanges that the announcement has been exhibited in the premises of the said stock exchanges. Such announcement shall be exhibited in the premises of the said stock exchanges for a period of ninety days. 2. In the case of an application made without the consent of the registered holder of the Relevant Shares, the Company shall deliver by mail to such registered shareholder a copy of the announcement to be published. <p>(5) If, by the expiration of the 90-day period referred to in clauses (3) and (4) of this Article, the Company has not received from any person notice of any disagreement to such application, the Company may issue a replacement certificate to the applicant accordingly.</p> <p>(6) Where the Company issues a replacement certificate under this Article, it shall forthwith cancel the Original Certificate and enter the cancellation and issue in the register of shareholders accordingly.</p> <p>(7) All expenses relating to the cancellation of Original Certificate and the issue of a replacement new share certificate by the Company shall be borne by the applicant and the Company is entitled to refuse to take any action until reasonable guarantee for such expenses is provided by the applicant.</p> <p>(Article 41 of the Mandatory Provisions)</p>	

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No.	Original	Amended
55	<p>Article 54 Where the Company issues a replacement certificate pursuant to these Articles, the name of a bona fide purchaser gaining possession of such new share certificate or the person who is subsequently entered in the register of shareholders as holder of such shares (if he is a bona fide purchaser) shall not be removed from the register of shareholders.</p> <p>(Article 42 of the Mandatory Provisions)</p>	Deleted
56	<p>Article 55 The Company shall not be liable for any damages sustained by any person by reason of the cancellation of the Original Certificate or the issue of the new share certificate, unless the claimant proves that the Company has acted deceitfully.</p> <p>(Article 43 of the Mandatory Provisions)</p>	Deleted
	<p>Chapter 7 The Rights and Obligations of Shareholders</p>	Deleted
57	<p>Article 56 A shareholder of the Company is a person who lawfully holds shares in the Company and whose name is entered in the register of shareholders.</p> <p>A shareholder shall enjoy rights and bear obligations according to the class and proportion of the shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and bear the same obligations.</p> <p>(Article 44 of the Mandatory Provisions)</p>	Deleted
58	<p>Article 57 The Company shall not take the power 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.</p> <p>(Rule 12 of Appendix 3 to the Listing Rules)</p>	Deleted

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59	<p>Article 58 Where there are joint shareholders, in the case of the death of one of the joint shareholders, the other surviving persons who are joint shareholders shall be deemed to be the person(s) as having the title of such shares, but the board has the right to require the provisions of his death certificate for the purpose of revising the register of shareholders. For the joint holders of any shares, the shareholder ranked first on the register of shareholders has the only right to receive the share certificates of relevant shares, notices from the Company, to attend the general meeting and to exercise the voting rights. Any notice delivered to such person shall be deemed as delivered to all joint shareholders of relevant shares.</p>	Deleted
60	<p>Article 59 The ordinary shareholders of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> (1) the right of dividends and other distributions in proportion to the number of shares held; (2) the right to attend or appoint a proxy to attend shareholders' meetings and to vote thereat; (3) the right of supervisory management over the Company's business operations, and the right to present proposals or enquiries; (4) the right to transfer his shares in accordance with laws, administrative regulations and the Articles of Association; 	<p>Article 32 Shareholders of the Company shall be entitled to the following rights:</p> <ol style="list-style-type: none"> (1) the right to receive dividends and other profit distributions in proportion to the number of shares held; (2) the right to request, convene, preside, attend or appoint proxies to attend general meetings lawfully and to exercise the corresponding right to vote and speak; (3) the right to supervise, present proposals or raise enquiries in respect of the Company's business operations; (4) the right to transfer, give as a gift or pledge the shares held in accordance with laws, administrative regulations and the Articles of Association;

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	<p>(5) the right to obtain relevant information in accordance with the provisions of these Articles of Association, including:</p> <ol style="list-style-type: none"> 1. the right to inspect these Articles of Association, subject to payment of a fee; 2. the right to inspect, subject to payment of a reasonable fee: <ol style="list-style-type: none"> (1) all parts of the register of shareholders; (2) counterfoil of bonds of the Company; (3) personal particulars of each of the directors, supervisors, general manager, deputy general manager and other senior management officer of the Company, including: <ol style="list-style-type: none"> (a) present and former name and alias; (b) principal address (residence); (c) nationality; (d) primary and all other part-time occupations and duties; (e) identification documents and their relevant numbers; (4) reports on the state of the Company's issued share capital; 	<p>(5) the right to inspect the Articles of Association, the register of shareholders, corporate bond stubs, minutes of the general meetings, resolutions of the meetings of the Board of Directors and the supervisory committee ("Supervisory Committee"), and financial and accounting reports;</p> <p>(6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining property of the Company in proportion to the number of shares held;</p> <p>(7) shareholders who object to resolutions of merger or division made by the shareholders' general meeting have the right to request the Company to repurchase their shares;</p> <p>(8) such other rights conferred by laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>(Article 33 of Guidelines on Articles of Association)</p> <p>(Rule 14(3) of Appendix A1 to the Listing Rules)</p>

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	<p>(5) reports showing the aggregate nominal value, quantity, highest and lowest price paid in respect of each class of shares repurchased by the Company since the end of last accounting year and the aggregate expenses paid by the Company for such purpose (with a breakdown between domestic shares and H shares);</p> <p>(6) minutes of the general meeting;</p> <p>(7) minutes of the board meeting;</p> <p>(8) minutes of the supervisory committee meeting;</p> <p>(9) financial and accounting reports;</p> <p>(10) the Company's latest audited financial statements and the respective reports of the board, accountants and supervisory committee;</p> <p>(11) special resolutions of the Company;</p> <p>(12) a copy of the latest annual return which have been filed with the State Administration for Industry & Commerce of the PRC or other competent authority.</p> <p>The Company shall make available at a place in Hong Kong as designated by the directors from time to time for inspection by the public and shareholders free of charge, and for copying by shareholders at reasonable charge, the documents specified in (1), (4), (10), (11) and (12) and for shareholders only, the documents specified in (6).</p>	

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No.	Original	Amended
	<p>(6) In the event of the termination or liquidation of the Company, the right to participate in the distribution of surplus property of the Company in accordance with the proportion of shares held;</p> <p>(7) Other rights conferred by laws, administrative regulations and the Articles of Association.</p> <p>(Article 45 of the Mandatory Provisions)</p> <p>(Rule 19A.50 of Chapter 19A in the Listing Rules)</p>	
		<p>Article 33 Where shareholders request for inspection of the relevant information or demand for materials as mentioned in the preceding Article, they shall provide the Company with written documents evidencing the class and number of shares of the Company they hold. Upon verification of the shareholder’s identity, the Company shall provide information requested by such shareholders.</p> <p>(Article 34 of Guidelines on Articles of Association)</p>
		<p>Article 34 If a resolution passed at or by the shareholders’ general meeting or the Board of Directors of the Company violates any law or administrative regulation, the shareholders shall have the right to submit a petition to the people’s court to render the resolution invalid.</p> <p>If the convening procedures or voting method of the shareholders’ general meetings or Board meetings violates any law, administrative regulation or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall have the rights to submit a petition to the people’s court to revoke such resolution within sixty days from the date on which the resolution is approved.</p> <p>(Article 35 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
		<p>Article 35 Where the Company incurs loss as a result of violation of the laws, administrative regulations or the Articles of Association by Directors and senior management in the course of performing their duties, shareholders individually or jointly holding 1% or more of the shares of the Company for 180 or more consecutive days shall have the rights to request in writing the Supervisory Committee to initiate legal proceedings in the people’s court. Where the Company incurs loss as a result of violation of laws, administrative regulations or the Articles of Association by the Supervisory Committee in the course of performing its duties, the shareholders may request in writing the Board of Directors to initiate legal proceedings in the people’s court.</p> <p>If the Supervisory Committee or the Board of Directors refuses to initiate legal proceedings upon receipt of the written request of shareholders stated in the preceding paragraph, or fails to initiate such legal proceedings within thirty days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company’s interests, shareholders described in the preceding paragraph shall have the rights to initiate legal proceedings in the people’s court directly in their own names in the interest of the Company.</p> <p>If any person infringes the lawful rights and interests of the Company, thus causing any losses to the Company, the shareholders as mentioned in the first paragraph of this Article may initiate legal proceedings in the people’s court in accordance with the provisions of the two preceding paragraphs.</p> <p>(Article 36 of Guidelines on Articles of Association)</p>
		<p>Article 36 If any Director or senior management is in violation of laws, administrative regulations or the Articles of Association, thus causing any losses to the shareholders, the shareholders may initiate legal proceedings in the people’s court in respect thereof.</p> <p>(Article 37 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
61	<p>Article 60 The ordinary shareholders of the Company shall undertake the following obligations:</p> <ol style="list-style-type: none"> (1) to abide by these Articles of Association; (2) to pay subscription monies according to the number of shares subscribed and the method of subscription; (3) to comply with the other obligations imposed by laws, administrative regulations and these Articles of Association. <p>Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscriber of the relevant shares on subscription.</p> <p>(Article 46 of the Mandatory Provisions)</p>	<p>Article 37 The shareholders of the Company shall assume the following obligations:</p> <ol style="list-style-type: none"> (1) to comply with laws, administrative regulations and the Articles of Association; (2) to pay the shares subscription money based on the shares subscribed for by them and the method of acquiring such shares; (3) not to withdraw shares unless in the circumstances stipulated by laws and regulations; (4) not to abuse the rights as a shareholder to the detriment of the Company or that of other shareholders; not to abuse the Company’s status as an independent legal entity or the limited liability of shareholders to the detriment of the Company’s creditors; (5) other obligations as is stipulated by laws, administrative regulations and the Articles of Association. <p>Where a shareholder of the Company abuses his or her rights as a shareholder and causes losses to the Company or other shareholders, such shareholder shall be liable for making compensation in accordance with the law.</p> <p>Where a shareholder of the Company abuses the Company’s status as an independent legal entity or the limited liability of being a shareholder to evade debts and causes serious harm to the interests of the creditors of the Company, such shareholder shall be subject to joint and several liabilities for the debts of the Company.</p> <p>(Article 38 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
62	<p>Article 61 In addition to the obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchange on which shares of the Company are listed, a controlling shareholder shall not exercise his voting rights in respect of the following matters in a manner prejudicial to the interests of all or part of the shareholders of the Company:</p> <p>(1) to relieve a director, supervisor of his duty to act honestly in the best interests of the Company;</p> <p>(2) to approve the expropriation by a director, supervisor (for his own or others' benefit), in any guise, of the Company's assets, including but not limited to opportunities beneficial to the Company;</p> <p>(3) to approve the expropriation by a director, supervisor (for his own or others' benefit) of the individual rights of other shareholders, including but not limited to rights to distributions and voting rights save pursuant to a restructuring submitted to general meeting for approval in accordance with these Articles of Association.</p> <p>(Article 47 of the Mandatory Provisions)</p>	<p>Article 38 The controlling shareholder(s) and de facto controller(s) of the Company shall not use the connected relationship to prejudice the interests of the Company; otherwise, they shall be liable to compensate the Company for the losses thereof.</p> <p>The controlling shareholder(s) and de facto controller(s) of the Company have a fiduciary duty towards the Company and the general public shareholders of the Company. The controlling shareholder(s) shall exercise capital contributors' rights strictly in accordance with laws. The controlling shareholder(s) shall not make use of methods such as the distribution of profits, restructuring of assets, external investment, misappropriation of assets, borrowing, or providing guarantee, to damage the legitimate rights and interests of the Company and its public shareholders. Nor shall he/she takes the advantage of its controlling position to the detriment of the Company and public shareholders.</p> <p>(Article 40 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
63	<p>Article 62 For the purpose of the foregoing Article, a “controlling shareholder” refers to a person whose shares accounts for more than 50% of the total amount of share capital of the Company or who satisfies any one of the following conditions:</p> <p>(1) he alone or acting in concert with others has the power to elect more than half of the board;</p> <p>(2) he alone or acting in concert with others has the power to exercise or to control the exercise of 30% (including 30%) or more of the voting rights in the Company;</p> <p>(3) he alone or acting in concert with others holds 30% (including 30%) or more of the issued and outstanding shares of the Company;</p> <p>(4) he alone or acting in concert with others in any other manner is in de facto control of the Company.</p> <p>(Article 48 of the Mandatory Provisions)</p>	Deleted
	Chapter 8 General Meeting	Section 2 General Provisions for Shareholders’ General Meetings
64	<p>Article 63 The general meeting shall be the source of authority of the Company and shall exercise its powers according to the laws.</p> <p>(Article 49 of the Mandatory Provisions)</p>	Deleted

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No.	Original	Amended
65	<p>Article 64 The general meeting shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the Company’s operational policies and investment plans; (2) to elect and replace the directors who are not representatives of the staff and workers, and decide on matters relating to the remuneration of directors; (3) to elect and replace the supervisors who are not representatives of staff and workers, and to decide on matters relating to the remuneration of supervisors; (4) to examine and approve reports of the Board; (5) to examine and approve reports of the supervisory committee; (6) to examine and approve the Company’s proposed annual financial budget and final accounts; (7) to examine and approve the Company’s proposals for profit distribution and for recovery of losses; (8) to decide on increase or reduction in the Company’s registered capital; (9) to decide on matters such as merger, demerger, dissolution and liquidation of the Company; (10) to decide on the issue of bonds by the Company; (11) to decide on the appointment, dismissal and non-reappointment of the accounting firm; 	<p>Article 39 The shareholders’ general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:</p> <ol style="list-style-type: none"> (1) to decide on the Company’s operating policies and investment plans; (2) to elect and replace the Directors and supervisors who are not employee representatives and decide on matters relating to the remuneration of Directors and supervisors; (3) to review and approve reports of the Board of Directors; (4) to review and approve reports of the Supervisory Committee; (5) to review and approve the Company’s annual financial budget and final accounts; (6) to review and approve the Company’s proposals for profit distribution and for recovery plan of losses; (7) to make decisions on increasing or reducing the registered capital of the Company; (8) to make decisions on the merger, division, dissolution, liquidation or change in corporate form of the Company; (9) to make decisions on the issuance of corporate bonds; (10) to make decisions on the engagement or dismissal of the accounting firm of the Company; (11) to amend the Articles of Association;

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	<p>(12) to amend the Articles of Association;</p> <p>(13) to consider motions raised by shareholders who represent 3% (including 3%) or more of the total shares of the Company carrying voting rights;</p> <p>(14) to decide on other matters which require resolutions of the general meetings according to the relevant laws, administrative regulations and these Articles of Association.</p> <p>(Article 50 of the Mandatory Provisions)</p>	<p>(12) to review other matters required to be resolved by the general meeting as prescribed by laws, administrative regulations, departmental rules, the Listing Rules and the Articles of Association.</p> <p>(Article 41 of Guidelines on Articles of Association)</p>
66	<p>Article 65 The general meeting may authorise or delegate the board to deal with the matters authorised or delegated.</p>	<p>Article 40 The general meeting may authorise or delegate the Board of Directors to deal with the matters authorised or delegated.</p>
67	<p>Article 66 The Company shall not, without the prior approval of the general meeting, enter into any contract with any person other than a director, supervisor, general manager, deputy general manager or other senior management officer whereby the management of the whole or any substantial part of the business of the Company is to be handed over to such person.</p> <p>(Article 51 of the Mandatory Provisions)</p>	<p>Article 41 Except where the Company is in a crisis or any special circumstance, the Company shall not enter into any contract with anyone other than a Director, the general manager or any other senior management to have all or significant part of the Company's business in the care of such person, unless obtained approval by a special resolution at the general meeting.</p> <p>(Article 81 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
68	<p>Article 67 General meetings are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the board. Annual general meetings are held once every year and within six months from the end of the preceding financial year.</p> <p>Under any of the following circumstances, the board shall convene an extraordinary general meeting within two months:</p> <ol style="list-style-type: none"> (1) the number of directors is less than that is required by the Company Law or two-third of the number of directors specified in these Articles of Association; (2) the accrued losses of the Company amount to one-third of the total amount of its share capital; (3) shareholder(s) holding 10% (including 10%) or more of the Company’s issued and outstanding shares carrying voting rights request(s) in writing the convening of an extraordinary general meeting; (4) it is deemed necessary by the board or proposed by the supervisory committee to convene an extraordinary general meeting; (5) when the accounting firm as engaged by the Company requests to convene an extraordinary general meeting in accordance with Article 182 of these Articles of Association; (6) more than 2 independent directors propose to convene the meeting. <p>(Article 52 of the Mandatory Provisions)</p>	<p>Article 42 A general meeting shall either be an annual general meeting or an extraordinary general meeting. Annual general meetings shall be convened once every financial year within six months after the end of the preceding fiscal year.</p> <p>The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:</p> <ol style="list-style-type: none"> (1) when the number of Directors is less than the number stipulated in Company Law or two-thirds of the number specified in the Articles of Association; (2) when the unrecovered losses of the Company amount to one third of the total amount of its paid-in share capital; (3) when requested by any shareholder individually or jointly holding 10% or more of the Company’s shares; (4) when deemed necessary by the Board of Directors or when requested by the Supervisory Committee; (5) other circumstances stipulated in the laws, administrative regulations, departmental rules, or the Articles of Association. <p>(Article 43 and 44 of Guidelines on Articles of Association)</p> <p>(Rule 14(1) of Appendix A1 to the Listing Rules)</p>
		<p>Article 43 The venue for convening a general meeting of the Company shall be at the domicile of the Company or places specified in the notice of the meeting. A meeting venue shall be set for general meetings and the meetings shall be held on site.</p> <p>(Article 45 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
		<p>Section 3 Convening of Shareholders' General Meeting</p>
		<p>Article 44 A general meeting shall be convened by the Board of Directors.</p> <p>Where the Board of Directors is unable to perform or does not perform its duties to convene a general meeting, the Supervisory Committee shall convene such meeting in a timely manner; if the Supervisory Committee fails to convene such meeting, shareholder(s) individually or jointly holding 10% or more of the shares of the Company for consecutive 90 or more consecutive days may unilaterally convene a general meeting.</p> <p>(Article 101 of the Company Law)</p>
		<p>Article 45 The Supervisory Committee shall be entitled to make a proposal in writing to the Board of Directors on convening an extraordinary general meeting. The Board of Directors shall give a written reply on whether to agree to convene such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon the date of the resolution of the Board of Directors. Any changes made to the original proposal in the notice shall be agreed by the Supervisory Committee.</p> <p>Where the Board of Directors disagrees to convene such a meeting, or fails to reply within 10 days upon receipt of the proposal, it shall be deemed that the Board of Directors cannot or does not perform its duty of convening the general meeting, and the Supervisory Committee may unilaterally convene and preside over it.</p> <p>(Article 48 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
		<p>Article 46 Shareholder(s) individually or in aggregate holding 10% or more of shares of the Company are entitled to request the Board of Directors in writing to convene an extraordinary general meeting. The Board of Directors shall, in accordance with the requirements of laws, administrative regulations and the Articles of Association, reply with a written opinion to state whether it agrees to convene an extraordinary general meeting within 10 days upon receipt of the request.</p> <p>Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the date of the resolution of the Board of Directors. Any changes made to the original proposal in the notice shall be agreed by the relevant shareholders.</p> <p>Where the Board of Directors disagrees to convene the extraordinary general meeting, or does not reply within 10 days upon receipt of the proposal, shareholder(s) individually or in aggregate holding 10% or more of the shares of the Company are entitled to request the Supervisory Committee in writing to convene an extraordinary general meeting.</p> <p>Where the Supervisory Committee agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon receiving the request. Any changes made to the original proposal in the notice shall be agreed by the relevant shareholders.</p> <p>If the Supervisory Committee fails to issue a notice of general meeting within the prescribed time limit, it shall be deemed that the Supervisory Committee does not convene and preside over the general meeting, and shareholder(s) holding individually or in aggregate 10% or more of the shares of the Company for more than 90 or more consecutive days can unilaterally convene and preside over the general meeting.</p> <p>(Article 49 of Guidelines on Articles of Association)</p> <p>(Rule 14(5) of Appendix A1 to the Listing Rules)</p>

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No.	Original	Amended
		<p>Article 47 Where the Supervisory Committee or shareholders decide to convene a general meeting unilaterally, they must notify the Board of Directors in writing.</p> <p>Before the announcement of the resolution of the general meeting is made, the shareholders convening the meeting shall hold no less than 10% of the shares.</p> <p>(Article 50 of Guidelines on Articles of Association)</p>
		<p>Article 48 With regard to the general meeting unilaterally convened by the Supervisory Committee or shareholders, the Board of Directors and the secretary to the Board of Directors shall provide assistance. The Board of Directors shall provide relevant registers of shareholders.</p> <p>(Article 51 of Guidelines on Articles of Association)</p>
		<p>Article 49 The Company shall bear costs and expenses necessary for the general meeting convened by the Supervisory Committee or shareholders unilaterally.</p> <p>(Article 52 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
		Section 4 Proposals and Notices of Shareholders' General Meetings
69	<p>Article 68 Written notices of the annual general meeting shall be given at least 20 business days and 10 business days or 15 day (whichever is longer) before the date of the annual general meeting and the extraordinary general meetings respectively to notify all of the shareholders in the share register of the matters to be considered, the date and the place of the meetings. Any shareholder who wishes to attend the general meeting shall deliver a reply slip concerning attendance of the meeting to the Company within the prescribed time as specified in the notice of the general meeting.</p> <p>The duration of the aforesaid periods shall not include the date of the meeting. The "business day" shall mean a day on which the Hong Kong Stock Exchange is open for business for dealing in securities.</p> <p>("Reply on Adjustment", Rule E.1.3 of Appendix 14 to Listing Rules)</p>	<p>Article 50 The Company shall give written notice of the annual general meeting of shareholders at least 21 days prior to the meeting; the Company shall give written notice of the extraordinary general meeting of shareholders at least 15 days prior to the meeting.</p> <p>When the Company calculates the period of the meeting, the date of the meeting shall not be included.</p> <p>(Article 55 of Guidelines on Articles of Association)</p> <p>(Rule 14(2) of Appendix A1 to the Listing Rules)</p>

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No.	Original	Amended
70	<p>Article 69 At general meetings of the Company, the Board, the Supervisory Committee, and shareholder(s) individually or jointly holding more than 3% of the Company’s shares shall have the right to propose motions to the Company. The company shall include the items in the motions that shall be determined by the general meeting of shareholders on the agenda of the meeting.</p> <p>Shareholder(s) individually or jointly holding more than 3% of the Company’s shares may submit a written provisional motion to the Board 10 days before a general meeting is convened; the Board shall issue a supplementary notice of general meeting within two days after receipt of the said provisional motion, to notify other shareholders the content of the provisional motion that shall be determined by the general meeting and have definite topics and specific issues for resolution,</p> <p>Except as provided in the preceding paragraph, after the convener issues a public notice of the general meeting, conveners shall not change the proposals or add any new proposals in the notice of the general meeting.</p>	<p>Article 51 When the Company convenes the shareholders’ general meeting, the Board of Directors, the Supervisory Committee and shareholder(s), individually or in aggregate, holding 3% or more of the shares of the Company shall have the right to propose motions. The contents of the motion to be proposed at the shareholders’ general meeting shall fall within the terms of reference of the shareholders’ general meeting and have specified subjects and specific resolutions, in further compliance with the laws, administrative regulations and provisions of the Articles of Association.</p> <p>Shareholder(s) individually or jointly holding 3% or more of the Company’s shares may submit an extraordinary motion to the convener in writing 10 days prior to date of the meeting. The convener shall dispatch a supplementary notice of the shareholders’ general meeting and announce the contents of such provisional motion within 2 days upon receipt of the motion. The contents of the provisional motion shall conform to the preceding paragraph.</p> <p>Except as provided in the preceding paragraph, after the convener issues a public notice of the general meeting, conveners shall not amend the motions or add any new motion in the notice of the general meeting.</p> <p>(Article 53 and 54 of Guidelines on Articles of Association)</p> <p>(Rule 14(5) of Appendix A1 to the Listing Rules)</p>
71	<p>Article 70 Proposals not set out in the notice of general meeting shall not be voted on or resolved at the general meeting.</p> <p>(Article 55 of the Mandatory Provisions)</p>	<p>Article 52 Motion(s) not specified in the notice of shareholders’ general meeting or inconsistent with the requirements stipulated in the Article 51 shall not be voted or resolved at the shareholders’ general meeting.</p> <p>(Article 54 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
72	<p>Article 71 A notice of general meeting of shareholders shall:</p> <ol style="list-style-type: none"> (1) be in writing; (2) specify the place, the date and time of the meeting; (3) state the matters to be considered at the meeting; (4) provide such information and explanation as are necessary for the shareholders to make an informed decision on the proposals put before them. Without limiting the generality of the foregoing, where a proposal is made to amalgamate the Company with another, to repurchase shares, to reorganise the share capital, or to restructure the Company in any other way, the terms of the proposed transaction must be provided in detail together with copies of the proposed agreement, if any, and the cause and effect of such proposal must be properly explained; (5) contain a disclosure of the nature and extent of any material interests of any director, supervisor, general manager, deputy general manager and other senior management officer in the proposed transaction and the effect of the proposed transaction on them in their capacity as shareholders in so far as it is different from the effect on the interests of the shareholders of the same class; (6) contain the full text of any special resolution to be proposed at the meeting; (7) contain a conspicuous statement that a shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and vote at the meeting on his behalf and that a proxy need not be a shareholder; (8) specify the time and place for lodging proxy forms for the relevant meeting. <p>(Article 56 of the Mandatory Provisions)</p>	<p>Article 53 Notice of a general meeting shall include:</p> <ol style="list-style-type: none"> (1) time, place and duration of the meeting; (2) the matters and motions to be considered at the meeting; (3) a conspicuous statement that all shareholders are entitled to attend the general meeting, and have the right to appoint proxies in writing to attend the meeting and vote on his/her behalf, and that such proxy need not be a shareholder of the Company; (4) the record date for shareholders entitled to attend the shareholders' general meeting; (5) the contact information of the meeting; (6) any other matters required to be set out in the laws, administrative regulations, departmental rules or the Listing Rules. <p>(Article 56 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
73	<p>Article 72 Notice of general meeting shall be served on the shareholders (whether or not entitled to vote at the meeting), by hand or by prepaid airmail to their addresses as shown in the register of shareholders. For holders of domestic shares, notice of general meeting may be issued by way of public announcement.</p> <p>The public announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities governing authority under the State Council; after publication of such announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p> <p>(Article 57 of the Mandatory Provisions)</p> <p>(Rule 7(1) of Appendix 3 to the Listing Rules)</p>	<p>Article 54 Notice of shareholders' general meeting shall be served on shareholders in the manner that complies with the Listing Rules.</p> <p>Subject to Listing Rule 2.07A(4), any requirement in these Exchange Listing Rules for a listed issuer to send, mail, dispatch, issue, publish or otherwise make available any corporate communication must, to the extent permitted under all applicable laws and regulations, be satisfied by the listed issuer (i) sending or otherwise making available the corporate communication to the relevant holders of its securities using electronic means or (ii) making the corporate communication available on the Company's website and the website of the Hong Kong Stock Exchange (the issuer must set out on its website the manner in which (i) and/or (ii) above is adopted for the dissemination of its corporate communications).</p> <p>(Rule 2.07A(1) of the Listing Rules)</p>
74	<p>Article 73 The accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting or the resolutions adopted thereat.</p> <p>(Article 58 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		Section 5 Holding of General Meetings
		<p>Article 55 The Board of the Company or other convener shall take necessary measures to ensure the proper order of the general meetings. Measures shall be taken to stop any act disturbing the general meetings, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and such act shall be reported to the relevant authority for investigation and treatment.</p> <p>(Article 59 of Guidelines on Articles of Association)</p>
		<p>Article 56 All ordinary shareholders in the shareholders' register on the record date or proxies thereof shall be entitled to attend general meetings, and exercise the rights to vote and speak pursuant to relevant laws, regulations and the Articles of Association.</p> <p>Shareholders may attend the general meetings in person or appoint a proxy to attend, vote and speak on their behalf. Such proxy needs not necessarily be a shareholder of the Company.</p> <p>(Article 60 of Guidelines on Articles of Association)</p> <p>(Rule 14(3) and 18 of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
75	<p>Article 74 Any shareholder entitled to attend and vote at a general meeting shall be entitled to appoint one or more other persons (whether a shareholder or not) as his proxies to attend and vote on his behalf. A proxy so appointed shall be entitled to exercise the following rights pursuant to the authorisation from such shareholder:</p> <ol style="list-style-type: none"> (1) the shareholder’s right to speak at the meeting; (2) the right to demand or join in demanding a poll; (3) the right to vote by hand or on a poll, but a proxy of a shareholder who has appointed more than one proxy may only vote on a poll. <p>(Article 59 of the Mandatory Provisions)</p> <p>If a shareholder is a recognized clearing house (“Recognized Clearing House”, as defined in the relevant regulations stipulated at any time in accordance with the Hong Kong Law) (or its nominee), it may, as it sees fit, appoint one or more persons as its proxies to attend and vote at any general meeting or class meeting. However, if more than one person is appointed, the instrument of proxy shall specify the number and class of the shares relating to each such proxy so authorised. Such proxy so authorised may exercise the rights of such shareholder (or its nominee) on its behalf in the same manner as the individual shareholder of the Company.</p>	<p>Article 57 Individual shareholders attending a shareholders’ general meeting in person shall show their identity cards or other valid proof or evidence of their identities or share account card, and in the case of attendance by proxies, the proxies shall show valid proof of their identities and the proxy forms from shareholders.</p> <p>For a corporate shareholder, its legal representative or a proxy appointed by such legal representative shall attend a shareholders’ general meeting. In the case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and, in the case of attendance by proxies of such legal representatives, such proxies shall produce their identity cards and the written letters of authorisation issued by such legal representatives of corporate shareholders according to the laws.</p> <p>Where the voting proxy form is signed by a person under a power of attorney on behalf of the principal, the power of attorney or other authorisation documents authorised to be signed shall be notarised. A notarially certified copy of that power of attorney or other authorisation documents, together with the voting proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.</p> <p>Where the principal is a legal entity, its legal representative or a person authorised by resolution of its Board of Directors or other decision-making body may attend the Company’s shareholders’ general meetings. If the shareholder is a recognised clearing house (“Recognised Clearing House”) defined by relevant regulations formulated from time to time according to laws in Hong Kong or its proxy, such shareholder is entitled to appoint one or more persons it deems suitable to act as its proxy in any shareholders’ general meeting or class meeting, provided that, if one or more person is appointed as proxies, the power of attorney shall state the number and the class of shares represented by each of the proxies. The proxies so appointed may exercise their rights on behalf of the Recognised Clearing House (or its proxy), as if that proxy is an individual shareholder of the Company.</p> <p>(Article 61 and 64 of Guidelines on Articles of Association)</p> <p>(Rule 18 of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
76	<p>Article 75 The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a legal person, either under seal or under the hand of a director or attorney duly authorised. The power of attorney shall denote the shares held by the proxy on behalf of the shareholder. In the event that the appointer appoints more than one proxy, the power of attorney shall denote the number of shares held by each proxy on behalf of the shareholder.</p> <p>(Article 60 of the Mandatory Provisions)</p>	Deleted
77	<p>Article 76 The instrument appointing a voting proxy shall be deposited at the residence of the Company or at such other place as is specified for that purpose in the notice convening the meeting, not less than twenty-four hours before the time for holding the meeting at which the proxy propose to vote or the time appointed for the passing of the resolution. If such instrument is signed by a person on behalf of the appointer, the authorisation letter or other authorisation instruments shall be notarized, and such notarized letter or other instruments shall be deposited at the residence of the Company or at such other place as is specified for that purpose in the notice convening the meeting.</p> <p>If the appointer is a legal person, its legal representative or such person as is authorised by resolution of its board of directors or other governing bodies may attend at the meetings of shareholders of the Company as a representative of the appointer.</p> <p>(Article 61 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
78	<p>Article 77 Any instrument issued to a shareholder by the board of the Company for use in appointing a proxy to attend and vote at meetings of the Company shall be in such format as to enable the shareholder to instruct the proxy to vote for or against the motions according to his free will, and instructions shall be given in respect of each individual matter to be voted at the meeting. The instrument of proxy shall contain a statement that in the absence of instructions by the shareholder the proxy may vote as he thinks fit.</p> <p>(Article 62 of the Mandatory Provisions)</p>	<p>Article 58 The power of attorney issued by a shareholder to appoint a proxy to attend a general meeting shall specify:</p> <ol style="list-style-type: none"> (1) the name of the proxy; (2) whether or not the proxy has any voting right; (3) directive to vote for or against or abstain from voting on each and every issue included in the agenda of the general meeting; (4) the date of issue and validity period of the power of attorney; (5) signature (or seal) of the principal; if the principal is a corporate shareholder, the corporate seal shall be affixed. <p>The proxy forms shall contain a statement that in the absence of specific instructions by the shareholder, whether the proxy may vote as he/she thinks fit.</p> <p>(Article 62 and 63 of Guidelines on Articles of Association)</p>
79	<p>Article 78 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that the Company did not receive any written notice in respect of any such matters prior to the commencement of the relevant meeting.</p> <p>(Article 63 of the Mandatory Provisions)</p>	Deleted
80	<p>Article 79 The proxies of the shareholders attending at the general meeting on behalf of individual shareholders shall produce the power of attorney and proof of their identities. In the case of the proxies of a corporate shareholder, they shall produce proof of their identities and evidence as legal representative or the duly notarized copy of the resolution for appointing such proxies by the board of such corporate shareholder or other authorities in charge.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 59 Attendees register shall be prepared by the Company, which shall state the names of the attendees (or names of the corporations), identification card number, the address of the attendee, the number of voting shares held or represented, names of the principal (or names of the corporations) and so on.</p> <p>(Article 65 of Guidelines on Articles of Association)</p>
		<p>Article 60 The convener shall verify the validity of the shareholders' qualifications based on the shareholders' register provided by the securities registration and clearing authority, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the presider of the meeting announces the number of shareholders and proxies that attend the meeting and the total amount of their voting shares.</p> <p>(Article 66 of Guidelines on Articles of Association)</p>
		<p>Article 61 All Directors, supervisors and the Secretary to the Board of Directors shall attend general meetings of the Company, and the manager and other senior management shall be present at the meetings.</p> <p>(Article 67 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 62 The shareholders’ general meeting shall be presided over by the chairman of the Board of Directors. If the chairman of the Board of Directors is unable to or fails to perform his/her duties, one director elected by half or more of the directors may preside over the meeting.</p> <p>A shareholders’ general meeting convened by the Supervisory Committee shall be presided over by the chairman of the Supervisory Committee. If the chairman of the Supervisory Committee is unable to or fails to perform his/her duties, one supervisor elected by half or more of the supervisors may preside over the meeting.</p> <p>A shareholders’ general meeting convened by the shareholders shall be presided over by a representative recommended by the convener.</p> <p>During the course of a shareholders’ general meeting, if the presider of the meeting violates the procedural rules such that the meeting cannot be continued, the shareholders at the general meeting may elect one person to act as the presider to continue the meeting with the approval of the shareholders with more than half of voting rights who are present at the meeting.</p> <p>(Article 68 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 63 At the annual general meeting, the Board of Directors and the Supervisory Committee shall report their work in the preceding year.</p> <p>(Article 70 of Guidelines on Articles of Association)</p>
		<p>Article 64 The Directors, supervisors and senior management shall provide explanation and answers to the shareholders' enquiries and suggestions at the shareholders' general meeting.</p> <p>(Article 71 of Guidelines on Articles of Association)</p>
		<p>Article 65 The presider of the meeting shall, prior to voting, declare the number of attending shareholders and proxies as well as the total number of their voting shares, and the number of attending shareholders and proxies and the total number of their voting shares shall be subject to registration of the shareholders' general meeting.</p> <p>(Article 72 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 66 Minutes shall be recorded for the shareholders’ general meetings, and the secretary to the Board of Directors shall be in charge of recording the minutes.</p> <p>The minutes shall contain the following information:</p> <ol style="list-style-type: none"> (1) the time, venue, and agenda of the meeting, as well as the name of the convener; (2) the names of the presider of the meeting, and the Directors, supervisors, managers and other senior management who attend or observe the meeting; (3) the number of shareholders and proxies present at the meeting, the total number of voting shares held by them, the proportion of these shares to the total number of shares of the Company, the total number of voting shares held by unlisted shareholders and their proxies and H shareholders and their proxies present at the meeting, and the respective proportion of these shares to the total number of shares of the Company; (4) the process of review and discussion, summary of any speech, and voting results of each motion which include the votes of unlisted shareholders and H shareholders on each and every issue; (5) any enquiries or suggestions made by shareholders and the corresponding response or explanations; (6) the names of the vote counter and scrutineer; (7) any other matters required by the provisions of the Articles of Association to be recorded in the minutes. <p>(Article 73 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 67 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, supervisors, the secretary to the Board of Directors, conveners or their representatives attending the meeting, and the presider of the meeting shall sign on the minutes. The minutes shall be kept together with the signed attendance record of attending shareholders, proxy forms and the valid information relating to the voting by other means, for a period of no less than 10 years.</p> <p>(Article 74 of Guidelines on Articles of Association)</p>
		<p>Article 68 The convener shall ensure that the shareholders’ general meeting is conducted continuously until final resolutions are made. If the shareholders’ general meeting is suspended or resolutions cannot be made because of force majeure or other special causes, the convener shall take necessary measures to resume the meeting or directly terminate that meeting.</p> <p>(Article 75 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 69 The Company must announce the poll results at the general meeting as soon as possible, but in any event at least 30 minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the first business day after the general meeting.</p> <p>The poll results announcement must include:</p> <ol style="list-style-type: none"> (1) the number of shares entitling the holders to attend and vote on a resolution at the meeting; (2) the number of shares entitling the holders to attend and abstain from voting in favour as set out in Rule 13.40 of the Listing Rules; (3) the number of shares of holders that are required under the Listing Rules to abstain from voting; (4) the number of shares actually voted for a resolution; and (5) the number of shares actually voted against a resolution. <p>The Company shall appoint its accounting firm, share registrar or external accountants who are qualified to serve as its accountants as scrutineer for the vote-counting and state the identity of the scrutineer in the announcement. The Company shall also state in the announcement whether or not any parties that have stated their intention in the circular to vote against the relevant motion or to abstain from voting have done so at the general meeting.</p> <p>(Rule 13.39 (5) of Chapter 13 in the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
81	<p>Article 80 Resolutions of general meetings shall be divided into ordinary resolutions and special resolutions.</p> <p>An ordinary resolution must be passed by votes representing more than one-half of the voting rights represented by the shareholders (including the proxies) present at the meeting.</p> <p>A special resolution must be passed by votes representing more than two-third of the voting rights represented by the shareholders (including the proxies) present at the meeting.</p> <p>If any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.</p> <p>Shareholders (including their proxies) present at the meeting when voting on any resolution shall clearly express whether they are voting for or against each of the matters to be voted. Any wavier of or abstention from voting shall not be counted in the voting result by the Company in relation to the relevant matters.</p> <p>(Article 64 of the Mandatory Provisions)</p> <p>(Rule 14 of Appendix 3 to the Listing Rules)</p>	Deleted
82	<p>Article 81 When voting at the general meeting, shareholders (including their proxies) may exercise their voting rights in accordance with the number of their voting shares and each share shall have one vote.</p> <p>(Article 65 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
83	<p>Article 82 Any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a motion which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p> <p>Procedural and administrative matters are those that:</p> <p>(1) are not on the agenda of the general meeting or in any supplementary circular to shareholders; and</p> <p>(2) which relate to the duties of the chairman of a meeting to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.</p>	Deleted
84	<p>Article 83 On a poll taken at a meeting, a shareholder (including his proxy) entitled to two or more votes need not cast all his votes in the same way.</p> <p>(Article 68 of the Mandatory Provisions)</p>	Deleted
85	<p>Article 84 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote.</p> <p>(Article 69 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
86	<p>Article 85 The following matters shall be resolved by an ordinary resolution at the general meeting:</p> <ol style="list-style-type: none"> (1) work reports of the board and the supervisory committee; (2) plans formulated by the board for distribution of profits and for recovery of losses; (3) removal of the members of the board and of the supervisory committee, their remuneration and method of payment; (4) annual financial budget and final reports, balance sheets, profit and loss statements and other financial statements of the Company; (5) matters other than those specified by laws, administrative regulations or these Articles of Association to be resolved by special resolutions. <p>(Article 70 of the Mandatory Provisions)</p>	Deleted
87	<p>Article 86 The following matters shall be resolved by a special resolution at a general meeting:</p> <ol style="list-style-type: none"> (1) the increase or reduction in share capital and the issue of shares of any class, warrants and other similar securities of the Company; (2) the issue of bonds of the Company; (3) the demerger, merger, dissolution and liquidation of the Company; (4) amendments to these Articles of Association; (5) any other matters considered by the general meeting by way of an ordinary resolution to be of a nature which may have a material impact on the Company and shall be adopted by a special resolution. <p>(Article 71 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
88	<p>Article 87 Shareholders requisitioning the convening of an extraordinary general meeting or a class meeting shall abide by the following procedures:</p> <p>(1) A shareholder holding individually or shareholders holding collectively in aggregate 10% (including 10%) or more of the shares carrying the voting right at the meeting sought to be held shall have the right to require the board to convene an extraordinary general meeting or a class meeting. The board shall as soon as possible proceed to convene the extraordinary general meeting or a class meeting after receiving the requisition.</p> <p>The amount of shareholdings referred to above shall be calculated as at the date of the deposit of the requisition.</p> <p>(2) If the board does not serve the notice of the convening a meeting after 30 days of receiving the written requests aforesaid, such shareholders may convene such a meeting in a manner as similar as possible as that in which shareholders' meeting are to be convened by the board within four months from the date of receipt of the requisition by the board.</p> <p>Any reasonable expenses incurred by the requisitions by reason of the failure of the board to duly convene a meeting shall be repaid to the shareholders by the Company and any sum so repaid shall be set off against sums owed by the Company to the directors in default.</p> <p>(Article 72 of the Mandatory Provisions)</p>	Deleted
89	<p>Article 88 A general meeting shall be convened and presided over by the chairman of the board. If the chairman is unable to attend the meeting for any reason, the vice chairman of the board shall take the chair of the meeting. In the event that the vice chairman is incapable of performing or not performing his duties, then more than one-half of the directors shall jointly elect one director to be the chairman of the meeting.</p> <p>(Article 73 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		Section 6 Voteings and Resolutions at the General Meeting
90	<p>Article 89 The chairman of the meeting shall be responsible for determining whether a resolution thereat is passed. His decision, which is final and conclusive, shall be announced at the meeting and recorded in the minutes of meeting.</p> <p>(Article 74 of the Mandatory Provisions)</p>	Deleted
		<p>Article 70 Resolutions of shareholders' general meetings are classified as ordinary resolutions and special resolutions.</p> <p>Ordinary resolutions of the shareholders' general meeting shall be passed by more than half of the voting rights represented by the shareholders (including proxies) present at the meeting.</p> <p>Special resolutions of the shareholders' general meeting shall be passed by two-thirds or more of the voting rights represented by the shareholders (including proxies) present at the meeting.</p> <p>(Article 76 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 71 The following matters shall be resolved by ordinary resolutions at a general meeting:</p> <ol style="list-style-type: none"> (1) work reports of the Board of Directors and the Supervisory Committee; (2) plans formulated by the Board of Directors for distribution of profits and loss recovery; (3) appointment and dismissal of members of the Board of Directors and the Supervisory Committee, and their remuneration and manner of payment thereof; (4) the Company's annual financial budgets and final accounts; (5) the Company's annual report; (6) matters other than those specified by laws, administrative regulations, or the Articles of Association to be resolved by special resolutions. <p>(Article 77 of Guidelines on Articles of Association)</p> <p>(Rule 4(3) of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 72 The following matters shall be resolved by special resolutions at a general meeting:</p> <ol style="list-style-type: none"> (1) the increase or reduction of the registered capital of the Company; (2) the division, spin-off, merger, dissolution and liquidation of the Company; (3) the amendment to the Articles of Association; (4) other matters which laws, administrative regulations, or the Articles of Association require to be adopted by special resolutions and which, as resolved as ordinary resolutions at the general meeting of shareholders, will have a material impact on the Company and is therefore required to be resolved by special resolutions. <p>(Article 78 of Guidelines on Articles of Association)</p> <p>(Rules 16 and 21 of Appendix A1 to the Listing Rules)</p>
		<p>Article 73 A shareholder (including his or her proxy) who votes at a general meeting shall exercise his or her voting rights based on the number of voting shares represented. Each share shall have one vote.</p> <p>Shares held by the Company do not carry any voting rights and shall not be counted in the total number of shares with voting rights held by the present shareholders.</p> <p>(Article 79 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 74 When a shareholders' general meeting considers matters relating to connected transactions, the connected shareholders shall not participate in voting and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes; the announcement of the resolutions of shareholders' general meeting shall fully disclose the voting by non-connected shareholders.</p> <p>Before the general meeting considers matters relating to connected transactions, the Company shall determine the scope of connected shareholders in accordance with relevant laws, regulations and normative documents. Connected shareholders or their authorised representatives may attend the general meeting, and may clarify their views to the shareholders in accordance with the procedures of the meeting, but they shall abstain from voting in a poll.</p> <p>Where the general meeting considers matters relating to connected transactions, connected shareholders shall abstain from voting. If connected shareholders fail to abstain from voting, other shareholders attending the meeting shall have the right to request them to abstain from voting. After connected shareholders have abstained from voting, other shareholders shall vote according to their voting rights and pass the corresponding resolutions in accordance with the provisions of these Articles of Association.</p> <p>In order to be valid, the resolutions made at the general meeting on matters relating to connected transactions shall be passed by more than half of the votes cast by the non-connected persons attending the general meeting. However, in order to be valid, in the event of such connected transaction involving matters that need to be passed by special resolution as stipulated in these Articles of Association, the resolutions of the general meeting must be passed by two thirds or more of the voting rights held by the non-connected persons attending the general meeting.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Where connected shareholders participate in voting in violation of the provisions under this article, their voting in respect of matters relating to connected transactions shall be invalid.</p> <p>Where applicable laws, administrative regulations, departmental rules, regulatory documents or the Listing Rules have other provisions, such provisions shall prevail.</p> <p>(Article 80 of Guidelines on Articles of Association)</p> <p>(Rule 2.15 and 14A.36 of the Listing Rules)</p>
		<p>Article 75 The list of candidates for Directors and supervisors shall be submitted to the shareholders' general meeting in the form of a proposal.</p> <p>(Article 82 of Guidelines on Articles of Association)</p>
		<p>Article 76 The general meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is adjourned or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.</p> <p>(Article 83 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 77 Any vote of shareholders at a general meeting must be taken by poll except where the presider of the meeting, in good faith, decides to allow a motion which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p> <p>Procedural and administrative matters are those that:</p> <ol style="list-style-type: none"> (1) are not on the agenda of the general meeting or in any supplementary circular to shareholders; and (2) relate to the duties of the presider of a meeting to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views. <p>(Rule 13.39(4) of Chapter 13 in the Listing Rules)</p>
		<p>Article 78 When a proposal is considered at a shareholders' general meeting, no amendment shall be made unless such amendment is deemed to be made as a new proposal which shall not be voted on at the current shareholders' general meeting.</p> <p>(Article 84 of Guidelines on Articles of Association)</p>
		<p>Article 79 General meetings shall adopt voting by open ballot.</p> <p>(Article 86 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 80 Shareholders attending the shareholders’ general meeting shall express one of the following opinions on motions for voting: for, against or abstain.</p> <p>If any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for (or against) any particular resolution, any votes cast by or on behalf of such shareholder in contravention of relevant requirement or restriction shall not be counted.</p> <p>Blank, wrong, illegible or uncast votes shall be deemed as the voters’ waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as “abstain”.</p> <p>(Article 89 of Guidelines on Articles of Association)</p> <p>(Rule 14.(4) of Appendix A1 to the Listing Rules)</p>
91	<p>Article 90 If the chairman of the meeting has any doubt as to the result of a resolution put to the vote at the meeting, he may have the votes counted. If the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy and who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the declaration of the result, and the chairman of the meeting shall have the votes counted promptly.</p> <p>(Article 75 of the Mandatory Provisions)</p>	<p>Article 81 If the presider of the meeting has any doubt as to the result of any resolution put to the vote, he may have the votes counted. If the presider of the meeting does not have the votes counted, any attending shareholder or proxy who objects to the result announced by the presider of the meeting may demand that the votes be counted immediately after the declaration of the voting result, and the presider of the meeting shall have the votes counted immediately.</p> <p>(Article 90 of Guidelines on Articles of Association)</p>
		<p>Article 82 Where a resolution on the election of a Director or supervisor is passed at the general meeting, the newly-elected Director or supervisor shall take office at the end of the meeting on which relevant election resolution is passed by the shareholders’ general meeting.</p> <p>(Article 92 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
92	<p>Article 91 If votes are counted at a general meeting, the vote counting result shall be entered in the minutes of the meeting.</p> <p>(Article 76 of the Mandatory Provisions)</p>	Deleted
93	<p>Article 92 The general meeting shall keep minutes of its decisions on the matters considered. Directors attending the meeting shall sign their names on the minutes of the meeting. The minutes of meeting together with the attendance register of the attending shareholders and the power of attorney of their proxies shall be kept at the legal residence of the Company.</p> <p>(Article 76 of the Mandatory Provisions)</p>	Deleted
94	<p>Article 93 Copies of the minutes of general meeting shall be available for inspection free of charge by shareholders during business hours of the Company. If a shareholder requests the Company for a copy of such minutes, the Company shall send a copy of such minutes to him within 7 days after having received a reasonable fee.</p> <p>(Article 77 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
95	<p>Article 94 The Company must announce the poll results at the general meeting as soon as possible, but in any event at least 30 minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the first business day after the general meeting.</p> <p>The poll results announcement must include the number of:</p> <ol style="list-style-type: none"> (1) the number of shares entitling the holders to attend and vote on a resolution at the meeting; (2) the number of shares entitling the holders to attend and abstain from voting for as set out in Rule 13.40 of the Listing Rules; (3) the number of shares of holders that are required under the Listing Rules to abstain from voting; (4) the number of shares actually voted for a resolution; and (5) the number of shares actually voted against a resolution. <p>The Company shall appoint its accounting firm, share registrar or external accountants who are qualified to serve as its accountants as scrutineer for the vote-counting and state the identity of the scrutineer in the announcement. The Company shall also state in the announcement whether or not any parties that have stated their intention in the circular to vote against the relevant motion or to abstain from voting have done so at the general meeting.</p> <p>(Rule 13.39 (5) of Chapter 13 in the Listing Rules)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 9 Special Procedures for Voting by a Class of Shareholders	Deleted
96	<p>Article 95 Those shareholders holding different classes of shares are shareholders of different classes. Apart from the holders of other classes of shares, the holders of domestic shares and holders of overseas listed foreign shares shall be shareholders of different classes.</p> <p>A class of shareholders shall, in accordance with laws, administrative regulations and the Articles of Association, enjoy rights and bear obligations.</p> <p>The special procedures for voting at any meeting of a class of shareholders shall not apply to the following circumstances:</p> <p>(1) the Company issues, upon the approval by special resolution in general meeting, either separately or concurrently once every 12 months, not more than 20% of each of its issued and outstanding domestic shares and overseas listed foreign shares; or</p> <p>(2) the Company’s plan to issue domestic shares and overseas listed foreign shares at the time of its incorporation is carried out within 15 months from the date of approval by the securities regulatory authority under the China Securities Regulatory Commission.</p> <p>(Article 78, Article 85 of the Mandatory Provisions)</p> <p>(Section 1(f) of Appendix 13D to the Listing Rules)</p>	Deleted
97	<p>Article 96 Rights conferred on any class of shareholders in the capacity of shareholders may not be varied or abrogated unless approved by a special resolution of general meeting and by holders of shares of that class at a separate meeting conducted in accordance with Article 95, Articles 99 to 101 in these Articles of Association.</p> <p>(Article 79 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
98	<p>Article 97 The following circumstances shall be deemed to be variation or abrogation of the rights of a class of shareholders:</p> <ol style="list-style-type: none"> (1) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting or rights of distribution or privileges equal or superior to those of the shares of such class; (2) to effect an exchange of all or part of the shares of such class into shares of another class or to effect an exchange or create a right of exchange of all or part of the shares of another class into the shares of such class; (3) to remove or reduce rights to accrued dividends or rights to cumulative dividends attached to shares of such class; (4) to reduce or remove a dividend preference attached to shares of such class, to receive dividends or to the distribution of assets in the event of the Company is liquidated; (5) to add, remove or reduce conversion privileges, options, voting rights, transfer or pre-emptive rights, or rights to acquire securities of the Company attached to shares of such class; (6) to remove or reduce rights attached to shares of such class to receive payment payable by the Company in particular currencies; (7) to create a new class of shares having voting or equity rights or privileges equal or superior to those of the shares of such class; (8) to restrict the transfer or title of the shares of such class or add to such restriction; (9) to issue rights to subscribe for, or convert into, shares in the Company of such class or another class; (10) to increase the rights and privileges of shares of another class; 	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(11) to restructure the Company in such way so as to result in the disproportionate distribution of obligations between the various classes of shareholders;</p> <p>(12) to vary or abrogate the provisions of this Chapter.</p> <p>(Article 80 of the Mandatory Provisions)</p>	
99	<p>Article 98 Shareholders of the affected class, whether or not otherwise having the voting right at general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning Clauses (2) to (8), (11) to (12) of Article 97 of these Articles of Association, but interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>The meaning of “interested shareholder(s)” as mentioned in the preceding paragraph refer to:</p> <p>(1) in the case of a repurchase of shares by offers to all shareholders on a pro rata basis or public dealing on a stock exchange under Article 35 of these Articles of Association, a “controlling shareholder” within the meaning of Article 62 of these Articles of Association;</p> <p>(2) in the case of a repurchase of share by an off-market agreement under Article 35 of these Articles of Association, a holder of the shares to which the proposed agreement relates;</p> <p>(3) in the case of a restructuring of the Company, a shareholder within a class who bears a relatively lower proportion of obligation than the obligations imposed on the shareholders of that class under the proposed restructuring or who has an interest in the proposed restructuring different from the general interest of shareholders of that class.</p> <p>(Article 81 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
100	<p>Article 99 Resolutions of a class of shareholders shall be passed by votes representing more than two-third of the voting rights of shareholders of that class represented at the relevant meeting who, according to Article 96 of these Articles of Association, are entitled to vote at class meetings.</p> <p>(Article 82 of the Mandatory Provisions)</p>	Deleted
101	<p>Article 100 Written notice of a class meeting shall be given in accordance with the notice period of general meetings prescribed in Article 68 of the Articles of Association to notify all of the shareholders in the share register of such class of the matters to be considered, the date and the place of the class meeting. Any shareholder who wishes to attend the class meeting shall deliver a reply slip concerning attendance of the meeting to the Company within the prescribed time as specified in the notice of the class meeting.</p> <p>(Article 83 of the Mandatory Provisions)</p>	Deleted
102	<p>Article 101 Notice of class meetings need only be served on shareholders entitled to vote thereat.</p> <p>Any meeting of a class of shareholders shall be conducted in a manner as similar as possible to that of a general meeting. The terms of these Articles of Association relating to the manner to conduct any general meeting shall apply to any meeting of a class of shareholders.</p> <p>(Article 84 of the Mandatory Provisions)</p>	Deleted
	Chapter 10 Board of Directors	Chapter 5 Board of Directors
103	<p>Article 102 The Company shall have the board which is the Company’s standing authority organ.</p>	<p>Article 83 The Company shall set up a Board of Directors, which shall be accountable to the shareholders’ general meeting.</p> <p>(Article 105 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
104	<p>Article 103 The board shall consist of eleven directors, with a chairman. The board shall include at least one-third of external directors (i.e. directors who do not serve within the Company), of whom three or more shall be independent directors (i.e. directors who are independent of the shareholders and do not serve within the Company). The independent directors should meet the requirements of the Listing Rules promulgated by the Hong Kong Stock Exchange regarding the qualifications of independent non-executive directors, including at least one of the independent non-executive director must have appropriate qualifications or accounting or related financial management expertise.</p> <p>(Article 106 of the Guidelines on the Articles of Association of Listed Companies)</p>	<p>Article 84 The Board shall consist of eleven Directors, with a chairman.</p> <p>The chairman shall be elected by more than half of all Directors.</p> <p>The board shall include at least four independent Directors (i.e. Directors who are independent of the shareholders and do not serve within the Company) representing one-third or more of the Board. The independent Directors should meet the requirements of the Listing Rules regarding the qualifications of independent non-executive Directors (i.e. the Directors who do not hold any other positions in the Company other than as a Director of the Company, and are not related to the Company and its major shareholders in a way that may hinder their independent and objective judgment), at least one of whom must have appropriate professional qualifications or accounting or related financial management expertise.</p> <p>(Article 106 and 111 of Guidelines on Articles of Association)</p> <p>(Rule 3.10 and 3.10A of the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
105	<p>Article 104 Directors shall be elected at the general meeting, for a 3-year term of office. Upon the expiry of his term, a director shall be eligible for re-election.</p> <p>Any person appointed by the board to fill a casual vacancy or as an addition to the board shall hold office only until the next following annual general meeting and be eligible for re-election at that time.</p> <p>The shortest notice period for a notice in writing to propose a person for election as a director and for that person to deliver to the Company a notice in writing of his willingness to be elected shall be seven days. Such notice period shall commence no earlier than the date after the despatch of the notice of the general meeting appointed for such election and end no later than seven days (or before) prior to the date of such general meeting.</p> <p>The chairman shall be elected and removed by more than one-half of all the directors. The chairman shall have a 3-year term of office and be eligible for re-election.</p> <p>The general meeting may, on the condition that the relevant laws and administrative regulations are fully complied with, by ordinary resolution remove any director before the expiration of his term of office (but without prejudice to such director’s rights to claim damages based on any contract).</p> <p>External director shall have sufficient time and the necessary knowledge and ability in order to be capable of performing his duties. In performing his duties by an external director, the Company shall provide necessary information. Among other things, independent directors may report directly to the general meeting, the securities supervisory and regulatory body under the State Council and to other relevant departments.</p> <p>A director is not required to hold any shares in the Company.</p> <p>(Article 87 of the Mandatory Provisions)</p> <p>(Rule 4(2), (3), (4), (5) of Appendix 3 to the Listing Rules)</p> <p>(Article 6 of the Opinions)</p>	<p>Article 85 Directors shall be elected or removed from office at a general meeting and the general meeting may dismiss any Director before the expiration of his/her term of office. The term of office of a Director shall be 3 years, and a Director may be re-elected and reappointed upon expiry of his/her term of office. Directors of the Company shall be natural persons and shall meet Director qualifications stipulated in the Company Law.</p> <p>The term of office of a Director shall be counted from the date he/she taking office until the expiration of the term of the current Board of Directors. When the Directors’ term expires and a re-election is not held in time, the original Directors shall still perform their duties as Directors in accordance with laws, administrative regulations, departmental rules, and the Articles of Association before the re-elected Directors take office.</p> <p>A Director may serve concurrently as the general manager or other senior management, but the total number of Directors serving concurrently as the general manager or other senior management as well as employee representative Directors shall not be more than half of the Directors of the Company.</p> <p>Directors may submit their resignation before the expiry of their term. The resigning Directors shall submit a resignation report to the Board in writing. In the event that the resignation of a Director will result in the Board of the Company being less than the quorum, the original Director shall perform his/her duty as a Director pursuant to laws, administrative regulations, departmental rules, and the Articles of Association until a new Director assume his/her post. Save for the aforesaid circumstances, the Director’s resignation takes effect upon delivery of his/her resignation report to the Board.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>When a Director’s resignation takes effect or his/her term of service expires, the Director shall complete all transfer procedures with the Board. His/her obligation of loyalty towards the Company and shareholders do not necessarily cease after the end of his/her term of service and shall still be in effect for a reasonable period. Such period, as the principle of fairness may require, shall be determined depending on the duration between the occurrence of the event concerned and the termination of tenure, and the circumstances and conditions under which the relationship with the Company has been terminated.</p> <p>The general meeting may, on the condition that the relevant laws and administrative regulations are fully complied with, by ordinary resolution remove any Director before the expiration of his term of office (but without prejudice to such Director’s rights to claim damages based on any contract).</p> <p>Independent Director shall have sufficient time and the necessary knowledge and ability in order to be capable of performing his/her duties. In performing his/her duties by an independent director, the Company shall provide necessary information. Independent directors may report directly to the general meeting, the securities supervisory and regulatory body under the State Council and to other relevant departments.</p> <p>(Article 95, 96 and 100 of Guidelines on Articles of Association)</p> <p>(Rule 4(3) of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 86 Directors shall fulfil the following obligations of loyalty to the Company in accordance with laws, administrative regulations, and the Articles of Association:</p> <ol style="list-style-type: none"> (1) not abusing their powers to accept bribes or other unlawful income or misappropriating the Company’s properties; (2) not misappropriating the Company’s capital; (3) not depositing the Company’s assets or capital into accounts under their own names or the names of other individuals; (4) not loaning the Company’s funds to others or providing guarantees in favor of others supported by the Company’s assets in violation of the Articles of Association or without approval of the general meeting or the Board; (5) not entering into contracts or deals with the Company in violation of the Articles of Association or without approval of the general meeting; (6) not leveraging on their position and powers to procure business opportunities for themselves or others that should have otherwise been available to the Company or operating for their own benefits or managing on behalf of others businesses similar to that of the Company without approval of the general meeting; (7) not accepting and possessing commissions paid by another person for transactions conducted with the Company; (8) no unauthorised divulgence of confidential information of the Company; (9) not using their connected relationships to harm the interests of the Company; (10) other obligations of loyalty stipulated by laws, administrative regulations, departmental rules and the Articles of Association. <p>Any income earned by Directors in violation of the Articles of Association shall belong to the Company; if any loss is caused to the Company, such Directors shall be liable for compensation.</p> <p>(Article 97 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 87 Directors shall fulfill the following obligations of diligence in accordance with laws, administrative regulations, and the Articles of Association:</p> <ol style="list-style-type: none"> (1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure that the business operations of the Company comply with the requirements of the laws, administrative regulations and various economic policies of the country and not exceed the business scope specified in the business license of the Company; (2) to treat all shareholders impartially; (3) to keep informed of the operation and management conditions of the Company; (4) to sign the written confirmation in respect of the regular reports of the Company; (5) to assure that the information disclosed by the Company is true, accurate and complete; (6) to provide the Supervisory Committee with truthful information and not prevent the Supervisory Committee or Supervisors from exercising their duties and functions; (7) other obligations of diligence stipulated by laws, administrative regulations, departmental rules, and the Articles of Association. <p>(Article 98 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 88 No Director shall act in his/her own name on behalf of the Company or the Board, unless specified under the Articles of Association or legally authorised by the Board of Directors. Where the Director acts in his/her own name, but where a third party may reasonably assume such Director to act on behalf of the Company or the Board, such Director shall state his/her position and capacity in advance.</p> <p>(Article 102 of Guidelines on Articles of Association)</p>
		<p>Article 89 A Director shall be liable for compensation for any loss of the Company arising from violation by him/her of any laws, administrative regulations, departmental rules, or the Articles of Association in the course of performing his/her duties.</p> <p>(Article 103 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
106	<p>Article 105 The Board shall be responsible to the general meeting and shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to be responsible for the convening of the general meeting and to report on its work to the general meeting; (2) to implement the resolutions of the general meeting; (3) to decide on the Company’s business plans and investment plans; (4) to formulate the Company’s proposed annual financial budget and financial accounts; (5) to formulate the Company’s proposals for profit distribution and for recovery of losses; (6) to formulate proposals for the increase or reduction of the Company’s registered capital and the issue of bonds of the Company; (7) to prepare proposals for the material acquisition or disposal of the Company and plans for the merger, demerger or dissolution of the Company; (8) to decide on the Company’s internal management structure; (9) to appoint or dismiss the Company’s general manager, and based on the recommendation of the general manager to appoint or dismiss the deputy general manager, financial officers of the Company and decide on their remunerations; (10) to formulate the Company’s basic management system; (11) to formulate proposals for amendments to these Articles of Association; 	<p>Article 90 The Board of Directors shall be responsible to the shareholders’ general meeting and exercise the following powers:</p> <ol style="list-style-type: none"> (1) responsible for convening general meetings and reporting to the general meetings; (2) to implement resolutions of the general meetings; (3) to decide on the Company’s business plans and investment plans; (4) to formulate the annual financial budgets and final accounts of the Company; (5) to formulate the Company’s profit distribution plans and plans for recovery of losses; (6) to formulate proposals for the increase or reduction of the Company’s registered capital, the issuance of bonds or other securities and listing; (7) to formulate plans for the Company’s material acquisition, repurchase of the Company’s shares, merger, division, dissolution, or change of corporate form of the Company; (8) to make decisions on external investments, assets purchases or sales, assets pledges, external guarantees, entrusted wealth management, connected transactions, external donations etc. (except for the matters which shall be submitted to and approved by the general meetings as specified by laws, regulations, the Listing Rules, and the Articles of Association); (9) to decide on establishment of internal management structure of the Company;

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(12) to decide on the Company’s other material matters and administrative affairs and execute other important agreements other than those matters which are required to be determined at the general meetings pursuant to the Company and these Articles of Association; and</p> <p>(13) to exercise any other powers conferred by these Articles of Association or the general meeting.</p> <p>Except for resolutions of the board of directors in respect of the matters specified in Clauses (6), (7) and (11) of this Article which shall be passed by more than two-third of all the directors, resolutions of the board in respect of all other matters may be passed by more than one half of all the directors.</p> <p>The resolution in relation to the Company’s connected transactions shall only take effect after the signing by the independent directors.</p> <p>(Article 88 of the Mandatory Provisions)</p>	<p>(10) to decide on the appointment or dismissal of the Company’s general manager, secretary to the Board of Directors and other senior managers, and decide on their remunerations, rewards and penalties; to decide on the appointment or dismissal of the Company’s deputy general manager, financial controller and other senior managers according to the nomination of the general manager, and decide on their remunerations, rewards and penalties;</p> <p>(11) to formulate the basic management system of the Company;</p> <p>(12) to formulate proposals to amend the Articles of Association;</p> <p>(13) to propose to the general meeting the appointment or replacement of the accounting firm that provides audit service to the Company;</p> <p>(14) to decide on the Company’s other material matters and administrative affairs and sign other important agreements other than those matters which are required to be determined at the general meetings pursuant to the Company and these Articles of Association; and</p> <p>(15) to exercise any other powers conferred by these Articles of Association or the general meeting.</p> <p>The resolution made by the Board of Directors in relation to the Company’s connected transactions shall only take effect after the signing by the independent Directors.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>The Board of Directors of the Company shall set up an audit committee, and may also set up a nomination committee, a remuneration committee, and other special committees as required. The special committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorisation from the Board of Directors. Their proposals shall be submitted to the Board of Directors for consideration and decision. The special committees shall not make any resolution in the name of the Board of Directors; they may exercise decision-making power on authorised matters according to the special authorisation of the Board of Directors. The members of the special committees shall all be Directors. The Board of Directors is responsible for formulating the working rules of the special committees and regulating the operation of the special committees.</p> <p>(Article 107 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
107	<p>Article 106 The board of directors shall not, without the prior approval of general meeting, dispose of or agree to dispose of any fixed assets of the Company where the aggregate of the expected value of the consideration for the proposed disposal and the value of the consideration for any disposal of fixed assets in the four months immediately preceding the proposed disposal, exceeds 33% of the value of the Company's fixed assets as stated in the latest balance sheet considered and approved by the general meeting.</p> <p>A "disposal of fixed assets" as referred to in this Article includes an act involving the transfer of an interest in certain assets but does not include the provision of fixed assets by way of guarantee.</p> <p>Any breach of the first paragraph of this Article shall not affect the validity of any transaction entered into by the Company in disposing of fixed assets.</p> <p>When the board makes decisions in relation to market development, merger and acquisition, investments in a new domain etc., for the projects in which the amount of investment or of assets under the merger or acquisition represents more than 10% of its total asset amount, the board shall appoint a public consultancy institution to provide professional advice as the key reference for the board in their decision making.</p> <p>(Article 89 of the Mandatory Provisions)</p>	Deleted
108	<p>Article 107 The board of directors shall perform its duties in accordance with State laws, administrative regulations, the Articles of Association and resolutions of the general meeting.</p>	<p>Article 91 The Board of Directors shall perform its duties in accordance with the laws, administrative regulations, the Articles of Association and resolutions of the general meeting.</p> <p>The Board of Directors of the Company shall make explanations to the shareholders' general meeting when a certified public accountant issues a non-standard audit opinion in respect of the Company's financial reports.</p> <p>(Article 108 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
109	<p>Article 108 The chairman of the board shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to preside over the general meeting, and to convene and preside over the meetings of the board; (2) to formulate and approve the agenda of the board meeting; (3) to check the implementation of board resolutions; (4) to sign the securities issued by the Company; (5) to exercise other powers vested by the board. <p>If the chairman of the board is unable to exercise his power, he may designate other directors to exercise such powers on his behalf.</p> <p>(Article 90 of the Mandatory Provisions)</p>	<p>Article 92 The chairman of the Board of Directors shall exercise the following powers:</p> <ol style="list-style-type: none"> (1) to preside over general meetings and to convene and preside over the board meetings; (2) to supervise and review the implementation of resolutions of the Board of Directors; (3) to exercise other powers conferred by the Board of Directors. <p>In the event that the chairman of the Board of Directors is unable to carry out his duties, a Director elected by half or more of all Directors may perform his duties.</p> <p>(Article 112 and 113 of Guidelines on Articles of Association)</p>
110	<p>Article 109 Board meetings shall be held at least four times every year, about once every quarter and be convened by the chairman of the board. Notice of the meeting shall be given to all directors fifteen days before the convening of the meeting. For the urgent matters, a special board meeting may be held upon requisition by more than one-third of the directors, the supervisory committee or general manager of the Company.</p> <p>(Article 91 of the Mandatory Provisions)</p>	<p>Article 93 Board meetings shall be held at least four times every year, approximately once a quarter, and be convened by the chairman of the Board. All Directors and supervisors shall be notified in writing fourteen days before the meeting.</p> <p>Shareholders representing one tenth or more of the voting rights, or one third or more of the Directors or the Supervisory Committee may propose to convene an extraordinary board meeting. The chairman of the Board of Directors shall convene and preside over the board meeting within ten days after the receipt of the proposal.</p> <p>Notice of extraordinary meeting of the Board of Directors shall be given in writing to all Directors and supervisors [five] days before the meeting. In case of emergency and an extraordinary Board meeting is required to be convened as soon as possible, the notice of meeting may be given by telephone or by other oral means at any time upon approval by more than one-third of all Directors, but the convener shall provide an explanation at the meeting.</p> <p>(Article 114, 115 and 116 of Guidelines on Articles of Association)</p> <p>(Code Provision C.5.1 and C.5.3 in Part 2 of Appendix C1 to the Listing Rules)</p>

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No.	Original	Amended
111	<p>Article 110 Notice of meetings of the board shall be delivered by the means as follows:</p> <ol style="list-style-type: none"> (1) no notice is required if the timing and venue of the meetings have been decided by the board in advance. (2) if the board has not decided the timing and venue of the meetings, the chairman of the board shall deliver notices of the meetings to directors by email, telegraph, facsimile, express delivery service, registered mail or by hand at least seven days before the meetings. (3) such notices shall be in Chinese, with English version when necessary, and shall include the meeting agendas and relevant meeting documents. Any director may waive his rights to receive the notice of board meeting. (4) if any director who attends the meeting but has not raised any objection before or upon attendance that he has not received the notice of the meeting, such director shall be deemed to have received the notice of the meeting. (5) any regular or special board meeting may be held by way of telephone conference or one using similar communication equipment so long as all directors participating in the meeting can clearly hear and communicate with each other. All such directors shall be deemed to be present in person at the meeting. <p>(Article 92 of the Mandatory Provisions)</p>	<p>Article 94 A notice of a meeting of the Board of Directors shall contain the following contents:</p> <ol style="list-style-type: none"> (1) date and venue of the meeting; (2) period for the meeting; (3) reasons for and the subjects to be discussed thereat; (4) date of issuance of the notice. <p>(Article 117 of Guidelines on Articles of Association)</p>
112	<p>Article 111 With regard to significant matters that require board decision, the Company shall notify all directors within the prescribed time limit under Article 110 of these Articles of Association, sufficient information shall be supplied and the stipulated requirements in relation to the conduct of procedure shall be strictly adhered to. Directors may request the provision of supplemental materials.</p> <p>(Article 3 of the Opinions)</p>	<p>Article 95 For any material matters to be decided by the Board of Directors, the Company shall notify all Directors within the prescribed time limit under Article 93 of these Articles of Association, and sufficient information shall be supplied and the stipulated requirements in relation to the conduct of procedure shall be strictly adhered to. Directors may request the provision of supplemental information.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
113	<p>Article 112 Board meetings shall be held only if more than one-half of the directors are present.</p> <p>Each director shall have one vote. A resolution of the board must be passed by more than one-half of all the directors. In the case of an equality of votes, the chairman of the board shall have a casting vote.</p> <p>When more than one-fourth of directors or more than 2 external directors are of the view that the materials are insufficient or are inadequately explained, they may jointly propose to the board for a postponement of the board meeting or for a postponement of determination of part of the matters concerned. The board shall adopt such proposal.</p> <p>(Article 93 of the Mandatory Provisions)</p>	<p>Article 96 Board meetings shall be held only if more than half of the Directors are present.</p> <p>Each Director shall have one vote. A resolution of the Board must be passed by more than half of all the Directors.</p> <p>When one-fourth or more of Directors or two or more independent Directors are of the view that the materials are insufficient or non-specific, they may jointly propose to the Board for a postponement of the board meeting or for a postponement of determination of part of the matters concerned. The Board shall adopt such proposal.</p> <p>(Article 118 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
114	<p>Article 113 Directors shall attend any board meeting in person. Where a director is unable to attend with cause, he may in writing authorise another director to attend the board meeting on his behalf. The instrument of proxy shall specify the scope of authorisation.</p> <p>The director attending the meeting for another director shall exercise the rights of the latter director within the scope of authorisation. Any director who is unable to attend a particular board meeting and has not authorised a proxy to attend on his behalf shall be deemed as waiving the right to vote at such meeting.</p> <p>For matters which need to be approved at a special board meeting, in lieu of convening a board meeting, a written resolution may be adopted by the board if such proposed resolution has been sent to all directors and affirmatively signed and adopted by the number of directors necessary to make such a decision as stipulated in Article 112 of these Articles of Association.</p> <p>(Article 94 of the Mandatory Provisions)</p>	<p>Article 97 Directors shall attend board meetings in person. Where a Director is unable to attend for any reason, he or she may authorise another Director in writing to attend the board meeting on his or her behalf. The power of attorney shall contain the name of proxy, issues under authorisation, the scope of the authorisation and the valid period, and shall be signed or sealed with the chop by the appointer.</p> <p>The proxy director shall exercise the rights of a Director within the scope of the authorisation. A Director failing to attend the board meeting in person or by proxy shall be deemed as having waived his voting rights at such meeting.</p> <p>The vote on board resolutions shall be taken by way of an open ballot or of voting on a show of hands. On the premise that the Directors are assured to have fully expressed their views at an extraordinary board meeting, the vote on board resolutions may be taken by way of communication. The resolution shall be signed by the Directors attending the meeting.</p> <p>If the Director fails to attend the Board meeting in person or appoint a proxy to attend the meeting on his/her behalf for two consecutive times, it shall be deemed that he/she cannot perform his/her duties, and the Board of Directors shall advise the general meeting to remove such Director.</p> <p>If any Director has connected relationship with the enterprise involved in the resolution made at a board meeting, the said Director shall not vote on the said resolution for himself/herself or on behalf of another Director. The Board meeting may be held when more than half of the non-connected Directors attend the meeting. The resolutions of the Board meeting shall be passed by more than half of the non-connected Directors. If the number of non-connected Directors attending the meetings is less than three, the issue shall be submitted to the general meeting for consideration.</p> <p>(Article 99, 119, 120 and 121 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
115	<p>Article 114 The board shall keep minutes of its decisions on the matters considered including any doubts or opposing opinions raised by the directors. Directors, the secretary to the board attending the meeting and the person taking the minutes shall sign their names on the minutes of the meeting. Opinions of independent directors shall be specified in the resolution of the board. Directors shall be responsible for the resolutions of the board. Where a resolution of the board violates laws, administrative regulations or these Articles of Association and causes serious losses to the Company, the directors who took part in such a resolution shall be liable to compensate the Company. However, if a director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, such director may be relieved of such liability.</p> <p>Minutes of each board meeting shall be provided to all directors for review as soon as possible. Any director intending to amend or supplement the minutes shall submit the amendment opinions in writing to the chairman of the board within one week after receipt of the minutes. After finalization, the minutes of the board shall be signed by all directors who have attended the meeting and the minutes recording person. Minutes of the board meeting shall be properly kept at the residence of the Company and a complete copy shall be sent to each director as soon as possible.</p> <p>The proposal in writing may be used to substitute the meeting of the board, and such proposal shall be integral and comprehensive, and shall be delivered to every director by hand (including express delivery service), by mail or by facsimile. If the proposal has been circulated to all directors, if the number of the directors who have clearly expressed agreement has reached that for the decision-making, and if such has been submitted to the secretary of the board, such proposal shall become a resolution of the board, and no board meeting shall be required.</p> <p>(Article 95 of the Mandatory Provisions)</p>	<p>Article 98 The Board shall keep minutes of its decisions on the matters considered at the meetings including any doubts or opposing opinions raised by the directors. Directors, the secretary to the Board attending the meeting and the person taking the minutes shall sign their names on the minutes of the meeting. Opinions of independent Directors shall be specified in the resolution of the Board. Directors shall be responsible for the resolutions of the Board. Where a resolution of the Board violates laws, administrative regulations or these Articles of Association and causes serious losses to the Company, the Directors who took part in such a resolution shall be liable for compensation. However, if a Director can prove that he had expressed his opposition to such resolution when it was put to the vote, and such opposition is recorded in the minutes of the meeting, such Director may be relieved of such liability.</p> <p>The minutes of the meetings of the Board of Directors shall be kept as company files for a period of not less than 10 years.</p> <p>The minutes of the meetings of the Board of Directors shall include the following:</p> <ol style="list-style-type: none"> (1) the date and venue of the meeting and the name of the convener; (2) names of the Directors attending the meeting and names of the Directors (proxies) appointed by others to attend the meeting of the Board of Directors; (3) agenda of the meeting; (4) main points of the speeches of the Directors; (5) the means and result of voting of each resolution (the result of voting shall state the numbers of votes for, against or abstention). <p>(Article 122 and 123 of Guidelines on Articles of Association)</p>
	<p>Chapter 11 Secretary to the Board of the Company</p>	<p>Chapter 6 Secretary to the Board of the Company</p>
116	<p>Article 115 The Company shall have a secretary to the board of the Company, who is a senior management officer of the Company.</p> <p>(Article 96 of the Mandatory Provisions)</p>	<p>Article 99 The Company shall have one secretary to the Board of the Company, who is a senior management officer of the Company.</p> <p>(Article 133 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
117	<p>Article 116 The Secretary to the Board of the Company shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board. The primary responsibilities of the secretary to the board of the Company are:</p> <ol style="list-style-type: none"> (1) to ensure that Company has maintained complete constitution documents and records; (2) to ensure that the Company prepares and delivers in accordance with law those reports and documents required by relevant authorities entitled thereto; (3) to ensure that the Company's registers of shareholders are properly maintained, and that persons entitled to the relevant records and documents of the Company are furnished with such records and documents without delay; <p>(Article 97 of the Mandatory Provisions)</p> <ol style="list-style-type: none"> (4) to assist directors in performing the daily functions of the board, continuously provide, remind and ensure that directors understand the rules, policies and requirements of local and overseas regulatory bodies on the Company's operations, assist directors and general manager to exercise their powers in accordance with the local and overseas laws and regulations, these Articles of Association and other relevant regulations; (5) to be responsible for organizing and preparing documents for Board meetings and general meeting, preparing minutes, ensuring that resolutions are passed in accordance with procedures required by law and be informed about the implementation of the board resolutions; (6) to be responsible for organizing and coordinating the disclosure of information, maintaining investor relations and enhancing the Company's transparency; (7) to participate and coordinate fund raising in the capital markets; (8) to maintain relationships with market intermediaries, regulatory bodies, media and maintaining public relations. <p>(Chapter 1 of the Guidelines for Company Secretaries)</p>	<p>Article 100 The Secretary to the Board of the Company shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board. The primary responsibilities of the secretary to the Board are:</p> <ol style="list-style-type: none"> (1) to prepare for the shareholders' general meetings and the board meetings of the Company; (2) to handle matters relating to information disclosure; (3) to ensure that the Company has maintained complete constitution documents and records; (4) to ensure that the Company prepares and delivers in accordance with laws those reports and documents required by relevant authorities entitled thereto; (5) to ensure that the Company's registers of shareholders are properly maintained with management of the Company's shareholder information, and that persons entitled to the relevant records and documents of the Company may access such records and documents without delay. <p>(Article 133 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
118	<p>Article 117 The scope of the duties of the secretary to the board of the Company includes the following:</p> <p>(1) to coordinate and organize board meetings and general meetings, prepare the relevant materials for the meetings, arrange matters relating to the meetings, be responsible for taking minutes and ensuring the accuracy of the minutes, keeping documents and minutes of the meetings, actively informing himself of the implementation of relevant resolutions, reporting and providing recommendations to the board on material matters that are being implemented;</p> <p>(2) to ensure that material decisions of the board are performed strictly in accordance with the relevant requirements. Upon the request of the Board, participate in the consultation and analysis of the matters before the Board and offer his opinions and make recommendations accordingly, be authorised to perform the daily functions of the Board and other committees;</p> <p>(3) to act as the Company’s contact person with securities regulatory bodies, be responsible for organizing, preparing and submitting documents required by such regulatory bodies, accepting, organizing and completing tasks delegated by such regulatory bodies;</p> <p>(4) to be responsible for coordinating and arranging for the information disclosure of the Company, putting in place an appropriate disclosure mechanism, participating in all meetings relating to information disclosure, be made aware of the Company’s material operating decisions and all related information;</p>	Deleted

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No.	Original	Amended
	<p>(5) to be responsible for keeping in confidence any price sensitive information of the Company, and put in place effective rules and systems for maintaining confidentiality of information. Where price sensitive information of the Company has been revealed to the public, take all necessary actions to rectify, explain and clarify and notify the overseas securities regulatory body of the place in which the Company's shares are listed and CSRC;</p> <p>(6) to be responsible for coordinating market publicity, reception of visitors, managing investor relations, maintaining relationships with investors, market intermediaries and mass media, ensuring that enquiries of the public are addressed, ensuring that investors receive information disclosed by the Company on a timely basis; to organize and prepare publicity campaigns of the Company locally and overseas, prepare reports summarizing market publicity and material visits and arrange to report any related matters to CSRC;</p> <p>(7) to be responsible for maintaining and keeping the register of shareholders, register of directors, information relating to shareholdings of substantial shareholders and directors, and a list of holders of bonds issued by the Company;</p> <p>(8) to assist directors and managers to exercise their powers in accordance with local and overseas laws, regulations, the Articles of Association and other relevant regulations. When the secretary is aware that the Company has made or may possibly pass the resolutions that are in breach of the relevant requirements, he has an obligation to remind and report such breach to CSRC and other regulatory bodies in a timely manner;</p> <p>(9) to coordinate the provision of necessary information to the Company's supervisory committee and other audit authorities to enable them to perform their supervisory functions, and assist the investigation of the integrity of the Company's financial controller, Directors and managers;</p>	

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No.	Original	Amended
	<p>(10) to perform other duties delegated by the Board and the other duties required by overseas regions.</p> <p>(Chapter 2 of the Guidelines for Company Secretaries)</p>	
119	<p>Article 118 A director or other senior management officer of the Company may hold the office of the Company secretary concurrently. However, any accountants from the accounting firm appointed by the Company shall not act as the secretary to the Board of the Company.</p> <p>Provided that where the office of the secretary to the board of the Company is held concurrently by a director and an act is required to be done by a director and a board secretary separately, the person who holds the office of director and board secretary may not perform the act in dual capacity.</p> <p>(Article 98 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p align="center">Chapter 12 General Manager of the Company</p>	<p align="center">Chapter 7 General Manager and Other Senior Management Officers of the Company</p>
<p>120</p>	<p>Article 119 The Company shall have one general manager, who shall be appointed and dismissed by the board. The Company shall have certain deputy general managers with a 3-year term of office who shall be eligible for re-election. "General manager" herein shall have the same meaning as "manager" as in the Mandatory Provisions.</p> <p>(Article 99 of the Mandatory Provisions)</p>	<p>Article 101 The Company shall have one general manager and one deputy general manager who shall be appointed or dismissed by the Board of Directors; The general manager and deputy general manager shall be appointed for a term of three years and may serve consecutive terms upon reappointment.</p> <p>The general manager, deputy general manager, the financial controller and secretary of the Board of Directors are senior management officers of the Company.</p> <p>Senior management officers of the Company are natural persons and must meet the qualifications of senior management officers stipulated in the Company Law.</p> <p>Any person who takes an administrative role other than a Director or a supervisor in the controlling shareholders of the Company shall not serve as a senior management officer of the Company.</p> <p>The senior management officers only receive remuneration from the Company, not paid by the controlling shareholders on their behalf.</p> <p>(Articles 124, 126, and 127 of Guidelines on Articles of Association)</p>
		<p>Article 102 Provisions regarding the duty of loyalty of Directors under Article 86 and the duty of diligence under items (4), (5) and (6) of Article 87 hereof shall be applicable to the senior management officers.</p> <p>(Article 125 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
121	<p>Article 120 The general manager shall be accountable to the board and exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to be in charge of the Company's production, operation and management and to organise the implementation of the resolutions of the board; (2) to organise the implementation of the Company's annual business plans and investment plans; (3) to draft plans for the establishment of the Company's internal management structure; (4) to establish the Company's basic management system; (5) to formulate basic rules and regulations for the Company; (6) to propose the appointment or dismissal of the Company's deputy general manager(s) and financial controller; (7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the board; (8) to determine the awards and punishments, promotion and demotion, increase/reduction of salaries, appointment, employment, dismissal, and discharge of the staff and workers of the Company; (9) to act on behalf of the Company to deal with the material external affairs in accordance with the authorisation of the board; (10) other powers conferred by the Articles of Association and the board. <p>(Article 100 of the Mandatory Provisions)</p>	<p>Article 103 The general manager shall be accountable to the Board and exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to be in charge of the production, operation and management of the Company, organise the implementation of resolutions of the Board of Directors, and report to the Board of Directors; (2) to organise the implementation of the Company's annual business plans and investment plans; (3) to draft plans for the establishment of the Company's internal management structure; (4) to establish the Company's basic management system; (5) to formulate the specific regulations of the Company; (6) to propose the appointment or dismissal of the Company's deputy general manager and financial controller; (7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board; (8) to determine the rewards and penalties, promotion and demotion, increase and reduction of salaries, appointment, employment, dismissal, and discharge of the staff and workers of the Company; (9) to act on behalf of the Company to deal with the material external affairs in accordance with the authorisation of the Board; <p>Other functions and powers conferred by the Articles of Association and the Board.</p> <p>(Article 128 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
122	<p>Article 121 The general manager and deputy general manager may be present at board meetings. The general manager and deputy general manager have no voting rights at the board meetings unless he is also a director.</p> <p>(Article 101 of the Mandatory Provisions)</p>	<p>Article 104 The general manager and deputy general manager may be present at board meetings. The general manager and deputy general manager have no voting rights at the board meetings unless he/she is also a Director.</p> <p>(Article 128 of Guidelines on Articles of Association)</p>
123	<p>Article 122 The general manager and deputy general managers shall not, in exercising their functions and powers, vary the resolutions of general meetings and board meetings or exceed the scope of their authorities.</p>	<p>Article 105 The general manager and deputy general manager shall not, in exercising their functions and powers, change the resolutions of general meetings and board meetings or exceed their terms of reference.</p>
124	<p>Article 123 The general manager and deputy general managers shall, in exercising their functions and powers, act honestly and diligently in accordance with laws, administrative regulations and the Articles of Association.</p> <p>(Article 102 of the Mandatory Provisions)</p>	Deleted
		<p>Article 106 The general manager may resign before expiry of his/her term of office. The procedures and formalities for the resignation of the general manager shall be stipulated in the service contract between the general manager and the Company.</p> <p>(Article 131 of Guidelines on Articles of Association)</p>
		<p>Article 107 The deputy general manager of the Company is nominated by the general manager and appointed or dismissed by the Board of Directors. The deputy general manager assists the general manager in his work.</p> <p>(Article 132 of Guidelines on Articles of Association)</p>
		<p>Article 108 If a senior management officer violates any laws, administrative rules, departmental regulations and the provisions stipulated in these Articles of Association in the course of performing his/her duties of the Company and subsequently causes losses to the Company, he/she shall be liable for compensation.</p> <p>(Article 134 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
		<p>Article 109 Senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all the shareholders. If the Company's senior management officers fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and public shareholders, they shall be liable for compensation in accordance with laws.</p> <p>(Article 135 of Guidelines on Articles of Association)</p>
	<p align="center">Chapter 13 Supervisory Committee</p>	<p align="center">Chapter 8 Supervisory Committee</p>
125	<p>Article 124 The Company shall have a supervisory committee. The supervisory committee is the Company's standing supervisory organ. Its responsibilities are to exercise supervision over the board and its members and other senior management officers including general manager and deputy general manager.</p> <p>(Article 103 of the Mandatory Provisions)</p>	<p>Article 110 The Company shall have a Supervisory Committee. The Supervisory Committee is the Company's standing supervisory organ. Its responsibilities are to exercise supervision over the Board and its members and management personnel including general manager and deputy general manager.</p> <p>(Article 144 of Guidelines on Articles of Association)</p>
126	<p>Article 125 The supervisory committee consists of four supervisors who are elected for a term of three years and are eligible for re-election. The supervisory committee shall have a chairman for a term of three years, who can be re-elected. The election or removal of the chairman of the supervisory committee shall be approved by a vote of at least two-thirds (including two-thirds) of the members of the supervisory committee</p> <p>(Article 144 of the Guidelines on the Articles of Association of Listed Companies)</p> <p>(Article d(i) of Part I of Appendix 13D of the Listing Rules)</p>	<p>Article 111 The Supervisory Committee consists of three supervisors who are elected for a term of three years and are eligible for re-election. The Supervisory Committee shall have a chairman for a term of three years, who can be re-elected. The election or removal of the chairman of the Supervisory Committee shall be approved by a vote of more than half of the supervisors. The meeting shall be convened and presided over by the chairman of the Supervisory Committee. If the chairman of the Supervisory Committee is unable or fails to perform his duties, a supervisor who has been elected by half or more of the supervisors shall convene and preside over the meeting of the Supervisory Committee.</p> <p>Where the tenure of supervisors expires and re-election has not yet been made in a timely manner, or where a supervisor resigns during his/her tenure resulting in the number of supervisors being less than the necessary quorum of the Supervisory Committee, the original supervisor shall continue to perform his/her duties as a supervisor pursuant to the provisions of laws, administrative regulations and these Articles of Association.</p> <p>(Articles 138, 139, 140, and 144 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
127	<p>Article 126 The supervisory committee consists of two shareholder representative supervisors and two representative supervisors of staff and workers of the Company. The shareholder representative supervisor shall be elected and removed by the general meeting; the representative supervisor of staff and workers of the Company shall be democratically elected and removed by the staff and workers of the Company. Among the members of the supervisory committee, external supervisors (i.e. supervisors who do not serve within the Company) shall account for at least one-third of the supervisory committee. The external supervisors shall include two or more independent supervisors (i.e. supervisors who are independent of the shareholders and do not serve within the Company). The external supervisors shall have the right to report independently to the general meeting on the integrity and diligence of the management of the Company.</p> <p>(Article 144 of the Guidelines on the Articles of Association of Listed Companies)</p>	<p>Article 112 The Supervisory Committee consists of one shareholder representative supervisor and two representative supervisors of staff and workers of the Company. The shareholder representative supervisor shall be elected and removed by the general meeting; the representative supervisor of staff and workers of the Company shall be democratically elected and removed by the staff and workers of the Company.</p> <p>(Article 144 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
128	<p>Article 127 Directors, general manager, deputy general manager and financial controllers of the Company shall not act concurrently as supervisors.</p> <p>(Article 106 of the Mandatory Provisions)</p>	<p>Article 113 The supervisors of the Company shall meet the supervisor qualifications stipulated in the Company Law.</p> <p>The Directors, the general manager and other senior management members of the Company shall not serve concurrently as supervisors.</p> <p>Supervisors shall abide by laws, administrative regulations and these Articles of Association, have a duty of loyalty and diligence to the Company, and shall not use their functions and powers to accept bribes or other illegal income, or misappropriate the Company’s property.</p> <p>Supervisors shall not use their connected relationships to harm the interests of the Company. If they cause losses to the Company, they shall bear liability for compensation.</p> <p>Supervisors who violate laws, administrative regulations, departmental rules or the provisions of these Articles of Association when performing their duties and cause losses to the Company shall bear liability for compensation.</p> <p>(Articles 136, 137, 142, and 143 of Guidelines on Articles of Association)</p>
129	<p>Article 128 Meeting of supervisory committee shall be held at least once every six months and be convened by the chairman of supervisory committee. A special supervisory committee meeting may be held upon requisition by the supervisors.</p> <p>(Article 107 of the Mandatory Provisions)</p>	<p>Article 114 Meetings of Supervisory Committee shall be held at least once every six months and be convened by the chairman of Supervisory Committee. An extraordinary meeting of Supervisory Committee may be held upon requisition by the supervisors.</p> <p>In convening the extraordinary meetings of the Supervisory Committee, all supervisors shall be notified in writing [five] days before the meeting. Where an extraordinary meeting of the supervisory committee is required to be convened as soon as possible in emergency, the notice of meeting may be delivered by telephone or by other verbal means at any time, but half or more of all supervisors must agree.</p> <p>(Articles 146 of the Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
130	<p>Article 129 The supervisory committee is accountable to general meeting and shall exercise the following functions and powers in accordance with laws:</p> <ol style="list-style-type: none"> (1) to examine the Company’s financial affairs; (2) to supervise the directors, general manager, deputy general manager and other senior management officers of the Company to see whether they violate any laws, administrative regulations or these Articles of Association in performing their duties; (3) when the directors, general manager, deputy general manager and other senior management officers are performing acts which are harmful to the Company, to require the aforesaid persons to rectify their acts; (4) to verify financial information including financial reports, business reports, profit distribution plans proposed to be tabled at a general meeting by the board and appoint, in the name of the Company, a registered accountant or practicing auditor to assist in reviewing such information should any queries arise; (5) to propose to convene an extraordinary general meetings; (6) to represent the Company in negotiating with any directors or lodge a lawsuit against any director; 	<p>Article 115 The Supervisory Committee is accountable to general meeting and shall exercise the following functions and powers in accordance with laws:</p> <ol style="list-style-type: none"> (1) to examine the Company’s financial affairs; (2) to monitor any acts on the part of Directors and senior management officers in their performance of duties and propose the dismissal of Directors and senior management officers who have violated the laws, administrative regulations and these Articles of Association or resolutions passed by the shareholders’ general meeting; (3) when the Directors and senior management officers are performing acts which are harmful to the Company’s interests, to require the aforesaid persons to rectify their acts; (4) to propose the convening of an extraordinary general meeting, and convene and chair shareholders’ general meetings in the event of the Board of Directors having failed to do so pursuant to the Company Law; (5) to put forward proposals to a shareholders’ general meeting; (6) to bring an action against Directors and senior management officers in accordance with the Company Law;

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No.	Original	Amended
	<p>(7) other functions and powers as stipulated in these Articles of Association. Supervisors are entitled to observe board meetings.</p> <p>The supervisory committee may opine on the appointment of the accounting firm appointed by the Company, and where necessary, may otherwise appoint accounting firm in the name of the Company to separately audit the accounts of the Company, and may directly report to the securities supervisory and regulatory body under the State Council and to other relevant departments.</p> <p>External supervisors shall report independently to the general meeting in relation to the performance of diligence and honesty of the Company's senior management officers.</p> <p>(Article 108 of the Mandatory Provisions)</p>	<p>(7) in the event that the Supervisory Committee discovers any unusual operation of the Company, it may conduct an investigation and, when necessary, may engage professional organisations, such as accounting firms and law firms, to assist in its work, and any expenses incurred thereby shall be borne by the Company.</p> <p>Supervisors are entitled to observe board meetings and raise inquiries or suggestions on board resolutions.</p> <p>The Supervisory Committee may opine on the appointment of the accounting firm appointed by the Company, and where necessary, may otherwise appoint accounting firm in the name of the Company to separately audit the accounts of the Company, and may directly report to the securities supervisory and regulatory body under the State Council and to other relevant departments.</p> <p>(Articles 141 and 145 of Guidelines on Articles of Association)</p>
131	<p>Article 130 Resolutions of the supervisory committee shall be made by the affirmative vote of two-thirds (including two-thirds) or more of all supervisors. The supervisory committee shall keep minutes of meeting in relation to the decisions made on the matters of the meeting. Supervisors present and the person taking the minutes shall sign on the minutes.</p> <p>(Article 109 of the Mandatory Provisions)</p> <p>(Section 1d(ii) of Appendix 13D to the Listing Rules)</p>	<p>Article 116 Resolutions of the Supervisory Committee shall be made by the affirmative vote of half or more (including half) of all supervisors. The Supervisory Committee shall keep minutes of meeting in relation to the decisions made on the matters of the meeting. Supervisors present and the person taking the minutes shall sign on the minutes.</p> <p>Any supervisor shall be entitled to have an explanatory note made in the minutes regarding his/her speech at the meeting. The minutes of the meetings of the Supervisory Committee shall be kept as company files for a period of not less than 10 years.</p> <p>(Articles 146 and 148 of Guidelines on Articles of Association)</p>

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No.	Original	Amended
		<p>Article 117 The notice of the meeting of the Supervisory Committee shall contain the following:</p> <p>(1) date, venue and duration of the meeting;</p> <p>(2) the reasons for and matters to be considered at the meeting;</p> <p>(3) the date on which such notice is dispatched.</p> <p>(Article 149 of Guidelines on Articles of Association)</p>
132	<p>Article 131 All reasonable fees incurred in respect of the employment of professionals such as lawyers, registered accountants or practicing auditors by the supervisory committee in exercising their functions and powers shall be borne by the Company.</p> <p>(Article 110 of the Mandatory Provisions)</p>	Deleted
133	<p>Article 132 Supervisors are required to faithfully perform their supervisory duties in accordance with laws, administrative regulations and the Articles of Association.</p> <p>(Article 111 of the Mandatory Provisions)</p>	Deleted
	<p>Chapter 14 Qualifications and Obligations of Directors, Supervisors, General Manager, Deputy General Manager and Other Senior Management Officers of the Company</p>	Deleted
134	<p>Article 133 A person shall not serve as a director, supervisor, general manager, deputy general manager or other senior management officers upon the occurrence of any of the following events:</p> <p>(1) the person is without civil capacity or with restricted civil capacity;</p> <p>(2) the person has committed the offence of corruption, bribery, taking of property, misappropriation of property or destruction of the social economic order, and has been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence; or has been deprived of their political rights due to criminal offence, where less than five years have elapsed since the date of the completion of implementation of this deprivation;</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(3) the person is former director, factory director or managers of a company or corporate which has become bankrupt and been liquidated due to a mismanagement and be personally liable for the bankruptcy of such company or corporate, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of such company or corporate;</p> <p>(4) the person is legal representatives of a company or corporate which had its business license revoked due to violation of the law and be personally liable, where less than three years have elapsed since the date of the revocation of the business license of such company or corporate;</p> <p>(5) the person has a large amount of debt due and outstanding;</p> <p>(6) the person has been involved in criminal offences subject to investigation by judicial authorities and the case has yet been settled;</p> <p>(7) the person is not eligible for acting in the leadership of a corporate according to laws or administrative regulations;</p> <p>(8) the person is not a natural person;</p> <p>(9) the person was adjudged by the relevant governing authority to be guilty of contravention of provisions of securities regulations involving fraud or dishonesty, where less than five years have elapsed since the date of judgment.</p> <p>(Article 112 of the Mandatory Provisions)</p>	
135	<p>Article 134 The validity of an act of a director, general manager, deputy general manager or other senior management officers on behalf of the Company is not, vis-a-vis a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.</p> <p>(Article 113 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
136	<p>Article 135 In addition to the obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchanges on which shares of the Company are listed, each of the directors, supervisors, general manager, deputy general manager and other senior management officers of the Company owes a duty to each shareholder, in the exercise of the functions and powers entrusted to him by the Company:</p> <p>(1) not to cause the Company to exceed the scope of business stipulated in its business license;</p> <p>(2) to act honestly in the best interests of the Company;</p> <p>(3) not to expropriate in any guise the Company's property, including but not limited to the opportunities beneficial to the Company;</p> <p>(4) not to expropriate the individual rights of shareholders, including but not limited to rights of distribution and voting rights, save pursuant to a restructuring of the Company submitted to general meeting for approval in accordance with these Articles of Association.</p> <p>(Article 114 of the Mandatory Provisions)</p>	Deleted
137	<p>Article 136 Each of the directors, supervisors, general manager, deputy general manager and other senior management officers of the Company owes a duty, in the exercise of his powers or discharge of his obligations, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.</p> <p>(Article 115 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
138	<p>Article 137 Director, supervisor, general manager, deputy general manager and other senior management officer owes a duty, in the exercise of his powers, to observe his fiduciary obligations and not to place himself in a position where his duty and his interest may conflict. This principle includes, without limitation, the following obligations:</p> <ol style="list-style-type: none"> (1) to act honesty in what he considers to be in the best interests of the Company; (2) to exercise the powers within his authority without abuse; (3) to exercise the discretion vested in him personally and not allow himself to act under the direction of another and, unless and to the extent permitted by law, administrative regulations or the informed consent of shareholders in general meeting, not to delegate the exercise of his discretion; (4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly; (5) except in accordance with these Articles of Association or otherwise permitted by informed shareholders in general meeting, not to enter into any contract, transaction or arrangement with the Company; (6) unless otherwise permitted by informed shareholders in general meeting, not to use the Company's property for his own benefit in any manner; (7) not to obtain monies from bribery or other illegal income by using his authority or to expropriate in any manner the Company's property, including, without limitation, the opportunities beneficial to the Company; (8) unless otherwise permitted by informed shareholders in general meeting, not to accept commission in connection with the Company's transactions; 	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(9) to abide by the Articles of Association, faithfully execute his official duties and protect the Company’s interests, and not to exploit his position and power in the Company to advance his own private interests;</p> <p>(10) unless otherwise permitted by informed shareholders in general meeting, not to use its position to take any business opportunity of the Company for himself or others, or operate on his own or for other party any business which is similar to that of the Company;</p> <p>(11) not to embezzle the Company’s capitals or lend monies to others, and not to deposit the Company’s assets in accounts opened in his own name or in the name of other persons and not to use the Company’s assets to provide security for the debts of the Company’s shareholders or other individuals;</p> <p>(12) unless otherwise permitted by informed shareholders in general meeting, not to disclose confidential information of the Company acquired by him in the course of and during his term of office and not to use such information other than in furtherance of the interests of the Company, save and except that disclosure of such information to the court or other governmental authorities is permitted, if:</p> <ol style="list-style-type: none"> 1. disclosure is made under compulsion of law; 2. there is a duty to the public to disclose; 3. such disclosure is necessary to protect the interests of such director, supervisor, general manager, deputy general manager and other senior management officer. <p>(Article 116 of the Mandatory Provisions)</p>	

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
139	<p>Article 138 A Director, supervisor, general manager, deputy general manager and other senior management officer of the Company shall not cause the following person or organization connected with him (“Relevant Person”) to do what he is prohibited from doing:</p> <p>(1) the spouse or minor child of the director, supervisor, general manager, deputy general manager and other senior management officer of the Company;</p> <p>(2) a person acting in the capacity of trustee of the director, supervisor, general manager, deputy general manager and other senior management officer of the Company or any person referred to in clause (1) of this Article above;</p> <p>(3) a person who is a partner of the director, supervisor, general manager, deputy general manager and other senior management officer of the Company or any person referred to in clauses (1) or (2) of this article above;</p> <p>(4) a company in which the director, supervisor, general manager, deputy general manager and other senior management officer of the Company, alone or jointly with one or more persons referred to in clauses (1), (2), (3) of this Article above or other companies in which the director, supervisor, general manager, deputy general manager and other senior management officer of the Company, have de facto control;</p> <p>(5) a director, supervisor, general manager, deputy general manager and other senior management officer of a company referred to in clause (4) of this Article above.</p> <p>(Article 117 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
140	<p>Article 139 The fiduciary obligations of the director, supervisor, general manager, deputy general manager and other senior management officer of the Company do not necessarily cease with the termination of his term of office. Their duties of confidence in relation to trade secrets of the Company survive the termination of their term of office. Other duties may continue for such period as fairness may require depending on the time lapse between such termination and the act concerned and the circumstances and the terms under which the relationship with the Company was terminated.</p> <p>(Article 118 of the Mandatory Provisions)</p>	Deleted
141	<p>Article 140 Subject to the provisions in Article 61 of these Articles of Association hereto, the directors, supervisors, general manager, deputy general manager and other senior management officers of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders in general meeting.</p> <p>(Article 119 of the Mandatory Provisions)</p>	Deleted
142	<p>Article 141 Where the director, supervisor, general manager, deputy general manager and other senior management officer of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company, other than his contract of service, he shall declare the nature and extent of his interest to the board at the earliest opportunity, whether or not the aforesaid matters are under normal circumstances subject to the approval of the board.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>Except as otherwise stipulated in these Articles of Association which have been approved by Hong Kong Stock Exchange, a director shall not vote in respect of any board resolution approving any contract, arrangement or any other proposal in which he or any or his associate(s) (as defined in the Listing Rules) is/are materially interested nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply to:</p> <p>(1) 1. the giving of any security or indemnity to a director or his associate(s) in respect of monies lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or</p> <p>2. the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which a director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(2) any proposal concerning an offer of shares or bonds or other securities of or by the Company or any other companies which the Company may promote or be interested in for subscription or purchase where a director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p>	

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(3) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:</p> <ol style="list-style-type: none"> 1. the adoption, modification or implementation of any employees' share scheme or any share incentive or share option scheme under which a director or his associate(s) may benefit; or 2. the adoption, modification or implementation of a pension fund or retirement, death or disability benefits scheme which relates both to the directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director, or his associates(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and <p>(4) any contract or arrangement in which a director or his associate(s) is/are interested in the same manner as other holders of shares or bonds or other securities of the Company by virtue only of his/their interest in shares or bonds or other securities of the Company.</p> <p>Unless the interested director, supervisor, general manager, deputy general manager and other senior management officer has disclosed his interest in accordance with the preceding paragraph of this Article and the contract, transaction or arrangement has been approved by the board at a meeting in which he is not counted in the quorum and has refrained from voting, such contract, transaction or arrangement is voidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the director, supervisor, general manager, deputy general manager and other management officer concerned.</p>	

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>The director, supervisor, general manager, deputy general manager and other senior management officer of the Company shall be deemed to be interested in a contract, transaction or arrangement in which a person connected with him is interested.</p> <p>(Article 120 of the Mandatory Provisions)</p> <p>(Rule 13.44 of Chapter 13 in the Listing Rules, Rule 4(1) of Appendix 3 to the Listing Rules)</p>	
143	<p>Article 142 Where the director, supervisor, general manager, deputy general manager and other senior management officer of the Company gives to the board a notice in writing stating that, by reason of the facts specified in the notice, he is interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, that notice shall be deemed for the purpose of the preceding Articles in this Chapter to be a sufficient declaration of his interest, so far as attributable to those facts, in relation to any contract, transaction or arrangement of that description which may subsequently be made by the Company, provided that such notice shall have been given before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company.</p> <p>(Article 121 of the Mandatory Provisions)</p>	Deleted
144	<p>Article 143 The Company shall not in any manner pay taxes for a director, supervisor, general manager, deputy general manager and other senior management officer.</p> <p>(Article 122 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
145	<p>Article 144 The Company shall not directly nor indirectly make a loan to or provide any guarantee in connection with the making of a loan to the director, supervisor, general manager, deputy general manager and other senior management officer of the Company or of the Company’s holding company or a person connected with any of them.</p> <p>The following circumstances are not subject to such prohibition:</p> <ol style="list-style-type: none"> (1) the provision by the Company of a loan or a guarantee in connection with the making of a loan to its subsidiaries; (2) the provision by the Company of a loan or a guarantee in connection with the making of a loan or any other monies to any of its director, supervisor, general manager, deputy general manager and other senior management officer to meet expenditure incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders in general meeting; (3) the Company may make a loan to or provide a guarantee in connection with a loan to any of its director, supervisor, general manager, deputy general manager and other senior management officer or his associate(s) in the ordinary course of its business on normal commercial terms, where the ordinary course of business of the Company includes the lending of money or the giving of guarantees. <p>(Article 123 of the Mandatory Provisions)</p>	Deleted
146	<p>Article 145 A loan made by the Company in breach of the prohibition described above shall be repayable forthwith by the recipient of the loan regardless of the terms of the loan.</p> <p>(Article 124 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
147	<p>Article 146 A guarantee provided by the Company in breach of the prohibition described in the first clause in Article 144 of these Articles of Association shall be unenforceable against the Company, unless:</p> <p>(1) the guarantee was provided in connection with a loan to an associate of the director, supervisor, general manager, deputy general manager and other senior management officer of the Company or its holding company and at the time the lender was not aware of the relevant circumstances;</p> <p>(2) The security provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p> <p>(Article 125 of the Mandatory Provisions)</p>	Deleted
148	<p>Article 147 For the purpose of the foregoing provisions of this Chapter, a “guarantee” includes an undertaking or property provided to secure the performance of obligations by the obligor.</p> <p>(Article 126 of the Mandatory Provisions)</p>	Deleted
149	<p>Article 148 In addition to any rights and remedies provided by the laws and administrative regulations, where a director, supervisor, general manager, deputy general manager and other senior management officer of the Company is in breach of his duties to the Company, the Company has a right to:</p> <p>(1) claim damages from such director, supervisor, general manager, deputy general manager and other senior management officer in compensation for losses sustained by the Company as a result of such breach;</p>	Deleted

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No.	Original	Amended
	<p>(2) rescind any contract or transaction entered into by the Company with such director, supervisor, general manager, deputy general manager and other senior management officer or with a third party (where such third party knows or should know that there is such a breach of obligations by such director, supervisor, general manager, deputy general manager and other senior management officer);</p> <p>(3) demand an account of the profits made by such director, supervisor, general manager, deputy general manager and other senior management officer in breach of his obligations;</p> <p>(4) recover any monies received by such director, supervisor, general manager, deputy general manager and other senior management officer which should otherwise have been received by the Company, including but not limited to commissions;</p> <p>(5) request such director, supervisor, general manager, deputy general manager and other senior management officer to return the interests accrued or may be accrued on the monies which should have been paid to the Company.</p> <p>(Article 127 of the Mandatory Provisions)</p>	
150	<p>Article 149 The Company shall, with the prior approval of general meeting, enter into a contract in writing with a director or supervisor wherein his emoluments are stipulated, including:</p> <p>(1) emoluments in respect of his service as director, supervisor or senior management officer of the Company;</p> <p>(2) emoluments in respect of his service as director, supervisor or senior management officer of any subsidiary of the Company;</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(3) emoluments in respect of the provisions of other services in connection with the management of the affairs of the Company and any of its subsidiaries;</p> <p>(4) Payment by way of compensation for loss of office, or his retirement from office of such director or supervisor. Except under a contract entered into in accordance with the foregoing, no proceedings may be brought by a director, supervisor against the Company for interests due to him in respect of the above matters.</p> <p>(Article 128 of the Mandatory Provisions)</p>	
151	<p>Article 150 The contract concerning the emoluments between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the Company’s directors and supervisors shall, subject to the prior approval of the general meeting, have the right to receive compensation or other payment in respect of his loss of office or retirement. A “takeover of the Company” referred to in this paragraph means any of the following:</p> <p>(1) an offer made by any person to all shareholders;</p> <p>(2) an offer made by any person with a view to the offeror becoming a “controlling shareholder” within the meaning set out in Article 62 in these Articles of Association. If the relevant director or supervisor does not comply with the above, any sum so received by him shall belong to those persons who have sold their shares as a result of the said offer made. The expenses incurred in distributing that sum on pro rata amongst those persons shall be borne by the relevant director or supervisor and shall not paid out of the sum distributed.</p> <p>(Article 129 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 15 Financial and Accounting System and Profit Distribution	Chapter 9 Financial and Accounting System and Profit Distribution
152	<p>Article 151 The Company shall formulate its own financial and accounting system and internal audit system in accordance with the relevant requirements of laws, administrative regulations and the PRC accounting standards formulated by the finance regulatory department of the State Council.</p> <p>(Article 130 of the Mandatory Provisions)</p>	<p>Article 118 The Company shall formulate its own financial and accounting systems in accordance with provisions of the laws, administrative regulations, and provisions formulated by relevant departments under the State Council.</p> <p>(Article 150 of Guidelines on Articles of Association)</p>
153	<p>Article 152 At the end of each fiscal year, the Company shall prepare a financial report, which shall be examined by the accounting firm. The financial report of the Company includes the following financial and accounting statements and associated breakdown:</p> <ol style="list-style-type: none"> (1) Balance sheet; (2) Profit and loss statement; (3) Statement of financial changes; (4) Explanation of financial conditions; (5) Profit distribution statement. <p>The Company shall adopt the Gregorian calendar as its financial year, which is the fiscal year from 1 January to 31 December. The first fiscal year of the Company started on the date of its incorporation and ended on 31 December of the same year.</p> <p>The Company shall adopt Renminbi as the denomination currency in its accounts. All accounts shall be written in Chinese.</p> <p>(Article 131 of the Mandatory Provisions)</p>	<p>Article 119 At the end of each fiscal year, the Company shall prepare a financial report, which shall be examined by the accounting firm.</p> <p>The financial accounting reports shall be prepared in accordance with the laws, administrative regulations and the provisions formulated by relevant departments.</p> <p>The fiscal year of the Company is Gregorian calendar year, i.e. from January 1 to December 31 every year. The Company's first fiscal year starts from the date of establishment of the Company and ends on December 31 of that year.</p> <p>The Company shall use RMB as the recording currency and the accounts shall be written in Chinese.</p>

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No.	Original	Amended
154	<p>Article 153 The Board shall place before the shareholders at every annual general meeting such financial reports to be prepared by the Company as are required by relevant laws, administrative regulations or directives promulgated by competent local and central governmental authorities. Such reports shall be examined.</p> <p>(Article 132 of the Mandatory Provisions)</p> <p>(Rule 5 of Appendix 3 to the Listing Rules)</p>	Deleted
155	<p>Article 154 The financial reports of the Company shall be made available at the Company for inspection by its shareholders not later than 20 days before the annual meeting of shareholders. Each shareholder of the Company shall be entitled to receive the financial reports referred to in this Chapter.</p> <p>The Company shall send by prepaid mail 21 days before the annual meeting of shareholders the above reports to each holder of overseas listed foreign shares. The service address shall be the address in the register of shareholders.</p> <p>(Article 133 of the Mandatory Provisions)</p> <p>(Rule 5 of Appendix 3 to the Listing Rules)</p>	<p>Article 120 The Company shall, at least 21 days before the annual general meeting, within 4 months after the end of the relevant fiscal year, send the aforementioned report to each H-share shareholder in a manner that complies with the provisions of the Listing Rules.</p> <p>(Rule 13.46(2) of the Listing Rules)</p>
156	<p>Article 155 The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards, or that of the place overseas where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the financial statements. When the Company is to distribute its after-tax profits of relevant fiscal year, the lower of the after-tax profits as shown in the two financial statements shall be adopted.</p> <p>(Article 134 of the Mandatory Provisions)</p>	<p>Article 121 The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards, or that of the place overseas where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the financial statements. When the Company is to distribute its after-tax profits of relevant fiscal year, the lower of the after-tax profits as shown in the two financial statements shall be adopted.</p>

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No.	Original	Amended
157	<p>Article 156 Any interim result or financial information published or disclosed by the Company prepared in accordance with either international accounting standards or that of the place overseas where the Company’s shares are listed may also be prepared in accordance with PRC accounting standards and regulations.</p> <p>(Article 135 of the Mandatory Provisions)</p>	<p>Article 122 Any interim result or financial information published or disclosed by the Company prepared in accordance with either international accounting standards or that of the place overseas where the Company’s shares are listed may also be prepared in accordance with PRC accounting standards and regulations.</p>
158	<p>Article 157 The Company shall publish its financial reports twice every financial year, that is, the interim financial reports shall be published within 60 days after the end of the first six months of each financial year and annual financial reports shall be published within 120 days after the end of the financial year.</p> <p>After the interim and annual accountant report are made, such reports shall be announced and relevant procedures shall be accomplished in accordance with the laws and administrative regulations of the State, and the rules of the stock exchange where the shares of the Company are listed.</p> <p>(Article 136 of the Mandatory Provisions)</p>	<p>Article 123 The Company shall publish its financial reports twice every financial year, that is, the interim financial reports shall be published within 60 days after the end of the first six months of each financial year and annual financial reports shall be published within 120 days after the end of the financial year.</p> <p>After the interim and annual accountant reports are made, such reports shall be announced and relevant procedures shall be accomplished in accordance with the laws and administrative regulations of the State, and the rules of the stock exchange where the shares of the Company are listed.</p>
159	<p>Article 158 The Company shall not keep financial accounts other than those required by law.</p> <p>(Article 137 of the Mandatory Provisions)</p>	<p>Article 124 The Company shall not establish accounting books other than the statutory accounting books. The assets of the Company shall not be deposited in an account maintained in the name of any individual.</p> <p>(Article 152 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
160	<p>Article 159 The Company shall implement an internal audit system, and shall establish an internal audit department or retain auditors to conduct internal audit of its income and expenditure and financial activities under the supervision of the board.</p>	<p>Article 125 The Company shall implement an internal audit system, and shall establish an internal audit department or retain full-time internal auditors to conduct internal audit of its income, expenditure, and financial activities under the guidance of the Board of Directors.</p> <p>The Company’s internal audit system and auditors’ responsibilities shall be implemented after approval by the Board of Directors. The person in charge of the audit is responsible for and reports to the Board of Directors.</p> <p>(Articles 157 and 158 of Guidelines on Articles of Association)</p>
161	<p>Article 160 The Company’s after-tax profit shall be distributed in accordance with the following order:</p> <ul style="list-style-type: none"> (1) recovery of losses; (2) allocation to the statutory reserve fund; (3) allocation to the discretionary surplus reserve fund; (4) payment of dividends in respect of ordinary shares. 	Deleted
162	<p>Article 161 The common reserve of the Company comprises the reserve and capital common reserve. The surplus reserve includes statutory surplus reserve and discretionary surplus reserve.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
163	<p>Article 162 When distributing each year’s after-tax profits, the Company shall set aside 10% of its after-tax profits for the statutory reserve fund (except where the fund has reached 50% of the Company’s registered capital).</p> <p>When the Company’s statutory reserve fund is not sufficient to make up for the Company’s losses of the previous year, current year profits shall be used to make good the losses before allocations are set aside for the statutory reserve fund in accordance with the provisions of the preceding paragraph.</p> <p>The shareholders in general meeting may resolve to transfer any amount from the after-tax profit of the Company to the discretionary surplus reserve fund after transferring the requisite amount to the statutory reserve fund.</p> <p>After the Company has made good its losses and made allocations to its surplus reserve fund, the remaining profits could be available for distribution to shareholder in proportion to the number of shares held by the shareholders.</p> <p>In the event that the general meeting or the board violates the rule set out above, any profit distributed to the shareholders prior to offsetting loss of the Company and allocating to the statutory reserve fund shall be returned to the Company.</p> <p>No distribution of profit shall be made in respect of those shares of the Company held by the Company.</p>	<p>Article 126 When distributing each year’s after-tax profits, the Company shall set aside 10% of its after-tax profits for the statutory reserve fund, except where the fund has reached 50% or more of the Company’s registered capital.</p> <p>When the Company’s statutory reserve fund is not sufficient to make up for the Company’s losses of the prior years, current year profits shall be used to make good the losses before allocations are set aside for the statutory reserve fund in accordance with the provisions of the preceding paragraph.</p> <p>The shareholders in general meeting may resolve to transfer any amount from the after-tax profits of the Company to reserve fund after transferring after-tax profits to the statutory reserve fund.</p> <p>After the Company has made good its losses and made allocations to its reserve fund, the remaining after-tax profits could be available for distribution to shareholders in proportion to the number of shares held by the shareholders, save for distribution which is not made in proportion to shareholdings as specified in these Articles of Association.</p> <p>In the event that the general meeting violates the preceding paragraph, any profit distributed to the shareholders prior to offsetting loss of the Company and allocating to the statutory reserve fund shall be returned to the Company by the shareholders.</p> <p>No distribution of profits shall be made in respect of those shares of the Company held by the Company.</p> <p>(Article 153 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
164	<p>Article 163 Capital common reserve fund includes the following:</p> <ul style="list-style-type: none"> (1) premium on shares issued at a premium price; (2) any other income designated for the capital common reserve fund by the regulations of the finance regulatory department of the State Council. <p>(Article 138 of the Mandatory Provisions)</p>	Deleted
165	<p>Article 164 The common reserve of the Company shall only be applied for the following purposes:</p> <ul style="list-style-type: none"> (1) to recover the Company’s losses; (2) to expand the production operation of the Company or to increase the Company’s capital. When the Company converts its common reserve fund into its capital upon a resolution adopted in general meeting, the Company shall distribute new shares in proportion to the number of shares held by the shareholders, provided. However, when the statutory reserve fund is converted into capital, the balance of such common reserve fund may not fall below 25% of the registered capital. 	<p>Article 127 The reserve fund of the Company shall only be applied for the following purposes:</p> <ul style="list-style-type: none"> (1) to recover the Company’s losses; (2) to expand the production operation of the Company or to increase the Company’s capital. <p>The capital reserve fund will not be used to cover the Company’s losses.</p> <p>When the Company, by resolution of the general meeting, converts its reserve fund into capital, new shares shall be distributed in proportion to the original shares of the shareholders. When the statutory reserve fund is to be converted into capitals, the amount remaining in the said reserve fund shall not fall below 25% of the registered capital prior to the increase.</p> <p>(Article 154 of Guidelines on Articles of Association)</p>
166	<p>Article 165 Dividends shall be distributed in accordance with the proportion of shares held by shareholders and within 6 months after the end of each financial year.</p> <p>Unless otherwise resolved by the general meeting, the general meeting may authorize the board to distribute interim dividends.</p>	<p>Article 128 Dividends shall be distributed in proportion to shares held by shareholders within 6 months after the end of each financial year.</p> <p>Unless otherwise resolved by the general meeting, the general meeting may authorise the Board to distribute interim dividends.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
167	<p>Article 166 The Company may distribute dividends in the following manners.</p> <p>(1) cash;</p> <p>(2) shares.</p> <p>(Article 139 of the Mandatory Provisions)</p>	<p>Article 129 The Company may distribute dividends in the following manners.</p> <p>(1) cash;</p> <p>(2) shares.</p>
168	<p>Article 167 Dividends and other payments declared by the Company to be payable to holders of domestic shares shall be declared and calculated in RMB, and paid in RMB within three months; and those payable to holders of foreign shares shall be declared and calculated in RMB, and paid in foreign currencies within three months.</p> <p>Foreign currency payable by the Company to holders of foreign shares shall be obtained pursuant to relevant state regulations on the administration of foreign exchange.</p>	<p>Article 130 Dividends and other amounts paid by the Company to the holders of unlisted shares, shall be denominated and declared and paid in RMB within three months; Dividends and other amounts paid by the Company to the holders of H Shares shall be denominated and declared in RMB and paid in Hong Kong Dollars within three months.</p> <p>The foreign currency required for the payment by the Company to holders of H Shares shall be arranged in accordance with the provisions of the PRC in relation to foreign exchange administration.</p>
169	<p>Article 168 Where power is taken to forfeit unclaimed dividends, such power shall not be exercised until the expiry of the applicable effective period and in accordance with the Listing Rules.</p> <p>(Rule 3(2) of Appendix 3 to the Listing Rules)</p> <p>(Rule 43 of Chapter 19A in the Listing Rules)</p>	Deleted
170	<p>Article 169 The Company shall withhold tax payable in respect of dividend income to be received by individual shareholders and pay such tax on behalf of such shareholders in accordance with the tax laws of the PRC.</p>	<p>Article 131 The Company shall withhold tax payable in respect of dividend income to be received by individual shareholders and pay such tax on behalf of such shareholders in accordance with the tax laws of the PRC.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
171	<p>Article 170 The Company shall appoint one or more receiving agents on behalf of the holders of the overseas listed foreign shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of their shares.</p> <p>The receiving agents appointed by the Company shall comply with the relevant requirements of the law of the place and of the stock exchange where the Company's shares are listed.</p> <p>The receiving agents appointed on behalf of holders of H shares shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p> <p>(Article 140 of the Mandatory Provisions)</p> <p>(Section 1(c) of Appendix 13D to the Listing Rules and Rule 19A.51 of Chapter 19 in the Listing Rules)</p>	<p>Article 132 The Company shall appoint one or more receiving agents in Hong Kong and pay to such agents dividends declared and other monies owing in respect of H shares to be held, pending payment, in trust for the holders of such securities.</p> <p>(Rule 19A.51 of Chapter 19A in the Listing Rules)</p>
172	<p>Article 171 That any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of such shares to participate in respect thereof in a dividend subsequently declared.</p> <p>(Rule 3(1) of Appendix 3 to the Listing Rules)</p>	Deleted
173	<p>Article 172 That where power is taken to cease sending dividend warrants by post, if such warrants have been left uncashed, it will not be exercised until such warrants have been so left uncashed on two consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered.</p> <p>(Rule 13(1) of Appendix 3 to the Listing Rules)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
174	<p>Article 173 That where power is taken to sell the shares of a shareholder who is untraceable it will not be exercised unless:</p> <p>(1) during a period of 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</p> <p>(2) on expiry of the 12 years the issuer gives notice of its intention to sell the shares by way of an advertisement published in the newspapers and notifies the Hong Kong Stock Exchange of such intention.</p> <p>(Rule 13(2) of Appendix 3 to the Listing Rules)</p>	Deleted
	Chapter 16 Appointment of Accounting firm	Chapter 10 Appointment of Accounting firm
175	<p>Article 174 The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of the State to audit the Company's annual financial report and review the other financial reports of the Company.</p> <p>The first accounting firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting. The accounting firm so appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its powers under the preceding paragraph, such powers shall be exercised by the board.</p> <p>(Article 141 of the Mandatory Provisions)</p>	<p>Article 133 The Company shall appoint an independent accounting firm that complies with the relevant national regulations of the State to carry out accounting statements audit, net assets verification and other related advisory services, etc.</p> <p>(Article 159 of Guidelines on Articles of Association)</p>
176	<p>Article 175 The Company must at each annual general meeting engage an accounting firm. The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting.</p> <p>(Article 142 of the Mandatory Provisions)</p> <p>(Rule 13.88 of Chapter 13 in the Listing Rules)</p>	<p>Article 134 The Company must at each annual general meeting engage an accounting firm. The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting.</p> <p>(Rule 13.88 of Chapter 13 in the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
177	<p>Article 176 The accounting firm appointed by the Company shall have the following rights:</p> <p>(1) to inspect the books, records or vouchers of the Company at any time, to require the directors, general manager and other senior management officers of the Company to supply relevant information and explanation;</p> <p>(2) to require the Company to take all reasonable steps to obtain such information and explanation as are necessary from its subsidiaries for the purpose of discharging its duties;</p> <p>(3) to attend general meetings and to receive all notices of, and other information relating to, any general meeting which any shareholder is entitled to receive, and to speak at any general meeting in relation to matters concerning its role as the accounting firm of the Company.</p> <p>(Article 143 of the Mandatory Provisions)</p>	<p>Article 135 The Company shall guarantee that the accounting evidence, accounting books, financial and accounting reports and other accounting information provided to the accounting firm it engages are true and complete, and it shall not refuse or withhold any such information nor shall it provide any false information.</p> <p>(Article 161 of Guidelines on Articles of Association)</p>
178	<p>Article 177 If there is a vacancy in the position of accounting firm of the Company, the Board may engage other accounting firms to fill such vacancy before the convening of the general meeting. Any other accounting firm which has been engaged by the Company may continue to act during such period when such a vacancy exists.</p> <p>(Article 144 of the Mandatory Provisions)</p>	<p>Article 136 The Company’s engagement of an accounting firm shall be approved by the general meeting by way of an ordinary resolution or by other body that is independent of the Board of Directors (where the laws and regulations permit the body to exercise such function and power), and the Board of Directors shall not engage the accounting firm until the shareholders’ general meeting makes its decision on the appointment.</p> <p>(Article 160 of Guidelines on Articles of Association)</p> <p>(Rule 17 of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
179	<p>Article 178 Notwithstanding the stipulations in the contract between the accounting firm and the Company, the shareholders in general meeting may by ordinary resolution remove an accounting firm before the expiration of its term of office, but without prejudice to the accounting firm's right to claim, if any, for damages in respect of such removal.</p> <p>(Article 145 of the Mandatory Provisions)</p>	<p>Article 137 If the Company intends to terminate or cease to renew the engagement of an accounting firm, a notice shall be given 15 days in advance to that accounting firm.</p> <p>The Company must not remove its accounting firm before the end of the accounting firm's term of office without first obtaining shareholders' approval at a general meeting by way of an ordinary resolution or the approval of other body that is independent of the Board of Directors (where the laws and regulations permit the body to exercise such function and power). The Company must send a circular proposing the early removal of the accounting firm to shareholders with any written representations from the accounting firm, at least 10 business days before the general meeting. When a general meeting of the Company votes on the early dismissal of the accounting firm, the Company must allow the accounting firm to attend the general meeting and make written and/or verbal representations to shareholders at the general meeting.</p> <p>Where the accounting firm tenders resignation, it shall explain to the general meeting whether there are any improper practices of the Company.</p> <p>(Article 163 of Guidelines on Articles of Association)</p> <p>(Rule 13.88 of Chapter 13 and Rule 17 of Appendix A1 to the Listing Rules)</p>
180	<p>Article 179 The remuneration of an accounting firm or the manner in which such firm is to be remunerated shall be determined in general meeting. The remuneration of an accounting firm appointed by the board shall be determined by the board.</p> <p>(Article 146 of the Mandatory Provisions)</p>	<p>Article 138 The remuneration of an accounting firm or the manner in which such remuneration is to be decided shall be determined by general meetings by way of an ordinary resolution or other body that is independent of the Board of Directors (where the laws and regulations permit the body to exercise such function and power).</p> <p>(Article 162 of Guidelines on Articles of Association)</p> <p>(Rule 17 of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
181	<p>Article 180 The appointment, removal and non-reappointment of an accounting firm by the Company shall be resolved upon by shareholders in general meeting. The resolution of the general meeting shall be filed with the securities governing authority under the State Council.</p> <p>Where it is proposed that any resolution be passed at a general meeting concerning the appointment of an accounting firm which is not an incumbent firm to fill a casual vacancy in the office of the accounting firm, or re-appointment of a retiring accounting firm which was appointed by the board to fill a casual vacancy, or removal of the accounting firm before the expiration of its term of office, the following provisions shall apply:</p> <p>(1) A copy of the proposal shall be sent before notice of meeting is given to the shareholders to the accounting firm proposed to be appointed or proposing to leave its post, or the accounting firm which has left its post in the relevant fiscal year (leaving includes leaving by removal, resignation and retirement).</p> <p>(2) If the accounting firm leaving its post makes representations in writing and requests the Company to notify such representations to the shareholders, the Company shall (unless the representations are received too late):</p> <ol style="list-style-type: none"> 1. in any notice of the resolution given to shareholders, state the fact of the representations having been made; 2. deliver a copy of the representations as an attachment to a notice to each shareholder in such manner specified in the Articles of Association. <p>(3) If the accounting firm’s representations are not sent in accordance with clause (2) above, the relevant accounting firm may (in addition to its right to be heard) require that the representations be read out at the meeting.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(4) An accounting firm which is leaving its post shall be entitled to attend:</p> <ol style="list-style-type: none"> 1. the general meeting at which its term of office would otherwise have expired; 2. the general meeting at which it is removed before its term of office expires; 3. any general meeting at which it is proposed to fill the vacancy caused by its removal; 4. any general meeting convened on its resignation. <p>An accounting firm which is leaving its post shall be entitled to receive all notices of, and other information relating to, any such meetings, and to speak at any such meetings in relation to matters concerning its role as the former accounting firm of the Company.</p> <p>(Article 147 of the Mandatory Provisions)</p> <p>(Section 1(e) of Appendix 13D to the Listing Rules)</p> <p>(Rule 13.88 of Chapter 13 in the Listing Rules)</p>	

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
182	<p>Article 181 Prior to the removal or the non-reappointment of the accounting firm, notice of such removal or non-reappointment shall be given to the accounting firm and such firm shall be entitled to make representation at the general meeting. Where the accounting firm resigns its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.</p> <p>An accounting firm may resign its office by depositing a resignation notice at the Company's legal residence which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include the following:</p> <p>(1) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the attention of the shareholders or creditors of the Company; or</p> <p>(2) a statement of any such circumstances.</p> <p>Where a notice is deposited as mentioned in the preceding paragraph, the Company shall within 14 days send a copy of the notice to the relevant governing authority. If the notice contains a statement under the clauses (1) and (2) above, a copy of such statement shall be placed at the Company for the inspection by shareholders. The Company shall also send a copy of such statement by prepaid mail to every holder of H shares at the address registered in the register of shareholders.</p> <p>Where the accounting firm's notice of resignation contains a statement of any circumstance which should be brought to attention, it may require the board to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances connected with its resignation.</p> <p>(Article 148 of the Mandatory Provisions)</p> <p>(Section 1(e) of Appendix 13D to the Listing Rules)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 17 Insurance	Chapter 11 Insurance
183	Article 182 In accordance with the regulations of relevant governing authorities of the PRC, the Company shall take out various types of insurance in prescribed manner with particular organizations or the People’s Insurance Company (Group) of China Limited or other insurance companies that are registered in the PRC and are permitted by the PRC laws to provide insurance to Chinese companies. The types of coverage, the insured amounts and periods of the insurance shall be decided at a board meeting based on the practices of similar industries in other countries and the practice and legal requirements in China.	Article 139 In accordance with the regulations of relevant governing authorities of the PRC, the Company shall take out various types of insurance in prescribed manner with particular organisations or the People’s Insurance Company (Group) of China Limited or other insurance companies that are registered in the PRC and are permitted by the PRC laws to provide insurance to Chinese companies. The types of coverage, the insured amounts and periods of the insurance shall be decided at a board meeting based on the practices of similar industries in other countries and the practice and legal requirements in China.
	Chapter 18 Labor and Personnel Management Systems	Chapter 12 Labor and Personnel Management Systems
184	Article 183 The Company shall, in accordance with the relevant provisions of the Labor Law of the People’s Republic of China, formulate its labor and personnel management systems, which shall be appropriate to its particular circumstances.	Article 140 The Company shall, in accordance with the relevant provisions of the Labor Law of the PRC, formulate its labor and personnel management systems, which shall be appropriate to its particular circumstances.
185	Article 184 The Company shall implement the labor contract system. The employment contract between the Company and the employee shall stipulate such issues as the engagement, employment, dismissal, award and punishment, salary, welfare, working discipline, and labor protection of the Company’s employee.	Article 141 The Company shall implement the labor contract system. The employment contract between the Company and the employee shall stipulate such issues as the engagement, employment, dismissal, reward and punishment, salary, welfare, working discipline, and labor protection of the Company’s employee.
186	Article 185 The Company shall comply with the laws and regulations of the PRC in relation to protection and insurance of retirement and loss of office.	Article 142 The Company shall comply with the laws and regulations of the PRC in relation to protection and insurance of retirement and loss of office.
	Chapter 19 Trade Union	Chapter 13 Trade Union
187	Article 186 The Company shall establish trade union and carry out trade union activities in accordance with the Labor Contract Law of the People’s Republic of China.	Article 143 The Company shall establish trade union and carry out trade union activities in accordance with the Trade Union Law of the PRC.
188	Article 187 The Company provides necessary funds and places to support normal trade union activities.	Article 144 The Company provides necessary funds and places to support normal trade union activities.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 20 Merger and Demerger of the Company	Chapter 14 Merger, Demerger, Capital Increase and Capital Reduction of the Company
189	<p>Article 188 In the event of the merger or demerger of the Company, a plan shall be presented by the board of the Company and shall be approved in accordance with the procedures stipulated in these Articles before processing the relevant examining and approving formalities as required by law. A shareholder who objects to the plan of merger or demerger shall have the right to demand the Company or the shareholders who consent to the plan of merger or demerger to acquire his shares at a fair price.</p> <p>The contents of the resolution of merger or demerger of the Company shall be made into special documents for shareholders' inspection. Such special documents shall also be sent by mail to holders of H shares.</p> <p>(Article 149 of the Mandatory Provisions)</p>	<p>Article 145 In the event of the merger or demerger of the Company, a plan shall be presented by the Board of Directors of the Company and shall be approved in accordance with the procedures stipulated in these Articles of Association before processing the relevant formalities as required by laws. A shareholder who objects to the plan of merger or demerger shall have the right to demand the Company to repurchase his shares.</p> <p>The contents of the resolution of merger or demerger of the Company shall be made into special documents for shareholders' inspection. Such special documents shall also be sent to holders of H shares in the manner that complies with the rules of the Hong Kong Stock Exchange.</p>
190	<p>Article 189 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the event of a merger of the Company, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution was made and shall publish a public announcement in a newspaper within 30 days from the date of the merger resolution was made. A creditor has the right within 30 days of receiving such notice from the Company or, for creditors who do not receive the notice, within 45 days from the date of the public announcement, to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt.</p> <p>After the merger, rights in relation to debtors and indebtedness of each of the merged parties shall be assumed by the company which survives the merger or the newly established company.</p> <p>(Article 150 of the Mandatory Provisions)</p>	<p>Article 146 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the event of a merger of the Company, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution was made and shall publish a public announcement in a newspaper within 30 days from the date of the merger resolution was made. A creditor has the right within 30 days of receiving such notice from the Company or, for creditors who do not receive the notice, within 45 days from the date of the public announcement, to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debts.</p> <p>Upon the merger, claims and debts of each of the merged parties shall be assumed by the company which survives the merger or the newly established company.</p> <p>(Article 172, 173 and 174 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
191	<p>Article 190 When the Company is demerged, its assets shall be split up accordingly.</p> <p>In the event of a demerger of the Company, the parties to such demerger shall execute a demerger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the resolution to demerge was made and shall publish a public announcement in a newspaper within 30 days from the date of the resolution to demerge was made.</p> <p>Debts of the Company prior to demerger shall be borne by the companies which exist after the demerger in accordance with the agreement reached.</p> <p>(Article 151 of the Mandatory Provisions)</p> <p>(Rule 7(1) of Appendix 3 to the Listing Rules)</p>	<p>Article 147 In the case of a division of the Company, its assets shall be divided accordingly.</p> <p>In the case of a division of the Company, a balance sheet and an inventory of assets shall be prepared. The Company shall notify the creditors within 10 days, and publish an announcement in the newspapers within 30 days, from the date of passing the resolution for division by the Company.</p> <p>The debts of the Company before division shall be borne by the companies established after division jointly and severally, unless otherwise agreed in writing between the Company and the creditors before the division in respect of debt settlement.</p> <p>(Article 175 and 176 of Guidelines on Articles of Association)</p>
		<p>Article 148 When the Company reduces its registered capital, it shall draw up a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days from the date of the Company's resolution for reduction of registered capital and shall publish an announcement in a newspaper within 30 days from the date of such resolution. A creditor has the right, within 30 days of receiving the notice from the Company or, in the case of a creditor who has not received the notice, within 45 days from the date of the announcement, to require the Company to repay its debts or provide corresponding guarantee for such debts.</p> <p>(Article 177 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
192	<p>Article 191 Changes in registration particulars of the Company caused by merger or demerger must be registered with the companies registration authority in accordance with law. Cancellation of a company shall be registered in accordance with the law when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with law.</p> <p>(Article 152 of the Mandatory Provisions)</p>	<p>Article 149 In the case that merger or division of the Company results in any changes in registered particulars, modifications of registration shall be completed with the company registration authority according to law; in the case of dissolution, the deregistration shall be made according to law; in the case of the establishment of a new company, the registration of incorporation shall be made according to law.</p> <p>Increase or reduction of the registered capital of the Company must be registered with the company registration authority according to law.</p> <p>(Article 178 of Guidelines on Articles of Association)</p>
	<p>Chapter 21 Dissolution and Liquidation of the Company</p>	<p>Chapter 15 Dissolution and Liquidation of the Company</p>
193	<p>Article 192 The Company shall be dissolved and liquidated in accordance with laws upon the occurrence of any of the following events:</p> <ol style="list-style-type: none"> (1) a resolution for dissolution is passed by shareholders at the general meeting; (2) dissolution is necessary due to a merger or demerger of the Company; (3) the Company is legally declared insolvent due to its failure to repay debts due; (4) the Company had its business license revoked, is ordered to close down or withdraw in accordance with laws because of its violation of laws and administrative regulations; (5) where serious difficulty arises in the operation of the Company and the continuing existence of the Company will be materially prejudicial to the interest of shareholders and such circumstances cannot be resolved by other means, shareholders holding 10% or above of the total voting rights of the Company may petition to the People’s Court for dissolution of the Company. <p>(Article 153 of the Mandatory Provisions)</p>	<p>Article 150 The Company shall be dissolved and liquidated in accordance with laws upon the occurrence of any of the following events:</p> <ol style="list-style-type: none"> (1) a special resolution for dissolution is passed by shareholders at the general meeting; (2) dissolution is necessary due to a merger or demerger of the Company; (3) the Company had its business license revoked, is ordered to close down or withdraw according to law; (4) when serious difficulties occur to the Company’s operation and management and significant losses will be incurred to the shareholders by its continuance, and such difficulties cannot be solved by other means, the shareholders holding 10% or more of the total voting rights of all the shareholders may request the people’s court to dissolve the Company. <p>(Article 179 of Guidelines on Articles of Association)</p> <p>(Rule 21 of Appendix A1 to the Listing Rules)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
194	<p>Article 193 Where the Company is dissolved under clauses (1), (4) and (5) of the preceding Article, a liquidation committee shall be established within 15 days from the date the cause of liquidation arises. Members of the liquidation committee shall be appointed by the general meeting by ordinary resolution. If a liquidation committee is not established within the stipulated period, the creditors can apply to the People’s Court, requesting the court to appoint relevant personnel to form the liquidation committee.</p> <p>Where the Company is dissolved under clause (3) of the preceding Article, the People’s Court shall in accordance with provisions of the relevant laws organise the shareholders, the relevant organisations and professional personnel to establish a liquidation committee to carry out liquidation procedures.</p> <p>(Article 154 of the Mandatory Provisions)</p>	<p>Article 151 Where the Company is dissolved under clauses (1), (3) and (4) of the preceding Article, a liquidation committee shall be established within 15 days upon the occurrence of causes for dissolution. Members of the liquidation committee shall comprise Directors or personnel determined by general meetings. If a liquidation committee is not established within the stipulated period, the creditors can apply to the People’s Court, requesting the court to appoint relevant personnel to form the liquidation committee.</p> <p>(Article 181 of Guidelines on Articles of Association)</p>
195	<p>Article 194 Where the board proposes to liquidate the Company due to causes other than where the Company has declared that it is insolvent, it shall include a statement in its notice convening a general meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the board is of the opinion that the Company will be able to pay its debts in full within 12 months from the commencement of the liquidation.</p> <p>The liquidation committee shall be appointed or removed by the ordinary resolution in the general meeting (other than those required in clauses 2 and 3 of Article 193 in these Articles of Association).</p> <p>Upon the passing of the resolution by the general meeting for the liquidation, all functions and powers of the board of the Company shall cease.</p> <p>The liquidation committee shall act in accordance with the instructions of the general meeting to make a report at least once every year to the general meeting on the committee’s receipts and payments, the business of the Company and the progress of the liquidation, and to present a final report to the general meeting on completion of the liquidation.</p> <p>(Article 155 of the Mandatory Provisions)</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
196	<p>Article 195 The liquidation committee shall within 10 days of its establishment send notice to creditors, and shall within 60 days of its establishment publish a public announcement in a newspaper. A creditor shall within 30 days of receiving the notice, or for any creditor who does not receive the notice, within 45 days of the date of the public announcement, report his creditors' rights to the liquidation committee.</p> <p>When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to his creditor's rights and shall provide materials as evidence. The liquidation committee shall carry out registration of creditors' rights.</p> <p>(Article 156 of the Mandatory Provisions)</p>	<p>Article 152 The liquidation committee shall within 10 days of its establishment send notice to creditors, and shall within 60 days of its establishment publish a public announcement in a newspaper. A creditor shall within 30 days of receiving the notice, or for any creditor who does not receive the notice, within 45 days of the date of the public announcement, report his creditors' rights to the liquidation committee.</p> <p>When reporting creditors' rights, the creditor shall provide an explanation of matters relevant to his creditor's rights and shall provide materials as evidence. The liquidation committee shall carry out registration of creditors' rights.</p> <p>During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.</p> <p>(Article 183 of Guidelines on Articles of Association)</p>
197	<p>Article 196 During the liquidation period, the liquidation committee shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively; (2) to send notices to creditors or notify them by public announcement; (3) to dispose of and liquidate any relevant unfinished business matters of the Company; (4) to pay all outstanding taxes and those taxes arising during the liquidation process; (5) to settle claims and debts of the creditors; (6) to deal with the assets remaining after the Company's debts have been repaid; (7) to represent the Company in any civil litigation proceedings. <p>(Article 157 of the Mandatory Provisions)</p>	<p>Article 153 During the liquidation period, the liquidation committee shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to sort out the Company's assets and prepare a balance sheet and an inventory of assets respectively; (2) to send notices to creditors or notify them by public announcement; (3) to dispose of and liquidate any relevant unfinished business matters of the Company; (4) to pay all outstanding taxes and those taxes arising during the liquidation process; (5) to settle claims and debts of the creditors; (6) to deal with the assets remaining after the Company's debts have been repaid; (7) to represent the Company in any civil litigation proceedings. <p>(Article 182 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
198	<p>Article 197 After sorting out the Company’s assets and the preparation of the balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and present it to the general meeting or the People’s Court for confirmation.</p> <p>If the Company’s assets are sufficient to meet its liabilities, they shall be applied in the following order: payment of the liquidation expenses, wages owed to the employees, social insurance expenses, tax overdue and debts of the Company.</p> <p>The Company’s residual assets after repayment of its debts in accordance with the provisions of the preceding paragraph shall be distributed to its shareholders according to the class and proportion of their shares.</p> <p>During the liquidation period, the Company shall not commence any operational activities irrelevant to liquidation.</p> <p>(Article 158 of the Mandatory Provisions)</p>	<p>Article 154 After sorting out the Company’s assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and present it to the general meeting or to the People’s Court for confirmation.</p> <p>The remaining assets of the Company after repayment of liquidation expenses, staff wages and social insurance expenses and statutory compensation, payment of outstanding taxes, and payment of the Company’s debts shall be distributed to the shareholders in proportion to their respective shareholdings.</p> <p>During the liquidation, the Company remains continuing but shall not commence any business activities unrelated to the liquidation.</p> <p>The Company’s assets shall not be distributed to the shareholders before repayment of its debts in full in accordance with the preceding paragraph.</p> <p>(Article 184 of Guidelines on Articles of Association)</p>
199	<p>Article 198 If after sorting out the Company’s assets and preparing a balance sheet and an inventory of assets in connection with the liquidation of the Company resulting from dissolution, the liquidation committee discovers that the Company’s assets are insufficient to repay the Company’s debts in full, the liquidation committee shall immediately apply to the People’s Court for a declaration of insolvency.</p> <p>After the Company is declared insolvent by a ruling of the People’s Court, the liquidation committee shall turn over liquidation matters to the People’s Court.</p> <p>(Article 159 of the Mandatory Provisions)</p>	<p>Article 155 If after sorting out the Company’s assets and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the Company’s assets are insufficient to repay the Company’s debts in full, the liquidation committee shall apply to the People’s Court for a declaration of insolvency in accordance with laws.</p> <p>After the Company is declared insolvent by a ruling of the People’s Court, the liquidation committee shall turn over liquidation matters to the People’s Court according to laws.</p> <p>(Article 185 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
200	<p>Article 199 Following the completion of liquidation, the liquidation committee shall present a report on liquidation and prepare a statement of the receipts and payments during the period of liquidation and financial books and records which shall be audited by Chinese registered accountants and submitted to the general meeting or relevant governing authorities for confirmation.</p> <p>The liquidation committee shall within 30 days after such confirmation, submit the aforesaid documents the companies registration authority and apply for cancellation of the Company's registration and publish a public announcement of the termination of the Company.</p> <p>(Article 160 of the Mandatory Provisions)</p>	<p>Article 156 Upon completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, which shall be reported to the general meeting or the People's Court for confirmation, and shall be reported to the company registration authority to apply for cancellation of the Company's registration, and a public announcement shall be made for the termination of the Company.</p> <p>(Article 186 of Guidelines on Articles of Association)</p>
		<p>Article 157 Members of the liquidation committee shall perform their duty faithfully and discharge the obligation of liquidation in accordance with laws.</p> <p>Members of the liquidation committee shall not take personal advantage of their posts to take bribes, receive other illegal incomes, or misappropriate assets of the Company.</p> <p>Members of the liquidation committee shall compensate the losses brought to the Company or the creditors due to their intentional misconduct or gross negligence.</p> <p>(Article 187 of Guidelines on Articles of Association)</p>
		<p>Article 158 If the Company is declared bankruptcy pursuant to laws, bankruptcy liquidation shall be carried out in accordance with laws regarding enterprise bankruptcy.</p> <p>(Article 188 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 22 Procedures for Amendments to the Articles of Association	Chapter 16 Procedures for Amendments to the Articles of Association
201	<p>Article 200 The Company may amend its Articles of Association in accordance with the requirement of laws, administrative regulations and these Articles of Association.</p> <p>(Article 161 of the Mandatory Provisions)</p>	<p>Article 159 Under any of the following circumstances, the Company shall amend its Articles of Association:</p> <ol style="list-style-type: none"> (1) After the Company Law or relevant laws and administrative regulations are revised, the matters stipulated in the Articles of Association conflict with the provisions of the revised laws and administrative regulations; (2) The Company’s situation changes and is inconsistent with the matters recorded in the Articles of Association; (3) The general meeting decides to amend the Articles of Association by way of a special resolution. <p>(Article 189 of Guidelines on Articles of Association)</p> <p>(Rule 17 of Appendix A1 to the Listing Rules)</p>
202	<p>Article 201 These Article of Association may be amended in accordance with the following procedures:</p> <ol style="list-style-type: none"> (1) the board shall adopt a resolution in accordance with these Articles of Association to propose amendments to these Articles of Association by shareholders in general meeting and to formulate the proposal for amendments; (2) the shareholders shall be notified of the proposals for amendments and a general meeting shall be convened to vote on the amendments; (3) the amendments put to the vote at a general meeting shall be passed by way of a special resolution. 	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
203	<p>Article 202 The amendment to these Articles of Association involving the contents of the Mandatory Provisions shall become effective upon approvals by the companies approving department and securities regulatory authority authorised by the State Council. If there is any change relating to the Company name, residence, legal representative, registered capital, type of corporate, scope of business, term of operation, name of promoters of the Company, application shall be made for registration of the changes in accordance with law to the companies approving department.</p> <p>(Article 162 of the Mandatory Provisions)</p>	<p>Article 160 Any amendment to these Articles of Association passed by a resolution at the general meeting shall be reported to the competent authorities for approval as required; and if an amendment is relevant to any registration items of the Company, modifications of the registration shall be completed according to laws.</p> <p>(Article 190 of Guidelines on Articles of Association)</p>
		<p>Article 161 The Board of Directors amends the Articles of Association in accordance with the resolution of the general meeting and the approval opinions of the relevant competent authorities.</p> <p>(Article 191 of Guidelines on Articles of Association)</p>
		<p>Article 162 Amendments to the Articles of Association required to be disclosed by laws and regulations shall be announced in accordance with laws and regulations.</p> <p>(Article 192 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 23 Settlement of Disputes	Deleted
204	<p>Article 203 The Company shall act according to following principles to settle disputes:</p> <p>(1) whenever any disputes or claims arising between holders of overseas listed foreign shares and the Company, between holders of overseas listed foreign shares and the Company’s directors, supervisors, general manager, deputy general manager or other senior management officers, or between holders of overseas listed foreign shares and holders of domestic shares based on these Articles of Association or any rights or obligations conferred by the Company Law and other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.</p> <p>Where a dispute or claim of rights mentioned above is referred to arbitration, the entire claim or dispute must be referred to arbitration, and all parties who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim shall abide by the arbitration, provided that such parties shall be the Company or the Company’s shareholder, director, supervisor, general manager, deputy general manager or other senior management officer.</p> <p>Disputes in relation to the definition of shareholders and disputes in relation to the register of shareholders need not be resolved by arbitration.</p>	Deleted

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	<p>(2) a claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or the Hong Kong International Arbitration Center in accordance with its securities arbitration rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.</p> <p>If a claimant elects arbitration at Hong Kong International Arbitration Center, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Center.</p> <p>(3) if any disputes or claims of rights are settled by way of arbitration in accordance with clause (1) above, the laws of the People’s Republic of China shall apply, save as otherwise provided by laws and administrative regulations.</p> <p>(4) the award of an arbitration body shall be final and conclusive and binding on all parties.</p> <p>(Article 163 of the Mandatory Provisions)</p>	
	Chapter 24 Notices	Chapter 17 Notices
		<p>Article 163 The Company’s notice is issued in the following form:</p> <p>(1) By personal delivery;</p> <p>(2) Sent by mail;</p> <p>(3) By way of announcement;</p> <p>(4) Other forms stipulated in the Articles of Association.</p> <p>(Article 164 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>Article 164 Where a notice of the Company is served by announcement, the notice shall be deemed as received by the relevant persons once the notice is announced.</p> <p>(Article 165 of Guidelines on Articles of Association)</p>
205	<p>Article 204 Unless otherwise stated in these Articles of Association, the notice, information or written statements issued by the Company to the holders of overseas listed foreign shares listed in Hong Kong shall be despatched to such shareholders by hand or by mail to the registered address of each holder of overseas listed foreign shares.</p> <p>Any notice of the Company to its holders of domestic shares may be served by way of announcement in one or more newspapers designated by the securities regulatory authorities of the State. Upon publication of such announcement, all holders of domestic shares shall be deemed to have received such notice.</p> <p>(Rule 7(3) of Appendix 3 to the Listing Rules)</p>	<p>Article 165 Unless otherwise stated in these Articles of Association, the corporate communications issued by the Company to the holders of overseas listed foreign shares listed in Hong Kong shall be served on such shareholders by personal delivery to the registered address of each holder of overseas listed foreign shares or by mail to each of such shareholders, or (i) in electronic form or (ii) on the Company’s website and the website of the Hong Kong Stock Exchange, subject to compliance with the relevant requirements of the Listing Rules.</p> <p>Any notice of the Company to its holders of domestic shares may be served by way of announcement in one or more newspapers designated by the securities regulatory authorities of the State. Upon publication of such announcement, all holders of domestic shares shall be deemed to have received such notice.</p> <p>(Rule 2.07A(1) of the Listing Rules)</p>
		<p>Article 166 Notices of meetings of the Company’s Board of Directors and the Supervisory Committee shall be served by personal delivery, mail, e-mail, telephone, fax or through other written means, unless otherwise provided in the Articles of Association.</p> <p>(Articles 167 and 168 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
206	<p>Article 205 Where a notice is sent by post, the notice shall be deemed to be served by putting the notice into a properly addressed, prepaid postage envelope and depositing the same in a mail box. Such notice shall be deemed to have been served upon expiration of 5 days after the envelope containing the notice has been posted.</p>	<p>Article 167 If a notice of the Company is served by personal delivery, the recipient shall affix their signature (or seal) to the acknowledgement slip and the signing date shall be the date of service; if a notice is delivered by mail, it shall be dispatched in a clearly addressed and prepaid envelope, and such notice shall be deemed to have been received by the shareholder 5 days after the dispatch of such notice; if a notice of the Company is served by announcement, the date of first announcement shall be the date of service.</p> <p>(Article 169 of Guidelines on Articles of Association)</p>
207	<p>Article 206 Any notices, documents, information or written statements issued by shareholders or directors to the Company shall be delivered by hand or sent by registered mail to the legal address of the Company.</p>	<p>Article 168 Any notices, documents, information or written statements issued by shareholders or Directors to the Company shall be delivered by personal delivery or sent by registered mail to the legal address of the Company.</p>
208	<p>Article 207 In order to prove that such notices, documents, information or written statements have been already sent, shareholders or directors shall provide evidence to prove that such notice, document, information or written statement have been sent within the prescribed time in the normal way of sending with postage prepaid to the correct address of the Company.</p>	<p>Article 169 In order to prove that such notices, documents, information or written statements have been already sent, shareholders or Directors shall provide evidence to prove that such notice, document, information or written statement have been sent within the prescribed time in the normal way of sending with postage prepaid to the correct address of the Company.</p>
		<p>Article 170 The accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting or the resolutions adopted thereat.</p> <p>(Article 170 of Guidelines on Articles of Association)</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
	Chapter 25 Supplementary Articles	Chapter 18 Supplementary Articles
209	<p>Article 208 The newspapers and periodicals mentioned in these Articles for making public announcements, shall be those appointed or required by the relevant laws and administrative regulations of the State. If a public announcement is made to the holders of overseas listed foreign invested shares according to the provisions in these Articles of Association, such announcement shall be made in the newspapers and periodicals according to the “publication on the newspapers and periodicals” defined by the Listing Rules of the Hong Kong Stock Exchange.</p>	<p>Article 171 The newspapers mentioned in these Articles of Association for publishing public announcements, shall be those appointed or required by the relevant laws and administrative regulations of the State. If a public announcement is published to the holders of overseas listed foreign invested shares according to the provisions in these Articles of Association, such announcement shall be published in the newspapers and periodicals according to the “published in the newspapers” defined by the Listing Rules.</p>
		<p>Article 172 The written form as mentioned in these Articles of Association includes data messages that can tangibly express the content contained in electronic data exchange, e-mail, etc., and can be obtained or reviewed at any time.</p>
210	<p>Article 209 In these Articles of Association, the meaning of an accounting firm shall be the same as that of “auditors”.</p> <p>(Article 165 of the Mandatory Provisions)</p>	<p>Article 173 In these Articles of Association, the accounting firm shall be the same as that of “auditors”. The controlling shareholder as mentioned in these Articles of Association shall refer to a shareholder whose ordinary shares account for 50% or more of the total share capital of the Company or who holds less than 50% of the total share capital but holds voting rights sufficient to have a material impact on resolutions of the general meeting.</p> <p>The de facto controller as stated in these Articles of Association refers to a person who, although not a shareholder of the Company, can actually control the Company’s actions through investment relationships, agreements or other arrangements.</p> <p>In the Articles of Association, references to connected shareholders, connected relationships and connected transactions shall have the meaning ascribed to it by the Guidelines on Articles of Association.</p> <p>The relevant provisions of the Listing Rules shall apply to the definitions of connected persons and their close associates as well as connected transactions as stated in the Articles of Association.</p>

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original	Amended
		<p>The terms “or more”, “within” and “below” in the Articles of Association include the numeral referred thereto; “except”, “less than” and “more than” do not include the numeral referred thereto.</p> <p>(Articles 193 and 196 of Guidelines on Articles of Association)</p>
211	<p>Article 210 The board of the Company shall have the power to interpret these Articles of Association within the scope granted by the laws and administrative regulations of the State.</p>	<p>Article 174 The Board of Directors of the Company shall have the power to interpret these Articles of Association within the scope granted by the laws and administrative regulations of the State.</p> <p>(Article 197 of Guidelines on Articles of Association)</p>
212	<p>Article 211 These Articles are written in Chinese. If there is any discrepancy between the Chinese version and that in any other languages, the Chinese version shall prevail.</p>	<p>Article 175 The Articles of Association is written in Chinese. If there is any discrepancy between the Chinese version and that in any other languages, the latest Chinese version shall prevail.</p>
		<p>Baoye Group Company Limited 14 June 2024</p>