
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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廣州白雲山医药集团股份有限公司

GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HOLDINGS CO., LTD.

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

(H Share Stock Code: 0874)

**(1) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION;
AND
(2) NOTICE OF THE ANNUAL GENERAL MEETING**

Capitalised terms used in this cover page have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 3 to 5 of this circular. The notice convening the AGM to be held at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC on Thursday, 26 May 2022 at 10:00 a.m. is set out on pages 70 to 76 of this circular.

Whether or not you intend to attend the AGM, please complete the forms of proxy despatched together with the aforementioned notices in accordance with the instructions printed thereon and return the forms of proxy to the office of the Company's H Share Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) as soon as possible and in any event not less than 24 hours before the time appointed for the AGM or any adjournment thereof. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

7 April 2022

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix – Proposed Amendments	6
Notice of the AGM	70

DEFINITIONS

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

“A Shares”	RMB-denominated domestic shares in the share capital of the Company with a nominal value of RMB1.00 each and are listed on the Shanghai Stock Exchange
“AGM”	the annual general meeting of the Company for year 2021 to be held on Thursday, 26 May 2022 at 10:00 a.m., including any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited* (廣州白雲山醫藥集團股份有限公司), a joint stock company with limited liability established in the PRC
“Director”	a director of the Company
“H Shares”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each and are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China and, for the purpose of this circular only, excludes Hong Kong, Macao Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the Articles of Association, details of which are set out in the appendix to this circular
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder”	a holder of the A Shares and/or H Shares
“%”	per cent

DEFINITIONS

[^] *Where the context so permits or requires, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.*

[#] *All times stated in this circular refer to Hong Kong time.*

LETTER FROM THE BOARD



廣州白雲山醫葯集團股份有限公司

GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HOLDINGS CO., LTD.

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

(H Share Stock Code: 0874)

Executive Directors:

Mr. Li Chuyuan
Mr. Yang Jun
Ms. Cheng Ning
Ms. Liu Juyan
Mr. Zhang Chunbo
Mr. Wu Changhai
Mr. Li Hong

Registered office and principal place of business:

45 Sha Mian North Street
Liwan District
Guangzhou City, Guangdong Province
The PRC

Principal place of business in Hong Kong:

Room 2005, 20th floor
Tower Two Lippo Centre
89 Queensway
Hong Kong

Independent non-executive Directors:

Mr. Wong Hin Wing
Ms. Wang Weihong
Mr. Chen Yajin
Mr. Huang Min

7 April 2022

To the Shareholders

Dear Sir or Madam

**(1) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION;
AND
(2) NOTICE OF THE ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in relation to the resolution to be proposed at the AGM on the proposed amendments to the Articles of Association and give you the notice of the AGM.

2. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

In an announcement of the Company dated 18 March 2022, the Company announced that the Board has approved, among other things, the Proposed Amendments at the meeting of the Board held on 18 March 2022. The Company proposes to amend the Articles of Association in light of the Guidelines on the Articles of Association of Listed Companies (Revision 2022) (CSRC Announcement [2022] No. 2)*《上市公司章程指引((2022年修訂))》(證監會公告[2022]2號)) issued by the CSRC, the Stock Listing Rules (Revision 2022)*《股票上市規則((2022年修訂))》 and the Guidelines on Self-Supervision with Discipline for Listed

LETTER FROM THE BOARD

Companies No. 1 – Operating In Compliance with Laws and Regulation*《上市公司自律監管指引第1號－規範運作》 issued by the Shanghai Stock Exchange, other relevant laws, regulations and the Hong Kong Listing Rules (including Appendix III thereof) and to improve the corporate governance of the Company after taking into consideration the actual circumstances of the Company. Corresponding changes will also be made to the rules of procedures of the general meetings of the Company, the rules of procedures of the meetings of the board of directors of the Company and the rules of procedures of the meetings of the supervisory committee of the Company.

The Proposed Amendments are subject to certain conditions, including the approval of the Shareholders by way of special resolution at the AGM and all necessary approvals, authorisations, or registration (if applicable) having been obtained from or filed with the relevant governmental or regulatory authorities. A resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, approve the Proposed Amendments. Details on the Proposed Amendments is set out in the appendix to this circular.

3. CLOSURE OF REGISTER OF MEMBERS FOR HOLDERS OF H SHARES

The register of members of the Company will be closed from Tuesday, 26 April 2022 to Thursday, 26 May 2022 (both days inclusive) for the purpose of determining the entitlements of the Shareholders to attend the AGM, during which no transfer of H Shares will be effected. In order to qualify to attend the AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Monday, 25 April 2022.

4. AGM

The AGM will be held at the Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC on Thursday, 26 May 2022 at 10:00 a.m. The notice convening the AGM is set out on pages 70 to 76 of this circular. Resolutions on all the matters mentioned in this circular will be proposed at the AGM for the consideration of the Shareholders.

Whether or not you intend to attend the AGM, please complete the form of proxy despatched together with the aforementioned notice in accordance with the instructions printed thereon and return the form of proxy to the office of the Company's H Share Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) as soon as possible and in any event not less than 24 hours before the time appointed for the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

All the votes of the Shareholders at the AGM will be taken by poll.

5. RECOMMENDATION

The Directors consider that the Proposed Amendments is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders to vote in favour of the proposed resolution to approve the Proposed Amendments at the AGM.

LETTER FROM THE BOARD

6. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular

Yours faithfully

The Board of

Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

APPENDIX PROPOSED AMENDMENTS

No.	Before amendments	After amendments
1	<p>Article 9 Shareholders may bring actions against the Company, and the Company may bring actions against shareholders in accordance with these Articles of Association; a shareholder may bring actions against other shareholder(s) or may bring actions against directors, supervisors, managers and other senior officers of the Company in accordance with these Articles of Association.</p> <p>The action mentioned above includes court proceedings.</p>	<p>Article 9 Shareholders may bring actions against the Company, and the Company may bring actions against the shareholders, <u>directors, supervisors, managers and other members of the senior management</u> in accordance with these Articles of Association; a shareholder may bring actions against other shareholder(s) or may bring actions against directors, supervisors, managers and other senior officers of the Company in accordance with these Articles of Association.</p> <p>The action mentioned above includes court proceedings.</p>
2	<p>Article 25 The Company's registered capital is RMB1,625,790,949.</p> <p>The Company shall be liable for its liabilities to the extent of the value of all of its assets. Shareholders assume liability towards the Company to the extent of the paid-up amount of the shares they hold.</p>	<p>Article 25 The Company's registered capital is RMB1,625,790,949.</p>
3	<p>Article 26 The Company may, as required by its operation and development, increase its capital in accordance with the relevant provisions of these Articles of Association. The Company may increase its capital by way of:</p> <p>(1) offering new shares to non-specified investors;</p> <p>(2) placing new shares to existing shareholders;</p> <p>(3) bonus issues of new shares to existing shareholders;</p> <p>(4) converting the surplus reserve into its capital;</p> <p>(5) other methods as permitted under laws and regulations and by CSRC.</p> <p>The Company's increase of capital by issuing new shares shall seek approval pursuant to the provisions of these Articles of Association and then be handled in</p>	<p>Article 26 The Company may, as required by its operation and development, increase its capital in accordance with the relevant provisions of these Articles of Association. The Company may increase its capital by way of:</p> <p>(1) <u>public issue of shares;</u></p> <p>(2) <u>non-public issue of shares;</u></p> <p>(3) bonus issues of new shares to existing shareholders;</p> <p>(4) converting the surplus reserve into its capital;</p> <p>(5) other methods as permitted under laws and regulations and by CSRC.</p> <p>The Company's increase of capital by issuing new shares shall seek approval pursuant to the provisions of these Articles of Association and then be handled in</p>

No.	Before amendments	After amendments
	accordance with procedures as required by the relevant laws and administrative regulations of the PRC.	accordance with procedures as required by the relevant laws and administrative regulations of the PRC.
4	<p>Article 27 Shares held by the promoters of the Company shall not be transferred within one year from the date of establishment of the Company. Shares issued by the Company before the share offering shall not be transferred within one year from the date on which the shares of the Company are listed on a stock exchange.</p> <p>Directors, supervisors and senior management of the Company shall declare their shareholdings in the Company and the changes therein to the Company; and shall not transfer more than 25% of their shareholdings in the Company during their respective term of office or transfer their shares within one year from the date on which the shares of the Company are listed on a stock exchange. The aforesaid persons shall not transfer their shares in the Company within half a year after leaving their offices.</p> <p>In the event that any director, supervisor or senior management of the Company or any person who holds more than 5% of the shares in the Company sells the Company's shares or other securities in the nature of shareholding rights within six months after the acquisition of the same or repurchases the Company's shares within six months after sale of the same, any proceed arising therefrom shall be attributed to the Company and the Company's Board of Directors shall retrieve such proceed. In the case that the Board of Directors fails to comply with the requirements under this paragraph, the responsible director(s) shall assume joint liability according to the law.</p> <p>The shares in the Company or other securities in the nature of shareholding rights held by the director, supervisor, senior management of the Company and shareholder who is natural person referred to in the third paragraph above include those</p>	<p>Article 27 Shares held by the promoters of the Company shall not be transferred within one year from the date of establishment of the Company. Shares issued by the Company before the share offering shall not be transferred within one year from the date on which the shares of the Company are listed on a stock exchange.</p> <p>Directors, supervisors and senior management of the Company shall declare their shareholdings in the Company and the changes therein to the Company; and shall not transfer more than 25% of their shareholdings in the Company during their respective term of office or transfer their shares within one year from the date on which the shares of the Company are listed on a stock exchange.</p> <p>In the event that any director, supervisor or senior management of the Company or any person who holds more than 5% of the shares in the Company sells the Company's shares or other securities in the nature of shareholding rights within six months after the acquisition of the same or repurchases the Company's shares within six months after sale of the same, any proceed arising therefrom shall be attributed to the Company and the Company's Board of Directors shall retrieve such proceed, <u>however, securities companies holding more than 5% of the shares as a result of acquiring the remaining shares under an underwriting and other circumstances stipulated under the applicable domestic or foreign laws, administrative regulations and/or the listing rules of the stock exchanges located in the places where the shares of the Company are listed are excluded.</u> In the case that the Board of Directors fails to comply with the</p>

No.	Before amendments	After amendments
	<p>shares in the Company or other securities in the nature of shareholding right held by his spouse, parents, children and those held through the accounts of other persons.</p> <p>In the case that the Board fails to comply with the requirements under the third paragraph above shareholder shall have the right to request the Board to comply within thirty days. In case of the Board fails to comply with the same within the aforesaid period, such shareholder shall have the right to institute a legal proceeding directly with the people's court in its own name for the benefit of the Company.</p> <p>Unless otherwise required by the laws, administrative regulations and these Articles of Association, the shares of the Company may be freely transferred free from any lien. The Company shall not accept its shares being held as security under a pledge.</p>	<p>requirements under this paragraph, the responsible director(s) shall assume joint liability according to the law.</p> <p>The shares in the Company or other securities in the nature of shareholding rights held by the director, supervisor, senior management of the Company and shareholder who is natural person referred to in the third paragraph above include those shares in the Company or other securities in the nature of shareholding right held by his spouse, parents, children and those held through the accounts of other persons.</p> <p>In the case that the Board fails to comply with the requirements under the third paragraph above shareholder shall have the right to request the Board to comply within thirty days. In case of the Board fails to comply with the same within the aforesaid period, such shareholder shall have the right to institute a legal proceeding directly with the people's court in its own name for the benefit of the Company.</p> <p>Unless otherwise required by the laws, administrative regulations and these Articles of Association, the shares of the Company may be freely transferred free from any lien. The Company shall not accept its shares being held as security under a pledge.</p>
5	<p>Article 29 In case of reduction of registered capital of the Company, a balance sheet and assets list shall be formulated and procedures as required by the Company Law and the provisions of other relevant regulations and these Articles of Association shall be complied with.</p> <p>The Company shall notify its creditors within 10 days from the date of passing of the resolution for the reduction of registered capital and shall publish a notice at least three times in a newspaper within 30 days thereof. The creditors who have received the said notice have the right within 30 days from the date of receiving the notice, and the creditors</p>	<p>Article 29 In case of reduction of registered capital of the Company, a balance sheet and assets list shall be formulated and procedures as required by the Company Law and the provisions of other relevant regulations and these Articles of Association shall be complied with.</p> <p>The Company shall notify its creditors within 10 days from the date of passing of the resolution for the reduction of registered capital and shall publish an announcement in newspapers within 30 days thereof. The creditors who have received the said notice have the right within 30 days from the date of receiving the notice, and the creditors who are</p>

No.	Before amendments	After amendments
	<p>who are not given such notice have the right within 90 days from the date of the notice was first published in a newspaper, to demand the Company to settle the debt or to provide corresponding indemnity over the debt.</p> <p>The registered capital shall not be less than the statutory minimum amount after the reduction of capital.</p>	<p>not given such notice have the right within 45 days from the date of the notice was published in a newspaper, to demand the Company to settle the debt or to provide corresponding indemnity over the debt.</p> <p>The registered capital shall not be less than the statutory minimum amount after the reduction of capital.</p>
6	<p>Article 30 Under the following circumstances, <u>the</u> Company may repurchase its shares issued on the market subject to a resolution passed in accordance with the provisions of these Articles of Association and the approval by the relevant authority of the State:</p> <p>(1) cancellation of shares for the purpose of reduction of the Company's capital;</p> <p>(2) merger with another company which holds the Company's shares;</p> <p>(3) apply the shares for the purposes of the employee share scheme or in shares incentive scheme;</p> <p>(4) request from shareholders who object to a resolution of a general meeting of shareholders on merger or division of the Company for the Company to acquire their shares;</p> <p>(5) apply the shares for the purposes of the conversion pursuant to the company convertible bonds issued by the <u>listed</u> company;</p> <p>(6) if the listed company considers that it is necessary to protect the value of the company and the interests of shareholders.</p> <p><u>Save for the above, the Company shall not purchase its shares.</u></p>	<p>Article 30 <u>The Company may not purchase its own shares except under the following circumstances:</u></p> <p>(1) cancellation of shares for the purpose of reduction of the Company's capital;</p> <p>(2) merger with another company which holds the Company's shares;</p> <p>(3) apply the shares for the purposes of the employee share scheme or in shares incentive scheme;</p> <p>(4) request from shareholders who object to a resolution of a general meeting of shareholders on merger or division of the Company for the Company to acquire their shares;</p> <p>(5) apply the shares for the purposes of the conversion pursuant to the company convertible bonds issued by the company;</p> <p>(6) if the listed company considers that it is necessary to protect the value of the company and the interests of shareholders.</p>

No.	Before amendments	After amendments
7	<p>Article 31 The Company may, upon approval by the relevant PRC regulatory authority, repurchase its shares by one of the following ways:</p> <p>(1) offer for repurchase of shares to all shareholders in equal proportions;</p> <p>(2) repurchase of shares through open transactions on a stock exchange;</p> <p>(3) repurchase of shares through off-market agreements outside a stock exchange; and</p> <p>(4) repurchase of shares in other methods as recognized by CSRC.</p> <p>If the Company repurchase its own shares, it must perform its disclosure obligations in accordance with the Securities Law of China; and if the repurchase is made pursuant to the circumstances under (3), (5), (6) of Article 30 of these Articles of Association, such repurchase must be conducted by way of opened centralised trading or by such other ways as permitted by the applicable laws and regulations or by the stock exchanges on which the shares of the Company are listed.</p>	<p>Article 31 The Company may, upon approval by the relevant PRC regulatory authority, repurchase its shares by one of the following ways:</p> <p>(1) offer for repurchase of shares to all shareholders in equal proportions;</p> <p>(2) repurchase of shares through open transactions on a stock exchange;</p> <p>(3) repurchase of shares through off-market agreements outside a stock exchange; and</p> <p>(4) <u>other methods as may be recognized by the applicable domestic or foreign laws, administrative regulations and/or the listing rules of the stock exchanges located in the places where the shares of the Company are listed.</u></p> <p>If the Company repurchase its own shares, it must <u>perform its disclosure obligations</u> in accordance with the Securities Law of China <u>and other applicable domestic or foreign laws, administrative regulations and/or the listing rules of the stock exchanges in the places where the shares of the Company are listed;</u> and if the repurchase is made pursuant to the circumstances under (3), (5), (6) of Article 30 of these Articles of Association, such repurchase must be conducted by way of opened centralised trading or by such other ways as permitted by the applicable laws and <u>administrative</u> regulations or by the stock exchanges on which the shares of the Company are listed.</p>
8	<p>Article 32 If the repurchase is made under the circumstances specified in (1), (2) of Article 30 of these Articles of Association, approval must be obtained from the general meeting; if the repurchase is made under the proposed circumstances specified in (3), (5), (6) under Article 30 of these Articles of</p>	<p>Article 32 If the repurchase is made under the circumstances specified in (1), (2) of Article 30 of these Articles of Association, approval must be obtained from the general meeting; if the repurchase is made under the proposed circumstances specified in (3), (5), (6) under Article 30 of these Articles of Association, it may be approved <u>in accordance with the provisions under these Articles or the authority granted at</u></p>

No.	Before amendments	After amendments
	<p>Association, it may be approved by resolution passing by two thirds of the votes cast by the directors attending the board meeting.</p> <p>With respect to those contracts made pursuant to the prior approval of the general meeting or the board of directors, the Company may terminate or vary such contracts or give up any right thereunder pursuant to the same manner by which they were approved.</p> <p>The contract to repurchase shares referred to above includes but not limited to such agreement for the commitment to fulfil the obligations of share repurchase and acquisition of the rights to repurchase shares.</p> <p>The Company is not allowed to transfer the contracts for the repurchase of its shares or any rights under such contracts.</p>	<p>general meetings by resolution passing by two thirds of the votes cast by the directors attending the board meeting.</p> <p>With respect to those contracts made pursuant to the prior approval of the general meeting or the board of directors, the Company may terminate or vary such contracts or give up any right thereunder pursuant to the same manner by which they were approved.</p> <p>The contract to repurchase shares referred to above includes but not limited to such agreement for the commitment to fulfil the obligations of share repurchase and acquisition of the rights to repurchase shares.</p> <p>The Company is not allowed to transfer the contracts for the repurchase of its shares or any rights under such contracts.</p>
9	<p>Article 33 In the event that any repurchase of shares by the Company pursuant to the laws and Article 30 hereof, shares acquired under a repurchase of shares under the circumstances stipulated in item (1) of Article 30 hereof shall be cancelled within ten days from the date of acquisition thereof while shares acquired under a repurchase of shares made under the circumstances stipulated in items (2) and (4) of Article 30 hereof shall be transferred or cancelled within six months and change of registration of registered capital shall be proceeded with the Company's original registration authority. Under the circumstances specified in (3), (5) and (6), the total number of shares of the Company held by the Company shall not exceed 10% of the shares of the Company in issue and should be transferred or cancelled within three years.</p> <p>The aggregate nominal value of the cancelled shares shall be verified and deducted from the Company's registered capital.</p> <p><u>The shares acquired under a repurchase of shares made by the Company in accordance with the provisions of item (3) of Article 29</u></p>	<p>Article 33 In the event that any repurchase of shares by the Company pursuant to the laws and Article 30 hereof, shares acquired under a repurchase of shares under the circumstances stipulated in item (1) of Article 30 hereof shall be cancelled within ten days from the date of acquisition thereof while shares acquired under a repurchase of shares made under the circumstances stipulated in items (2) and (4) of Article 30 hereof shall be transferred or cancelled within six months and change of registration of registered capital shall be proceeded with the Company's original registration authority. Under the circumstances specified in (3), (5) and (6), the total number of shares of the Company</p>

No.	Before amendments	After amendments
	<p>hereof shall not exceed 5% of the issued share capital of the Company. Funds used for the acquisition shall be paid out from the profit after tax of the Company and the acquired shares shall be transferred to employees within one year.</p>	<p>held by the Company shall not exceed 10% of the shares of the Company in issue and should be transferred or cancelled within 3 years.</p> <p>The aggregate nominal value of the cancelled shares shall be verified and deducted from the Company's registered capital.</p>
10	<p>Article 44 Where PRC laws and regulations and The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited have stipulations on the period of closure of the register of shareholders prior to a shareholders' meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall be observed.</p>	<p>Article 44 <u>Where PRC laws and administrative regulations and The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited have stipulations governing suspension of transfer of shares, such provisions shall be observed.</u></p>
11	<p>Article 47 If the individual who have his/her names registered or requests to have his/her names registered on the register of shareholders lose his/her share certificate (i.e the "original share certificate"), (s) he may apply to the Company for issuing a replacement share certificate representing the same shares (i.e "related shares"). In the event that a shareholder of domestic shares loses his/her share certificate(s) and applies for issuing replacement share certificate(s), (s) he should follow the procedures as stipulated in Rule 143 of the "Company Law".</p>	<p>Article 47 If the individual who have his/her names registered or requests to have his/her names registered on the register of shareholders lose his/her share certificate (i.e the "original share certificate"), (s) he may apply to the Company for issuing a replacement share certificate representing the same shares (i.e "related shares"). In the event that a shareholder of domestic shares loses his/her share certificate(s) and applies for issuing replacement share certificate(s), (s) he should follow the relevant procedures as stipulated in the "Company Law".</p>

No.	Before amendments	After amendments
12	<p>Article 51 Holders of ordinary shares of the Company shall enjoy the following rights:</p> <p>(I) to request, convene, chair, attend or appoint proxies to attend general meeting of shareholders and to exercise voting rights in accordance with laws;</p> <p>(II) to receive dividends and other forms of distribution of interest in proportion to their respective shareholdings;</p> <p>(III) to supervise the management of the business operations of the Company and to make recommendations and interrogations;</p> <p>(IV) to transfer, give or pledge shares held by them in accordance with laws, administrative regulations of the State and these Articles of Association;</p> <p>(V) to enjoy the rights of access, participation and decision on material matters as stipulated by laws, administrative regulations and these Articles of Association;</p> <p>(VI) to obtain relevant information in accordance with the provisions of these Articles of Association including:</p> <ol style="list-style-type: none"> 1. a set of these Articles of Association upon payment of a fee covering the cost; 2. the rights to inspect and obtain photocopy(ies) of the following information upon payment of a reasonable charge: <ol style="list-style-type: none"> (1) all parts of the register of shareholders; (2) personal particulars of directors, supervisors, managers and other senior management personnel, including: <ol style="list-style-type: none"> (A) present and former forename, surname and alias; (B) principal address (residence); (C) nationality; 	<p>Article 51 Holders of ordinary shares of the Company shall enjoy the following rights:</p> <p>(I) to request, convene, chair, attend or appoint proxies to attend general meeting of shareholders and to exercise <u>the right to speak</u> and voting rights in accordance with laws;</p> <p>(II) to receive dividends and other forms of distribution of interest in proportion to their respective shareholdings;</p> <p>(III) to supervise the management of the business operations of the Company and to make recommendations and interrogations;</p> <p>(IV) to transfer, give or pledge shares held by them in accordance with laws, administrative regulations of the State and these Articles of Association;</p> <p>(V) to enjoy the rights of access, participation and decision on material matters as stipulated by laws, administrative regulations and these Articles of Association;</p> <p>(VI) to obtain relevant information in accordance with the provisions of these Articles of Association including:</p> <ol style="list-style-type: none"> 1. a set of these Articles of Association upon payment of a fee covering the cost; 2. the rights to inspect and obtain photocopy(ies) of the following information upon payment of a reasonable charge: <ol style="list-style-type: none"> (1) all parts of the register of shareholders; (2) personal particulars of directors, supervisors, managers and other senior management personnel, including: <ol style="list-style-type: none"> (A) present and former forename, surname and alias; (B) principal address (residence); (C) nationality; (D) full-time and all other part-time occupations and duties; and (E) identity document(s) and the number(s) thereof. (3) details of the Company's share capital and stub(s) of the Company's debenture(s);

No.	Before amendments	After amendments
	<p>(D) full-time and all other part-time occupations and duties; and</p> <p>(E) identity document(s) and the number(s) thereof.</p> <p>(3) details of the Company's share capital and stub(s) of the Company's debenture(s);</p> <p>(4) reports showing the nominal value, the number, the maximum and minimum price paid in respect of each class of shares repurchase since the end of the last financial year, and the aggregate amount paid by the Company for such shares; and</p> <p>(5) minutes of general meeting of shareholders, resolutions of meetings of the Board, resolutions of meetings of the supervisors and financial statements.</p> <p>3. any shareholder requesting for inspection of the relevant information as set forth in the preceding paragraph or for obtaining information shall furnish with the Company written document evidencing the class and quantity of shares it holds in the Company and the Company shall comply with such shareholder's request upon verification of its shareholder capacity.</p> <p>(VII) upon termination of liquidation of the Company, the right to participate in the distribution of the Company's remaining assets in proportion to their shareholdings;</p> <p>(VIII) request from shareholders who object to a resolution of a general meeting of shareholders on merger or division of the Company for the Company to acquire their shares; and</p> <p>(IX) other rights conferred by laws, administrative regulations and these Articles of Association.</p>	<p>(4) reports showing the nominal value, the number, the maximum and minimum price paid in respect of each class of shares repurchase since the end of the last financial year, and the aggregate amount paid by the Company for such shares; and</p> <p>(5) minutes of general meeting of shareholders, resolutions of meetings of the Board, resolutions of meetings of the supervisors and financial statements.</p> <p>3. any shareholder requesting for inspection of the relevant information as set forth in the preceding paragraph or for obtaining information shall furnish with the Company written document evidencing the class and quantity of shares it holds in the Company and the Company shall comply with such shareholder's request upon verification of its shareholder capacity.</p> <p>(VII) upon termination of liquidation of the Company, the right to participate in the distribution of the Company's remaining assets in proportion to their shareholdings;</p> <p>(VIII) request from shareholders who object to a resolution of a general meeting of shareholders on merger or division of the Company for the Company to acquire their shares; and</p> <p>(IX) other rights conferred by laws, administrative regulations and these Articles of Association.</p>
13	<p>Article 59 The controlling shareholders and/or the actual controlling party of the Company shall not use their relationship to</p>	<p>Article 59 The controlling shareholders and/or the actual controlling party of the Company shall not use their relationship to</p>

No.	Before amendments	After amendments
	<p>cause damage to the Company's interests and shall be liable for indemnity in case of violation of such requirements.</p> <p>The controlling shareholders and the actual controlling party of the Company own duties to the Company and to public shareholders. The controlling shareholders shall exercise their rights as investors in strict compliance with laws, and fulfill the obligations of shareholders. The controlling shareholders may not cause damage to the lawful interests of the Company and the public shareholders by way of connected transactions, profit distribution, assets restructuring, foreign investment, capital appropriation and guarantee for loans etc. and shall not cause damage to the interests of the Company and the public shareholders by taking advantage of its controlling status or grant any approval on any resolutions on election of personnel at general meetings and any resolutions on the appointment of any personnel by the Board of Directors or appoint or remove any senior management members of the Company without the approval at general meeting and the Board of Directors or intervene directly or indirectly any decisions on production and operation of the Company or intervene the finance and accounting related activities of the Company or impose any operation plans or give any orders to the Company or carry out any business activities which are the same or similar to those of the Company or influence the independence of the Company's operation and management or infringe the legal interests of the Company by any other means.</p> <p>The directors, supervisors and senior officers of the Company have the obligation to protect the capital of the Company from being appropriated by the controlling shareholder. In the case that either the directors or senior management of the Company assists or connives the controlling shareholder or his subsidiaries in</p>	<p>cause damage to the Company's interests and shall be liable for indemnity in case of violation of such requirements.</p> <p>The controlling shareholders and the actual controlling party of the Company own duties to the Company and to public shareholders. The controlling shareholders shall exercise their rights as investors in strict compliance with laws, and fulfill the obligations of shareholders. The controlling shareholders may not cause damage to the lawful interests of the Company and the public shareholders by way of connected transactions, profit distribution, assets restructuring, foreign investment, capital appropriation and guarantee for loans etc. and shall not cause damage to the interests of the Company and the public shareholders by taking advantage of its controlling status or grant any approval on any resolutions on election of personnel at general meetings and any resolutions on the appointment of any personnel by the Board of Directors or appoint or remove any senior management members of the Company without the approval at general meeting and the Board of Directors or intervene directly or indirectly any decisions on production and operation of the Company or intervene the finance and accounting related activities of the Company or impose any operation plans or give any orders to the Company or carry out any business activities which are the same or similar to those of the Company or influence the independence of the Company's operation and management or infringe the legal interests of the Company by any other means.</p> <p>The directors, supervisors and senior officers of the Company have the obligation to protect the capital of the Company from being appropriated by the controlling shareholder. In the case that either the directors or senior management of the Company assists or connives the controlling shareholder or his subsidiaries in</p>

No.	Before amendments	After amendments
	<p>misappropriating the assets of the Company, the Board has the power to take disciplinary action against the directly responsible person and remove the director who holds serious responsibilities depending on the security of the case. In the case that the controlling shareholder of the Company misappropriates the assets of the Company, including but not limited to, the capital of the Company, the Board has the power to immediately apply to the People's Court in the name of the Company to legally freeze the assets of the Company so appropriated and the shares of the Company held by the controlling shareholder. In the case that the controlling shareholder is unable to make any restitution or cash compensation for any assets of the Company misappropriated by him, the Company is entitled to a compensation from the controlling shareholder for the misappropriated assets of the Company by realizing the shares of the Company held by him in accordance with the provisions and procedures of the relevant laws, rules and regulations.</p> <p>The undertakings given by the controlling shareholders and the actual controlling party must be expressed, have sufficient details and can be implemented. No undertakings should be given if such undertakings are obviously not possible to perform based on the circumstances at the material time. The party giving the undertaking should declare that it will perform the undertaking and set out the consequences of its failure to perform the undertakings and perform its undertakings genuinely.</p>	<p>misappropriating the assets of the Company, the Board has the power to take disciplinary action against the directly responsible person and remove the director who holds serious responsibilities depending on the security of the case. In the case that the controlling shareholder of the Company misappropriates the assets of the Company, including but not limited to, the capital of the Company, the Board has the power to immediately apply to the People's Court in the name of the Company to legally freeze the assets of the Company so appropriated and the shares of the Company held by the controlling shareholder. In the case that the controlling shareholder is unable to make any restitution or cash compensation for any assets of the Company misappropriated by him, the Company is entitled to a compensation from the controlling shareholder for the misappropriated assets of the Company by realizing the shares of the Company held by him in accordance with the provisions and procedures of the relevant laws, <u>administrative</u> rules and regulations.</p> <p>The undertakings given by the controlling shareholders and the actual controlling party must be expressed, have sufficient details and can be implemented. No undertakings should be given if such undertakings are obviously not possible to perform based on the circumstances at the material time. The party giving the undertaking should declare that it will perform the undertaking and set out the consequences of its failure to perform the undertakings and perform its undertakings genuinely. <u>The Board of Directors of the Company should proactively urge the parties giving the undertakings to observe those undertakings. If the parties giving the undertakings fail to observe those undertakings, the directors, supervisors and members of the senior management of</u></p>

No.	Before amendments	After amendments
		<u>the Company should, in an active and timely manner, take initiative to hold the parties giving the undertakings accountable.</u>
14	<p>Article 61 The general meeting of shareholders shall exercise the following functions and powers:</p> <p>(1) to decide on the Company's direction of operation and investment plans;</p> <p>(2) to elect and replace directors who are not the employee's representatives and to decide matters relating to the remuneration of directors;</p> <p>(3) to elect and replace supervisors who are not the employee's representatives and to decide matters relating to the remuneration of supervisors;</p> <p>(4) to consider and approve reports of the Board;</p> <p>(5) to consider and approve reports of the supervisory committee;</p> <p>(6) to consider and approve the Company's annual financial budget and final accounts;</p> <p>(7) to consider and approve the Company's profit distribution proposals and loss recovery proposals;</p> <p>(8) to resolve on the increase or reduction of the Company's registered capital;</p> <p>(9) to resolve on matters such as merger, division, dissolution or liquidation of the Company;</p> <p>(10) to resolve on issuance of debenture by the Company;</p>	<p>Article 61 The general meeting of shareholders shall exercise the following functions and powers:</p> <p>(1) to decide on the Company's direction of operation and investment plans;</p> <p>(2) to elect and replace directors who are not the employee's representatives and to decide matters relating to the remuneration of directors;</p> <p>(3) to elect and replace supervisors who are not the employee's representatives and to decide matters relating to the remuneration of supervisors;</p> <p>(4) to consider and approve reports of the Board;</p> <p>(5) to consider and approve reports of the supervisory committee;</p> <p>(6) to consider and approve the Company's annual financial budget and final accounts;</p> <p>(7) to consider and approve the Company's profit distribution proposals and loss recovery proposals;</p> <p>(8) to resolve on the increase or reduction of the Company's registered capital;</p> <p>(9) to resolve on matters such as merger, division, dissolution, <u>liquidation or change of the corporate form of the Company;</u></p> <p>(10) to resolve on issuance of debenture by the Company;</p>

No.	Before amendments	After amendments
	<p>(11) to resolve on the appointment, removal or non-renewal of the services of an accounting firm for the Company;</p> <p>(12) to amend these Articles of Association;</p> <p>(13) to consider any proposals made by shareholders representing more than 3% (inclusive) of the voting rights of the Company;</p> <p>(14) to consider the material acquisition, sale or replacement of assets of the Company (in the standard as confirmed by the rules of the stock exchange where the Company's shares are listed);</p> <p>(15) matters that may be delegated to the Board through authorization or entrustment granted by a general meeting of shareholders of the Company;</p> <p>The authorization or entrustment granted to the Board for handling matters as authorised or entrusted by a general meeting of shareholders of the Company shall be in compliance with the requirements of maintaining the legal interests of the Company's shareholders and in strict compliance with laws and regulations to safeguard the Company's principles of efficient operation and scientific decision.</p>	<p>(11) to resolve on the appointment, removal or non-renewal of the services of an accounting firm for the Company;</p> <p>(12) to amend these Articles of Association;</p> <p>(13) to consider any proposals made by shareholders representing more than 3% (inclusive) of the voting rights of the Company;</p> <p>(14) to consider the material acquisition, sale or replacement of assets of the Company (in the standard as confirmed by the rules of the stock exchanges <u>located in the places</u> where the Company's shares are listed);</p> <p>(15) matters that may be delegated to the Board through authorization or entrustment granted by a general meeting of shareholders of the Company;</p> <p>The authorization or entrustment granted to the Board for handling matters as authorised or entrusted by a general meeting of shareholders of the Company shall be in compliance with the requirements of maintaining the legal interests of the Company's shareholders and in strict compliance with laws and <u>administrative</u> regulations to safeguard the Company's principles of efficient operation and scientific</p>

No.	Before amendments	After amendments
	<p>The following matters may be delegated by the Board through authorization or entrustment:</p> <ol style="list-style-type: none"> 1. amendment of wordings of these Articles of Association upon passing of a resolution for amendment of these Articles of Association by a general meeting of shareholders; 2. distribution of interim dividends; 3. specific matters involving issuance of new shares or convertible debenture; 4. disposal, mortgage and guarantee on fixed assets as set forth in an approved direction of operation and investment plan; and 5. other matters may be delegated by the Board through authorization or entrustment as stipulated by laws, regulations and these Articles of Association. <p>The general meetings shall not delegate those powers which are only exercisable by the general meetings <u>as prescribed by laws</u> to the board of directors.</p> <p>(16) to consider matters relating to guarantee as stipulated under Article 62 hereof;</p> <p>(17) to consider matters relating to the Company's purchase and sale of material assets exceeding 30% of the latest audited total assets;</p> <p>(18) to consider matters relating to change of purpose for fund raising;</p> <p>(19) to consider share incentive scheme; and</p> <p>(20) other matters which are required by laws, administrative regulations and these Articles of Association to be adopted by way of resolutions by the general meeting of shareholders.</p>	<p>decision. The following matters may be delegated by the Board through authorization or entrustment:</p> <ol style="list-style-type: none"> 1. amendment of wordings of these Articles of Association upon passing of a resolution for amendment of these Articles of Association by a general meeting of shareholders; 2. distribution of interim dividends; 3. specific matters involving issuance of new shares or convertible debenture; 4. disposal, mortgage and guarantee on fixed assets as set forth in an approved direction of operation and investment plan; and 5. other matters may be delegated by the Board through authorization or entrustment as stipulated by laws, <u>administrative</u> regulations and these Articles of Association. <p>The general meetings shall not delegate those powers which are only exercisable by the general meetings as prescribed by <u>the applicable domestic or foreign laws, administrative regulations and/or the listing rules of the stock exchanges located in the places where the Company's shares are listed</u> to the board of directors, <u>or other organizations and individuals to exercise on its behalf.</u></p> <p>(16) to consider matters relating to guarantee as stipulated under Article 62 hereof;</p> <p>(17) to consider matters relating to the Company's purchase and sale of material assets exceeding 30% of the latest audited total assets within <u>1</u> year;</p> <p>(18) to consider matters relating to change of purpose for fund raising;</p> <p>(19) to consider share incentive scheme <u>and</u></p>

No.	Before amendments	After amendments
		<p><u>employees stock scheme;</u></p> <p>(20) other matters which are required by laws, administrative regulations, <u>the rules of the stock exchanges located in the places where the Company's shares are listed and these Articles of Association to be approved by way of resolutions passed at the general meeting of shareholders.</u></p>
15	<p>Article 62 The following guarantees made to outsiders by the Company shall be approved and passed in a general meeting of shareholders:</p> <p>(1) any guarantees made to outsiders by the Company and its holding subsidiary with an aggregate amount reached or exceeding 50% of the latest audited net asset value;</p> <p>(2) any guarantees made to outsiders by the Company with an aggregate amount reached or exceeding 30% of the latest audited net asset value;</p> <p>(3) a guarantee made to a party whose ratio of assets and liabilities (gearing ratio) exceeding 70%;</p> <p>(4) a guarantee of the amount exceeding 10% of the latest audited net asset value; and</p> <p>(5) a guarantee made to a shareholder, the actual controlling party and/or their related party.</p>	<p>Article 62 The following guarantees made to outsiders by the Company shall be approved and passed in a general meeting of shareholders:</p> <p><u>(1) a single guarantee of the amount exceeding 10% of the latest audited net asset value of the Company;</u></p> <p><u>(2) any guarantees to be given after the amount of the total guarantees made to outsiders by the Company and its holding subsidiaries exceeding 50% of the latest audited net asset value of the Company;</u></p> <p><u>(3) any guarantees to be provided after the amount of the total guarantees made to third parties by the Company and its holding subsidiaries exceeding 30% of the latest audited net asset value of the Company;</u></p> <p><u>(4) on the basis of the aggregated amount of guarantees in a continuous period of 12 months, those guarantees that exceed 30% of the most recent audited total assets of the Company;</u></p> <p>(5) a guarantee made to a party whose ratio of assets and liabilities (gearing ratio) exceeding 70%;</p> <p>(6) a guarantee made to a shareholder, the actual controlling party and/or their related party;</p> <p><u>(7) other guarantees prescribed by the stock exchanges located in the places where the Company's shares are listed or the</u></p>

No.	Before amendments	After amendments
		<p><u>Company's Articles of Association.</u></p> <p><u>In the event that the guarantee referred to in item (4) above is considered at the general meeting of the Company, it must be approved by more than two-thirds of the voting rights held by shareholders present at the meeting.</u></p>
16	<p>Article 64 The general meeting of shareholders are divided into annual general meetings or extraordinary general meetings. The general meeting of shareholders shall be convened once a year and shall take place within six months after the <u>end</u> of the previous financial year.</p> <p>The Board shall convene an extraordinary general meeting within two months from the date of actual occurrence of any one of the following circumstances:</p> <p>(1) the number of directors fall short of the number as stipulated by the Company Law or is less than two-thirds of the number of directors as stipulated under the Articles of Association;</p> <p>(2) the accrued losses of the Company amount to one-third of its aggregate share capital;</p> <p>(3) shareholders who individually or collectively hold 10% or more shares of the Company's issued shares make a written request to convene an extraordinary general meeting;</p> <p>(4) such meeting is considered necessary by the Board or proposed to be convened by the supervisory committee;</p> <p>(5) other circumstances as stipulated by laws, administrative regulations, departmental rules or these Articles of Association.</p>	<p>Article 64 The general meeting of shareholders are divided into annual general meetings or extraordinary general meetings. The general meeting of shareholders shall be convened once a year and shall take place within <u>6</u> months after the <u>end</u> of the previous financial year.</p> <p>The <u>Company</u> shall convene an extraordinary general meeting within <u>2</u> months from the date of actual occurrence of any one of the following circumstances:</p> <p>(1) the number of directors fall short of the number as stipulated by the Company Law or is less than two-thirds of the number of directors as stipulated under the Articles of Association;</p> <p>(2) the accrued losses of the Company amount to one-third of its aggregate <u>paid-up</u> share capital;</p> <p>(3) shareholders who individually or collectively hold <u>10%</u> (inclusive) or more shares of the Company's issued shares make a written request to convene an extraordinary general meeting;</p> <p>(4) such meeting is considered necessary by the Board or proposed to be convened by the supervisory committee;</p> <p>(5) other circumstances as stipulated by laws, administrative regulations, departmental rules or these Articles of Association.</p>
17	/	<p><u>New Article 65 The venue of the general meetings of the Company shall be the registered office of the Company or such other places as stipulated in the notice of general meeting. There shall be a physical venue for the general meeting to be held on-</u></p>

No.	Before amendments	After amendments
		<p><u>site and the Company shall also, for convenience purpose, provide network voting for the shareholders participating the meeting. Shareholders participating general meetings in the aforesaid manners shall be deemed present at the meeting.</u></p>
18	/	<p><u>New Article 66 In the event of holding a general meeting, the Company shall appoint legal counsels to provide legal opinion on the following issues and publish an announcement:</u></p> <p><u>(1) whether the convening and holding of the meeting comply with the laws, administrative regulations and the Articles of Association;</u></p> <p><u>(2) the qualifications of those who are present at the meeting, and the legality and validity of the convener's qualifications;</u></p> <p><u>(3) the legality and validity of the voting procedures and results of the meeting;</u></p> <p><u>(4) the issue of legal opinion on any other relevant matters as the Company may request.</u></p>
19	<p>Article 65 An independent director has the right to propose the Board to convene an extraordinary general meeting. In respect to the proposal by the independent director for convening an extraordinary general meeting, the Board shall, in accordance with the laws, administrative regulations and these Articles of Association, give a written reply as to whether agree or disagree with such proposal for convening an extraordinary general meeting within 10 days upon receipt of such proposal.</p> <p>In the event that the Board agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the resolutions of the Board is passed. In the event that the Board disagrees to convene an extraordinary general meeting, an explanation shall be given and an announcement shall be made.</p>	<p>Article 67 An independent director has the right to propose the Board to convene an extraordinary general meeting, <u>but shall obtain the consent of more than half of all the independent directors.</u> In respect to the proposal by the independent director for convening an extraordinary general meeting, the Board shall, in accordance with the laws, administrative regulations and these Articles of Association, give a written reply as to whether agree or disagree with such proposal for convening an extraordinary general meeting within 10 days upon receipt of such proposal.</p> <p>In the event that the Board agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be given within 5 days after the resolutions of the Board is passed. In the event that the Board</p>

No.	Before amendments	After amendments
		disagrees to convene an extraordinary general meeting, an explanation shall be given and an announcement shall be made.
20	<p>Article 68 Where the supervisory committee or shareholders decides to convene the general meeting of shareholders on its own initiative, it shall send out a written notice to the Board, and shall submit the records to <u>the branch of CSRC where the Company is located and</u> the stock exchange.</p> <p>Prior to the announcement of the resolution of the general meeting of shareholders, the shareholdings of the shareholders convening the general meeting shall not be less than <u>10%</u>.</p> <p>Upon the notice and the announcement of resolution of the general meeting of shareholders, the shareholders convening the general meeting shall submit the relevant documentary information to the branch of CSRC where the Company is located and the stock exchange.</p>	<p>Article 70 Where the supervisory committee or shareholders decides to convene the general meeting of shareholders on its own initiative, it shall send out a written notice to the Board, and shall submit the records to the stock exchange.</p> <p>Prior to the announcement of the resolution of the general meeting of shareholders, the shareholdings of the shareholders convening the general meeting shall not be less than 10%.</p> <p>Upon the notice and the announcement of resolution of the general meeting of shareholders, <u>the supervisory committee or</u> the shareholders convening the general meeting shall submit the relevant documentary information to the stock exchange.</p>
21	<p>Article 71 The Company shall dispatch written notices of the general meeting to all registered shareholders at least 20 clear business days before the date of the meeting informing them the matters to be considered at the meeting and the date and venue of such meeting. If the Company convenes an extraordinary general meeting, written notice of the meeting shall be given at least 10 clear business days or 15 days (whichever is longer) before the date of the meeting. Those shareholders who wish to attend the general meeting is required to return the written replies to the Company within the time limits specified in the notice.</p> <p>In calculating the notice period, the date of issue of notice and the date of meeting shall be excluded. The aforementioned business day shall mean the date on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities.</p>	<p>Article 73 The Company shall dispatch written notices of the <u>annual</u> general meeting to all registered shareholders at least <u>20</u> clear business days before the date of the meeting informing them the matters to be considered at the meeting and the date and venue of such meeting. If the Company convenes an extraordinary general meeting, written notice of the meeting shall be given at least <u>10</u> clear business days or <u>15</u> days (whichever is longer) before the date of the meeting. Those shareholders who wish to attend the general meeting is required to return the written replies to the Company within the time limits specified in the notice. <u>The aforementioned business days mean the</u></p>

No.	Before amendments	After amendments
		<p><u>days on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities.</u></p> <p><u>If laws, administrative regulations, securities regulatory authorities or the stock exchanges in the places where the Company's shares are listed stipulate a longer notice period for convening the annual general meeting or extraordinary general meeting of the Company, such provisions shall be observed.</u></p>
22	<p>Article 72 After the convener dispatches the notice of general meeting of shareholders, such general meeting shall not be postponed without justifiable causes. Where the convention of such general meeting must be postponed for special reasons, the Company shall <u>dispatch convening of postponement</u> within at least two business days before the original date of such general meeting. The convener shall explain the reasons for the postponement and announce the date of postponed general meeting in the notice of postponement.</p>	<p>Article 74 After the convener dispatches the notice of general meeting of shareholders, such general meeting shall not be postponed <u>or cancel and the resolutions set out in the notice of general meeting shall not be cancelled</u> without justifiable causes. Where the convention of such general meeting must be postponed for special reasons, the Company shall <u>be announced and disclosed the reasons thereof</u> within at least two business days before the original date of such general meeting. The convener shall explain the reasons for the postponement and announce the date of postponed general meeting in the notice of postponement.</p>
23	<p>Article 73 The contents of a proposal shall be within the terms of reference of the general meeting of shareholders, and have definite agenda and specific matters for resolution, and shall comply with the relevant provisions of the laws, administrative regulations and the Articles of Association of the Company.</p>	<p>Article 75 The contents of a proposal shall be within the terms of reference of the general meeting of shareholders, and have definite agenda and specific matters for resolution, and shall comply with the relevant provisions of the laws, administrative regulations and the Articles of Association of the Company.</p> <p><u>The convener shall disclose such information which may assist the shareholders to make reasonable decisions in respect of the matters to be discussed 5 days before the general meeting. If supplemental information is to be</u></p>

No.	Before amendments	After amendments
		<p><u>provided, the convener shall disclose before the date on which the general meeting is to be held.</u></p> <p><u>If laws, administrative regulations, securities regulatory authorities or the stock exchanges in the places where the Company's shares are listed stipulate an earlier time for the disclosure of the above-mentioned information, such those stipulations shall be observed.</u></p>
24	<p>Article 76 The notice of the shareholders' meeting shall satisfy the following requirements:</p> <p>(1) to be given in writing;</p> <p>(2) to specify the venue, date and time of the meeting;</p> <p>(3) to include any matter and proposal to be tabled at the meeting;</p> <p>(4) to provide to the shareholders the necessary information and explanation for the purpose of facilitating the shareholders to make sound decisions on the matters to be discussed; this principle shall include (but not limited to) the circumstances in which the Company shall provide the specific conditions and contract (if any) of a proposed transaction and a thorough explanation of the causes and consequences of such transaction when the Company proposes merger, share repurchase, capital restructuring or other reorganization;</p> <p>(5) to disclose the nature and extent of interest if any director, supervisor, manager and other senior management personnel has material interest in the matters to be discussed; and to explain the difference (if any) between the impact of the matters on such director, supervisor, manager and other senior</p>	<p>Article 78 The notice of the shareholders' meeting shall satisfy the following requirements:</p> <p>(1) to be given <u>in such manners in compliance with the laws and administrative regulations as well as the requirements of the stock exchanges located in the places where the shares of the Company are listed;</u></p> <p>(2) to specify the venue, date and time of the meeting;</p> <p>(3) to include any matter and proposal to be tabled at the meeting;</p> <p>(4) to provide to the shareholders the necessary information and explanation for the purpose of facilitating the shareholders to make sound decisions on the matters to be discussed; this principle shall include (but not limited to) the circumstances in which the Company shall provide the specific conditions and contract (if any) of a proposed transaction and a thorough explanation of the causes and consequences of such transaction when the Company proposes merger, share repurchase, capital restructuring or other reorganization;</p> <p>(5) to disclose the nature and extent of interest if any director, supervisor, manager and other senior management personnel has material interest in the matters to be discussed; and to explain the difference (if any) between the impact of the matters on such director, supervisor, manager and other senior</p>

No.	Before amendments	After amendments
	<p>management personnel as shareholder and the impact on the shareholders of the same class;</p> <p>(6) to contain the full text of any special resolution proposed to be passed at the meeting;</p> <p>(7) to specify in clear wordings that all shareholders are entitled to attend the general meeting, and that each of the shareholders entitled to attend and vote is also entitled to appoint in writing one or more than one proxy to attend and vote on his or her behalf; and such proxy may not be a shareholder;</p> <p>(8) to specify expressly the date and place for serving the power of attorney authorizing the proxy to vote;</p> <p>(9) to specify the date of equity registration of the shareholders who are entitled to attend the general meeting;</p> <p>(10) to contain the name and telephone number of the permanent contact person.</p> <p>Where the Company convenes the general meeting and provides domestic shareholders the ways of voting such as internet or other means, the time and procedure of voting through internet or by other means and the matters to be deliberated shall be specified in the notice of general meeting. The time of voting through internet or other means shall be no earlier than 3:00 p.m. on the day before the live general meeting and no later than 9:30 a.m. on the day of the live general meeting, and shall be concluded no earlier than 3:00 p.m. on the day the live general meeting ends.</p>	<p>management personnel as shareholder and the impact on the shareholders of the same class;</p> <p>(6) to contain the full text of any special resolution proposed to be passed at the meeting;</p> <p>(7) to specify in clear wordings that all shareholders are entitled to attend the general meeting, and that each of the shareholders entitled to attend and vote is also entitled to appoint in writing one or more than one proxy to attend and vote on his or her behalf; and such proxy may not be a shareholder;</p> <p>(8) to specify expressly the date and place for serving the power of attorney authorizing the proxy to vote;</p> <p>(9) to specify the date of equity registration of the shareholders who are entitled to attend the general meeting;</p> <p>(10) to contain the name and telephone number of the permanent contact person.</p> <p><u>(11) the voting time and the voting procedures for such online or other form of voting.</u></p> <p>Where the Company convenes the general meeting and provides domestic shareholders the ways of voting such as internet or other means, the time of voting through internet or other means shall be no earlier than 3:00 p.m. on the day before the live general meeting and no later than 9:30 a.m. on the day of the live general meeting, and shall be concluded no earlier than 3:00 p.m. on the day the live general meeting ends.</p>
25	<p>Article 78 Notices of a general meeting shall be dispatched to the shareholders (whether or not entitled to vote at the meeting), by hand or prepaid mail at their respective addresses as shown in the register of shareholders. For the holders of domestic shares, notices of a general meeting may also be given by way of public announcement.</p> <p>The public announcement referred to in the above paragraph shall be published at the websites of the stock exchanges or in one or</p>	<p>Article 80 Notices of a general meeting shall be dispatched to the shareholders (whether or not entitled to vote at the meeting), by hand or prepaid mail at their respective addresses as shown in the register of shareholders. For the holders of domestic shares, notices of a general meeting may also be given by way of public announcement.</p> <p>The public announcement referred to in the above paragraph shall be published at the websites of the stock exchanges <u>in the places</u></p>

No.	Before amendments	After amendments
	<p>more newspapers which satisfied the conditions stipulated by the securities regulatory authorities under the State Council. Upon publication of such announcements, all holders of domestic shares are deemed to have received the notice of the relevant general meeting.</p>	<p><u>where the Company's shares are listed and within the scope of media which satisfied the conditions stipulated by CSRC.</u> Upon publication of such announcements, all holders of domestic shares are deemed to have received the notice of the relevant general meeting.</p>
26	<p>Article 81 All shareholders or their agents already registered as at the date of equity registration shall be entitled to attend the general meetings of shareholders. Their voting rights shall be exercised in accordance with the relevant laws, regulations and these Articles of Association.</p> <p>Any shareholder who is entitled to attend the general meeting of shareholders and vote may attend the general meeting of shareholders in person, or appoint one proxy or several proxies (who may not be shareholder) to attend or vote on the behalf of such shareholder.</p>	<p>Article 83 All shareholders or their agents already registered as at the date of equity registration shall be entitled to attend the general meetings of shareholders <u>and the creditors meetings of the Company.</u> Their voting rights shall be exercised in accordance with the relevant laws, regulations and these Articles of Association.</p> <p>Any shareholder <u>(including Hong Kong Securities Clearing Company Limited)</u> who is entitled to attend the general meeting of shareholders and vote may attend the general meeting of shareholders in person, or appoint one proxy or several proxies (who may not be shareholder) <u>or corporate representatives</u> to attend or vote and <u>exercise the same statutory rights as other shareholders (including but not limited to the rights under Article 85)</u> on the behalf of such shareholder.</p> <p><u>Any shareholder (including Hong Kong Securities Clearing Company Limited) who is entitled to attend the creditors meetings and vote may attend the creditors meetings in person, or appoint one proxy or several proxies (who may not be shareholder) or corporate representatives to attend, vole and exercise the same statutory rights as other shareholders (including, but not limited to the rights to speak and vote) on the behalf of such shareholder.</u></p>

No.	Before amendments	After amendments
27	<p>Delete the original Article 90 The Company shall, on the condition that the shareholders meeting is legally and validly held, use all means and methods as far as conditions permit, give first priority to the use of modern information technology to provide a network voting platforms to domestic shareholders in order to increase the participation of public shareholders at general meetings.</p>	/
28	<p>Article 92 The Board, independent directors and eligible shareholders are entitled to solicit proxy from shareholders publicly. While soliciting proxy of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom proxy is being solicited. No consideration or other form of actual consideration shall be involved in the solicitation of proxy from shareholders. The Company shall not impose any limitation related to the minimum shareholding ratio on the solicitation of proxy.</p>	<p>Article 93 The Board, independent directors, <u>shareholders holding more than 1% of the voting shares or the investors protection institutions established according to laws, administrative regulations or the stipulations of the CSRC</u> are entitled to solicit proxy from shareholders publicly. While soliciting proxy of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom proxy is being solicited. No consideration or other form of actual consideration shall be involved in the solicitation of proxy from shareholders. <u>Except for the statutory provisions,</u> the Company shall not impose any limitation related to the minimum shareholding ratio on the solicitation of proxy.</p>
29	<p>Article 94 For the purpose of voting at a general meeting, a shareholder (including proxy) exercises his/her voting rights in accordance with the number of shares carrying voting rights represented by him. Each share has one vote.</p> <p>Where material issues considered at a general meeting affect the interests of minority investors, the votes of minority</p>	<p>Article 95 For the purpose of voting at a general meeting, a shareholder (including proxy) exercises his/her voting rights in accordance with the number of shares carrying voting rights represented by him. Each share has one vote.</p> <p>Where material issues considered at a general meeting affect the interests of minority investors, the votes of minority</p>

No.	Before amendments	After amendments
	<p>investors shall be counted separately. The results of the separate votes shall be disclosed publicly in a timely manner.</p> <p>No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of shares with voting rights present at a general meeting.</p>	<p>investors shall be counted separately. The results of the separate votes shall be disclosed publicly in a timely manner.</p> <p>No voting rights shall attach to the Company shares held by the Company, and such shares shall not be counted among the total number of shares with voting rights present at a general meeting.</p> <p><u>In the event that a shareholder purchased the voting shares of the Company in contravention of items 1 or 2 of Article 63 of the Securities Law, the voting rights in respect of those shares that exceed the stipulated portion cannot be exercised in the 36 months after the purchase and shall be excluded from counting the total number of shares that have voting rights at general meeting.</u></p>
30	<p>Article 95 A resolution put to the vote of a meeting is decided on a show of hands unless before or after the show of hands a poll is demanded by:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least two shareholders with voting rights or the proxies thereof;</p> <p>(3) one or more shareholders (including proxy) who, individually or together, hold an aggregate of more than 10% (inclusive) of shares carrying voting rights at such meeting.</p> <p>Unless a poll is duly demanded, a declaration by the chairman of the general meeting that a resolution of the general meeting has been carried or not carried according to the result of the show of hands and an entry to that effect made in the minute book shall be final and conclusive evidence of the fact without the need of stating any proof of the votes for or against such resolution so passed or the ratio thereof.</p> <p>The demand for a poll may be withdrawn by the person who makes it.</p>	<p><u>Article 96 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 on by a show of hands.</u></p>

No.	Before amendments	After amendments
31	<p>Article 99 The following matters require the approval of an ordinary resolution at a general meeting:</p> <p>(1) the working reports of the Board and the supervisory committee;</p> <p>(2) the plan for distribution of profits and the plan for making up losses prepared by the Board;</p> <p>(3) the removal of the members of the Board and the supervisory committee, their remuneration and method of payment;</p> <p>(4) annual financial budgets and statements of final accounts, balance sheet, income statement and other financial statements of the Company;</p> <p>(5) the provision by the Company of a single security with an amount of over 10% of the latest audited net asset in respect of the secured object which satisfies the Company's standards;</p> <p>(6) any matters not otherwise required by the laws, administrative regulations or the Articles of Association to be passed by special resolutions.</p>	<p>Article 100 The following matters require the approval of an ordinary resolution at a general meeting:</p> <p>(1) the working reports of the Board and the supervisory committee;</p> <p>(2) the plan for distribution of profits and the plan for making up losses prepared by the Board;</p> <p>(3) the removal of the members of the Board and the supervisory committee, their remuneration and method of payment;</p> <p>(4) annual financial budgets and statements of final accounts, balance sheet, income statement and other financial statements of the Company;</p> <p><u>(5) the annual reports of the Company;</u></p> <p><u>(6) the provision by the Company of a single security with an amount of over 10% of the latest audited net asset in respect of the secured object which satisfies the Company's standards;</u></p> <p><u>(7) the appointment, removal of an accounting firm or cessation to continue the engagement of an accounting firm and the remuneration of an accounting firm;</u></p> <p><u>(8)</u> any matters not otherwise required by the laws, administrative regulations or the Articles of Association to be passed by special resolutions.</p>

No.	Before amendments	After amendments
32	<p>Article 100 The following matters shall be approved by passing of special resolution at the general meeting of shareholders:</p> <p>(1) increase or reduction of the Company's capital, issue of any type of shares, options and other similar types of securities;</p> <p>(2) issue of the Company's bonds;</p> <p>(3) separation, merger, dissolution and liquidation of the Company;</p> <p>(4) amendment to these Articles of Association;</p> <p>(5) purchase or sale of material assets by the Company within one year, or a guarantee amount exceeding 30% of the total assets in the most recent audit period of the Company;</p> <p>(6) share incentive scheme;</p> <p>(7) other matters as stipulated by laws, administrative regulations or these Articles of Association, and/or matters deemed by the general meeting by ordinary resolution to impose material effect on the Company and necessary for passing by special resolution.</p>	<p>Article 101 The following matters shall be approved by passing of special resolution at the general meeting of shareholders:</p> <p>(1) increase or reduction of the Company's capital, issue of any type of shares, options and other similar types of securities;</p> <p>(2) issue of the Company's bonds;</p> <p>(3) separation, spin-off, merger, dissolution and liquidation of the Company;</p> <p>(4) amendment to these Articles of Association;</p> <p>(5) purchase or sale of material assets by the Company within 1 year, or a guarantee amount exceeding 30% of the total assets in the most recent audit period of the Company;</p> <p>(6) share incentive scheme;</p> <p>(7) other matters as stipulated by laws, administrative regulations or these Articles of Association, and/or matters deemed by the general meeting by ordinary resolution to impose material effect on the Company and necessary for passing by special resolution.</p>
33	<p>Article 107 The resolutions of the general meeting shall be announced in a timely manner, and the announcement shall indicate the number of shareholders and proxies attending the meeting, the total number of their shares and the proportion in the total shares carrying the voting rights of the Company, the voting method, the voting results of carrying the voting rights each proposal and detailed information of each resolution passed.</p>	<p>Article 108 The convener shall disclose the results of the general meeting after and within the prescribed time. The announcement of the resolutions of the general meeting should include the commencement time of the meeting, venue, manner, convener, number of shareholders (agents) present and the number of shares that they own (or holding as agents), proportion in the shares of the Company that have voting rights, the voting manner of each resolution, the voting result of each resolution, the conclusion of the legal opinion and such information as stipulated by the applicable domestic and foreign laws, administrative regulations and/or the listing rules of the stock exchanges located in the places where the shares of the Company are listed.</p> <p>If the general meeting considers material events which impact the interests of medium and small investors, a separate disclosure</p>

No.	Before amendments	After amendments
		<p>should be made in respect of the votes cast by the shareholders after excluding the votes of the directors, supervisors and members of the senior management of the listed Company and those shareholders who, either individually or in aggregation with others, hold more than 5% of the shares of the Company. Legal counsels shall issue opinion in respect of whether, among other things, the convening of the meeting, holding of the meeting and voting are in compliance of laws and regulations diligently and in a responsible manner. The legal opinion should be disclosed concurrently with the announcement on the shareholders' resolutions, the contents should include opinion on, among other things, whether the convening of the meeting, procedures for the holding of the meeting, eligibilities of the persons attending the meeting, eligibility of the convener and the voting procedures (information on shareholders abstained from voting) and the voting results are legal and valid.</p>
34	<p>Article 111 A general meeting shall be convened and presided by the chairman of the Board. Where the chairman of the Board is unable to attend the meeting for any reason, the general meeting shall be convened and presided by the vice chairman. Failing him, the Board may designate one of the directors of the Company to convene and preside such meeting on his behalf. Where no chairman has been designated, the shareholders present may elect one of their members to act as the chairman. If for any reason no chairman is elected by the shareholders, the shareholder (or proxy present) holding the majority of shares carrying the right to vote shall preside the meeting.</p>	<p>Article 112 <u>If the general meeting is convened by the Board of Directors, the chairman of the Board of Directors shall chair and preside at the meeting.</u> Where the chairman of the Board is unable to attend the meeting for any reason, the deputy chairman shall serve as the presider and preside over the meeting. Failing them, <u>a director elected more than half of the directors shall chair and preside at the meeting.</u> Where no chairman has been designated, the shareholders present may elect one of their members to act as the chairman. If for any reason no chairman is elected by the shareholders, the shareholder (or proxy</p>

No.	Before amendments	After amendments
		<p>present) holding the majority of shares carrying the right to vote shall preside the meeting.</p> <p><u>The general meeting convened by the supervisory committee shall be presided over by the chairman of the supervisory committee. In the event that the chairman of the supervisory committee is unable or fails to perform his/her duties, a supervisor elected by more than half of the supervisors shall preside over the meeting.</u></p> <p><u>Shareholders may convene the general meeting themselves and a representative nominated by the convener shall preside over the meeting.</u></p> <p><u>If the chairman of the meeting breaches the Rules of Procedures of General Meetings during the meeting and the meeting cannot be continued as a result, the shareholders present at the meeting physically may elect a person to act as chairman by more than one-half of the votes cast in favour of the relevant resolution and the meeting may continue.</u></p>
35	<p>Article 115 The chairman of the general meeting shall, before voting, announce the number of shareholders and their proxies attending the meeting as well as the total number of their voting shares carrying the voting shares, and the number of shareholders and their proxies attending the meeting and the total number of their shares shall be subject to the registration of the general meeting.</p> <p>The chairman shall decide whether a resolution of the general meeting should be passed, and such decision shall be final and be announced at the meeting and recorded in the minutes of the meeting.</p>	<p>Article 116 The chairman of the general meeting shall, before voting, announce the number of shareholders and their proxies attending the meeting as well as the total number of their voting shares carrying the voting shares, and the number of shareholders and their proxies attending the meeting and the total number of their shares shall be subject to the registration of the general meeting.</p> <p>The chairman shall decide whether a resolution of the general meeting should be passed, and such decision shall be final and be announced at the meeting and recorded in the minutes of the meeting.</p> <p><u>Prior to the official announcement of the voting results, the companies involved in voting by shareholders on-site, voting by way of network or voting in other manners, persons responsible for vote counting, scrutineer, substantial shareholders,</u></p>

No.	Before amendments	After amendments
		<p><u>network service providers and other related parties are obliged to keep confidentiality the information relating to voting.</u></p> <p><u>The shareholders attending the general meeting should make one of the following opinion on the proposal submitted for voting: for, against or abstain, except that securities registration and settlement organizations which hold shares as nominee under the stock connect between Mainland China and Hong Kong may vote in accordance with the instructions of the beneficial holders.</u></p> <p><u>Ballot papers which has not been filled, ballot papers which have been filled erroneously, the handwriting on the ballot papers cannot be recognized or ballot papers which have not been cast will be considered as the relevant voters having abandoned his voting rights and the voting results in respect of his voting shares will be considered as “abstained”.</u></p>
36	<p>Article 131 Directors shall be elected at the general meeting of shareholders, with a term of office of three years. Upon expiration of the term, the directors may be re-elected and serve consecutive terms.</p> <p>The written notice of the intention of the nominees of the candidates for directors and of the acceptance by the candidates to be nominated shall be served on the Company seven days before the convening of the general meeting of shareholders.</p> <p>Subject to the compliance of the provisions of the relevant laws and administrative regulations, the general meeting of the shareholders may dismiss by ordinary resolution any directors of whom the term of office has not expired (the claim for compensation under any contracts shall however be not affected).</p> <p>The term of directors shall commence on the date of entering on the office, and shall end on the date the term of the Board of</p>	<p>Article 132 Directors shall be elected at the general meeting of shareholders, with a term of office of <u>3</u> years. Upon expiration of the term, the directors may be re-elected and serve consecutive terms.</p> <p>The written notice of the intention of the nominees of the candidates for directors and of the acceptance by the candidates to be nominated shall be served on the Company <u>7</u> days before the convening of the general meeting of shareholders.</p> <p>Directors and deputy directors shall be elected or dismissed by a majority of the general body of directors. The term of office of directors and deputy directors shall be <u>3</u> years and they may be re-elected and serve consecutive terms.</p> <p>Subject to the compliance of the provisions of the relevant laws and administrative regulations, the general meeting of the shareholders may dismiss by ordinary resolution any directors of whom the term of</p>

No.	Before amendments	After amendments
	<p>Directors expires. Prior to the expiry of the term of a director, the general meeting of shareholders shall not dismiss the duties of such director without any reasons.</p> <p>Where no new appointment is made upon expiry of the term of a director, the original director shall, prior to the new director entering on the office, continue to perform his or her duties as a director in accordance with the provisions of laws and administrative regulations and the Articles of Association of the Company.</p> <p>Managers or other senior management personnel shall serve the office of director concurrently. However, the total number of directors serving the office of manager or other senior management personnel concurrently and labour union representative holding the office of director shall not exceed half of the total number of directors of the Company.</p> <p><u>Directors are not required to hold shares of the Company. The directors must have the necessary knowledge, skill and quality to perform the duties of directors.</u></p>	<p>office has not expired (the claim for compensation under any contracts shall however be not affected).</p> <p>The term of directors shall commence on the date of entering on the office, and shall end on the date the term of the Board of Directors expires. Prior to the expiry of the term of a director, the general meeting of shareholders shall not dismiss the duties of such director without any reasons.</p> <p>Where no new appointment is made upon expiry of the term of a director, the original director shall, prior to the new director entering on the office, continue to perform his or her duties as a director in accordance with the provisions of laws and administrative regulations and the Articles of Association of the Company.</p> <p>Managers or other senior management personnel shall serve the office of director concurrently. However, the total number of directors serving the office of manager or other senior management personnel concurrently and labour union representative holding the office of director shall not exceed half of the total number of directors of the Company.</p> <p>Directors are not required to hold shares of the Company. The directors must have the necessary knowledge, skill and quality to perform the duties of directors. <u>The directors shall discharge their duties of loyalty and to act diligently as stipulated under the “Guidance on the Articles of Association to Listed Companies” and “the Listing Rules of the Shanghai Stock Exchange” and other duties stipulated under the applicable domestic and foreign laws, administrative regulations and/or the</u></p>

No.	Before amendments	After amendments
		<p><u>listing rules of the stock exchanges located in the places where the shares of the Company are listed.</u></p> <p><u>The supervisors and members of the senior management of the Company shall discharge their duties in accordance with the stipulated requirements.</u></p>
37	<p>Article 137 The Board is accountable for the general meeting of the shareholders and shall exercise the following powers:</p> <p>(1) convention of general meetings of shareholders, and report to the general meetings;</p> <p>(2) implementation of the resolutions of the general meeting;</p> <p>(3) formulation of the business plan and investment scheme of the Company;</p> <p>(4) formulation of the annual financial budget and financial accounting policy of the Company;</p> <p>(5) formulation of the profit distribution policy and loss recovery policy of the Company;</p> <p>(6) formulation of the policy of increase or reduction of registered capital and the policy of issue of corporate bonds of the Company;</p> <p>(7) drafting of the policies of material corporate acquisition, if the repurchase is made under the circumstances specified in (1), (2) of Article 30 of these Article of Association, or the merger, separation, dissolution and liquidation of the Company;</p> <p>(8) making decision on the establishment of internal management system in the Company;</p> <p>(9) employment or dismissal of the managers of the Company; on the basis of nomination, employment or dismissal of the assistant managers, person in charge of</p>	<p>Article 138 The Board is accountable for the general meeting of the shareholders and shall exercise the following powers:</p> <p>(1) convention of general meetings of shareholders, and report to the general meetings;</p> <p>(2) implementation of the resolutions of the general meeting;</p> <p>(3) formulation of the business plan and investment scheme of the Company;</p> <p>(4) formulation of the annual financial budget and financial accounting policy of the Company;</p> <p>(5) formulation of the profit distribution policy and loss recovery policy of the Company;</p> <p>(6) formulation of the policy of increase or reduction of registered capital and the policy of issue of corporate bonds of the Company <u>or other securities of the Company and proposals for listing;</u></p> <p>(7) drafting of the policies of material corporate acquisition, if the repurchase is made under the circumstances specified in (1), (2) of Article 30 of these Article of Association, or the merger, separation, dissolution, liquidation <u>and change of corporate form</u> of the Company;</p> <p>(8) making decision on the establishment of internal management system in the Company;</p> <p>(9) <u>making decisions on</u> the employment or dismissal of the managers, <u>secretary of the Board and other senior management personnel</u> of the Company, <u>and making decisions on their remuneration, rewards and punishments;</u> on the basis of nomination, <u>making decisions on</u> the employment or</p>

No.	Before amendments	After amendments
	<p>finance and other senior management personnel of the Company; making decision on their remuneration;</p> <p>(10) formulation of the basic management system of the Company;</p> <p>(11) formulation of the proposal on amendment of these Articles of Association;</p> <p>(12) making decision on a single external guarantee where the items guaranteed satisfying the conditions of the Company involves an amount of more than 10% (or 10%) of the latest audited net assets;</p> <p>(13) making decisions on matters such as external investment, acquisition and sale of assets, mortgaged assets, external guarantee, financial management by commission, connected transaction, within the scope of authorization by the general meeting of shareholders;</p> <p>(14) management of disclosure of information of the Company;</p> <p>(15) proposal to the general meeting of shareholders on employment or replacement of accounting firm responsible for auditing for the Company;</p> <p>(16) receiving the work report of the managers of the Company and checking the work of the managers;</p> <p>(17) pass resolutions regarding the repurchase of the shares of the Company by the Company under the circumstances prescribed in (3), (5) and (6) of Article 30 of these Articles of Association;</p> <p>(18) other powers granted by these Articles of Association and the general meeting of shareholders.</p> <p>When the Board makes resolutions on the aforesaid matters, saving for matters as set out in sections (6), (7),(11) and (12) which require consent by more than two thirds of directors through voting, the remaining matters may be approved by more than half of directors through voting.</p>	<p>dismissal of the assistant managers, person in charge of finance and other senior management personnel of the Company; making decision on their remuneration, <u>rewards and punishments</u>;</p> <p>(10) formulation of the basic management system of the Company;</p> <p>(11) formulation of the proposal on amendment of these Articles of Association;</p> <p>(12) making decision on a single external guarantee where the items guaranteed satisfying the conditions of the Company involves an amount of more than 10% (or 10%) of the latest audited net assets;</p> <p>(13) making decisions on matters such as external investment, acquisition and sale of assets, mortgaged assets, external guarantee, financial management by commission, connected transaction, <u>external donations</u>, within the scope of authorization by the general meeting of shareholders;</p> <p>(14) management of disclosure of information of the Company;</p> <p>(15) proposal to the general meeting of shareholders on employment or replacement of accounting firm responsible for auditing for the Company;</p> <p>(16) receiving the work report of the managers of the Company and checking the work of the managers;</p> <p>(17) pass resolutions regarding the repurchase of the shares of the Company by the Company under the circumstances prescribed in (3), (5) and (6) of Article 30 of these Articles of Association;</p> <p>(18) other powers granted by these Articles of Association and the general meeting of shareholders.</p>

No.	Before amendments	After amendments
38	<p>Article 140 For the disposal of fixed assets by the Board, in the event that the aggregate amount of the expected value of the proposed disposal of fixed assets and the value of the disposed fixed assets during the four months prior to this proposed disposal exceeds 33% of the value of fixed assets shown in the latest balance sheet as considered at the general meeting, the Board shall not dispose or agree to dispose of such fixed asset without obtaining approval at the general meeting.</p> <p>The disposal of fixed assets as referred to in this Article includes the transfer of certain interests of assets but excludes the provision of fixed assets as security.</p> <p>The validity of the transactions for the disposal of fixed assets conducted by the Company shall not be affected by the breach of section 1 of this Article.</p> <p>The Board shall determine the authorities and establish a strict review and decision-making process for foreign investments, acquisitions and sales of assets, asset pledges, external guarantees, entrusted wealth management and related transactions. Major investment projects must be reviewed by relevant experts and professionals, and submitted to shareholders for approval.</p> <p>In accordance with the relevant laws, regulations and the actual situation of the Company, the Board of the company shall determine the scope of the authorities that meet the specific requirements of the Company and the specific proportion of relevant funds in the Company's assets in the Articles of Association.</p>	<p>Article 141 For the disposal of fixed assets by the Board, in the event that the aggregate amount of the expected value of the proposed disposal of fixed assets and the value of the disposed fixed assets during the <u>4</u> months prior to this proposed disposal exceeds <u>33%</u> of the value of fixed assets shown in the latest balance sheet as considered at the general meeting, the Board shall not dispose or agree to dispose of such fixed asset without obtaining approval at the general meeting.</p> <p>The disposal of fixed assets as referred to in this Article includes the transfer of certain interests of assets but excludes the provision of fixed assets as security.</p> <p>The validity of the transactions for the disposal of fixed assets conducted by the Company shall not be affected by the breach of section 1 of this Article.</p> <p>The Board shall determine the authorities and establish a strict review and decision-making process for foreign investments, acquisitions and sales of assets, asset pledges, external guarantees, entrusted wealth management, related transactions <u>and external donations</u>. Major investment projects must be reviewed by relevant experts and professionals, and submitted to shareholders for approval.</p> <p>In accordance with the relevant laws, administrative regulations and the actual situation of the Company, the Board of the company shall determine the scope of the authorities that meet the specific requirements of the Company and the specific proportion of relevant funds in the Company's assets in the Articles of Association.</p>
39	<p>Article 142 Regular meetings of the Board are required to be held at least four times a year, to be convened and presided by the chairman (or any director authorized by the chairman). Notices of such meeting shall be issued to the directors <u>through email, telegraph, fax, express mail, registered mail</u></p>	<p>Article 143 Regular meetings of the Board are required to be held at least four times a year, to be convened and presided by the chairman (or any director authorized by the chairman). Written notices of such meeting shall be issued to the directors <u>by mail or facsimile 10</u> days before the date of such</p>

No.	Before amendments	After amendments
	<p>or <u>in person</u> 10 days before the date of such meeting. In the event of urgent matters, an extraordinary meeting of the Board may be convened at the proposal of one-third (inclusive) or more of the directors or the manager(s) of the Company.</p> <p>Board meetings, in principle, are held at the Company's legal address. However, they may also be held at any other places in or outside of China as resolved by the Board.</p>	<p>meeting. In the event of urgent matters, an extraordinary meeting of the Board may be convened at the proposal of one-third (inclusive) or more of the directors or the manager(s) of the Company.</p> <p>Board meetings, in principle, are held at the Company's legal address. However, they may also be held at any other places in or outside of China as resolved by the Board.</p>
40	<p>Article 143 Where it is necessary to convene a provisional meeting of board of directors, a notice shall be given to the general body of directors <u>by mail, telephone, telegraph or facsimile</u> at least 5 days in advance. In case of emergency situations, where a provisional meeting of board of directors is required to be convened as soon as possible, notice to convene the meeting may be given by telephone or by other verbal means. The convener of the meeting is required to give an explanation at the meeting.</p> <p>Shareholders representing more than one-tenth of voting rights or more than one-third of directors, supervisors or managers of the Company may propose to convene a provisional meeting of Board. The chairman of the Board shall convene and preside a board meeting within ten days after receiving such proposal.</p>	<p>Article 144 Where it is necessary to convene a provisional meeting of the board of directors, written notice shall be given to all the directors by <u>mail or facsimile</u> at least 5 days in advance. In case of emergency situations, where a provisional meeting of board of directors is required to be convened as soon as possible, notice to convene the meeting may be given by telephone or by other verbal means. The convener of the meeting is required to give an explanation at the meeting.</p> <p>Shareholders representing more than one-tenth of voting rights or more than one-third of directors, supervisors or managers of the Company may propose to convene a provisional meeting of Board. The chairman of the Board shall convene and preside a board meeting within ten days after receiving such proposal.</p>
41	<p>Article 152 All resolutions of the board meeting shall be recorded and kept in Chinese language. The minutes of the meeting shall be given to all directors for review after each board meeting. Any director intending to make any amendment to the minutes shall propose his/her opinion in writing to the chairman within six working days upon his/her receipt of such minutes of meeting.</p>	<p>Article 153 All resolutions of the board meeting shall be recorded and kept in Chinese language <u>for a period of not less than 10 years</u>. The minutes of the meeting shall be given to all directors for review after each board meeting. Any director intending to make any amendment to the minutes shall propose his/her opinion in writing to the chairman within six working days upon his/her receipt of such minutes of meeting.</p>
42	<p>Article 154 The Company shall appoint independent directors. The ratio of independent directors to the total number of</p>	<p>Article 155 The Company shall appoint independent directors. The ratio of independent directors to the total number of</p>

No.	Before amendments	After amendments
	<p>directors in the Board of Directors shall be no less than one-third. Under no circumstances shall there be less than three independent non-executive directors (independent directors shall satisfy the requirements of an independent non-executive director under the respective listing rules of The Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited). At least one of the independent directors should be a professional accountant with senior title or qualification as a certified public accountant.</p>	<p>directors in the Board of Directors shall be no less than one-third. Under no circumstances shall there be less than three independent non-executive directors (independent directors shall satisfy the requirements of an independent non-executive director under the respective listing rules of the <u>stock exchanges located in the places where the shares of the Company are listed</u>), and at least one of the <u>independent directors shall have appropriate professional qualifications or have appropriate accounting or related financial management expertise.</u></p>
43	<p>Article 156 An independent director is required to meet the following basic requirements:</p> <p>(1) having the qualifications as a Director of a listed company as required by the laws, administrative regulations, listing rules of the stock exchange in which the Company's shares are listed and any other relevant rules;</p> <p>(2) satisfying the criteria of independence as stipulated in "Opinion of Guidance for Independent Director System of a Listed Company" issued by China Securities Regulatory Commission. Two of Independent Directors is also required to satisfy the criteria for independent non-executive directors as stipulated in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;</p> <p>(3) having basic knowledge on the operations of a listed company, and being familiar with relevant laws, administrative regulations and rules;</p> <p>(4) having more than five years' working experience in the field of law or finance, or any other working experiences necessary for discharging the duties as an independent director;</p> <p>(5) meeting any other requirement as specified in these Articles of Association.</p>	<p>Article 157 An independent director is required to meet the following basic requirements:</p> <p>(1) having the qualifications as a Director of a listed company as required by the laws, administrative regulations, listing rules of the stock exchanges located in the places where the Company's shares are listed and any other relevant rules;</p> <p>(2) satisfying the criteria of independence as stipulated in <u>"Rules on the Independent Directors of Listed Companies"</u> issued by China Securities Regulatory Commission. <u>Independent Directors</u> is also required to satisfy the criteria for independent non-executive directors as stipulated in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;</p> <p>(3) having basic knowledge on the operations of a listed company, and being familiar with relevant laws, administrative regulations and rules;</p> <p>(4) having more than <u>5</u> years' working experience in the field of law, finance, <u>accounting, finance, management</u> or any other working experiences necessary for discharging the duties as an independent director. <u>Independent directors should</u></p>

No.	Before amendments	After amendments
		<p><u>ensure that they have sufficient time and energy which allow them to discharge their duties as independent directors effectively.</u></p> <p><u>(5) satisfy the Company Law, the Civil Servant Law of the People's Republic of China, the Rules Governing Independent Director of Listed Companies, the Notice on Regulating State Official's Service as Independent Directors and Independent Supervisors of Listed Companies and Fund Management Companies after Resignation or Retirement, the Opinions on Further Regulation on Party and Political Leaders and Cadres Working Part-time (Holding Office) in Enterprises, the Opinions on Enhancing the Anti-Corruption and Encouraging Honesty Work of Colleges and Universities and other laws, administrative regulations and other requirements as specified in the stock exchanges located in the places where the shares of the Company are listed, and the Articles.</u></p> <p><u>Independent directors and those persons proposed to be independent directors must participate in the trainings organized by the CSRC and the organizations authorised by the CSRC as may be required.</u></p>
44	<p>Article 157 The following persons shall not act as an independent director of the Company:</p> <p>(1) any employees of the Company or its subsidiaries and his/her direct relatives and main social relations. Direct relatives include spouse, parents and children. Main social relations include brothers, sisters, parents-in-</p>	

No.	Before amendments	After amendments
	<p>law, sons/daughters-in-law, spouses of brothers and sisters, brothers and sisters of spouse;</p> <p>(2) any person holding, directly or indirectly, 1% or above of the shares of the Company in issue or being a top 10 shareholder of the Company and his/her direct relatives;</p> <p>(3) an employee of an entity shareholder which directly or indirectly holds 5% or above of the shares of the Company in issue or an employee of a top 5 entity shareholder and his/her direct relatives;</p> <p>(4) any person who meets any of three criteria during the most recent year;</p> <p>(5) any person who provides financial, legal, consultation services for the Company or its subsidiaries;</p> <p>(6) any other person specified in the Articles of Association;</p> <p>(7) any other person as defined by the CSRC.</p>	<p><u>Article 158 Candidates for independent directors of the Company must be independent. The following persons shall not act as an independent director:</u></p> <p>(1) any employees of the Company or its subsidiaries and his/her direct relatives and main social relations;</p> <p>(2) any person holding, directly or indirectly, 1% or above of the shares of the Company in issue or being a top 10 shareholder of the Company and his/her direct relatives;</p> <p>(3) an employee of an entity shareholder which directly or indirectly holds 5% or above of the shares of the Company in issue or an employee of a top 5 entity shareholder and his/her direct relatives;</p> <p>(4) <u>those persons who hold positions in the de facto controllers of the Company or their subsidiaries;</u></p> <p>(5) <u>those persons who provide, among other things, financial service, legal service, consultancy service to the Company, its controlling shareholders, the subsidiaries of the Company or the subsidiaries of the Company's controlling shareholders, including all the members of the team of the intermediaries for the project which provided services, review personnel at all levels, the signatories on the reports, partners and the principal responsible officers;</u></p> <p>(6) <u>those persons who are the directors, supervisors and members of the senior management of the entitles which have material transactions with the Company and its controlling shareholders or their respective subsidiaries, or those persons who are the directors, supervisors and</u></p>

No.	Before amendments	After amendments
		<p><u>members of the senior management of the controlling shareholders of the aforesaid entities;</u></p> <p><u>(7) any person who falls within one of six circumstances above in the last 12 months;</u></p> <p><u>(8) the lack of independence under other circumstances as may be stipulated by the stock exchanges located in the places where the shares of the Company are listed;</u></p> <p>(9) any other person specified in the Articles of Association;</p> <p><u>(10) any other person as defined by the the stock exchanges located in the places where the Company's shares are listed.</u></p> <p><u>The subsidiaries of the controlling shareholders of the Company and the subsidiaries of the de facto controlling shareholders referred to in items (4), (5) and (6) do not include those subsidiaries which do not have connected relationship with the Company as may be stipulated by the stock exchanges located in the places where the shares of the Company are listed.</u></p> <p><u>“Direct relatives” referred in the above provisions means spouse, parents and children, “Main social relations” referred in the above provisions means brothers, sisters, parents-in-law, sons/daughters-in-law, spouses of brothers and sisters, brothers and sisters of spouse. “Material transaction” means matters which are required to be submitted for the consideration of shareholders pursuant to the listing rules of the stock exchanges located in the places where the shares of the Company are listed or the Articles of Association of the Company or other material matters stipulated under the listing rules of the stock exchanges located in the places where the shares of the Company are listed. “Hold positions” means acting as directors, supervisors, members of senior management and other staff members.</u></p>

No.	Before amendments	After amendments
45	/	<p>New Article 159 The candidates for independent directors must not have the following undesirable record:</p> <p>(1) subject to the administrative punishment imposed by the securities regulatory authorities located in the places where the shares of the Company are listed in the last 36 months;</p> <p>(2) fall within the prescribed period stipulated by the stock exchanges located in the places where the shares of the Company are listed as not being appropriate to act as the independent directors of listed companies;</p> <p>(3) has been reprimanded publicly in the last 36 months by the stock exchanges located in the places where the shares of the Company are listed or been notified more than twice that he was criticized by the stock exchanges located in the places where the shares of the Company are listed in the last 36 months;</p> <p>(4) has failed to attend meeting of the board of directors twice consecutively during his tenure of office as independent directors, or has failed to attend in person more than one-third of the number of meetings of board of directors in a year;</p> <p>(5) has, during his tenure of office as an independent directors, given independent opinion which was obviously contrary to facts</p> <p>(6) such other circumstances as may be stipulated by the stock exchanges located in the places where the shares of the Company are listed.</p>
46	<p>Article 158 Independent director has obligations of good faith and due diligence to the Company and all shareholders. Independent director shall in accordance with the relevant laws, regulations and the Articles of Association perform his duties in a serious manner, safeguard the overall interests of the</p>	<p>Article 160 Independent director has obligations of good faith and due diligence to the Company and all shareholders. Independent director shall in accordance with <u>the other applicable domestic and foreign laws and administrative regulations and/or the listing rules of the stock exchanges located in the places where the shares of the Company are</u></p>

No.	Before amendments	After amendments
	<p>Company and, in particulars to ensure that the legal rights of the minority shareholders are not harmed.</p> <p>An independent director shall carry out his duties independently without being influenced by substantial shareholder, de facto shareholder or any entity or individual having interested in the Company and its substantial shareholders or de facto shareholder, and shall ensure that he has sufficient time and energy to effectively carry out his duties.</p> <p>In the event that an independent director fails to comply with the requirement of independence or in situations that an independent director fails to perform his duty in the capacity of an independent director and results in the inadequate number of independent directors as stipulated under the Articles of Association, the Company shall appoint the number of independent directors as required.</p>	<p><u>listed</u> and the Articles of Association perform his duties in a serious manner, safeguard the overall interests of the Company and, in particulars to ensure that the legal rights of the minority shareholders are not harmed.</p> <p>An independent director shall carry out his duties independently without being influenced by substantial shareholder, de facto shareholder or any entity or individual having interested in the Company and its substantial shareholders or de facto shareholder, and shall ensure that he has sufficient time and energy to effectively carry out his duties.</p> <p><u>If an independent director has not attended the meeting of the board of directors in person 3 times consecutively, the board of directors shall propose to the general meeting to remove him. The Company may, in accordance with the statutory prescribed procedures, dismiss an independent director from his duties before expiry of his tenure of office. Where an independent director is dismissed before expiry of his tenure of office, the Company should disclose the same as a special discloseable event.</u></p> <p>In the event that an independent director fails to comply with the requirement of independence or in situations that an independent director fails to perform his duty in the capacity of an independent director and results in the inadequate number of independent directors as stipulated under the Articles of Association, the Company shall appoint the number of independent directors as required.</p> <p><u>Other than the statutory circumstances that occurred after an independent director of the Company has assumed office and under which he must cease to act an independent director immediately, where there are other circumstances under which it is not appropriate for a person to</u></p>

No.	Before amendments	After amendments
		<p><u>discharge the duties as an independent director, he should resign as an independent director within one month of the occurrence of the circumstances. If an independent director has not resigned as stipulated, the board of directors of the Company should commence the decision making procedures to remove him as an independent director within 2 days after the deadline.</u></p> <p><u>If the resignation of an independent director will result in the number of independent directors being less than one-third of the members of the board of directors, the independent director who submits the resignation should continue to act as an independent director until the new independent director has been appointed. The nominee of the original independent director or the Board of Directors of the Company should nominate a new candidate for independent director within 3 months of the resignation of the independent director.</u></p>
47	<p>Article 159 Nomination, election and change of independent directors.</p> <p>(i) The Company's Board, supervisory committee, and shareholders who individually or jointly hold more than 1% of the issued shares of the Company, may nominate candidates to stand for election as independent directors at general meetings.</p> <p>(ii) The nominator of an independent director shall seek the consent of the nominee before nomination. The nominator shall fully understand the nominee's profession, educational background, professional title, detailed working experience, and details on any part-time posts, and shall give an opinion regarding the nominee's qualifications and independence in acting as independent director. The nominee shall declare that there is no relationship between the Company and himself/herself which may affect him/her in making</p>	<p>Article 161 <u>Procedure for the election of independent directors.</u></p> <p><u>(i) Independent directors shall be nominated by the Company's Board, supervisory committee, and shareholders who individually or jointly hold more than 1% of the issued shares of the Company, the election of which shall be determined at general meetings;</u></p> <p>(ii) The nominator of an independent director shall have obtained the consent of the nominee before nomination. The nominator shall fully understand the nominee's profession, educational background, professional title, detailed working experience, and details on any part-time posts, and shall give an opinion regarding the nominee's qualifications and independence in acting as independent director. The nominee shall declare that there is no relationship between the Company and himself/herself</p>

No.	Before amendments	After amendments
	<p>independent and objective judgements. Before the general meeting at which election of independent directors is to be considered, the Board of the Company shall make an announcement in respect of the aforesaid details in accordance with the regulations.</p> <p>(iii) Before the general meeting is convened for the election of independent directors, the Company shall submit the Board's opinion in writing and particulars of all nominees to the CSRC, the local security authority where the Company is located and the stock exchange on which the Company's shares are listed. Where the Board holds a dissenting view in respect of the nominees, a written opinion shall be submitted concurrently. A nominee against whom a dissenting view is expressed by the CSRC may act as a candidate for a Director of the Company, but not as a candidate for independent director. During the election of independent directors at the general meeting, the Board of the Company shall explain whether the candidate for independent director has received a dissenting view from the CSRC.</p> <p>(iv) The term of office of an independent director is the same as that of any other Directors. An independent director may offer himself/herself for election upon retiring from office and may serve for another term not exceeding 6 years if (s) he has been so re-elected.</p> <p>(V) The Board shall propose to the general meeting to remove any independent director who is considered unable to perform his duties by reason that (s) he is consecutively fails to attend the Board meetings in person for 3 times. Except for the circumstances as mentioned above or any other circumstances which prohibit anyone from serving as Director as provided by the Company Law, no independent director may be removed without cause prior to the expiration of his/her term. The Company shall disclose its</p>	<p>which may affect him/her in making independent and objective judgements. Before the general meeting at which election of independent directors is to be considered, <u>the Board of the Company shall complete the relevant procedures for the nomination of independent directors in accordance with the regulations and comply with the corresponding information disclosure obligations;</u></p> <p><u>(iii) Independent directors shall be elected for a term of 3 years and may be re-elected for a further term of not more than 6 years;</u></p> <p><u>(iv) Proposition of the general meetings of shareholders to nominate independent directors should be included in the agenda of the general meetings of shareholders and notify all shareholders before the general meetings of shareholders, together with the details of the nominated independent shareholders including their occupations, education backgrounds, business titles and detailed work experiences, pursuant to the requirements of the stock exchanges located in the places where the Company's shares are listed. Any person who has already served as an independent director in 5 domestic or overseas listed companies shall not be nominated as a candidate for independent director of the Company;</u></p> <p><u>(v) The Company shall submit the information regarding the candidate for the independent director to the stock exchanges located in the places where the shares of the Company are listed not later than the time of the publication of the notice of the general meeting of the Company in relation to the election of independent director (or in accordance with the requirements stipulated by the</u></p>

No.	Before amendments	After amendments
	<p>removal of an independent director prior to the expiration of his/her term of office as a special disclosable matter and give the reasons on such removal in details. The independent director who believes (s) he has been unjustifiably removed may make a public statement thereon.</p> <p>(VI) An independent director may resign before expiration of his term of office. An independent director shall tender his resignation in writing to the Board, providing any details which are related to his resignation or are necessary in his opinion to be brought to the attention of the shareholders and creditors of the Company. If the resignation of the independent director results in the percentage of independent directors in the Board or the members of the Board of Directors falls below the statutory minimum or the requirement under the Articles of Association, the resignation shall become effective only upon the appointment of a replacement independent director. The Board shall convene a general meeting within two months to appoint independent directors. In the case that the Board of Directors fails to convene a general meeting, independent directors may not continue to perform their duties.</p>	<p><u>stock exchanges located in the places where the shares of the Company are listed, if any);</u></p> <p><u>(vi) If after the review by the stock exchanges located in the places where the shares of the Company are listed, there is objection to the qualifications and independence of a candidate, the Company shall not propose that candidate as independent director to the general meeting and should postpone or cancel the general meeting or revoke the relevant resolution at the general meeting. When electing independent directors at a general meeting, the board of directors of the Company should give explanation on whether the stock exchanges located in the places where the shares of the Company are listed has expressed objection to the qualifications and independence of the candidate.</u></p>
48	<p>Article 160 Power and duties of independent directors (i) In order to exercise the function of an independent director, save for the power vested by the company law and other relevant laws, regulations and the Articles of Association, independent directors of the Company shall be vested with the following special power and duties:</p> <p>1. major connected transaction (refer to connected transactions entered into between the Company and any connected parties, the aggregate consideration of which is more than RMB3 million or more than 5% of the latest audited net asset value of the Company), shall first be approved by independent directors</p>	<p>Article 162 Power and duties of independent directors</p> <p>In order to exercise the function of an independent director, save for the power vested by the company law and other relevant laws, <u>administrative</u> regulations and the Articles of Association, independent directors of the Company shall be vested with the following special power and duties:</p> <p><u>(i)</u> major connected transaction (refer to connected transactions entered into between the Company and any connected parties, the aggregate consideration of which is more than RMB3 million or more than 5% of the latest audited net asset value of the Company), shall</p>

No.	Before amendments	After amendments
	<p>before being submitted to the Board of Directors for discussion. Before making a judgement, independent directors can appoint intermediaries to prepare independent financial adviser's report as the basis for their judgement.</p> <p>2. propose to the Board for the appointment or removal of auditors.</p> <p>3. propose to the Board for convening an extraordinary general meeting.</p> <p>4. propose to convene Board meetings.</p> <p>5. appoint an independent external auditing firm or consultant firm.</p> <p>6. <u>solicit proxies from shareholders before proposing to the Board for convening extraordinary general meeting or board meeting or before convening general meeting.</u></p> <p><u>(ii) Independent director shall obtain the consent of at least half of all independent directors to exercises the above power.</u></p> <p><u>(iii) Should the above proposal not be adopted or the above power not be exercised normally, the Company shall disclose the above matters.</u></p> <p><u>(iv) With the approval of all independent directors, an independent director may appoint independent external auditing firm or consultant firm to provide auditing or consulting services in respect of any particular events, and the relevant expenses incurred shall be borne by the Company.</u></p> <p><u>(v) The independent directors should take the initiative to perform their duties and protect the interest of the Company as a whole where there is conflict among the shareholders of the Company or the directors of the Company.</u></p> <p><u>(vi) Save for the power of directors and special power vested by the Company, an independent director shall abide by all provisions of these Articles of Association in respect of duties of a director.</u></p>	<p>first be approved by independent directors before being submitted to the Board of Directors for discussion. Before making a judgement, independent directors can appoint intermediaries to prepare independent financial adviser's report as the basis for their judgement.</p> <p><u>(ii) propose to the Board for the appointment or removal of auditors.</u></p> <p><u>(iii) propose to the Board for convening an extraordinary general meeting.</u></p> <p><u>(iv) propose to convene Board meetings.</u></p> <p><u>(v) appoint an independent external auditing firm or consultant firm.</u></p> <p><u>(vi) collection of the views of the medium and small shareholders, propose dividends distribution proposal and submit to the board of directors directly for its consideration.</u></p> <p><u>(vii) solicit proxies from shareholders before convening general meeting:</u></p> <p><u>Independent director shall obtain the consent of all independent directors to exercises the above power as set out in item (v) and at least half of all independent directors to exercises the above powers as set out in items (i) to (iv) and item (vi).</u></p> <p><u>Items (i) and (ii) shall be submitted to the Board for discussion only with the consent of at least half of the independent directors.</u></p> <p><u>8. Review the contents of the announcement of the Company on the resolutions of the board of directors and take initiative in paying attention to relevant media reports and information.</u></p> <p><u>9. If it is found that there may be material matters which have not been submitted to the board of directors or the general meeting for consideration, the Company has not discharged its disclosure obligations timely or appropriately; the information disclosed by the Company may be untrue, misleading or has material omission; production and operation may</u></p>

No.	Before amendments	After amendments
		<p><u>contravene laws, administrative regulations or these articles, and circumstances involving suspected contravention of law or regulation or damaging the interest of public shareholders, the independent directors should question the Company in writing and urge the Company to correct or to clarify.</u></p>
49	<p>Article 161 <u>Independent directors shall provide independent views on the significant events of the Company.</u></p> <p>(1) In addition to the performance of aforesaid duties, independent directors shall provide independent views to the Board or the general meetings in respect of the following matters:</p> <ol style="list-style-type: none"> 1. nomination, appointment and removal of Directors; 2. employment or dismissal of senior management personnel; 3. <u>remuneration of Directors and senior management personnel of the Company;</u> 4. <u>any existing or new loan or any other financial transaction between the Company's shareholders, de facto controlling person and related enterprises and the Company with the aggregate amount over RMB3 million or over 0.5% of the latest audited net assets value of</u> 	<p>Article 163</p> <p>(1) In addition to the performance of aforesaid duties, independent directors shall provide independent views to the Board or the general meetings in respect of the following matters:</p> <ol style="list-style-type: none"> 1. nomination, appointment and removal of Directors; 2. employment or dismissal of senior management personnel; 3. remuneration of Directors and senior management personnel of the Company; <u>4. appointment or dismissal of accountants' firms;</u> <u>5. correction of accounting policies, changes in accounting estimation or material accounting mistakes other than by reasons of the changes in accounting principles;</u> <u>6. non-standard no qualification audit opinion issued by accounting firm in respect of the financial and accounting report of the Company and internal control;</u>

No.	Before amendments	After amendments
	<p>the Company and whether the Company has adopted effective measures to recover outstanding amount;</p> <p>5. any matters which may be to the detriment of the rights of medium and minority shareholders;</p> <p>6. Nil cash distribution proposal recommended by the Board of directors;</p> <p>7. external guarantee of the Company;</p> <p>8. any other matters stipulated in the Company's Articles of Association.</p> <p>(2) Independent directors shall give one of the following opinions in respect of the aforesaid matters:</p> <ol style="list-style-type: none"> 1. consent; 2. qualified opinion and its reason; 3. objection and its reason; 4. no comment and the restriction on making comments. <p>(3) If the matters are disclosable, the Company shall also make public announcement on the independent directors' opinion. Where there are dissenting opinions among the independent directors, the Board shall disclose all independent directors' opinion separately.</p>	<p><u>7. internal control evaluation report;</u></p> <p><u>8. proposals on changes in the undertakings given by related parties;</u></p> <p><u>9. impact of the issue of preference shares on the rights of different classes of the shareholders of the Company;</u></p> <p><u>10. formulate profit distribution policy, profit distribution plan and cash distribution plan;</u></p> <p><u>11. material events which are subject to disclosure such as connected transactions, provision of guarantee (excluding guarantee provided to subsidiaries of the Company consolidated in the financial statements), entrusted wealth management, provision of financial assistance, use of proceeds from fund raising, investment in shares and their derivatives;</u></p> <p><u>12. material assets reorganization, management takeovers, share incentive scheme, employee stock scheme, shares repurchase proposal, proposal on setting off the debts of a connected person by assets;</u></p> <p><u>13. the Company's proposal to delist its shares from the stock exchanges on which the shares of the Company are listed;</u></p> <p><u>14. such matters that the independent directors consider to be detrimental to the interest of the medium and small shareholders;</u></p> <p><u>15. such other matters as may be stipulated by the laws or administrative regulations of the places where the shares of the Company are listed or the articles of association of the Company;</u></p> <p><u>The independent directors shall provide the following types of opinion: agree; reserve opinion and the reasons thereof; object and the reasons thereof; cannot express opinion and the obstacles thereof. If the relevant matters are required to be disclosed, the Company should announce the opinion of the independent directors. If</u></p>

No.	Before amendments	After amendments
		<p><u>the opinion of the independent directors differ and cannot reach a consensus, the board of directors should disclose the opinion of each independent directors separately.</u></p> <p>(2) Independent directors shall give one of the following opinions in respect of the aforesaid matters:</p> <ol style="list-style-type: none"> 1. consent; 2. qualified opinion and its reason; 3. objection and its reason; 4. no comment and the restriction on making comments. <p>(3) If the matters are disclosable, the Company shall also make public announcement on the independent directors' opinion. Where there are dissenting opinions among the independent directors, the Board shall disclose all independent directors' opinion separately.</p>
50	<p>Article 162 <u>To ensure that independent directors are in a position to exercise their powers effectively, the Company shall provide independent directors with the following essential conditions.</u></p> <p><u>(i) The Company shall ensure that independent directors have the same right to information as other directors, shall provide independent directors with relevant materials, information of its operation on a timely basis. On-site visits may also be arranged when necessary. The Company shall within statutory time inform independent directors in advance of matters to be considered by the Board and provide them with enough data. Should an independent director regards the data provided not sufficient, he may request supplementary information. Whenever two or more independent directors are of the opinion that the information provided is insufficient or the evidence is not explicit, they can jointly in writing request the Board of Directors to postpone the convening of the board meeting or postpone consideration of that matter, and</u></p>	<p>Article 164 <u>Other rights and obligations of independent directors</u></p> <p><u>(i) In order to ensure that the independent directors can effectively exercise their authority, the Company should provide for the working conditions which are necessary to allow the independent directors to exercise their authority effectively. The secretariat to the board of directors of the Company should proactively provide the assistance for the exercise of the authority by the independent directors such as, among other things, introduction of the situations and provision of materials, provide report on the operation of the Company regularly and, where necessary, organize physical visit for the independent directors. In the event that the independent opinion, proposals and written explanation of the</u></p>

No.	Before amendments	After amendments
	<p>the Board shall accept accordingly and perform timely disclosure of relevant information. Data provided to independent directors by the Company shall be kept for at least 5 years by the Company and each independent director.</p> <p>(ii) The Company shall provide essential conditions to enable independent directors to discharge their duties. The secretary to the Board of the Company shall provide assistance to the independent directors to enable them to discharge their duties, and shall be responsible for liaison and coordination with the independent directors, including but not limited to giving explanation and providing information. The secretary to the Board of the Company shall arrange the publication of the announcement if the independent opinion, proposal and written explanation given by the independent directors shall be announced.</p> <p>(iii) The Company and relevant staff members shall actively assist independent directors in carrying out their functions and duties to ensure that they understand the true circumstances, and shall not refuse, obstruct or cover up facts, or interfere with the independent directors' carrying out of their functions and duties.</p> <p>(iv) Costs and expenses in respect of appointment of an intermediary organization by an independent director or incurred from an independent director's carrying out of his/her functions and duties shall be borne by the Company.</p> <p>(v) The Company shall provide appropriate subsidies to the independent directors. The standards of the subsidies shall be formulated by the Board, reviewed and passed at the general meeting and disclosed in the Company's annual reports.</p>	<p><u>independent directors are required to be announced publicly, the Company should provide timely assistance in this regard.</u></p> <p><u>(ii) The independent directors are entitled to the right of information equivalent to other directors. Where there is a matter that is required to be decided by the board of directors, the Company must give prior notice to the independent directors and concurrently provide sufficient information. If the independent directors are of the view that the information is insufficient, they may request for supplemental information.</u></p> <p><u>(iii) Where two or more than two independent directors are of the view that the information is insufficient or the arguments are unclear, they may jointly request the board of directors to postpone the meeting of the board of directors or postpone the consideration of the relevant matters. Both the Company and the independent directors should keep the information provided by the Company for a minimum of five years.</u></p> <p><u>(iv) If the independent directors need to know more about the relevant situations and general understanding of the Company, the relevant staff of the Company must cooperate proactively and must not refuse, hinder or conceal and must not interfere the independence of the independent directors. The secretariat to the board of directors shall coordinate the specific work in this connection.</u></p> <p><u>(v) In the event that the independent opinion, proposals and written explanation of the independent directors are required to be announced publicly, the secretariat to the board of directors should transact the</u></p>

No.	Before amendments	After amendments
		<p><u>announcement at the stock exchanges located in the places where the shares of the Company are listed in a timely manner.</u></p> <p><u>(vi) The independent directors should attend the meetings of the board of directors as scheduled, but may entrust other independent directors to participate in the meetings.</u></p> <p><u>(vii) The independent directors should submit their annual debriefing to the general meetings of the Company and explain the information regarding the exercise of their authority.</u></p>
51	/	<p><u>New Article 165 Subsidy of the independent directors</u></p> <p><u>(i) The independent directors may receive appropriate subsidy from the Company. The standard of the subsidy should be decided by the board of directors, considered and approved at the general meeting and disclosed in the Company's annual reports.</u></p> <p><u>(ii) Other than the subsidy referred to above, the independent directors are not allowed to receive other benefits from the Company, shareholders of the Company or connected parties which have not been disclosed.</u></p> <p><u>(iii) The expenses incurred by the independent directors in retaining intermediaries and other necessary expenses in respect of the exercise of the authority of the independent directors shall be borne by the Company.</u></p> <p><u>(iv) Subject to the approval of the general meeting, the Company may establish the necessary insurance regime regarding the duties of the independent directors in order to reduce the risks that may arise in the normal exercise of the authority of the independent directors.</u></p>

No.	Before amendments	After amendments
52	<p>Article 163 The Board of the Company sets up special committees pursuant to resolutions passed at general meetings. All special committees are comprised of Directors and convened by directors except the Strategic Development and Investment Committee. The majority of members of Audit Committee shall be independent non-executive directors, of whom at least one independent director shall be a professional accountant.</p>	<p>Article 166 The Board of the Company sets up certain special committees pursuant to resolutions passed at general meetings. All special committees are comprised of Directors and <u>convened by independent directors that have the largest proportion</u> except the Strategic Development and Investment Committee. All members of Audit Committee shall be independent non-executive directors, of whom <u>at least one independent director shall be a professional accountant and act as the convener.</u></p>
53	<p>Article 171 The general manager shall be responsible to the Board and shall have the following functions and duties:</p> <p>(1) to be responsible for the production and management of the Company and to arrange the implementation of the resolutions of the Board;</p> <p>(2) to arrange the implementation of the annual business plans and investment proposals of the Company;</p> <p>(3) to prepare proposals for the establishment of internal management structure of the Company;</p> <p>(4) to prepare the fundamental management systems of the Company;</p> <p>(5) to formulate the fundamental regulations of the Company;</p> <p>(6) to propose the employment and dismissal of deputy managers and persons in charge of financial matters of the Company;</p> <p>(7) to employ and dismiss management staff members except those who will be employed and dismissed by the Board;</p> <p>(8) other functions and duties as conferred by the Articles of Association and the Board.</p>	<p>Article 174 The general manager shall be responsible to the Board and shall have the following functions and duties:</p> <p>(1) to be responsible for the production and management of the Company and to arrange the implementation of the resolutions of the Board;</p> <p>(2) to arrange the implementation of the annual business plans and investment proposals of the Company;</p> <p>(3) to prepare proposals for the establishment of internal management structure of the Company;</p> <p>(4) to prepare the fundamental management systems of the Company;</p> <p>(5) to formulate the fundamental regulations of the Company;</p> <p>(6) to propose the employment or dismissal of deputy managers and persons in charge of financial matters of the Company <u>by the Board;</u></p> <p>(7) to employ and dismiss management staff members except those who will be employed and dismissed by the Board as may be <u>determined</u> by the Board;</p> <p>(8) other functions and duties as conferred by the Articles of Association and the Board.</p>
54	<p>Article 175 The supervisory committee shall comprise three persons, one of whom shall act as chairman of the supervisory committee. The term of office of supervisor</p>	<p>Article 178 The supervisory committee shall comprise <u>3</u> persons, one of whom shall act as chairman of the supervisory committee. The term of office of supervisor shall be <u>3</u></p>

No.	Before amendments	After amendments
	<p>shall be three years and the supervisor may be re-elected and serve consecutive terms. The appointment and dismissal of the Chairman of the supervisory committee shall be passed by more than two thirds of the members of the supervisory committee through voting.</p> <p>Where no new appointment is made upon expiry of the term of a supervisor, or the resignation of a supervisor causes the number of supervisors constituting the supervisory committee to fall below the quorum, the original supervisor shall, prior to the new supervisor entering on the office, continue to perform his or her duties as a supervisor in accordance with the provisions of laws and administrative regulations and the Articles of Association of the Company.</p> <p>Supervisors shall guarantee the truth, accuracy and completeness of the information disclosed by the Company. Supervisors shall comply with the laws, administrative regulations and these Articles of Association, and owe fiduciary obligation and due diligence. No supervisor shall abuse his or her powers and accept bribery or other unlawful proceeds, and misappropriate the assets of the Company.</p> <p>No supervisor shall use his or her affiliation to injury the interest of the Company. Where any loss is thus caused to the Company, the supervisor shall be liable for compensation.</p> <p>Where a supervisor violates any laws, administrative regulations, departmental regulations or the provisions of these Articles of Association in the course of performing his or her duties, and causes loss to the Company, such supervisor shall be liable for compensation.</p>	<p>years and the supervisor may be re-elected and serve consecutive terms. The appointment and dismissal of the Chairman of the supervisory committee shall be passed by more than two thirds of the members of the supervisory committee through voting.</p> <p>Where no new appointment is made upon expiry of the term of a supervisor, or the resignation of a supervisor causes the number of supervisors constituting the supervisory committee to fall below the quorum, the original supervisor shall, prior to the new supervisor entering on the office, continue to perform his or her duties as a supervisor in accordance with the provisions of laws and administrative regulations and the Articles of Association of the Company.</p> <p>Supervisors shall guarantee the truth, accuracy and completeness of the information disclosed by the Company <u>and sign the written confirmation of opinions on the regular reports</u>. Supervisors shall comply with the laws, administrative regulations and these Articles of Association, and owe fiduciary obligation and due diligence. No supervisor shall abuse his or her powers and accept bribery or other unlawful proceeds, and misappropriate the assets of the Company.</p> <p>No supervisor shall use his or her affiliation to injury the interest of the Company. Where any loss is thus caused to the Company, the supervisor shall be liable for compensation.</p> <p>Where a supervisor violates any laws, administrative regulations, departmental regulations or the provisions of these Articles of Association in the course of performing his or her duties, and causes loss to the Company, such supervisor shall be liable for compensation.</p>
55	<p>Article 178 Meeting of the supervisory committee shall be held at least twice a year and convened by the chairman of the supervisory committee. The Company shall serve notices of the meeting <u>in writing</u>.</p>	<p>Article 181 Meeting of the supervisory committee shall be held at least twice a year and convened by the chairman of the supervisory committee. Written notice of the meeting <u>shall be sent to the supervisors by</u></p>

No.	Before amendments	After amendments
	including email, fax or telegraph, to all supervisors 10 days before the date of the meeting. A notice of the meeting is required to include such information as the date, venue, duration, reasons and agenda of the meeting as well as the date of the notice. An announcement is required to be made to state the reasons for the failure of holding the meeting of the supervisory committee as scheduled.	<u>mail or facsimile. Notices of regular meetings or provisional meetings shall be served 10 days or five days respectively, before the date of the meeting.</u> A notice of the meeting is required to include information such as the date, venue, duration, reasons and agenda of the meeting as well as the date of the notice. An announcement is required to be made to state the reasons for the failure of holding the meeting of the supervisory committee as scheduled.
56	Article 180 Resolutions of the supervisory committee shall be passed by two thirds or more (including two thirds) of the supervisors.	<u>Article 183 The Supervisory Committee shall be convened at least once in every 6 months. Supervisors may propose the convening of an extraordinary meeting of the Supervisory Committee.</u> Resolutions of the supervisory committee shall be passed by two thirds or more (including two thirds) of the supervisors.
57	Article 186 A person will be disqualified from being a director, a supervisor, the general manager or other senior officer of the Company if one of the followings occurs: (1) (s)he has no civil capacity or restricted civil capacity; (2) (s)he was convicted and sentenced for an offence of corruption, bribery, unauthorized appropriation or embezzlement of properties or disturbance of social and economic order and has served out the sentence for less than five years; or (s) he has been deprived of political rights for committing an offence and the term of deprivation has expired for less than five years; (3) (s)he was a director, factory manager, or general manager of a company or an enterprise which was insolvent due to poor business operation and management and for which (s)he was personally liable and a period	Article 189 A person will be disqualified from being a director, a supervisor, the general manager or other senior officer of the Company if one of the followings occurs: (1) he has no civil capacity or restricted civil capacity; (2) he was convicted and sentenced for an offence of corruption, bribery, unauthorized appropriation or embezzlement of properties or disturbance of social and economic order and has served out the sentence for less than <u>5</u> years; or (s) he has been deprived of political rights for committing an offence and the term of deprivation has expired for less than <u>5</u> years; (3) he was a director, factory manager, or general manager of a company or an enterprise which was insolvent due to poor business operation and management and for which he was personally liable and a period of

No.	Before amendments	After amendments
	<p>of less than three years has elapsed since the completion of the liquidation of such company or enterprise;</p> <p>(4) (s)he was a legal representative of a company or an enterprise the business licence of which was revoked due to illegal business operation and for which (s) he was personally liable and the period of not less than three years has elapsed since such revocation;</p> <p>(5) (s)he is personally liable for a substantial loan which was due for payment but remains unpaid;</p> <p>(6) (s)he has been involved in criminal offences subject to investigation by judicial authorities and the case has yet to be settled;</p> <p>(7) (s)he is not eligible for acting as a leader of a company or an enterprise according to the laws or administrative regulations;</p> <p>(8) the person is not a natural person;</p> <p>(9) (s)he was adjudged by the competent regulatory authorities to be guilty of contravention of the provisions of securities regulations involving fraud or dishonesty and a period of less than five years has elapsed since the adjudgement.</p> <p>(10) other contents as required by laws, administrative regulations or departmental rules.</p>	<p>less than <u>3</u> years has elapsed since the completion of the liquidation of such company or enterprise;</p> <p>(4) he was a legal representative of a company or an enterprise the business licence of which was revoked due to illegal business operation and for which he was personally liable and the period of not less than <u>3</u> years has elapsed since such revocation;</p> <p>(5) he is personally liable for a substantial loan which was due for payment but remains unpaid;</p> <p><u>(6) he has been denied access to the securities market facilities imposed by the CSRC and the restriction period has not yet expired;</u></p> <p>(7) he has been involved in criminal offences subject to investigation by judicial authorities and the case has yet to be settled;</p> <p>(8) he is not eligible for acting as a leader of a company or an enterprise according to the laws or administrative regulations;</p> <p>(9) the person is not a natural person;</p> <p>(10) he was adjudged by the competent regulatory authorities to be guilty of contravention of the provisions of securities regulations involving fraud or dishonesty and a period of less than <u>5</u> years has elapsed since the adjudgement.</p> <p>(11) other contents as required by laws, administrative regulations, the listing rules of stock exchanges <u>located</u> in the places where the Company's shares are listed or departmental rules.</p>
58	<p>Article 190 The directors, supervisors, the general manager and other senior officers of the Company shall perform their duties in accordance with the principle of fiduciary; and shall not put themselves in a position where their duties and their interests may conflict.</p>	<p>Article 193 The directors, supervisors, the general manager and other senior officers of the Company shall perform their duties in accordance with the principle of fiduciary; and shall not put themselves in a position where their duties and their interests may conflict.</p>

No.	Before amendments	After amendments
	<p>This principle applies to, including but not limited to, discharging the following obligations:</p> <p>(1) to act sincerely in the best interests of the Company;</p> <p>(2) to exercise powers within the scope of their powers and not to act ultra vires;</p> <p>(3) to exercise the discretion rights vested to them personally and not to allow themselves to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent of shareholders given at the general meeting, not to delegate their discretion rights to others;</p> <p>(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;</p> <p>(5) except in accordance with the Articles of Association or with the informed consent of shareholders given at the general meeting, not to enter into any contract, transaction or agreement with the Company;</p> <p>(6) without the informed consent of shareholders given at the general meeting, not to use the Company's property for their own benefit;</p> <p>(7) not to abuse their duties to accept bribes or other illegal income or expropriate the Company's property by any means, including but not limited to taking over any opportunities advantageous to the Company;</p> <p>(8) without the informed consent of shareholders given at the general meeting, not to accept commissions in connection with the Company's transactions;</p>	<p>This principle applies to, including but not limited to, discharging the following obligations:</p> <p>(1) to act sincerely in the best interests of the Company;</p> <p>(2) to exercise powers within the scope of their powers and not to act ultra vires;</p> <p>(3) to exercise the discretion rights vested to them personally and not to allow themselves to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent of shareholders given at the general meeting, not to delegate their discretion rights to others;</p> <p>(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;</p> <p>(5) except in accordance with the Articles of Association or with the informed consent of shareholders given at the general meeting, not to enter into any contract, transaction or agreement with the Company;</p> <p>(6) without the informed consent of shareholders given at the general meeting, not to use the Company's property for their own benefit;</p> <p>(7) not to abuse their duties to accept bribes or other illegal income or expropriate the Company's property by any means, including but not limited to taking over any opportunities advantageous to the Company;</p> <p>(8) without the informed consent of shareholders given at the general meeting, not to accept commissions in connection with the Company's transactions;</p>

No.	Before amendments	After amendments
	<p>(9) to abide by the Articles of Association, perform their duties faithfully and protect the Company's interests, and not to abuse their positions and duties in the Company for their own private interests;</p> <p>(10) not to compete with the Company in any way unless with the informed consent of shareholders given at the general meeting;</p> <p>(11) not to misappropriate the Company's funds or lend such funds to others, not to open accounts in their own names or other names for the deposit of the Company's assets and not to pledge the Company's asset as security for the debts of a shareholder of the Company or any other individual(s);</p> <p>(12) unless otherwise permitted by informed shareholders at the general meeting, to keep in confidence information acquired by them in the course of and during their tenure and not to use such information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or any other governmental authorities is permitted if the disclosure is made:</p> <ol style="list-style-type: none"> 1. under the laws; 2. for public interests; 3. for the interests of such Director, supervisor, the general manager or other senior officers. 	<p>(9) to abide by the Articles of Association, perform their duties faithfully and protect the Company's interests, and not to abuse their positions and duties in the Company for their own private interests and <u>where failure to faithfully perform its duties or violates their honesty obligations causing damage to the interests of the Company and the public shareholders, they shall be responsible for indemnity in accordance with the law.</u></p> <p>(10) not to compete with the Company in any way unless with the informed consent of shareholders given at the general meeting;</p> <p>(11) not to misappropriate the Company's funds or lend such funds to others, not to open accounts in their own names or other names for the deposit of the Company's assets and not to pledge the Company's asset as security for the debts of a shareholder of the Company or any other individual(s);</p> <p>(12) unless otherwise permitted by informed shareholders at the general meeting, to keep in confidence information acquired by them in the course of and during their tenure and not to use such information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or any other governmental authorities is permitted if the disclosure is made:</p> <ol style="list-style-type: none"> 1. under the laws; 2. for public interests; 3. for the interests of such Director, supervisor, the general manager or other senior officers.
59	<p>Article 205 Any person taking up the position other than as a director or supervisor in the organization of the Company's controlling shareholder or actual controlling party may not take up the position of senior management personnel of the Company.</p>	<p>Article 208 Any person taking up the position other than as a director or supervisor in the organization of the Company's controlling shareholder or actual controlling party may not take up the position of senior management personnel of the Company. <u>The salaries of the members of the senior management of the Company</u></p>

No.	Before amendments	After amendments
		<u>shall only be paid by the Company and shall not be paid by the controlling shareholders.</u>
60	<p>Article 213 The Company shall publish its <u>two financial reports</u> in each financial year, that is, its interim financial reports within 60 days of the end of the first six months of a financial year and its annual financial reports within 120 days of its financial year end.</p>	<p>Article 216 The Company shall <u>submit its annual report to the CSRC and the stock exchange within 4 months from the end of</u> each accounting year, <u>and submit its interim report to the local office of the CSRC and the stock exchange within months from the end of the first half of each accounting year.</u></p> <p><u>The annual report and interim report shall be prepared and disclosed in accordance with the relevant laws, administrative regulations and the rules of CSRC and the stock exchanges located in the places where the Company's shares are listed.</u></p>
61	<p>Article 217 The surplus reserve of the Company is only allowed to be used for making up losses of the Company, expansion of production facilities of the Company and conversion into capital of the Company.</p> <p>When converting its surplus reserve fund into share capital under the resolution of shareholders at general meeting, the Company shall issue new shares to existing shareholders in proportion to their original shareholdings. When converting the statutory surplus reserve into share capital, the remaining amount of the fund unconverted must not be less than 25% of the registered capital.</p> <p>The Company shall apply the welfare fund for the collective welfare of the employees and workers of the Company.</p>	<p>Article 220 The surplus reserve of the Company is only allowed to be used for making up losses of the Company, expansion of production facilities of the Company and conversion into capital of the Company. <u>However, the capital reserve cannot be used for off-setting the loss of the Company.</u></p> <p>When converting its surplus reserve fund into share capital under the resolution of shareholders at general meeting, the Company shall issue new shares to existing shareholders in proportion to their original shareholdings. When converting the statutory surplus reserve into share capital, the remaining amount of the fund unconverted must not be less than 25% of the registered capital <u>prior to its transfer and increase.</u></p> <p>The Company shall apply the welfare fund for the collective welfare of the employees and workers of the Company.</p>
62	<p>Article 219 The profit distribution of the Company is made according to the proportion of the shares held by the shareholders, emphasizing on bringing reasonable</p>	<p>Article 222 The profit distribution of the Company is made according to the proportion of the shares held by the shareholders, emphasizing on bringing reasonable</p>

No.	Before amendments	After amendments
	<p>investment returns to the investors. The profit distribution policy strives to maintain continuity and stability.</p> <p>(I) The Company's profit distribution policy is as follows:</p> <ol style="list-style-type: none"> 1. Principle of profit distribution: The Company implements a stable policy of profit distribution. On making a profit distribution, the Company will comply with the statutory requirement to make the distribution in order and will take into account the provision of reasonable and stable returns on investment to the shareholders and the long-term and sustainable growth of the Company. 2. Method of profit distribution: The Company may implement profit distribution in the form of cash, bonus shares or a combination of both, or such other forms which are permitted by laws and regulations. For the purpose of profit distribution, distribution in the form of cash dividend shall have priority over dividend in the form of shares. If the Company shall distribute profits in the form of bonus shares, such distribution shall be made subject to the provision of reasonable dividend in the form of cash and maintenance of an appropriate size of share capital, taking into account, among other things, the growth of the Company and dilution of the net asset value per share. Subject to the satisfaction of the conditions for distribution of cash dividend, the Company shall distribute dividend in cash annually. The Board may, subject to conditions and base on the financial position of the Company, recommend the Company to declare interim dividends. 3. Conditions of profit distribution and minimum dividend proportion: The Company shall pay dividends and the total amount of cash dividends so paid (including the interim dividend in cash having been distributed) shall not be less 	<p>investment returns to the investors. The profit distribution policy strives to maintain continuity and stability.</p> <p>(I) The Company's profit distribution policy is as follows:</p> <ol style="list-style-type: none"> 1. Principle of profit distribution: The Company implements a stable policy of profit distribution. On making a profit distribution, the Company will comply with the statutory requirement to make the distribution in order and will take into account the provision of reasonable and stable returns on investment to the shareholders and the long-term and sustainable growth of the Company. 2. Method of profit distribution: The Company may implement profit distribution in the form of cash, bonus shares or a combination of both, or such other forms which are permitted by laws and regulations. For the purpose of profit distribution, distribution in the form of cash dividend shall have priority over dividend in the form of shares. If the Company shall distribute profits in the form of bonus shares, such distribution shall be made subject to the provision of reasonable dividend in the form of cash and maintenance of an appropriate size of share capital, taking into account, among other things, the growth of the Company and dilution of the net asset value per share. Subject to the satisfaction of the conditions for distribution of cash dividend, the Company shall distribute dividend in cash annually. The Board may, subject to conditions and base on the financial position of the Company, recommend the Company to declare interim dividends. 3. Conditions of profit distribution and minimum dividend proportion: The Company shall pay dividends and the total amount of cash dividends so paid (including the interim dividend in cash having been distributed) shall not be less

No.	Before amendments	After amendments
	<p>than 30% of the net profit attributable to shareholders of the Company for the year and the accumulated profits distributed in cash in the last three years shall not be less than 30% of the average realized annual distributable profits for the last three years, provided that the working capital requirement for the Company's normal production and operation is met and the long-term and sustainable growth of the Company is maintained, and that there is no material investment plan or material cash expense.</p> <p>No dividend shall be distributed before the Company offsets its losses and makes contributions to the statutory surplus reserve and the statutory public welfare fund.</p> <p>Material investment plan or material cash expense means the proposed external investment, acquisition or purchase of assets by the Company in the next twelve months with accumulated expenses amounting to or exceeding 10% of the latest audited net assets of the Company.</p> <p>For distribution of dividends, the Board shall take into account, among other things, features of the industries where the Company operates, stage of development, the Company's own business model, profits level and whether there is significant capital expenditure arrangement in distinguishing the</p>	<p>than 30% of the net profit attributable to shareholders of the Company for the year and the accumulated profits distributed in cash in the last three years shall not be less than 30% of the average realized annual distributable profits for the last three years, provided that the working capital requirement for the Company's normal production and operation is met and the long-term and sustainable growth of the Company is maintained, and that there is no material investment plan or material cash expense.</p> <p>No dividend shall be distributed before the Company offsets its losses and makes contributions to the statutory surplus reserve and the statutory public welfare fund.</p> <p>Material investment plan or material cash expense means the proposed external investment, acquisition or purchase of assets by the Company in the next twelve months with accumulated expenses amounting to or exceeding 10% of the latest audited net assets of the Company.</p> <p>For distribution of dividends, the Board shall take into account, among other things, features of the industries where the Company operates, stage of development, the Company's own business model, profits level and whether there is significant capital expenditure arrangement in distinguishing the</p>

No.	Before amendments	After amendments
	<p>following situations and form different profits distribution proposals in accordance with the provisions of the Articles of Association:</p> <p>(1) If the Company is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends shall be at least 80% in the profit distribution;</p> <p>(2) If the Company is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends shall be at least 40% in the profit distribution;</p> <p>(3) If the Company is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends shall be at least 20% in the profit distribution.</p> <p>If it is difficult to distinguish the Company's stage of development but there is significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the rules applied in the previous distribution.</p> <p>4. In the event of misappropriation of the Company's funds by a Shareholder, the Company can deduct the funds misappropriated from the cash dividends to be allocated to that Shareholder as repayment.</p> <p>(II) Procedures for Decision Making on Profit Distribution by the Company:</p> <p>The management of the Company shall make reasonable proposals on profit distribution to the Board based on, among other things, the provisions of the Articles of Association, size of share capital, profits, investment arrangements, capital needs, cash flow and returns to the shareholders of the Company. The Board should fully and widely listen to the opinions of the independent directors and minority shareholders with respect to the profit distribution proposal through multiple channels and propose detailed annual or interim profit distribution</p>	<p>following situations and form different profits distribution proposals in accordance with the provisions of the Articles of Association:</p> <p>(1) If the Company is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends shall be at least 80% in the profit distribution;</p> <p>(2) If the Company is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends shall be at least 40% in the profit distribution;</p> <p>(3) If the Company is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends shall be at least 20% in the profit distribution.</p> <p>If it is difficult to distinguish the Company's stage of development but there is significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the rules applied in the previous distribution.</p> <p>4. In the event of misappropriation of the Company's funds by a Shareholder, the Company can deduct the funds misappropriated from the cash dividends to be allocated to that Shareholder as repayment.</p> <p>(II) Procedures for Decision Making on Profit Distribution by the Company:</p> <p>The management of the Company shall make reasonable proposals on profit distribution to the Board based on, among other things, the provisions of the Articles of Association, size of share capital, profits, investment arrangements, capital needs, cash flow and returns to the shareholders of the Company. The Board should fully and widely listen to the opinions of the independent directors and minority shareholders with respect to the profit distribution proposal through multiple channels and propose detailed annual or interim profit distribution</p>

No.	Before amendments	After amendments
	<p>plans which are scientific and reasonable. The independent directors shall fully express their independent opinions with respect to such profit distribution plan(s).</p> <p>When the profit distribution plan(s) is being considered by the Board, it shall be approved by the majority of all directors and approved by more than one half of the independent directors who are also required to express their explicit independent opinions. When the profit distribution plan(s) is being considered by the supervisory committee, it shall be approved by the majority of all supervisors. The profit distribution plan(s) should only be submitted to the shareholders' meeting for consideration and approval after it has been considered and approved by the Board and the supervisory committee and the plan(s) shall be approved by shareholders present at the general meeting and who hold more than half of the voting rights.</p> <p>Independent directors may solicit opinions of minority shareholders, propose profit distribution plans and directly submit them to the Board for consideration. The performance of the above functions and exercise of the above authorities by independent directors must be approved by more than one half of all the independent directors.</p> <p>(III) In the event that the Company revises its profit distribution policy in response to the external business environment or its own state of operation, the Company shall first consider the protection of the shareholders' interests, make thorough consideration and state the reasons thereof. The revised profit distribution policy shall not be contrary to the relevant requirements of CSRC and stock exchanges in the PRC and Hong Kong. The proposal for the revision of the profit distribution policy shall first be approved by the independent directors of the Company and they shall express independent opinions, and thereafter shall be</p>	<p>plans which are scientific and reasonable. The independent directors shall fully express their independent opinions with respect to such profit distribution plan(s).</p> <p>When the profit distribution plan(s) is being considered by the Board, it shall be approved by the majority of all directors and approved by more than one half of the independent directors who are also required to express their explicit independent opinions. When the profit distribution plan(s) is being considered by the supervisory committee, it shall be approved by the majority of all supervisors. The profit distribution plan(s) should only be submitted to the shareholders' meeting for consideration and approval after it has been considered and approved by the Board and the supervisory committee and the plan(s) shall be approved by shareholders present at the general meeting and who hold more than half of the voting rights.</p> <p>Independent directors may solicit opinions of minority shareholders, propose profit distribution plans and directly submit them to the Board for consideration. The performance of the above functions and exercise of the above authorities by independent directors must be approved by more than one half of all the independent directors.</p> <p>(III) In the event that the Company revises its profit distribution policy in response to the external business environment or its own state of operation, the Company shall first consider the protection of the shareholders' interests, make thorough consideration and state the reasons thereof. The revised profit distribution policy shall not be contrary to the relevant requirements of CSRC and stock exchanges in the PRC and Hong Kong. The proposal for the revision of the profit distribution policy shall first be approved by the independent directors of the Company and they shall express independent opinions, and thereafter shall be</p>

No.	Before amendments	After amendments
	<p>proposed to the Board for consideration before being submitted to the general meeting for consideration and approval by a special resolution thereat. When considering the revised proposal with regard to cash distribution policies, the Company should, through network voting and other ways, to provide convenience for minority shareholders in connection with their attendance at the shareholders' meeting, and such proposal shall be approved by more than two thirds of the voting rights held by the shareholders present at the shareholders' meeting.</p> <p>In special circumstances where the Company cannot determine the annual profit distribution according to the established cash distribution policy or the minimum cash distribution ratio, the Company shall disclose the reasons in the annual report and the express opinions of the independent directors. The annual profit distribution shall</p>	<p>proposed to the Board for consideration before being submitted to the general meeting for consideration and approval by a special resolution thereat. When considering the revised proposal with regard to cash distribution policies, the Company should, through network voting and other ways, to provide convenience for minority shareholders in connection with their attendance at the shareholders' meeting, and such proposal shall be approved by more than two thirds of the voting rights held by the shareholders present at the shareholders' meeting.</p> <p>In special circumstances where the Company cannot determine the annual profit distribution according to the established cash distribution policy or the minimum cash distribution ratio, the Company shall disclose the reasons in the annual report and the express opinions of the independent directors. The annual profit distribution shall</p>

No.	Before amendments	After amendments
	<p>be approved by more than two thirds of the voting rights held by the shareholders present at the shareholders' meeting.</p> <p>(IV) The Company shall expressly disclose the details about the formulation and implementation of the cash dividend policy in its annual report, and state the details of the following matters:</p> <ol style="list-style-type: none"> 1. Whether the policy is in compliance with the requirements of the Articles of Association or the resolutions passed at the general meeting; 2. Whether the basis and ratio of the distribution of dividends are specific and clear; 3. Whether the relevant decision making procedure and system are sound; 4. Whether the independent directors have duly performed their duties and functions; 5. Whether there are enough opportunities for minority shareholders to express their views and concerns, and whether their legal interests are sufficiently protected, etc. <p>If the cash dividend policy is to be adjusted or changed, the Company shall disclose the details of such policy, such as whether the conditions and procedures for the adjustments or changes are in compliance with the regulations and are transparent.</p>	<p>be approved by more than two thirds of the voting rights held by the shareholders present at the shareholders' meeting.</p> <p>(IV) The Company shall expressly disclose the details about the formulation and implementation of the cash dividend policy in its annual report, and state the details of the following matters:</p> <ol style="list-style-type: none"> 1. Whether the policy is in compliance with the requirements of the Articles of Association or the resolutions passed at the general meeting; 2. Whether the basis and ratio of the distribution of dividends are specific and clear; 3. Whether the relevant decision making procedure and system are sound; 4. Whether the independent directors have duly performed their duties and functions; 5. Whether there are enough opportunities for minority shareholders to express their views and concerns, and whether their legal interests are sufficiently protected, etc. <p>If the cash dividend policy is to be adjusted or changed, the Company shall disclose the details of such policy, such as whether the conditions and procedures for the adjustments or changes are in compliance with the regulations and are transparent.</p> <p><u>The proportion of cash dividends in the profit distribution shall be the cash dividend divided by the sum of cash dividend and stock dividend.</u></p>
63	<p>Article 233 The Company shall purchase insurances from The People's Insurance Company of China or any other insurance companies registered in the PRC and authorized to provide insurance to companies in PRC under the PRC laws.</p> <p>Types of insurance, insured amounts and the terms thereof are determined by <u>the general manager</u> of the Company based on the circumstances of the Company and the</p>	<p>Article 236 The Company shall purchase insurances from The People's Insurance Company of China or any other insurance companies registered in the PRC and authorized to provide insurance to companies in PRC under the PRC laws.</p> <p>Types of insurance, insured amounts and the terms thereof are determined by <u>the general meeting</u> of the Company based on the circumstances of the Company and the</p>

No.	Before amendments	After amendments
	practices of similar industries in other countries and the practice and legal requirements in the PRC.	practices of similar industries in other countries and the practice and legal requirements in the PRC.
64	<p>Article 242 The merger of the Company may take the form of either merger by absorption or merger by new establishment. When the Company is merged, the parties to the merger shall execute a merger agreement and prepare their respective balance sheets and inventory of assets. The Company shall notify its creditors within 10 days from the date of passing of the resolution of merger and shall publish the notice <u>at least three times</u> in a newspaper within 30 days thereof.</p> <p>The merged entity or the newly established company shall assume the liability for the debts and obligations of parties to the merger after the merger of the Company.</p>	<p>Article 245 The merger of the Company may take the form of either merger by absorption or merger by new establishment. When the Company is merged, the parties to the merger shall execute a merger agreement and prepare their respective balance sheets and inventory of assets. The Company shall notify its creditors within 10 days from the date of passing of the resolution of merger and shall publish the announcement in newspapers within 30 days thereof.</p> <p>The merged entity or the newly established company shall assume the liability for the debts and obligations of parties to the merger after the merger of the Company.</p>
65	<p>Article 243 When the Company is divided, its assets must be divided accordingly. When the Company is divided, the parties to the division shall execute a division agreement and prepare their respective balance sheets and inventory of assets. The Company shall notify its creditors within 10 days from the date of passing of the resolution of division and shall publish the notice <u>at least three times</u> in a newspaper within 30 days thereof. The divided entities shall assume the liability for the obligations of the Company before the division according to the agreement.</p>	<p>Article 246 When the Company is divided, its assets must be divided accordingly. When the Company is divided, the parties to the division shall execute a division agreement and prepare their respective balance sheets and inventory of assets. The Company shall notify its creditors within 10 days from the date of passing of the resolution of division and shall publish the announcement in newspapers within 30 days thereof. The divided entities shall assume the liability for the obligations of the Company before the division.</p>
66	<p>Article 248 The liquidation task force shall notify the creditors within ten days from the date of its establishment and publish <u>no less than three announcements</u> on the newspapers within sixty days. The creditors may, within thirty days from receipt of the notice (or</p>	<p>Article 251 The liquidation task force shall notify the creditors within ten days from the date of its establishment and publish the announcement in newspapers within 60 days. The creditors may, within 30 days from receipt of the notice (or within 45 days</p>

No.	Before amendments	After amendments
	<p>within <u>forty five</u> days for those creditors who did not receive the notice), declare their creditors' rights to the liquidation task force.</p> <p>Creditors declaring their creditors' rights shall provide details of the creditors' rights and the relevant proof. The liquidation task force shall register the creditors' rights.</p> <p>During the declaration period, the liquidation task force shall not settle any creditors' rights.</p>	<p>for those creditors who did not receive the notice), declare their creditors' rights to the liquidation task force.</p> <p>Creditors declaring their creditors' rights shall provide details of the creditors' rights and the relevant proof. The liquidation task force shall register the creditors' rights.</p> <p>During the declaration period, the liquidation task force shall not settle any creditors' rights.</p>

Note: The numbering of the articles of the amended Articles of Association will be re-numbered in accordance with the numbering of the amended articles in the Articles of Association arising from the changes in the numbering of the original articles due to the additions of certain new articles under the Proposed Amendments. The amended Articles of Association will also be revised accordingly for any changes in the numbering of articles with cross reference made in the original Articles of Association.

The Articles of Association are written in Chinese. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.

NOTICE OF THE AGM

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



廣州白雲山醫葯集團股份有限公司

GUANGZHOU BAIYUNSHAN PHARMACEUTICAL HOLDINGS CO., LTD.

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

(H Share Stock Code: 0874)

NOTICE OF THE 2021 ANNUAL GENERAL MEETING

IMPORTANT NOTICE

- Date and time of the 2021 annual general meeting (the “AGM”) to be held on-site: 26 May 2022 (Thursday) at 10:00 a.m.
- Registration date for determination of entitlement to attend the AGM: 25 April 2022 (Monday)
- Place at which the AGM will be held: Conference Room of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited (the “**Company**”), 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the People’s Republic of China (the “**PRC**”)
- Manner of voting at the AGM: the manner of voting at the AGM will be both on-site and by way of network voting (applicable to A shares)

I. INFORMATION REGARDING THE CONVENING OF THE AGM

1. The resolution on convening the AGM was considered and passed at the 19th meeting of the eighth session of the board of directors of the Company (the “**Board**”).
2. Date and time of the AGM: 26 May 2022 (Thursday) at 10:00 a.m.
3. Place at which the AGM will be held: Conference Room of the Company, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC.
4. The convener of the meeting: the Board.
5. Manner of voting: the manner of voting for the AGM will be both on-site and by way of network voting (applicable to A shares).
6. The system, commencement date, ending date and voting time of the network voting (applicable to A shares):

NOTICE OF THE AGM

The Company will utilize the network voting system of The Shanghai Stock Exchange. The time for casting votes via the voting platform of the trading system is the trading sessions on the date on which the AGM will be held (26 May 2022) i.e. 9:15 to 9:25, 9:30 to 11:30 and 13:00 to 15:00. The time for casting votes via network voting will be from 9:15 to 15:00 on the date on which the AGM will be held.

7. The voting procedure of accounts in respect of margin trading and securities lending, refinancing, buy-back agreement business and investors of the Northbound Trading Link:

The voting procedure of accounts in respect of margin trading and securities lending, refinancing, buy-back agreement business and investors of the Northbound Trading Link shall be conducted in accordance with, among others, the relevant provisions of the Detailed Rules of the Shanghai Stock Exchange for Self Regulatory Guidelines of Listed Companies No. 1 - Standardized Operation.

8. Solicitation of shareholders' voting rights

Not applicable.

II. MATTERS TO BE CONSIDERED AT THE AGM

- (1) To be considered by way of special resolution:

1. Resolution on amendments to the Articles of Association of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited.

The above proposed resolution was approved at the 19th meeting of the eighth session of the Board of the Company held on 18 March 2022.

- (2) To be considered and approved by way of ordinary resolutions:

2. Annual Report and its summary for year 2021;
3. Report of the Board for year 2021;
4. Report of the supervisory committee of the Company for year 2021;
5. Financial report of the Company for year 2021;
6. Auditors' report of the Company for year 2021;
7. Proposal on profit distribution and dividend payment of the Company for year 2021;
8. Proposal on the financial and operational targets and annual budget of the Company for year 2022;

NOTICE OF THE AGM

9. Resolutions on the emoluments to be paid to the directors of the Company for year 2022:
 - 9.1 Resolution on the emoluments to be paid to Mr. Li Chuyuan (the Chairperson of the Board) for year 2022;
 - 9.2 Resolution on the emoluments to be paid to Mr. Yang Jun (the Vice Chairperson of the Board) for year 2022;
 - 9.3 Resolution on the emoluments to be paid to Ms. Cheng Ning (the Vice Chairperson of the Board) for year 2022;
 - 9.4 Resolution on the emoluments to be paid to Ms. Liu Juyan (an executive director) for year 2022;
 - 9.5 Resolution on the emoluments to be paid to Mr. Zhang Chunbo (an executive director) for year 2022;
 - 9.6 Resolution on the emoluments to be paid to Mr. Wu Changhai (an executive director) for year 2022;
 - 9.7 Resolution on the emoluments to be paid to Mr. Li Hong (an executive director) for year 2022;
 - 9.8 Resolution on the emoluments to be paid to Mr. Wong Hin Wing (an independent non-executive director) for year 2022;
 - 9.9 Resolution on the emoluments to be paid to Ms. Wang Weihong (an independent non-executive director) for year 2022;
 - 9.10 Resolution on the emoluments to be paid to Mr. Chen Yajin (an independent non-executive director) for year 2022;
 - 9.11 Resolution on the emoluments to be paid to Mr. Huang Min (an independent non-executive director) for year 2022;
10. Resolutions on the emoluments to be paid to the supervisors of the Company for year 2022:
 - 10.1 Resolution on the emoluments to be paid to Mr. Cai Ruiyu (the Chairperson of the supervisory committee) for year 2022;
 - 10.2 Resolution on the emoluments to be paid to Mr. Cheng Jinyuan (a supervisor) for year 2022;

NOTICE OF THE AGM

10.3 Resolution on the emoluments to be paid to Mr. Jian Huidong (a supervisor) for year 2022;

11. Resolution on the application for the amounts of bank borrowings by Guangzhou Pharmaceuticals Company Limited, a controlled subsidiary of the Company, and the amounts of guarantees to be provided by it to secure the bank loans for some of its subsidiaries;
12. Resolution on the application by the Company for general banking facilities not exceeding RMB4 billion;
13. Resolution on the purchase of the insurance in respect of the liabilities of the directors, supervisors and senior management of the Company;
14. Resolution on amendments to the rules of procedures of the shareholders meetings of the Company;
15. Resolution on amendments to the rules of procedures of the Board of Directors of the Company;
16. Resolution on amendments to the rules of procedures of the Supervisory Committee of the Company;
17. Resolution on amendments to the System of Independent Directors.

The above proposed resolutions were approved at the 19th meeting of the eighth session of Board and the 15th meeting of eighth session of the supervisory committee of the Company held on 18 March 2022.

III. ATTENDEES OF THE AGM AND BOOK CLOSURE PERIOD FOR HOLDERS OF H SHARES

1. Holders of domestic shares (A shares) and overseas listed foreign shares (H shares) whose names appear on the register of members of the Company after the end of the trading hours in the afternoon on Monday, 25 April 2022 (including those holders of H shares who have submitted verified application documents for the transfer of shares on or before Monday, 25 April 2022) are entitled to attend the AGM. The register of members of the Company will be closed from Tuesday, 26 April 2022 to Thursday, 26 May 2022 (both days inclusive) during which no transfer of H shares will be effected. In order to determine who are entitled to attend the AGM, all share transfer documents of H shares together with the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, namely Hong Kong Registrars Limited, at Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for share transfer registration no later than 4:30 p.m. on Monday, 25 April 2022.

NOTICE OF THE AGM

2. Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies (whether or not he/she is a shareholder) to attend and vote at the meeting on his/her behalf. If any shareholder appoints more than one proxy, the proxies can only vote by poll. To be valid, the proxy form and the notarially certified power of attorney and/or other documents of authorization (if any) must be delivered to the address of the Company's office (for holders of A shares) or the office address of the Company's H share Registrar, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H shares) no less than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof.
3. Shareholders who intend to attend the AGM in person or by proxy should complete and return the attached reply slip by hand, by mail or by fax in accordance with the instructions printed thereon on or before Friday, 6 May 2022.
4. The directors, supervisors and senior management of the Company.
5. The lawyers and the auditors of the Company.

IV. REGISTRATION FOR THE AGM

1. Methods of registration

To attend the AGM, an individual shareholder should bring along his/her identity card, shareholder account card; a proxy should bring along the proxy form, his/her identity card and the identity card of the principal and the shareholder account card of the principal for registration purpose. A legal person shareholder should bring along a copy of the business license, the proxy form signed by the legal entity, the shareholder account card and the identity card of the attendee for registration purpose.

2. Place and time of registration:

Registration date and time: 09:30 a.m.-11:30 a.m. and 2:00 p.m.- 4:30 p.m. on Friday, 6 May 2022

Place of registration: Office of the secretariat to the Board, 2nd Floor, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC

NOTICE OF THE AGM

V. OTHERS

1. Address: 2nd Floor of Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited, 45 Sha Mian North Street, Liwan District, Guangzhou City, Guangdong Province, the PRC
Postal code: 510130
Contact person: Huang Ruimei, Zeng Weiwei
Tel: (8620) 6628 1217/6628 1218
Fax: (8620) 6628 1229
Email: sec@gybys.com.cn
2. Address of Shanghai Branch Company of China Securities Depository and Clearing Corporation Limited: No. 188 Yanggaonan Road, Pudong New Area, Shanghai, the PRC

Address of Hong Kong Registrars Limited: Shops 1712-1716, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for submitting share transfer documents)

17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for submitting reply slips or proxy forms)
3. The AGM is expected to last for half a day. Shareholders attending the AGM shall be responsible for their own travelling and accommodation expenses.
4. Reporters attending the AGM should register in advance during the registration time for the shareholders.

VI. DOCUMENTS AVAILABLE FOR INSPECTION

1. Resolutions passed at the 19th meeting of the eighth session of the Board and the relevant announcement.
2. Resolutions passed at the 15th meeting of the eighth session of the supervisory committee of the Company and the relevant announcement..

The Board of
Guangzhou Baiyunshan Pharmaceutical Holdings Company Limited

Guangzhou, the PRC, 6 April 2022

NOTICE OF THE AGM

As at the date of this notice, the Board comprises Mr. Li Chuyuan, Mr. Yang Jun, Ms. Cheng Ning, Ms. Liu Juyan, Mr. Zhang Chunbo, Mr. Wu Changhai and Mr. Li Hong as executive directors, and Mr. Wong Hin Wing, Ms. Wang Weihong, Mr. Chen Yajin and Mr. Huang Min as independent non-executive directors.