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

If you have sold or transferred all your shares in Shanghai Dazhong Public Utilities (Group) Co., Ltd.*, you should at once hand this circular, together with the enclosed proxy form, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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上海大眾公用事業(集團)股份有限公司
Shanghai Dazhong Public Utilities (Group) Co., Ltd.*
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1635)

BOARD REPORT 2019
SUPERVISORY COMMITTEE REPORT 2019
FINAL FINANCIAL REPORT 2019 AND FINANCIAL BUDGET REPORT 2020
PROFIT DISTRIBUTION PROPOSAL 2019
RESOLUTION ON ESTIMATED ONGOING ORDINARY RELATED PARTY TRANSACTIONS 2020
RESOLUTION ON BANK CREDIT FACILITIES APPLICATION
RESOLUTION ON PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH
RESPECT TO EXTERNAL FINANCING
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RESOLUTION ON RE-APPOINTMENT OF DOMESTIC AUDIT FIRM AND
INTERNAL CONTROL AUDIT FIRM 2020
RESOLUTION ON RE-APPOINTMENT OF OVERSEAS AUDIT FIRM 2020
RESOLUTION ON THE PROPOSED ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS
PROPOSED ELECTION OF DIRECTORS FOR THE ELEVENTH SESSION OF THE BOARD
PROPOSED ELECTION OF SUPERVISORS FOR THE ELEVENTH SESSION OF THE SUPERVISORY COMMITTEE
RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION AND CHANGE ON INDUSTRIAL AND
COMMERCIAL REGISTRATION
RESOLUTION ON THE AMENDMENTS TO THE RULES OF PROCEDURES FOR THE GENERAL MEETING
RESOLUTION ON THE AMENDMENTS TO THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
AND
RESOLUTION ON THE AMENDMENTS TO THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE

A letter from the Board is set out on pages 4 to 16 of this circular. A notice convening the AGM to be held at 3/F, Dazhong Building, 1515 Zhongshan West Road, Shanghai, PRC on Monday, 22 June 2020 at 2:00 p.m. was published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>). The reply slip and proxy form for use at the AGM were also published on the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

Whether or not you are able to attend the AGM, you are reminded to complete, sign and return the reply slip and the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the completed and signed reply slip shall be lodged at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Tuesday, 2 June 2020 by hand, by post or by fax. The form of proxy shall be lodged at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the AGM (being Sunday, 21 June 2020 at 2:00 p.m.) or any adjournment thereof (as the case may be) in person or by mail. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM if you so wish.

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DEFINITIONS

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

“A Share(s)”	the domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange
“AGM” or “2019 AGM”	the annual general meeting of the Company to be held at 3/F, Dazhong Building, 1515 Zhongshan West Road, Shanghai, PRC on Monday, 22 June, 2020 at 2:00 p.m. or any adjournment thereof
“Articles of Association” or “Articles”	the articles of association of the Company as effective at the time
“Board”	the board of Directors of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Company” or “Dazhong Public Utilities”	Shanghai Dazhong Public Utilities (Group) Co., Ltd.*, a joint stock company incorporated in the PRC with limited liability, which H Shares and A Shares are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“Company Law”	the Company Law of the PRC as amended, supplemented or otherwise modified from time to time
“Dazhong Business Management”	Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司), a limited liability company incorporated in the PRC on March 10, 1995 and owned as to 90% by Shanghai Dazhong Business Management Employee Share Ownership Committee* (上海大眾企業管理有限公司職工持股會) and 10% by three individual shareholders who are Independent Third Parties
“Dazhong Commerce”	Shanghai Dazhong Transportation Commerce Co., Ltd.* (上海大眾交通商務有限公司), a limited liability company incorporated in the PRC on June 25, 2008
“Dazhong Financial Leasing”	Shanghai Dazhong Financial Leasing Co., Ltd.* (上海大眾融資租賃有限公司), a limited liability company incorporated in the PRC on September 19, 2004

DEFINITIONS

“Debt Financing Instruments”	the onshore or offshore debt financing instruments of not more than RMB9 billion (inclusive) in aggregate proposed to be issued by the Company;
“Dazhong Gas”	Shanghai Dazhong Gas Co., Ltd.* (上海大眾燃氣有限公司) (formerly known as South Shanghai Gas Co., Ltd.* (上海燃氣市南銷售有限公司)), a limited liability company incorporated in the PRC on January 3, 2001
“Dazhong Run”	Shanghai Dazhong Run Logistics Shares Co., Ltd.* (上海大眾運行物流股份有限公司), a limited liability company incorporated in the PRC on March 19, 1999
“Dazhong Transportation”	Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司), a joint stock company with limited liability incorporated in the PRC on June 6, 1994, whose A shares (Stock Code: 600611.SH) and B shares (Stock Code: 900903.SH) have been listed on the Shanghai Stock Exchange since August 7, 1992 and July 22, 1992, respectively
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Jiangyin Tianli”	Jiangyin Tianli Gas Co., Ltd.* (江陰天力燃氣有限公司), a limited liability company incorporated in the PRC on May 12, 1995

DEFINITIONS

“Nantong Dazhong Gas”	Nantong Dazhong Gas Co., Ltd.* (南通大眾燃氣有限公司), a limited liability company incorporated in the PRC on December 11, 2003
“PRC” or “China”	the People’s Republic of China which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Reporting Period”	the year from 1 January 2019 to 31 December 2019
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	Securities Law of the PRC
“Shanghai Stock Exchange” or “SSE”	the Shanghai Stock Exchange (上海證券交易所)
“Share(s)”	the share(s) of the Company with a nominal value of RMB1.00 each, including A Share(s) and H Share(s)
“Shareholder(s)”	the shareholder(s) of the Company, including A Shareholder(s) and H Shareholder(s)
“Suchuang Gas”	Suchuang Gas Corporation Limited* (蘇創燃氣股份有限公司) (Stock Code: 1430.HK), a company listed on the Main Board of the Hong Kong Stock Exchange
“Supervisor(s)”	the supervisor(s) of the Company
“US\$” or “USD”	United States Dollars, the lawful currency of the United States
“Rules of Procedures for the General Meeting”	Rules of Procedures for the General Meeting of the Company
“Rules of Procedures for the Board of Directors”	Rules of Procedures for the Board of Directors of the Company
“Rules of Procedures for the Supervisory Committee”	Rules of Procedures for the Supervisory Committee of the Company
“Yuan” and “ten thousand Yuan” and “one hundred million Yuan”	RMB, RMB10 thousand, and RMB100 million

* For identification purposes only

LETTER FROM THE BOARD



上海大眾公用事業(集團)股份有限公司 Shanghai Dazhong Public Utilities (Group) Co., Ltd.*

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

(Stock Code: 1635)

Executive Directors:

Mr. YANG Guoping (Chairman of the Board)
Mr. LIANG Jiawei (Chief Executive Officer)
Ms. YU Min
Mr. ZHUANG Jianhao
Mr. YANG Weibiao

Non-executive Directors:

Mr. CHAN Wing Kin
Mr. LI Songhua
Mr. CHEUNG Yip Sang

Independent Non-executive Directors:

Mr. WANG Kaiguo
Mr. YAO Cho Fai Andrew
Mr. CHOW Siu Lui
Mr. WANG Hongxiang
Mr. LIU Zhengdong

Registered Office:

518 Shangcheng Road
Pudong New Area
Shanghai
PRC

Principal Place of Business in Hong Kong:

Room 8204B, 82/F
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Principal Place of Business in the PRC:

8/F, Dazhong Building
1515 Zhongshan West Road
Shanghai
PRC

27 April 2020

To the Shareholders

Dear Sir or Madam,

BOARD REPORT 2019
SUPERVISORY COMMITTEE REPORT 2019
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LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to give you notice of the AGM and to provide you with information regarding certain ordinary resolutions and special resolutions to be proposed at the AGM relating to (including) the following matters to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the AGM:

At the AGM, resolutions will be proposed to approve, among others:

- (1) Work report of the board of directors of the Company for the year 2019;
- (2) Work report of the supervisory committee of the Company for the year 2019;
- (3) Final financial report for the year 2019 and the financial budget report for the year 2020;
- (4) Profit distribution proposal for the year 2019;
- (5) Resolution on the estimated ongoing ordinary related party transactions of the Company for the year 2020;
- (6) Resolution on the application of bank credit facilities of the Company and its subsidiaries;
- (7) Resolution on the proposal of the provision of guarantee for controlled subsidiaries with respect to their external financing;
- (8) Resolution on entering into the loan mutual guarantee with the controlling shareholder and connected transactions;
- (9) Resolution on the proposal for the Company and its subsidiaries to use idle funds for entrusted financing for the year 2020;
- (10) Resolution on the re-appointment of the domestic audit firm and internal control audit firm for the Company for the year 2020;
- (11) Resolution on the re-appointment of the overseas audit firm for the Company for the year 2020;
- (12) Resolution on the proposed issuances of onshore and offshore debt financing instruments;
- (13) Resolution on the election of Directors for the eleventh session of the Board;
- (14) Resolution on the election of Supervisors for the eleventh session of the Supervisory Committee;

LETTER FROM THE BOARD

- (15) Resolution on the amendments on the Articles of Association and the change on industrial and commercial registration;
- (16) Resolution on the amendments on the Rules of Procedures for the General Meeting;
- (17) Resolution on the amendments on the Rules of Procedures for the Board of Directors; and
- (18) Resolution on the amendments on the Rules of Procedures for the Supervisory Committee.

Details of the Resolutions

(1) Board Report 2019

An ordinary resolution will be proposed at the AGM to pass the work report of the Board of Directors of the Company for the year 2019. Full text of the Board Report 2019 to be passed is set out in Appendix I to this circular.

(2) Supervisory Committee Report 2019

An ordinary resolution will be proposed at the AGM to pass the work report of the Supervisory Committee for the year 2019. Full text of the Supervisory Committee Report 2019 to be passed is set out in Appendix II to this circular.

(3) Final Financial Report 2019 and Financial Budget Report 2020

An ordinary resolution will be proposed at the AGM to pass the final financial report of the Group for the year 2019 and the financial budget report for the year 2020. Full text of the Final Financial Report 2019 and Financial Budget Report 2020 to be passed is set out in Appendix III to this circular.

(4) Profit Distribution Proposal 2019

The net profit attributable to owners of the parent company of 2019 amounted to RMB526,473,188.34. The parent company's profit after tax amounted to RMB300,573,402.73. According to the Company Law and the Articles of Association, the Company's distribution plan is as follows:

Based on the net profit of the parent company in 2019, a 10% statutory reserve in the amount of RMB30,057,340.27 is provided, with the addition of the undistributed profit of the parent company carried over from 2018 in the amount of RMB1,028,085,022.00, less the distributed amount of RMB177,146,080.50 in 2019, the total distributable profits amounted to RMB1,121,455,003.96. Based on the total share capital of 2,952,434,675 shares as at 31 December 2019, a proposed cash dividend of RMB0.60 (tax inclusive) for every 10 shares or a total profit of RMB177,146,080.50 will be distributed. The undistributed profit of RMB944,308,923.46 shall be outstanding for distribution next year.

LETTER FROM THE BOARD

The aforementioned distribution plan was considered and approved at the twenty-first meeting of the Tenth session of the Board, to which the independent non-executive Directors have given their independent consent, and will be put forward for Shareholders' approval at the AGM as an ordinary resolution. If approved, the Company will further announce the arrangement for the distribution of the final dividend, including the record date for distribution of the dividend, the closure of the register of members and other relevant matters.

An ordinary resolution will be proposed at the AGM to pass the profit distribution proposal of the Company for the year 2019. Full text of the Profit Distribution Proposal 2019 to be passed is set out in Appendix IV to this circular.

Pursuant to the Enterprise Income Tax Law of the People's Republic of China effective on 1 January 2008 and the relevant implementation rules, the Company has the obligation to withhold and pay the enterprise income tax at a rate of 10% of the final dividend for 2019 payable to the non-resident enterprise Shareholders. Any H Shares registered under the names of non-individual Shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organizations and groups are deemed to be held by non-resident enterprise Shareholders. The Company will distribute the final dividend to such non-individual Shareholders after withholding the enterprise income tax at a rate of 10%.

According to Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation, the Company shall withhold and pay the individual income tax for dividend payable to the individual H Shareholders. The individual H Shareholders are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements between the countries where they are residents and China or the tax arrangements between mainland China and Hong Kong (Macau). If the individual H Shareholders are Hong Kong or Macau residents or residents of the countries having an agreed dividend tax rate of 10% with China, the Company shall withhold and pay the individual income tax at a rate of 10%. Should the individual H Shareholders be residents of the countries having an agreed dividend tax rate of less than 10% with China, the Company would apply for entitlement of the relevant agreed preferential treatment on their behalf in accordance with the Announcement on the issuance of the Administrative Measures on the Preferential Treatment Entitled by Non-resident Taxpayers under Tax Treaties (State Administration of Taxation [2015] No. 60) (《關於發佈〈非居民納稅人享受稅收協定待遇管理辦法〉的公告》(國家稅務總局公告[2015]第60號)). Should the individual H Shareholders be residents of the countries having an agreed dividend tax rate exceeding 10% but lower than 20% with China, the Company shall withhold and pay the individual income tax at the actual agreed rate. In the case that the individual H Shareholders are residents of the countries having not entered into any tax agreement with China, or having an agreed dividend tax rate with China of 20% or otherwise, the Company shall withhold and pay the individual income tax at a rate of 20%.

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Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves. The Company assumes no liability whatsoever in respect of any request arising from any delay in, or inaccurate determination of, the status of the Shareholders, or any disputes over the mechanism of withholding and payment.

(5) *Estimated Ongoing Ordinary Related Party Transactions*

An ordinary resolution will be proposed at the AGM to pass the resolution on the estimated ongoing ordinary related party transactions of the Company for the year 2020, full text of which is set out in Appendix V to this circular.

(6) *Bank Credit Facilities Application*

An ordinary resolution will be proposed at the AGM to pass the resolution on the application of bank credit facilities of the Company and its subsidiaries, full text of which is set out in Appendix VI to this circular.

(7) *Provision of Guarantee*

An ordinary resolution will be proposed at the AGM to pass the resolution on the provision of guarantee for controlled subsidiaries with respect to their external financing, full text of which is set out in Appendix VII to this circular.

(8) *Entering into the Loan Mutual Guarantee Agreement with the Controlling Shareholder*

According to the requirements under the Rules Governing Listing of Stocks on the Shanghai Stock Exchange, an ordinary resolution will be proposed at the AGM to pass the resolution on entering into the Loan Mutual Guarantee Agreement with the Controlling Shareholder, full text of which is set out in Appendix VIII to this circular.

(9) *Idle Fund For Entrusted Financing*

An ordinary resolution will be proposed at the AGM to pass the resolution for the Company and its subsidiaries to use idle funds for entrusted financing, full text of which is set out in Appendix IX to this circular.

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(10) Re-appointment of Domestic Audit Firm and Internal Control Audit Firm

An ordinary resolution will be proposed at the AGM to pass the resolution on re-appointment of BDO China Shu Lun Pan Certified Public Accountants LLP as the domestic audit firm and internal control audit firm for the Company for the year 2020, full text of which is set out in Appendix X to this circular.

(11) Re-appointment of Overseas Audit Firm

An ordinary resolution will be proposed at the AGM to pass the resolution on re-appointment of BDO Limited as the overseas audit firm for the Company for the year 2020, full text of which is set out in Appendix XI to this circular.

(12) Proposed Issuances of Onshore and Offshore Debt Financing Instruments

An ordinary resolution will be proposed at the AGM to pass the proposal of proposed issuances of Onshore and Offshore Debt Financing Instruments, full text of which is set out in Appendix XII to this circular.

(13) Proposed Election of Directors of the Eleventh Session of the Board of Directors

The Board proposed (a) the re-election of Mr. Yang Guoping, Mr. Liang Jiawei and Mr. Yang Weibiao as executive Directors of the eleventh session of the Board; and (b) Mr. Wang Kaiguo, Mr. Chow Siu Lui and Mr. Liu Zhengdong as independent non-executive Directors of the eleventh session of the Board.

The Board also proposed (a) the appointment of Mr. Wang Baoping as an executive Director of the eleventh session of the Board; and (b) the appointment of Ms. Qu Jia and Mr. Jin Yongsheng as non-executive Directors of the eleventh session of the Board.

Due to her upcoming retirement and the expiration of her tenure of the tenth session of the Board of Directors, Ms. Yu Min will not be a candidate for the directors of the eleventh session of the Board of Directors. Therefore, she will retire from her current position as executive Director and will not seek re-election at the 2019 AGM. Mr. Zhuang Jianhao ceases to be a Director, and he is recommended by the Supervisory Committee as a candidate for the supervisors of the eleventh session of the Supervisory Committee, therefore, he will retire from his current position as executive Director and will not seek re-election at the 2019 AGM. With the expiration of Mr. Li Songhua's tenure of the tenth session of the Board of Directors, our Shareholder, Shanghai Gas (Group) Co., Ltd.* (上海燃氣(集團)有限公司), has otherwise recommended Ms. Qujia as a candidate for the directors of the eleventh session of the Board of Directors, therefore, he will retire from his current position as non-executive Director and will not seek re-election at the 2019 AGM. With the expiration of Mr. Cheung Yip Sang's tenure of the tenth session of the Board of Directors, our Shareholder, ENN Energy Holdings Limited, has otherwise recommended Mr. Jin Yongsheng as a candidate for the directors of the eleventh

LETTER FROM THE BOARD

session of the Board of Directors, therefore, Mr. Cheung Yip Sang will retire from his current position as non-executive Director and will not seek re-election at the 2019 AGM. With the expiration of Mr. Chan Wing Kin's tenure of the tenth session of the Board of Directors, though our Shareholder, The Hong Kong and China Gas Company Limited (香港中華煤氣有限公司), has not recommended any person as a candidate for the directors of the eleventh session of the Board of Directors, he will retire from his current position as non-executive Director and the position as member of the strategic development committee of the Board and will not seek re-election at the 2019 AGM. Due to the expiration of Mr. Yao Cho Fai Andrew's tenure of the tenth session of the Board of Directors and the fact that he has served as a Director for five years and a person can serve as independent director for only two consecutive sessions of the Board of Directors (ie., six years of directors) according to the Company Law, Mr. Yao Cho Fai Andrew can serve as a Director for a maximum of one year, and thus he does not serve as a candidate for the directors of the eleventh session of the Board of Directors, and will retire from his current position as independent non-executive Director and the positions as chairman of the nomination committee of the Board and member of the audit committee of the Board and the remuneration and appraisal committee of the Board and will not seek re-election at the 2019 AGM. With the expiration of Mr. Wang Hongxiang's tenure of the tenth session of the Board of Directors, he does not serve as a candidate for the directors of the eleventh session of the Board of Directors, therefore, he will retire from his current position as independent non-executive director and the position as chairman of the audit committee of the Board and will not seek re-election at the 2019 AGM. Each of Ms. Yu Min, Mr. Zhuang Jianhao, Mr. Chan Wing Kin, Mr. Li Songhua, Mr. Cheung Yip Sang, Mr. Yao Cho Fai Andrew and Mr. Wang Hongxiang confirmed that he/she has no disagreement with the Company and there is no matter relating to his/her retirement that needs to be brought to the attention of the Shareholders.

The nomination committee of the Board has proposed with respect to the proposed composition of the members of the eleventh session of the Board and proposed to the Board (a) the re-election of Mr. Yang Guoping, Mr. Liang Jiawei and Mr. Yang Weibiao as executive Directors of the eleventh session of the Board; and (b) the re-election of Mr. Wang Kaiguo, Mr. Chow Siu Lui and Mr. Liu Zhengdong as independent non-executive Directors of the eleventh session of the Board. In addition, the nomination committee of the Board also proposed to the Board (a) the appointment of Mr. Wang Baoping as an executive Director of the eleventh session of the Board; and (b) the appointment of Ms. Qu Jia and Mr. Jin Yongsheng as non-executive Directors of the eleventh session of the Board ("**Re-election and Appointment of Directors**").

After considering the proposed composition of the members of the eleventh session of the Board proposed by the nomination committee of the Board, the Board proposed the Re-election and Appointment of Directors. The proposed composition of the eleventh session of the Board is in compliance with the requirements of the Articles of Association, the applicable laws, regulations and the Listing Rules and also meets the needs of the Company.

Biographical details of the candidates for Directors of the eleventh session of the Board are set out in Appendix XIII to this circular.

LETTER FROM THE BOARD

The term of office of all Directors of the eleventh session of the Board will take effect for three years commencing from the date of election at the AGM, and before which, all Directors of the tenth session of the Board shall continue to perform their duties as Directors pursuant to the relevant requirements of the Articles of Association. Upon the proposed Re-election and Appointment of Directors being effective and approved by the Shareholders, the Company will enter into service contracts with such Directors. Their remuneration as Directors will be determined based on relevant remuneration policies of the Company.

When proposing the re-election of independent non-executive Directors, the Board has taken into account a number of factors pursuant to the diversity policy of the Board, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, to achieve the diversity of board members. The Board believes that the educational background, professional experience and cultural background of the independent non-executive Directors proposed to be re-elected contribute to the diversity of the Board.

Mr. Wang Kaiguo, Mr. Chow Siu Lui and Mr. Liu Zhengdong have confirmed that they are qualified for all the independence requirements as set out in Rule 3.13 of the Hong Kong Listing Rules. The Company considered them as independent persons in accordance with all of the guidelines of independence set out in the Hong Kong Listing Rules and believed that they should be re-elected.

Save as disclosed in this circular, each of the candidates for Directors confirmed that (1) he/she does not hold any position in the Company or any of the subsidiaries of the Company, or hold any director or supervisor position in any other listed public companies during last three years; (2) he/she does not have any relationship with any other Directors, Supervisors, senior managements or substantial shareholders or controlling shareholders of the Company or any of its subsidiaries; and (3) he/she does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance as at the date of this circular.

In addition, there is no other information in relation to the above candidates for Directors which is disclosable pursuant to any of the requirements as set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules and there are no other matters which need to be brought to the attention of the Shareholders of the Company in respect of the proposed appointments of the Directors.

LETTER FROM THE BOARD

Upon approval by the Shareholders of the relevant resolutions at the AGM, the composition of the proposed eleventh session of the Board shall be as follows:

Executive Directors	Non-executive Directors	Independent non-executive Directors
Mr. Yang Guoping	Ms. Qu Jia	Mr. Wang Kaiguo
Mr. Liang Jiawei	Mr. Jin Yongsheng	Mr. Chow Siu Lui
Mr. Wang Baoping		Mr. Liu Zhengdong
Mr. Yang Weibiao		

(14) Election of Supervisors of the Eleventh Session of the Supervisory Committee

The Supervisory Committee proposed the re-election of Ms. Zhao Siyuan as Supervisor of the eleventh session of the Supervisory Committee.

The Supervisory Committee also proposed the appointment of Mr. Zhuang Jianhao (executive Director of the tenth session of the Board) as Supervisor of the eleventh session of the Supervisory Committee. Mr. Yang Jicai will retire from his current position as Supervisor and will not seek re-election at the AGM. He confirmed that he has no disagreement with the Company and there is no matter relating to his retirement that needs to be brought to the attention of Shareholders.

The employee congress of the Company has elected Ms. Zhao Fei as the employee representative Supervisor of the eleventh session of the Supervisory Committee. According to the Articles of Association, the supervisors who represent the employees shall be democratically elected and removed by employees of the Company via the workers conference, general membership meeting or other means.

Biographical details of the proposed supervisors of the eleventh session of the Supervisory Committee are set out in Appendix XIV to this circular.

The term of office of Supervisors of the eleventh session of the Supervisory Committee will be three years commencing from the date of the AGM. Upon the re-election and appointment of Supervisors, the Company will enter into service contracts with such Supervisors.

Save as disclosed in this circular, each of the candidates of Supervisors confirmed that (1) he/she does not hold any position in the Company or any of the subsidiaries of the Company, or hold any director or supervisor position in any other listed public companies during last three years; (2) he/she does not have any relationship with any other Directors, Supervisors or senior managements or substantial shareholders or controlling shareholders of the Company or any of its subsidiaries; and (3) he/she does not have any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance as at the date of this circular.

LETTER FROM THE BOARD

In addition, there is no other information in relation to the proposed Supervisors which is disclosable pursuant to any of the requirements as set out in Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules and there are no other matters which need to be brought to the attention of the Shareholders of the Company in respect of the proposed appointment and employee congress election of the Supervisors.

The eleventh session of the Supervisory Committee will consist of Ms. Zhao Siyuan, Mr. Zhuang Jianhao, and Ms. Zhao Fei as employee representative supervisor elected at the employee congress of the Company.

(15) Amendments on the Articles of Association and Change on Industrial and Commercial Registration

In order to further improve the Company's corporate governance system, the Company decided to amend the Articles of Association in accordance with the Company Law, the Guidelines for the Articles of Association of Listed Companies (revised in 2018), and the actual situation of the Company. The resolution in relation to the amendments to the Articles of Association was considered and approved at the twenty-first meeting of the tenth session of the Board.

A special resolution will be proposed at the AGM to pass the proposed amendments to the Articles of Association, full text of which is set out in Appendix XV to this circular. After amending the Articles of Association, other original provisions and serial numbers involved in cross-references will be adjusted accordingly. Save for the proposed amendments to the Articles of Association set out in Appendix XV, other provisions in the Articles of Association remain unchanged.

(16) Amendments on the Rules of Procedures for the General Meeting

In order to further strengthen the construction of the Company's corporate governance system, the Company decided to amend the Rules of Procedures for the General Meeting in accordance with the Company Law, the Securities Law, the Articles of Association, and the actual situation of the Company. The resolution in relation to the amendments to the Rules of Procedures for the General Meeting was considered and approved at the twenty-first meeting of the tenth session of the Board.

LETTER FROM THE BOARD

A special resolution will be proposed at the AGM to pass the resolution on the proposed amendments to the Rules of Procedures for the General Meeting, full text of which is set out in Appendix XVI to this circular. Upon the amendments made to the Rules of Procedures for the General Meeting, the sequential numbers of other original articles and those referred to in cross references should be adjusted accordingly. Save for the proposed amendments to the Rules of Procedures for the General Meeting set out in Appendix XVI, other provisions in the Rules of Procedures for the General Meeting remain unchanged.

(17) Amendments on the Rules of Procedures for the Board of Directors

In order to further standardize the deliberations and decision-making procedures of the Board of the Company, to promote the directors and the Board to effectively perform their responsibilities, and to improve the standard operation and scientific decision-making of the Board of Directors, the Company decided to amend the Rules of Procedures for the Board of Directors in accordance with the Company Law, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, Guidelines for the Governance of Listed Companies, Rules Governing the Listing of Stocks on Shanghai Stock Exchange, Model Rules for Board Meetings of Listed Companies on the Shanghai Stock Exchange, the Articles of Association, and the actual situation of the Company. The resolution in relation to the amendments to the Rules of Procedures for the Board of Directors was considered and approved at the twenty-first meeting of the tenth session of the Board.

A special resolution will be proposed at the AGM to pass the resolution on the proposed amendments to the Rules of Procedures for the Board of Directors, full text of which is set out in Appendix XVII to this circular. Upon the amendments made to the Rules of Procedures for the Board of Directors, the sequential numbers of other original articles and those referred to in cross reference should be adjusted accordingly. Save for the proposed amendments to the Rules of Procedures for the Board of Directors set out in Appendix XVII, other provisions in the Rules of Procedures for the Board of Directors remain unchanged.

(18) Amendments on the Rules of Procedures for the Supervisory Committee

In order to standardize the deliberations and procedures of the Supervisory Committee of the Company, ensure that the Supervisory Committee performs its supervisory functions effectively, and effectively protects the interests of shareholders and the Company, the Company decided to amend the Rules of Procedures for the Supervisory Committee in accordance with the Company Law, the Securities Law, and the actual situation of the Company. The resolution in relation to the amendments to the Rules of Procedures for the Supervisory Committee was considered and approved at the twenty-first meeting of the tenth session of the Supervisory Committee.

LETTER FROM THE BOARD

A special resolution will be proposed at the AGM to pass the resolution on the proposed amendments to the Rules of Procedures for the Supervisory Committee, full text of which is set out in Appendix XVIII to this circular. Upon the amendments made to the Rules of Procedures for the Supervisory Committee, the sequential numbers of other original articles and those referred to in cross references should be adjusted accordingly. Save for the proposed amendments to the Rules of Procedures for the Supervisory Committee set out in Appendix XVIII, other provisions in the Rules of Procedures for the Supervisory Committee remain unchanged.

II. AGM

A notice convening the AGM to be held at 3/F, Dazhong Building, 1515 Zhongshan West Road, Shanghai, PRC on Monday, 22 June 2020 at 2:00 p.m. was published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>). The reply slip and proxy form for use at the AGM were also published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

If you are eligible and intend to attend the AGM, please complete and return the reply slip in accordance with the instructions printed thereon on or before Tuesday, 2 June 2020. Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the proxy form in accordance with the instructions printed thereon not less than 24 hours before the time for holding the AGM (being Sunday, 21 June 2020 at 2:00 p.m.). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM if you so wish.

III. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement of shareholders for H Shares to attend and vote at the Company's AGM, the register of members of the Company for H Shares will be closed from Saturday, 23 May 2020 to Monday, 22 June 2020, both days inclusive, during which no transfer of shares will be registered. Only Shareholders whose names appear on the register of members of the Company on Monday, 22 June 2020 or their proxies or duly authorised corporate representatives are entitled to attend the AGM. In order to qualify for attending and voting at the AGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 22 May 2020.

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all resolutions put forward at the AGM will be voted on by poll except where the chairman of the meeting, 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. Poll results will be announced by the Company by means set out in Rule 13.39(5) of the Hong Kong Listing Rules after the AGM.

LETTER FROM THE BOARD

V. RESPONSIBILITY STATEMENT

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

VI. RECOMMENDATIONS

The Board considers that all resolutions set out in the notice of AGM are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that the Shareholders to vote in favour of the resolutions.

VII. FURTHER INFORMATION

Your attention is drawn to other sections of and appendices to this circular.

By order of the Board
Shanghai Dazhong Public Utilities (Group) Co., Ltd.*
Yang Guoping
Chairman of the Board

* For identification purpose only

APPENDIX I	WORK REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY FOR THE YEAR 2019
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The major works of the Board for the year ended 31 December 2019 and the 2020 annual work plan report are as follows:

The year of 2019 was an important year for in-depth study and implementation of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the 19th National Congress of the Communist Party of China, the 70th anniversary of the founding of the new China and the sprint year for implementing the “13th Five-Year” Plan. Confronted with complicated and challenging economic situation at home and abroad, the Company upheld the development strategy of “simultaneous development of public utility and financial investment”. Under the strong leadership of the Board and with the concerted efforts of our staff, the Company pushed forward its major activities throughout the year by focusing on expanding its primary public utility business and continuously investing in quality projects for promoting high-quality development. During the Reporting Period, the Company recorded revenue of RMB5.61 billion and net profit of RMB526 million. The major works of the Board for 2019 and work plan for 2020 is reported as follows:

I. MAIN WORKS OF THE BOARD FOR THE YEAR 2019

1. Strengthened self-development of the Board and enhanced standardization of corporate governance.

In 2019, under the complicated and challenging market environment and tightening regulation, the Board continuously strengthened self-development, earnestly and diligently fulfilled its duties, promoted implementation of major decisions and improved the system and process development. The Company operated in accordance with the regulatory requirements of both domestic and overseas listed places and, through the coordination and checks and balances among the general meeting, the Board and related special committees, the Supervisory Committee and the management for which the CEO is responsible, implemented an effective internal control system, strengthened risk assessment and optimised business processes to ensure standardised governance operations and continuously enhanced management. The actual situation of corporate governance complied with the requirements of the normative documents on the governance of listed companies issued by the regulatory authorities and stock exchanges of the place where the company is listed.

2. The special committees of the Board actively played its professional edges and earnestly performed its duties.

In 2019, in order to accommodate the needs of strategic development of the Company, strengthen its core competitiveness, determine its development plans, improve its procedures for making investment decisions, enhance scientific basis of its decision-making process and improve the effectiveness and quality of material investment decisions, the Company has set up the tenth session of Strategy Committee under the Board and formulated the Working Rules of Strategy Committee under the Board in accordance with the Company Law, the Articles of Association, the working rules of each special committees and the relevant laws and regulations. During the Reporting Period, in accordance with their respective working rules, four special committees under the Board of the Company performed their duties with an attitude of conscientious, diligent and honest, and gave play to their professional advantages to actively make advices on the events including development strategy, financial budget and final accounts, regular report, internal control, performance compensation and diversification of the Board of the Company. It provided a strong support for the improvement of the scientific and forward-looking decision-making procedure of the Board.

3. Earnestly fulfilled the obligation of information disclosure and strengthened investor relations management.

As a public company listed in Mainland China and Hong Kong, the Company comprehensively standardized information disclosure affairs, and disclosed information in truthful, accurate and completed manner, which ensure the timeliness and fairness of information disclosure and the transparency of the Company, as required by the provisions of the laws, regulations and normative documents of the onshore and offshore listing exchanges as well as the requirements of the Articles of Association, Information Disclosure Management Measures, and Inside Information Insider Registration Management and Confidentiality System. During the Reporting Period, the Company issued a total of 172 disclosure documents on the websites of Shanghai Stock Exchange and the website of Hong Kong Exchanges and Clearing Limited, including regular reports, announcements, corporate governance documents, shareholder circulars, overseas regulatory announcements, which timely and acutely disclosed the relevant events in relation to regular results of operations, financial position and the operations of three organizations (the Board, the Supervisory Committee and the general meeting) of the Company, and freed from any significant accounting errors, the supplement of significant missing information, omission, concealment and misstatement.

As the department for the communication of the Board and investors, the Secretary to the Board's office, a permanent body of the Board, continued to strengthen the maintenance and management of investor relations and maintained smooth communication with small and medium shareholders and institutional investors through various channels including on-site, telephone and the Shanghai Stock Exchange E-interactive platform. During the Reporting Period, the Company answered investors' hotline and replied shareholder inquiries on "E interactive platform of Shanghai Stock Exchange" for more than 150 times. The Company also communicated and discussed with the onshore and offshore investors on issues such as corporate governance, development strategies, operating conditions, financing plans and sustainable development by the attendance of annual general meeting, performance presentation meeting in Hong Kong, "2019 Collective Reception Day for Listed Companies Investors in Shanghai" theme event, and established a good image for the Company in capital market.

4. Upholding regulated operation, strengthening internal control and improving risk management.

During the reporting period, the Board of the Company attached great importance to upholding regulated operation, strengthening internal control and improving risk management related work. We will continue to improve the compliance management system, improve the group-level compliance control mechanism, promote full coverage of compliance management, strengthen vertical management of the management teams of subordinate holding subsidiaries, enhance compliance inspection and accountability system, improve the authority and validity of compliance management and promote the steadily development of the Company's business in line with regulations. We will continue to improve the risk-oriented internal control management system of the Group, continue to strengthen the construction of internal control systems, improve internal control mechanisms, optimize business processes and improve risk control measures, strengthen the internal control design and implementation effectiveness self-assessment, ensure that internal control throughout the decision-making, implementation and supervision of the whole process, covering all aspects of the business and management of the Company, continue to strengthen and enhance the effectiveness of internal control of the Company.

II. MAJOR DAILY WORKS OF THE BOARD FOR THE YEAR 2019

(I) Board meetings and resolutions

In 2019, the Company convened six board meetings in total, which respectively discussed and decided on significant matters including regular reports, financial budget and financial accounts, profit distribution, investment and internal control of the Company. The Directors participated in the Board meetings on time, devoted to the interests of the Company and its shareholders, diligently performed their duties and actively safeguarded the interests of the Company and its shareholders.

1. The fifteenth meeting of the Tenth session of the Board was held on 29 March 2019 on site. The meeting considered and approved the Work Report of the Board of Directors for the Year 2018, Work Report of the General Manager for the Year 2018, Report of Independent Directors for the Year 2018, Final Financial Report for the Year 2018 and the Financial Budget Report for the Year 2019, Profit Distribution Plan for the Year 2018, Full Text and Summary of 2018 Annual Report, Report on Internal Control Evaluation of the Company for the Year 2018, Report on Performance of Audit Committee of the Board of Directors for the Year 2018, Corporate Social Responsibility Report for the Year 2018, Environmental, Social and Governance (ESG) Report for the Year 2018, Resolution on the 2019 Daily Related Transaction Budget of the Company, Resolution on the Application of Credit Facilities of the Company for the Year 2019, Resolution on the Provision of Guarantees for External Financing of Controlled Subsidiary by the Company for the Year 2019, Resolution on the Proposal for Company and its Subsidiaries to Use Idle Funds for Entrusted Financing for the Year 2019, Resolution on the Re-appointment of the Domestic Audit Firm and Internal Control Audit Firm for the Company for the Year 2019, Resolution on the Re-appointment of the Overseas Audit Firm for the Company for the Year 2019, Resolution on the Registration and Issuance of Super Short-term Commercial Papers and Short-term Commercial Papers, Resolution on the Registration and Issuance of Mid-term Notes, Resolution on the establishment of the tenth Board of Directors Strategic Development Committee, the Work Rules for the Strategic Development Committee of the Board of Directors, Resolution on Reallocation of Proceeds from H Shares for Projects, Resolution on the holding subsidiary assets write-off, Resolution on Change of Accounting Policies for the Company, Resolution on the appointment of the Company's Vice Finance Controller, Resolution on Amendments of Articles of Association and Changes in Industrial and Commercial Registration and Resolution on Convening the Annual General Meeting for the Year 2018.

APPENDIX I	WORK REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY FOR THE YEAR 2019
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2. The sixteenth meeting of the Tenth session of the Board was held on 29 April 2019 by means of communication voting. The meeting considered and approved the 2019 First Quarterly Report of Dazhong Public Utilities.
3. The seventeenth meeting of the Tenth session of the Board was held on site on 30 August 2019. The meeting considered and approved the Resolution on the Operational Work Report of the Company for the First Half of 2019 and Work Plan for the Second Half of the Year, Full Text and Summary of 2019 Interim Report of the Company, Resolution on the Change of Accounting Policies of the Company and Resolution on the Change of Accounting Policies and Accounting Estimates of the Subsidiaries of the Company.
4. The eighteenth meeting of the Tenth session of the Board was held on 30 October 2019 by means of communication voting. The meeting considered and approved the 2019 Third Quarterly Report of Dazhong Public Utilities.
5. The nineteenth meeting of the Tenth session of the Board was held on 26 November 2019 by means of communication voting. The meeting considered and approved the Resolution on the Commencement of Sale-leaseback Finance Leasing Business of Holding Subsidiary and Related Parties.
6. The twentieth meeting of the Tenth session of the Board was held on 27 December 2019 by means of communication voting. The meeting considered and approved the Resolution on the Related Transactions of Joint Foreign Investment between the Company and Related Parties.

(II) Implementation of resolutions of general meetings by the Board

During the Reporting Period, in strict accordance with the relevant provisions of laws and regulations and the Articles of Association, the Board earnestly fulfilled the responsibility of the convener of the general meeting, convened an annual general meeting, and considered and approved Work Report of the Board of Directors for the Year 2018, Work Report of the Supervisory Committee for the Year 2018, Final Financial Report for the Year 2018 and the Financial Budget Report for the Year 2019, Profit Distribution Plan for the Year 2018, Resolution on the 2019 Daily Related Transaction Budget of the Company, Resolution on the Application of Credit Facilities of the Company for the Year 2019, Resolution on Proposal of Provision of Guarantee by the Company for Controlled Subsidiaries with Respect to Their External Financing for the Year 2019, Resolution on the Proposal for Company and its Subsidiaries to Use Idle Funds for Entrusted Financing for the Year 2019, Resolution on the Re-appointment of the Domestic Audit Firm and Internal Control Audit Firm for the Company for the Year 2019, Resolution on the Re-appointment of

the Overseas Audit Firm for the Company for the Year 2019, Resolution on Proposed Registration and Issuance of Super Short-term Commercial Papers and Short-term Commercial Papers by the Company, Resolution on Proposed Registration and Issuance of Mid-term Notes by the Company, Resolution on Reallocation of Proceeds from H Shares for Projects, Resolution on the Amendments on the Articles of Association and Industrial and Commercial Registration. During the Reporting Period, the Board strictly implemented the resolutions considered and approved by the general meeting and fully implemented each resolution of the meeting.

III. WORK DIRECTION OF THE BOARD FOR THE YEAR 2020

The year 2020 is not only the final year of the “13th Five-Year Plan”, but a year of crucial significance for realizing the goal of “two double” and building a moderately well-off society. The risks and challenges we are facing are numerous due to the tough work of economic development. The Sino-US trade problems and the outbreak of the epidemic at the beginning of this year are the biggest uncertainties affecting the global economy in 2020. The domestic economy is confronted with the downward pressure with changes amid stability and worries amid changes. The Board will fully assess the complexity and severity of the situation. In strict accordance with the provisions of laws and regulations and regulatory documents of the listing market in domestic and abroad, the Board will strictly satisfy high requirements on the corporate governance level and high regulatory standards of China and Hong Kong, constantly increase the proportion of investment in significant projects of the main business of public utilities, continuously follow up opportunities for investment and acquisition of quality projects, stably expand the overseas business of the Company, and constantly optimize the external investment platform, in order to guarantee the rapid and stable business development of the Company.

In 2020, the Company will focus on the following aspects:

I. Scientific prevention and control of the epidemic, orderly resumption of production, to ensure stable business performance.

Facing the serious situation of the development of the “COVID-19” outbreak at the beginning of 2020, the Company and its subsidiaries should actively and fully follow the related requirements of local government related requirements for epidemic prevention and control work, gain well understand on national and local policy of subsidies for enterprises development, devote efforts in all areas regarding the epidemic prevention and control and orderly resumption of production, and adopt various measures to ensure its sound and sustainable development.

Enterprises of Gas sector should devote efforts in all areas to ensure the normal and stable supply of natural gas; Enterprises in the sewage sector to ensure the normal operation of the sewage treatment system and discharge satisfying prescribed standards. Make sure sound disinfection treatment of municipal sewage and treated water done to safeguard the safety of drainage water for each user during the exceptional period. While insisting on safety distribution, Dazhong Run Logistics should actively provide compulsory transportation of epidemic prevention materials for government departments, medical institutions and caring enterprises. While strengthening epidemic prevention and control and protecting safe operation, Xiangyin Road Tunnel responds to the call of the municipal government positively, participates in the epidemic prevention and control activities, to protect the safe travelling of the city. The quasi-financial enterprises, Dazhong Financial Lease actively take the initiative to contact bank-enterprise customers, and timely follow up the performance of the contract through various forms such as E-mail, WeChat, telephone, etc.; Dazhong Commerce to ensure the normal settlement of merchants; Relevant functional departments of the Company conscientiously performed pairing work of the joint stock fund, direct investment projects, to ensure the Company's revenue.

2. **Grasp the business opportunities brought about by the Outline on the Integrated Regional Development of the Yangtze River Delta and formulate the Company's development strategy for the next five years to maintain a steady improvement of the Company's operating results.**

The Central Committee of the Communist Party of China has issued the Outline on the Integrated Regional Development of the Yangtze River Delta (the "Outline"), which defines the strategic positioning of the Yangtze River Delta as "one pole, three areas and one highland". Currently, Shanghai has formulated its own implementation plan for implementing the Outline. In 2020, the Board of the Company will seriously study the development and cooperation opportunities in the fields such as industrial innovation integration, infrastructure integration, green development integration and public service integration to make layout plans for the Yangtze River Delta region based on its own situation in all aspects. The Company will formulate a five-year development plan for each business sector in the future in such aspects as infrastructure construction, energy reserve system in the Yangtze River Delta region, science and technology innovation system integration, energy conservation and emission reduction, logistics and transportation, etc., to strengthen its innovation capacity construction, grasp industrial development opportunities and promote sustainable and stable business development.

3. Continuously improve the Company's operation quality, the corporate governance structure and the level of corporate governance.

In 2020, the Board of the Company will strictly in compliance with the requirements of the laws, regulations and normative documents of Shanghai and Hong Kong, further optimize the governance structure, revise and improve the Company's articles of association and other regulations, and strengthen the awareness of standardized operation. The Board will actively arrange the studying and training for the directors to enhance the consciousness of being diligent, responsible and standardized in duty performance, and the awareness of compliance with laws and regulations and standardized decision-making, give play to their respective professional expertise, actively perform their duties, make prudent decisions, improve the level of discussion and decision-making to effectively protect the interests of the Company and shareholders. The Board will strengthen self-construction, improve the internal communication channels within the Board, give full play to the role of the special committees, perform duties according to the relevant rules of procedure, improve the quality and level of the Board's decision-making to promote the healthy and sustainable development of the Company.

4. To improve information disclosure quality and enhance inside information management in accordance with regulatory requirements.

In accordance with the requirements of regulators, the Company will further enhance information disclosure management, improve the report and information disclosure procedures for major events, practically improve information disclosure quality, ensure the truthfulness, accuracy, completeness, timeliness and fairness of information disclosure, and protect the interest of small and medium investors. The Company will strictly implement the information disclosure system and the management for persons with inside information, reinforce inside information management, promote relevant persons' awareness of compliance and confidentiality, further enhance relevant persons' awareness of duties and procedures, and carefully perform the registration, filing, material information reporting of persons with inside information in order to ensure the Company could disclose information in compliance with laws and regulations.

2020 is a year full of severe challenges and complexities. The outbreak of pandemic across the globe casts clouds on the macro economy, leaving us with opportunities and challenges. The Board of the Company will insist on its industrial development path of "simultaneous development of public utility and financial investment", maintain its strategic position, establish strong sense of crisis, and prepare for an enduring battle and the most difficult situation. Meanwhile, it will explore opportunities from risks, strengthen its confidence in development and dare to overcome difficulties. It will march forward towards operational objectives, continue to promote the Company's development strategies, and reward shareholders and the society with practical actions and outstanding performance.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019

The work report of the Supervisory Committee for the year ended 31 December 2019 are as follows:

In 2019, in accordance with laws and regulations including the Company Law, the Securities Law, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Rules of Procedures for the Supervisory Committee, as well as the Articles of Association, with an aim to be responsible to all shareholders, all members of the Supervisory Committee diligently performed their duties following the principle of good faith, and supervised the financial conditions of the Company and the performance of duties by the Directors and senior management of the Company by convening meetings of the Supervisory Committee, and attending the Board meetings and shareholders' general meetings, which guaranteed the standardized operation of the Company, safeguarded the interests of investors, especially small and medium investors. The report on the major works of the Supervisory Committee during the Reporting Period is as follows:

I. OPERATION OF THE COMPANY ACCORDING TO LAW

In 2019, in strict accordance with the relevant provisions of laws and regulations such as the Securities Law, Company Law and Rules of Procedures for the Supervisory Committee, as well as the Articles of Association, the Supervisory Committee earnestly fulfilled its supervision duties, strengthened supervision of the operation and management of the Company, strictly reviewed the financial reports of the Company, supervised legality and compliance of performance of duties by the Board of Directors and management of the Company, and gave full play to the supervisory role of the Supervisory Committee, which played an active role in promoting the standardized operation and healthy development of the Company, and effectively safeguarded the legitimate rights of the shareholders, the Company and employees.

The Supervisory Committee believed that, during the Reporting Period, in accordance with the provisions of relevant state laws and regulations and the Articles of Association, the Company established a sound internal management and internal control mechanism with legitimate and effective major business decision-making procedures and regulated operation. The decision-making procedures for the convening, holding, submitting proposal and voting of the Board and general meeting of the Company were in compliance with the relevant provisions.

The Board earnestly implemented various resolutions of the shareholders' general meetings with the standard operation and legitimate decision-making procedures, and safeguarded fundamental interests of shareholders and the Company during the decision-making on material issues. In 2019, the directors, managers and other senior management of the Company worked in a prudent, diligent and responsible manner, behaved in a clean and self-disciplined manner, and made unremitting endeavors to the sustainable and healthy development of the Company. During the Reporting Period, the Board was able to earnestly fulfill its information disclosure obligations, with timely, regulated, true, accurate and complete information disclosures free from false information, serious misleading statements or major omissions, and no leak of inside information occurred. The Supervisory Committee found no violations of the Securities Law, Company Law, Rules of Procedures of the Supervisory Committee, Articles of Association and actions that were detrimental to the interests of the Company and its shareholders by the directors or management during the performance of duties.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019
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II. SUPERVISION ON FINANCIAL ACTIVITIES

In 2019, with an aim to be responsible to all Shareholders, the Supervisory Committee supervised, inspected and reviewed the financial condition and operating results of the Company. The Supervisory Committee considered that the financial management system of the Company was well-regulated and comprehensive with stable operation of finance. The financial reports formulated by the financial department reflected the financial condition, operating results and cash flow of the Company in an objective, true and accurate manner. Financial reports of the Company for each period have reflected the financial condition and operating results of the Company in an objective and true manner, and free from false information, serious misleading statements or major omissions. No violation of confidentiality provisions by those involved in the preparation and review of periodic reports were found.

During the Reporting Period, BDO China Shu Lun Pan Certified Public Accountants LLP issued 2019 “standard unqualified” audit report reflected the financial conditions and operating results of the Company for the year 2019 in an objective, fair, true and just manner.

III. MEETINGS OF THE SUPERVISORY COMMITTEE

During the Reporting Period, the Supervisory Committee held 6 meetings in total. The main subjects for the meetings were:

1. The fourteenth meeting of the Tenth session of the Supervisory Committee was held at Meeting room 903, 9/F, 1515 Zhongshan West Road, Shanghai, PRC on 29 March 2019. The meeting was presided over by Mr. Yang Jicai, the Chairman of the Supervisory Committee and all of the three eligible supervisors attended the meeting in person. The meeting was in compliance with relevant regulations of Company Law and the Articles of Association. The meeting was lawful and effective. The meeting considered and approved the Work Report of the Supervisory Committee for the Year 2018, Final Financial Report for the Year 2018 and the Financial Budget Report for the Year 2019, Full Text and Summary of 2018 Annual Report, Profit Distribution Plan for the Year 2018, Report on Internal Control Evaluation of the Company for the Year 2018, Resolution on the 2019 Daily Related Transaction Budget of the Company, Resolution on the Application of Credit Facilities of the Company for the Year 2019, Resolution on the Provision of Guarantees for External Financing of Controlled Subsidiary by the Company for the Year 2019, Resolution on the Re-appointment of the Domestic Audit Firm and Internal Control Audit Firm for the Company for the Year 2019, Resolution on the Re-appointment of the Overseas Audit Firm for the Company for the Year 2019, Resolution on Reallocation of Proceeds from H Shares among Projects, Resolution on the Write-off of Assets of Controlled Subsidiary and Resolution on Change of Accounting Policies.

<p style="text-align: center;">APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019</p>

2. The fifteenth meeting of the Tenth session of the Supervisory Committee was held on 30 April 2019 by means of communication voting. The meeting considered and approved the 2019 First Quarterly Report of Dazhong Public Utilities.
3. The sixteenth meeting of the Tenth session of the Supervisory Committee was held in morning of 30 August 2019 at Conference Room 903, 9/F, 1515 Zhongshan West Road, Shanghai, attended by three of the three supervisors. Chaired by Mr. Yang Jicai (楊繼才), the chairman of the Supervisory Committee, the meeting was duly convened in compliance with the relevant requirements of the Company Law and Articles of Association, and was valid and effective. The meeting considered and approved the Resolution on the Operational Work Report of the Company for the First Half of 2019 and Work Plan for the Second Half of the Year, Full Text and Summary of 2019 Interim Report of the Company, Resolution on the Changes in Accounting Policies of the Company, and Resolution on the Changes in Accounting Policies and Estimates of Subsidiary.
4. The seventeenth meeting of the Tenth session of the Supervisory Committee was held on 31 October 2019 by means of communication voting. The meeting considered and approved the Resolution on 2019 Third Quarterly Report of Dazhong Public Utilities.
5. The eighteenth meeting of the Tenth session of the Supervisory Committee was held on 26 November 2019 by means of communication voting, attended by two of the three voting supervisors since the related supervisor abstained from voting. The meeting was duly convened in compliance with the requirements of the relevant laws, regulations, rules and Articles of Association, and was valid and effective. The meeting considered and approved the Resolution on the Commencement of Sale-leaseback Finance Leasing Business of Holding Subsidiary and Related Parties.
6. The nineteenth meeting of the Tenth session of the Supervisory Committee was held on 27 December 2019 by means of communication voting, attended by two of the three voting supervisors since the related supervisor abstained from voting. The meeting was duly convened in compliance with the requirements of the relevant laws, regulations, rules and Articles of Association, and was valid and effective. The meeting considered and approved the Resolution on the Related Party Transactions in Joint External Investment of the Company and Related Parties.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019
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**IV. INDEPENDENT OPINIONS OF THE SUPERVISORY COMMITTEE ON
RELEVANT MATTERS OF THE COMPANY FOR THE YEAR 2019**

1. Related party transactions of the Company

In 2019, the Supervisory Committee supervised and inspected all major related party transactions of the Company during the Reporting Period. The Supervisory Committee considered that, during the Reporting Period, the related party transactions between the Company and its related parties were conducted on the basis of fairness and mutual benefit following the market-oriented principle. All related party transactions were “fair, honest and open”, with fair and reasonable pricing and were proceeded with relevant deliberation and disclosure procedures. The information disclosures were timely and adequate in accordance with relevant laws, rules and the Articles of Association, and free from damage to the interests of the small and medium shareholders or the Company.

2. Acquisition and sales of assets by the Company

In 2019, the Supervisory Committee supervised and reviewed the acquisition and sale of assets by the Company. The Supervisory Committee considered that, during the Reporting Period, the transaction prices of the Company in the acquisition and sales of assets were reasonable, and no insider transactions and actions causing damage to certain shareholders’ interests or loss of assets of the Company were identified, which were in compliance with the provisions of relevant laws and regulations such as the Company Law and Securities Law and the Articles of Association, and were in line with the development strategy and the requirements for production and operation development of the Company.

3. External guarantees of the Company

In 2019, the Company’s external guarantees related resolution shall be implemented after being reviewed and approved by the Board, general meeting in accordance with the provisions of relevant laws and regulations and the Articles of Association. In the current Reporting Period, the Company’s accumulated and current external guarantees’ decision-making procedures were in compliance with the provisions of relevant laws and regulations and mental rules as well as the Articles of Association, and the information disclosures were adequate and complete, which no actions causing damage to the interests of the listed company and shareholders. The Company strictly controlled the risk of external guarantees. There is no possibility of joint liability for external guarantees, and there is no contradiction of the provisions of “Zheng Jian Fa [2003] No. 56”, “Zheng Jian Fa [2005] No. 120” and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019

4. Internal control of the Company

During the Reporting Period, the Supervisory Committee reviewed the 2019 internal control evaluation report of the Company in a diligent and prudent manner, as well as the development and operation situation of the internal control system of the Company. The Supervisory Committee considered that the Company established a relatively complete internal control system, which was effectively implemented. The internal control evaluation report of the Company reflected the development and operation situation of the internal control system of the Company in a true and objective manner. The Company well controlled the investment, business and operational risks based on complete internal control, strengthened the learning of new rules and regulations and the regulatory departments, and constantly enhanced the corporate governance level of the Company.

5. Appointment of domestic and overseas accounting firms

During the Reporting Period, the Supervisory Committee agreed to appoint BDO China Shu Lun Pan Certified Public Accountants LLP as the domestic audit firm for the Company in 2019, and appointed BDO Limited as the overseas audit firm for the Company in 2019. This two audit firms had stronger professional competences and abilities to perform their duties in the diligent and conscientious manner. The standard unqualified auditor's reports issued by them were objective and fair, and the financial reports of the Company reflected the financial condition and operating results of the Company in a true manner.

6. Appointment of internal control audit firm for the Company

During the Reporting Period, the Supervisory Committee agreed to appoint BDO China Shu Lun Pan Certified Public Accountants LLP as the internal control audit firm for the Company for the year 2019. BDO China Shu Lun Pan Certified Public Accountants LLP holds audit qualification for securities and futures-related businesses. It currently provides financial audit services for the Company, and understands the operating status and financial condition of the Company. BDO China Shu Lun Pan Certified Public Accountants LLP fulfilled effectively the responsibilities that the auditors should perform, and completed their internal control audit for the Company for 2019 independently, objectively and impartially.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019

7. Implementation of resolutions of general meetings

During the Reporting Period, the Supervisory Committee supervised the implementation of resolutions of general meetings. The Supervisory Committee considered that the Board was able to earnestly perform the relevant resolutions of general meetings. The Company has a comprehensive and independent business and self-operation capability. The controlling shareholders of the Company have highly regulated themselves and exercised their rights as investors at the general meeting, and have not directly or indirectly interfered with the decision-making and business activities of the Company beyond the general meeting.

8. Opinions on the change of accounting policies of the Company

During the Reporting Period, the Company adjusted relevant contents of accounting policies of the Company in accordance with relevant regulations and requirements of the Ministry of Finance. The Supervisory Committee considered that, the change of accounting policies better complied with relevant regulations of the Ministry of Finance and actual situations of the Company without any damage to the interests of all the shareholders and the Company.

9. Information disclosure of the Company

During the Reporting Period, the Supervisory Committee continuously supervised the internal approval procedures of information disclosure of the Company. The Supervisory Committee considered that the Company attached great importance to the standardization of information disclosure. In strict accordance with the regulatory provisions of China and Hong Kong and the requirements of the Articles of Association, Administrative Measure on Information Disclosure and Insider Registration Management and Confidentiality System on Inside Information, the secretary of the Board and the Board office of the Company are responsible for the disclosure of information and management of investor relations. The Company provided timely, accurate, true, complete and fair information for investors, so that investors could have a more objective and comprehensive understanding on the Company, which was conducive to improving the reputation and image of the Company in the capital market, and guaranteeing the timeliness and consistency of information disclosure at A+H listing places.

APPENDIX II WORK REPORT OF THE SUPERVISORY COMMITTEE OF THE COMPANY FOR THE YEAR 2019
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10. Implementation of insider management system on insider information by the Company

As verified by the Supervisory Committee, during the Reporting Period, the Company kept the insider information confidential and made information disclosure in a fair manner in strict accordance with the Insider Registration Management and Confidentiality System on Inside Information, which safeguarded the legitimate interests of various investors. During the Reporting Period, the Company did not use any insider information for illegal trading.

V. WORK PROSPECTS FOR 2020

In 2020, the Supervisory Committee will continue to strictly implement the relevant provisions of the Securities Law, the Company Law, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Rules of Procedures for the Supervisory Committee as well as the Articles of Association, faithfully perform its duties, supervise and inspect the operation behavior of the Board of Directors and senior management. Meanwhile, the Board of Directors will continue to strengthen the function of supervision, earnestly perform its duties, actively attend Board meetings and general meetings and relevant office meeting according to the law, and promptly guarantee the legality and compliance of significant decision-making items and procedures, in order to further promote the standardized operation of the Company. Meanwhile, the members of the Supervisory Committee will constantly strengthen learning of laws, rules and relevant regulations, enhance the standardized operation consciousness and ability of duty performance, and give better play to the supervisory function of the Supervisory Committee.

APPENDIX III	FINAL FINANCIAL REPORT FOR THE YEAR 2019 AND THE FINANCIAL BUDGET REPORT FOR THE YEAR 2020
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The final financial report for the year 2019 and the financial budget report for the year 2020 of the Company are as follows:

I. KEY FINANCIAL INDICATORS FOR 2019

(Prepared in accordance with the 2019 final consolidated financial statements of the Company)

Currency: RMB

Indicator	Unit	2019	2018	Changes (%)
Revenue	RMB0,000	560,965	506,238	10.81
Total profit	RMB0,000	68,946	48,893	41.02
Net profit	RMB0,000	63,353	42,933	47.56
Net profit attributable to owners of the parent company	RMB0,000	52,647	47,849	10.03
				Increased by 2.05 percentage points
Weighted average return on net assets	%	7.15	5.10	41.18
Net assets per share	RMB	2.71	2.51	7.97
Earnings per share	RMB	0.1783	0.1621	9.99
Net cash flows from operating activities per share	RMB	0.41	0.09	334.75

II. FINANCIAL CONDITION OF THE COMPANY IN 2019

1. Asset structure of the Company

As of 31 December 2019, total assets of the Company amounted to RMB22,237 million, representing an increase of RMB1,015 million as compared with RMB21,222 million at the beginning of the year. Among the total assets of the Company, current assets amounted to RMB6,829 million, representing an increase of RMB720 million as compared with RMB6,109 million at the beginning of the year, in which cash and cash equivalents decreased by RMB44 million, restricted bank deposits increased by RMB12 million, financial assets at fair value through other comprehensive income increased by RMB366 million, financial assets at fair value through profit or loss increased by RMB174 million, amount due from grantor increased by RMB 2 million, prepayment and other receivables increased by RMB54 million, lease receivables increased by RMB226 million, trade and bills receivable decreased by RMB69 million and inventories decreased by RMB1 million as compared with the beginning of the year. Current assets accounted for 30.71% of total assets, representing an increase of 1.92 percentage points as compared with 28.79% at the beginning of the year. Non-current assets amounted to RMB15,408 million, representing an increase of RMB295 million as compared with RMB15,113 million at the beginning of the year, in which deferred tax assets increased by RMB10 million, long-term prepayment decreased by RMB6 million, amount due from grantor decreased by

RMB41 million, lease receivables decreased by RMB284 million, trade and bills receivable decreased by RMB29 million, financial assets at fair value through other comprehensive income decreased by RMB342 million, investment in joint venture increased by RMB19 million, investments in associates increased by RMB688 million, intangible assets decreased by RMB2 million, right-of-use assets increased by RMB113 million, payments for leasehold land held for own use under operating leases decreased by RMB70 million, investment properties increased by RMB141 million, property, plant and equipment increased by RMB98 million as compared with the beginning of the year. Non-current assets accounted for 69.29% of total assets, representing a decrease of 1.92 percentage points as compared with 71.21% at the beginning of the year.

In the industry distribution of long-term investments of RMB9,933 million of the parent in 2019, the transportation industry amounted to RMB1,968 million, accounting for 19.81% of total investments of the Company; the gas sector amounted to RMB2,387 million, accounting for 24.03% of total investments of the Company; the municipal and environmental industry amounted to RMB613 million, accounting for 6.17% of total investments of the Company; the financial investments amounted to RMB4,382 million, accounting for 44.12% of total investments of the Company; and other investments amounted to RMB583 million, accounting for 5.87% of total investments of the Company.

2. Assets and liabilities and solvency

As of 31 December 2019, total liabilities of the Company amounted to RMB13,045 million, representing an increase of RMB348 million as compared with RMB12,697 million at the beginning of the year. Gearing ratio was 82.32%, representing a decrease of 8.02 percentage point as compared with 90.34% of the previous year. Guarantees for controlled subsidiaries amounted to RMB1.516 billion, accounting for 18.93% of net assets of the Company. Among which, current liabilities amounted to RMB8,305 million, representing an increase of RMB1,877 million as compared with that at the beginning of the year, which was mainly attributable to the transfer of medium-term notes due in 2020 to the issuance of ultra-short-term financing bills.

3. Asset profitability

In 2019, the Company's return on net assets was 7.15%, representing an increase of 2.05 percentage points as compared with 5.10% of the corresponding period of the previous year.

4. Operating results of the Company

In 2019, the Company recorded a revenue of RMB5,610 million, representing an increase of 10.81% as compared with RMB5,062 million of the corresponding period of the previous year. Consolidated total profit amounted to RMB689 million, consolidated net profit amounted to RMB634 million, and net profit attributable to owners of the parent company amounted to RMB526 million, representing an increase of 41.02%, 47.56% and 10.03%, respectively, as compared with that of the corresponding period of the previous year.

The operations of major investment segments of the Company were as follows:

(1) *Transportation*

Dazhong Transportation is a cornerstone for the Company to achieve stable growth in operating results. In 2019, with the transportation business strengthened, Dazhong Transportation continued to implement its combination of industry assets and financial assets, and proactively fulfilled its mutual development of real economy and Internet integration, and it became the first taxi company in China which obtained the legal and compliant qualification for the operation of the online car-hailing platform, so as to improve its ability in the provision of comprehensive urban transportation services. In 2019, it recorded total revenue of RMB3,802 million, successfully completing its business target.

In 2019, Dazhong Run was once again designated as the logistics and transport guarantee-party for the second CIIE, and was honoured the outstanding entity for logistics and transport services, significantly boosting Dazhong's brand image and its industry status. While operating the regular businesses of freight transportation, moving, Dazhong supply chain, 96811 platform etc., Dazhong Run proactively developed its LPG delivery business, to cover 12 districts of Shanghai and see enhanced returns through expansion of scale. It achieved a revenue of RMB124 million in 2019.

(2) *Gas segment*

In 2019, Dazhong Gas followed the plans and requirements of the Board, and effectively pushed forward all operations and management. The CIIE safety protection work was fully accomplished, with the focuses on efficiency improvement, marketing development, environment optimisation, and intelligent gas construction etc. during the whole year. It achieved a revenue of RMB3,882 million in 2019.

In 2019, Nantong Dazhong Gas orderly pushed forward the finishing of the final high-pressure pipelines, the relocation of gas pipelines, and the renewal of old gas equipment etc. In addition, it proactively sought various gas sources and improved its emergency re-allotment capabilities, to see a better guarantee of gas supply. It won many honours such as "Top Ten Industrial Enterprises (十強工業企業)" in Gangzha District, Nantong City and "Pioneer of Nantong Workers (南通市工人先鋒號)". It completed various operating indicators in 2019 and achieved a revenue of RMB1,094 million.

In 2019, Suchuang Gas proactively sought industrial customers to maintain the growth of the business, strived to transition to be an integrated energy-saving, environmentally-friendly service provider, and made full use of various methods to expand its revenue, e.g. the sale of corrugated pipes, emergency repair, gas insurance agency and stove sales.

In 2019, Jiangyin Tianli advanced various tasks in accordance with the work objectives set by the Board, and completed the non-residential winter price adjustment, and the gas sales volume in 2019 increased by 11% compared with 2018. Jiangyin Tianli was honoured with the “2018 Top 100 Integrity Units” in Jiangyin and “Enterprises with Tax Contributions Over RMB20 Million in 2018” in Jingjiang.

(3) *Municipal and environmental segment*

In 2019, under stricter regulations and inspections of the national environmental protection supervision and relevant departments, Dazhong Jiading Sewage timely launched its emergency plans to effectively cope with the accidents as a result of inflows of severely-polluted water. During the Reporting Period, Dazhong Jiading Sewage smoothly completed the adjustment of treatment price, and pushed forward the collection of accounts receivable of sewage and sludge disposal fees. In 2019, it disposed a total of 63.95 million tons of sewage, with an average of 175,200 tons/day.

In 2019, Jiangsu Dazhong fulfilled its key goals of annual compliant discharge and safety operation, and managed the project development and construction. The Qingshanquan project (phase-I) was completed to see an inflow of water, the Peixian upgrade project was fully finished, the Sanbahe project (phase-III) entered the trial commercial operation period, the Donghai (phase-II) extension project was initiated, and the Sanbahe project (phase-III) continued its pre-cooperation negotiation. In 2019, Jiangsu Dazhong Water disposed of a total of 81.58 million tons of sewage, with an average of 223,500 tons of sewage per day.

The municipal infrastructure projects funded and constructed by the Company: Xiangyin Road Tunnel operated with high efficiency and safety and recorded stable concession income. In 2019, a special subsidy of RMB87.41 million was received.

(4) *Financial investments*

In 2019, Dazhong Financial Leasing transitioned to the “small-amount spreading” model, which realized a proportion of 55% during the year, with successful cooperation with China Telecom and China Mobile ahead of all financial leasing peers. The first specialised Asset-backed Securities (“ABS”) product of Dazhong Financial Leasing was launched on the Shanghai Stock Exchange, also marking the first ABS product of operator terminal financial leasing in the industry. In 2019, it achieved a revenue of RMB147 million.

In 2019, Dazhong Commerce actively pushed ahead major tasks including the application scenario switch of e-Card, optimization of APP functions, development and launch of new business and compliance management. Dazhong Commerce introduced some new business partners such as i-Bailian and Suning E-commerce, introduced the online application, and gradually transferred the merchants under UnionPay to its own coverage.

The Sheng Da Gaming Project (盛大遊戲項目) invested in by the Shanghai Huacan Equity Investment Fund Partnership (Limited Partnership)* (上海華璨股權投資基金合夥企業 (有限合夥)), in which the Company held a stake, achieved a major breakthrough in 2019, seeing its new shares registered on July 3 and subsequently listed. In addition, Shanghai Taihe Water Environment Technology Development Co., Ltd.* (上海太和水環境科技發展股份有限公司) invested in by Huacan Fund via Shanghai Huachong Equity Investment Fund Partnership (Limited Partnership) * (上海華翀股權投資基金合夥企業 (有限合夥)), received a confirmation from CSRC in June of 2019 that its IPO application was accepted. JuneYao Healthy Beverage Co., Ltd.* (均瑤大健康飲品有限公司), in which the Company invested RMB35 million, filed its IPO application in May of 2019 to CSRC which had been accepted.

In 2019, Dazhong Hong Kong actively expanded overseas public utility projects. It analyzed various gas, wastewater treatment and solid waste treatment projects, and carried out field visits to some of the potential projects. DouYu, in which Dazhong Hong Kong invested USD10 million in 2018, was listed on Nasdaq in July of 2019.

In 2019, Shenzhen Capital Group Co., Ltd.* (深圳市創新投資集團有限公司), in which the Company held a stake, ranked 1st in the domestic venture capital industry in terms of the number of enterprises invested in and the number of listed enterprises invested in. Four enterprises invested in by Shenzhen Capital Group were among the first batch of companies that were officially listed on the sci-tech innovation board, making the Company rank top among all venture capital peers in terms of the number of such listed companies.

III. FINANCIAL BUDGET OF THE COMPANY FOR THE YEAR 2020

In 2020, in the face of complicated macroeconomic situations, the Company will continue to adhere to the enterprise development strategy of “simultaneous development of public utility and financial investment”. The Company will rely on the stable main business of public utilities and seek high-quality investment projects in the new economic environment to boost corporate performance. It will also focus on overseas markets and continue to optimize its foreign investment platform, in a bid to steadily enhance the Company’s competitiveness and influence.

I. Operation target

In 2020, the Company’s main businesses and profit will strive to maintain stability.

The main operation targets for each sector are as follows:

(1) *Transportation*

In 2020, based on the development direction of society and industry, Dazhong Transportation will take service quality as its life and brand enhancement as its driving force, to judge the situation and gather momentum for long-term development. It will continue to adhere to the core idea of “customer-centred and promoting development through reform”, devote itself to change, innovation and development, and grasp the tone of steady progress and formulate a long-term development blueprint.

(2) *Gas sector*

In 2020, for the gas sector, the Company will devote greater efforts to the acquisition of high-quality projects, the follow-up management of projects on hand and the expansion of gas industry chain, with the industrial chain expanding from unitary sales of piped natural gas to natural gas sources, project construction and LNG sales. Under the national strategic background of “the Belt and Road Initiative” and by comprehensively analyzing such factors as national policies for overseas development, project operation costs and political nature of investments, the Company will actively promote the mergers and acquisitions of high-quality overseas principal business projects, diversify allocation of overseas assets and continuously improve the core competitiveness of the Group.

(3) *Municipal and environmental sector*

China’s urban sewage industry market is maturing, and the industry’s growth points are mainly concentrated in the renovations under the enhanced standards and rural sewage treatment. In 2020, the environmental sector will continue to respond to the upgrading industry standards, give play to the advanced regional advantages in the industry, steadily explore the rural sewage market, promote the extension of urban pipeline networks, and actively expand the market. As to Xiangyin Road Tunnel, the Company will continue to complete the daily operation & management and security guarantee.

(4) *Financial investments*

In 2020, the financial investments sector will closely follow the market development, continuously adjust and optimize the investment structure, and give play to the synergistic effect between industrial investment and financial investment, and will rely on the advantages of the main business of public utilities and make full use of stable operating cash flow to seize market opportunities and select high-quality projects for investment. At the same time, it will integrate and interact with other high-quality industrial capital and financial capital platforms, actively explore innovative business models, and achieve balanced and healthy development of investment projects.

II. Financing target:

In 2020, the Company will continue to devote more efforts in maintaining the main credit rating and bond credit rating, keep abreast of the latest development in the financial industry to continuously enrich financing channels, and complete various financing tasks according to its financing needs and market conditions. The Company will apply various financing methods to further optimize the financial structure of the Company and promote the fund management level and increase the yield on idle funds. Moreover, it will repay the principal and interests of bonds issued and debts to maintain the smooth operation of company funds.

III. Investment target:

In 2020, the Company will unswervingly implement the principle of giving priority to the development of principal business, highlight the principal business of public utilities, effectively promote the progress of project construction and carry out upstream and downstream extensions at home and abroad. In addition, the Company will improve the industrial layout and structure, continuously optimize the foreign investment methods and integrate domestic and foreign resources to promote the overall optimization of the Company's corporate resources.

In 2020, the Company will further boost the momentum for sustained development and optimize and improve the management system based on the social and economic situations so as to strictly meet the demanding requirements for governance level of the Company and the high standards for regulations in two places. Moreover, the Company will persist in innovation and steady development and reward the shareholders and society with good business performance.

The profit distribution proposal of the Company for the year 2019 is as follows:

In 2019, the Company attained a consolidated net profit attributable to owners of the parent company of RMB526,473,188.34. The parent company's profit after tax amounted to RMB300,573,402.73. According to the Company Law and the Articles of Association, the Company's distribution plan is as follows:

Based on the net profit of the parent company in 2019, a 10% statutory reserve in the amount of RMB30,057,340.27 is provided, with the addition of the undistributed profit of the parent company carried over from 2018 in the amount of RMB1,028,085,022.00, less the distributed amount of RMB177,146,080.50 in 2019, the total distributable profits amounted to RMB1,121,455,003.96. Based on the total share capital of 2,952,434,675 shares as the end of 2019, a proposed cash dividend of RMB0.60 (tax inclusive) for every 10 shares or a total profit of RMB177,146,080.50 will be distributed. The undistributed profit of RMB944,308,923.46 shall be outstanding for distribution next year.

Pursuant to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Guidelines for the Implementation of Related Party Transactions of Companies Listed on the Shanghai Stock Exchange (《上海證券交易所上市公司關聯交易實施指引》), and taken into consideration of the operating requirements of the Company, the ordinary related party transactions of the Company and its subsidiaries for 2019 are expected as follows:

1. Contemplated ordinary related party transactions of the subsidiaries of the Company, Shanghai Dazhong Gas Co., Ltd.* (上海大眾燃氣有限公司) and Nantong Dazhong Gas Co., Ltd.* (南通大眾燃氣有限公司), acquired natural gas, LNG and construction services from Shanghai Gas (Group) Co., Ltd.* (上海燃氣(集團)有限公司) (the second largest shareholder of the Company) and its associates under common control, Shanghai Gas Co., Ltd.* (上海燃氣有限公司), and Dazhong Gas leased office premises from associates, Shanghai Gas Group.
2. Contemplated ordinary related party transactions such as the Company and its subsidiaries leased office premises from Shanghai Dazhong Building Co., Ltd.* (上海大眾大廈有限責任公司) due to office operation needs.
3. Contemplated ordinary related party transactions such as the Company engaged Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) and Shanghai Dazhong Hebin Hotel Management Co., Ltd.* (上海大眾河濱酒店經營管理有限責任公司) to operate, manage and offer services to the property assets of the Company and the users thereof due to its demand for property assets management.

I. ESTIMATED AMOUNT AND TYPES OF ORDINARY RELATED PARTY TRANSACTIONS

Currency: RMB Unit: 0'000

Name of related party	Type of related party transaction	Subject of related party transaction	Pricing method for related party transaction	Estimated amount for 2020 Amount	Amount incurred in 2019 Amount
Shanghai Gas (Group) Co., Ltd. and its associate under common control Shanghai Gas Co., Ltd.	Purchase raw materials from related party	Purchase natural gas and LNG	Price determined by government	350,000.00	261,225.97
Shanghai Gas (Group) Co., Ltd.	Lease assets from related party	Lease office premises	Market fair value	600.00	496.00
Shanghai Dazhong Building Co., Ltd.	Lease assets from related party	Lease office premises	Market fair value	780.00	534.92
Shanghai Dazhong Business Management Co., Ltd. and Shanghai Dazhong Hebin Hotel Management Co., Ltd.	Entrusted asset management	Property assets management and operation	Market fair value	250.00	787.74

II. BACKGROUND OF AND RELATIONSHIP WITH RELATED PARTY**(I) Background of related party**

Related party one — Shanghai Gas (Group) Co., Ltd.

1. Company name: Shanghai Gas (Group) Co., Ltd.
2. Nature of company: Limited liability company (sole proprietorship invested or controlled by a non-natural person)
3. Legal representative: Wang Zhehong (王者洪)
4. Registered capital: RMB4,200 million
5. Substantial shareholder(s) and history: The company was jointly established by Shenergy (Group) Company Limited (申能(集團)有限公司) and Shanghai Municipal Construction, Investment and Development Company (上海市城市建設投資開發總公司) and is currently a wholly-owned subsidiary of Shenergy (Group) Company Limited.
6. Main business: Investment, construction, operation and management of natural gas pipeline network and its distribution facilities (including the West-East Gas Pipeline), and investment, transformation and management of gas pipelines and gas production enterprises.
7. Date of establishment: 12 February 2004
8. Address: Room 1008, 958 Lu Jia Zui Ring Road, Shanghai
9. As of 31 December 2019, the total asset was RMB9,823,019,800, the net asset was RMB7,902,736,600. The revenue from principal business was RMB4,938,719,000 and the net profit attributable to the parent company was RMB408,616,300 (all of which are unaudited data).

Related party two — Shanghai Gas Co., Ltd.

1. Company name: Shanghai Gas Co., Ltd.
2. Nature of company: Limited liability company (sole proprietorship invested or controlled by a non-natural person)
3. Legal representative: Wang Zhehong (王者洪)
4. Registered capital: RMB1,000 million

5. Substantial shareholder(s): wholly-owned subsidiaries of Shenergy Group.
6. Main business: gas operation, construction, operation and management of gas infrastructures, gas equipment, gas appliances, etc.
7. Date of establishment: 27 December 2018
8. Address: Room 1009, 958 Lu Jia Zui Ring Road, China (Shanghai) Pilot Free Trade Zone
9. As of 31 December 2019, the total asset was RMB17,172,670,900, the net asset was RMB5,738,396,400. The revenue from main business was RMB26,235,940,800 and the net profit attributable to the parent company was RMB639,240,100 (all of which are unaudited data).

Related party three — Shanghai Dazhong Building Co., Ltd.

1. Company name: Shanghai Dazhong Building Co., Ltd.
2. Nature of company: Limited liability company (joint venture between a foreign investment enterprise and a Chinese-funded enterprise)
3. Legal representative: Zhang Jing (張靜)
4. Registered capital: RMB200 million
5. Substantial shareholder(s): 100% of the shares held by Dazhong Transportation (Group) Co., Ltd.
6. Main business: Accommodation, self-owned premise leasing, conference services, etc.
7. Date of establishment: 17 October 1995
8. Address: 1515 Zhongshan West Road, Shanghai
9. As of 31 December 2019: Total assets of RMB282,282,400, net assets of RMB269,506,400, revenue from main business for the year of 2019 of RMB44,411,500, and net profit of RMB14,786,500 (all of which are unaudited data).

Related party four — Shanghai Dazhong Business Management Co., Ltd.

1. Company name: Shanghai Dazhong Business Management Co., Ltd.
2. Type of company: Other limited liability company

3. Legal representative: Zhao Siyuan (趙思淵)
4. Registered capital: RMB159 million
5. Substantial shareholder(s): Shanghai Dazhong Business Management Employee Share Ownership Committee
6. Main business: operation management and business management of taxi companies and related companies.
7. Date of establishment: 10 March 1995
8. Address: Room 182, Block S, Level 1, Building 3, No.7, Jiayi Industrial Zone, Qingpu Industrial Park Area, Shanghai
9. As of 31 December 2019: Total assets of RMB2,115,307,500, net assets of RMB707,764,800, revenue from main business for the year of 2019 of RMB36,833,500, and net profit of RMB26,297,900 (all of which are unaudited data).

Related party five — Shanghai Dazhong Hebin Hotel Management Co., Ltd.

1. Company name: Shanghai Dazhong Hebin Hotel Management Co., Ltd.
2. Type of company: Limited liability company
3. Legal representative: Mao Yisong (毛一鬆)
4. Registered capital: RMB2 million
5. Substantial shareholder(s): wholly-owned subsidiaries of Shanghai Dazhong Business Management Co., Ltd.
6. Main business: Hotel management (other than hotel operation), property management, etc.
7. Date of establishment: 18 July 2003
8. Address: Room 102, Building 3, 888 Changshou Road, Putuo District, Shanghai
9. As of 31 December 2019: Total assets of RMB5,402,500, net assets of RMB3,824,300, revenue from main business for the year of 2019 of RMB3,141,300, and net profit of RMB341,800 (all of which are unaudited data).

- (II) As Shanghai Gas (Group) Co., Ltd. is the second largest shareholder of the Company and holds 5.21% of the shares of the Company, and Shanghai Gas Co., Ltd. and Shanghai Gas Group are associates under common control, pursuant to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the purchase of natural gas, LNG and construction services by Dazhong Gas and Nantong Dazhong Gas, both of which are subsidiaries of the Company, from Shanghai Gas Group and its associate under common control, Shanghai Gas, and the lease of office premises by Dazhong Gas from associates such as Shanghai Gas Group constitute ordinary related party transactions.

As Shanghai Dazhong Building Co., Ltd. is a wholly-owned subsidiary of Dazhong Transportation (Group) Co., Ltd. and Mr. Yang Guoping, being the Chairman of the Board of the Company, Mr. Liang Jiawei, being a Director, and Ms. Zhao Siyuan, being a Supervisor, are also directors of Dazhong Transportation (Group) Co., Ltd., and the Company is the largest shareholder of Dazhong Transportation (Group) Co., Ltd., pursuant to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the lease of office premises between the Company and its subsidiaries and Dazhong Building constitutes an ordinary related party transaction.

As Mr. Yang Guoping, being the Chairman of the Board of the Company, Mr. Liang Jiawei, being a Director, and Ms. Zhao Siyuan, being a Supervisor, are also directors of Shanghai Dazhong Business Management Co., Ltd., Dazhong Business Management is the largest shareholder of the Company, and Dazhong Hebin is a wholly-owned subsidiary of Dazhong Business Management, the engagement of Dazhong Business Management and Dazhong Hebin by the Company to operate, manage and offer services to the property assets of the Company and the users thereof constitute an ordinary related party transaction.

- (III) The purchase of natural gas, LNG and construction services by Dazhong Gas and Nantong Dazhong Gas from Shanghai Gas Group and its associate under common control, Shanghai Gas, and the lease of office premises by Dazhong Gas from associates such as Shanghai Gas Group; the lease of office premises and the purchase of commercial services by the Company and its subsidiaries from Dazhong Building; the engagement of Dazhong Business Management and Dazhong Hebin by the Company to operate, manage and offer services to the property assets of the Company and the users thereof are all due to normal business operation requirements.

III. PRICING POLICIES FOR RELATED PARTY TRANSACTIONS

All of the transactions between the Company and its subsidiaries with related party were fair, honest and reasonable.

1. Due to business requirements, Dazhong Gas and Nantong Dazhong Gas have to purchase natural gas, LNG and construction services from Shanghai Gas Group and its associate under common control Shanghai Gas every year. The parties to the related party transactions will determine the purchase and sale prices in accordance with the relevant regulations of the state and guidance of government authorities. The Board proposed to the general meeting to authorize the management of the two companies to be specifically responsible for relevant works such as the measurement of gas volume and construction volume, audit of amount and signing of agreements.
2. Due to office operation requirements, Dazhong Gas has to lease office premises from Shanghai Gas Group every year. The parties to the related party transaction shall determine the rent in accordance with market fair value.
3. Due to office operation requirements, the Company and its subsidiaries have to lease office premises from Dazhong Building every year. The parties to the related party transactions shall determine the rent in accordance with market fair value.
4. The Company engages Dazhong Business Management and Dazhong Hebin to operate, manage and offer services to the property assets of the Company and the users thereof. The parties to the related party transaction shall determine the service fee in accordance with market fair value.

IV. PURPOSE OF RELATED PARTY TRANSACTIONS AND IMPACT ON THE COMPANY

The above related party transactions are all undertaken for normal operation requirements, and the sustainable and stable operation of the Company and its subsidiaries can be assured. The transactions will not jeopardise the interests of the Company and have no adverse impact on the current and future financial conditions and operating results of the Company.

APPENDIX VI	RESOLUTION ON THE APPLICATION OF BANK CREDIT FACILITIES OF THE COMPANY AND ITS SUBSIDIARIES
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The details of the resolution on the application of bank credit facilities of the Company and its subsidiaries of 2020 are as follows:

Pursuant to the capital requirements for business development of the Company in 2020, the Company and its subsidiaries plan to apply for composite credit facilities in a total amount of not more than RMB17 billion (cumulative amount) (foreign currency translation inclusive) from banks and other financial institutions in 2020. The final amount of credit facilities shall be the actual amount approved by all financial institutions. The validity period shall begin from the date on which the resolution is considered and approved at the 2019 AGM to the date on which the next annual general meeting of the Company is held.

The types of composite credit facilities include, but are not limited to, short-term working capital loans, medium and long-term borrowings, bank acceptance bills, guarantees, letters of credit, project loan and mortgage loans. Conditions such as specific credit limits, financing amount, terms, interest rates and guarantee methods shall be stated in the final contract or agreement signed between the Company and the relevant financial institutions.

It is proposed to the general meeting by the Board to authorize the management of the Company to divide and adjust the credit limits for the applications to all banks and other financial institutions within the aforesaid limits in accordance with the requirements for business development, determine the specific conditions for the application of credit facilities, such as cooperative financial institutions, interest rates and terms, and execute relevant agreements and other documents.

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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Pursuant to the relevant provisions of the Company Law of the People's Republic of China and the Notice on the Regulation of External Guarantees by Listed Companies (CSRC [2005] No. 120) jointly issued by the China Securities Regulatory Commission and China Banking Regulatory Commission, taken into consideration of the asset position of the Company as at the end of 2019 and the actual requirements for operation in 2020 and the future development of all controlled subsidiaries, following the principle of "reasonable allocation and effective use", the Company proposed following resolutions regarding to the external guarantees in 2019 is as follows:

I. OVERVIEW OF GUARANTEES

1. In 2020, the Company will provide guarantees for the financing businesses of controlled subsidiaries of the Company, namely Shanghai Dazhong Municipal Development Co., Ltd. (上海大眾市政發展有限公司), Shanghai Xiangyin Road Tunnel Construction Development Co., Ltd. (上海翔殷路隧道建設發展有限公司), Shanghai Dazhong Environment Industry Co., Ltd. (上海大眾環境產業有限公司), Shanghai Dazhong Jiading Sewage Co., Ltd. (上海大眾嘉定汗水處理有限公司), Jiangsu Dazhong Water Group Co., Ltd. (江蘇大眾水務集團有限公司), Xuzhou Fountainhead Sewage Co., Ltd. (徐州源泉汗水處理有限公司), Peixian Fountainhead Water Operation Co., Ltd. (沛縣源泉水務運營有限公司), Lianyungang West Lake Sewage Co., Ltd. (連雲港西湖汗水處理有限公司), Pizhou Fountainhead Water Operation Co., Ltd. (邳州源泉水務運營有限公司), Xuzhou Dazhong Water Operation Co., Ltd. (徐州大眾水務運營有限公司), Xuzhou Jiawang Dazhong Water Operation Co., Ltd. (徐州市賈汪大眾水務運營有限公司), Shanghai Dazhong Gas Co., Ltd. (上海大眾燃氣有限公司), Shanghai Dazhong Gas Investment Developing Co., Ltd. (上海大眾燃氣投資發展有限公司), Nantong Dazhong Gas Co., Ltd. (南通大眾燃氣有限公司), Shanghai Dazhong Group Capital Equity Investment Co., Ltd. (上海大眾集團資本股權投資有限公司), Shanghai Dazhong Assets Management Co., Ltd. (上海大眾資產管理有限公司), Shanghai Dazhong Financial Leasing Co., Ltd. (上海大眾融資租賃有限公司), Shanghai Dazhong Transportation Commerce Co., Ltd. (上海大眾交通商務有限公司), Shanghai Zhonggong Information Service Co., Ltd. (上海眾貢資訊服務有限公司), Dazhong (Hong Kong) International Corporation Limited (大眾(香港)國際有限公司), Dazhong (Vietnam) International Co., Ltd. (大眾(越南)國際有限公司), Shanghai Dazhong Run Logistics Shares Co., Ltd. (上海大眾運行物流股份有限公司), Shanghai Ruyu Energy Investment Co., Ltd. (上海儒馭能源投資有限公司), Xuzhou Qingshanquan Dazhong Water Operation Co., Ltd. (徐州青山泉大眾水務運營有限公司), Shanghai Dazhong Run Supply Chain Management Co., Ltd. (上海大眾運行供應鏈管理有限公司), Fretum Construction & Engineering Enterprise Limited, Galaxy Building & Development Corporation Limited, Ace Best Investing Management Corporation Limited, Interstellar Capital Investment Co., Limited and Allpay (International) Finance Service Corporation Limited, Platinum Capital Investment Corporation Limited, Ultra Partner Limited, Century Charm Limited, Jiangsu Dazhong Environment Governance Co., Ltd. (江蘇大眾環境治理有限公司), Shanghai Dazhong Gas Pipeline Engineering

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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Co., Ltd. (上海大眾燃氣管道工程有限公司), Shanghai Zhongju Equipment Leasing Co., Ltd. (上海眾聚設備租賃有限公司) and new controlled subsidiaries during the year, with a maximum total guarantee amount of RMB10 billion (foreign currency translation inclusive) and maximum guarantee balance of RMB5 billion (foreign currency translation inclusive). The date and place of signing of guarantee agreement are determined in accordance with the requirements of the guaranteed party.

2. As the agreement has not yet been signed, the above approved limit of guarantee is only an estimate of the Company. The major terms of the specific guarantee agreement are jointly determined by the Company and the subsidiaries guaranteed and the bank.

Where the guarantor is the same party, it may adjust the guarantee of the guaranteed party as stipulated in the guarantee proposal within the total amount of guarantee.

Where the guarantor is the same party, it may provide guarantee to parties other than the guaranteed party as stipulated in the guarantee proposal within the total guarantee amount for wholly-owned and controlled subsidiaries whose gearing ratio does not exceed 70%. The guarantees of Shanghai Dazhong Financial Leasing Co., Ltd., Shanghai Dazhong Gas Co., Ltd., Nantong Dazhong Gas Co., Ltd., Jiangsu Dazhong Water Group Co., Ltd. and its subsidiaries, Jiangsu Dazhong Environment Governance Co., Ltd., Shanghai Dazhong Jiading Sewage Co., Ltd., Shanghai Zhonggong Information Service Co., Ltd., Shanghai Dazhong Run Logistics Shares Co., Ltd. and its subsidiaries, Dazhong (Hong Kong) International Corporation Limited and its subsidiaries are not subject to the restriction of not exceeding 70% of gearing ratio of the paragraph.

The above limit adjustment can be carried out between wholly-owned subsidiaries or controlled subsidiaries. The guarantee amount of the Company can be adjusted between wholly-owned subsidiaries and controlled subsidiaries.

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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II. BASIC INFORMATION OF GUARANTEED PARTIES

(i) Shanghai Dazhong Municipal Development Co., Ltd.

1. Company name: Shanghai Dazhong Municipal Development Co., Ltd.
2. Registered address: Room 2122, 29 Kangshi Road, Kangqiao Town, Pudong New Area, Shanghai, the PRC
3. Legal representative: Jin Bo (金波)
4. Business scope: Investment in municipal infrastructure projects such as various urban roads, highways, tunnels, bridges and airport runways, and the relevant ancillary facilities.
5. As of 31 December 2019: Total assets of RMB163,291,500, total current liabilities of RMB67,900, total liabilities of RMB67,900, and net assets of RMB163,223,600; for the year 2019: operating revenue of nil, and net profit of RMB-199,400.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

(ii) Shanghai Xiangyin Road Tunnel Construction Development Co., Ltd.

1. Company name: Shanghai Xiangyin Road Tunnel Construction Development Co., Ltd.
2. Registered address: Room 2120, 29 Kangshi Road, Kangqiao Town, Pudong New Area, Shanghai, the PRC
3. Legal representative: Jin Bo (金波)
4. Business scope: Development of relevant industries for tunnels and operation of tunnels.
5. As of 31 December 2019: Total assets of RMB586,508,500, total non-current liabilities due within one year of RMB366,000, total current liabilities of RMB244,473,600, and total liabilities of RMB245,681,800, net assets of RMB340,826,800; for the year 2019: operating revenue of RMB14,991,200, and net profit of RMB8,818,200.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(iii) Shanghai Dazhong Environment Industry Co., Ltd.

1. Company name: Shanghai Dazhong Environment Industry Co., Ltd.
2. Registered address: Room 2121, 29 Kangshi Road, Kangqiao Town, Pudong New Area, Shanghai, the PRC
3. Legal representative: Yang Weibiao (楊衛標)
4. Business scope: Investment in urban tap water supply and sewage treatment projects, investment in infrastructure of solid waste treatment projects, etc.
5. As of 31 December 2019: Total assets of RMB515,004,500, total current liabilities of RMB182,000, total liabilities of RMB344,500, and net assets of RMB514,660,000; for the year 2019: operating revenue of RMBnil, and net profit of RMB32,671,900.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

(iv) Shanghai Dazhong Jiading Sewage Co., Ltd.

1. Company name: Shanghai Dazhong Jiading Sewage Co., Ltd.
2. Registered address: 1720 Jialuo Road, Jiading District, Shanghai, the PRC
3. Legal representative: Yang Weibiao (楊衛標)
4. Business scope: Collection and treatment of domestic sewage and industrial wastewater, etc.
5. As of 31 December 2019: Total assets of RMB794,855,300, total non-current liabilities due within one year of RMB103,025,900, total current liabilities of RMB172,478,900, total long-term borrowings of RMB173,039,200, total liabilities of RMB447,209,000, and net assets of RMB347,646,300; for the year 2019: operating revenue of RMB222,911,800, and net profit of RMB68,978,500.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(v) Jiangsu Dazhong Water Group Co., Ltd.

1. Company name: Jiangsu Dazhong Water Group Co., Ltd.
2. Registered address: Sanbahe, Qiaojiahu Village, Xuzhou, the PRC
3. Legal representative: Yang Jicai (楊繼才)
4. Business scope: Design and construction of environmental engineering and water treatment engineering, operational management services, technical consultation, production and sales of recycled water, sales of construction materials and chemical products, operation of non-financial assets, construction, operation and management of photovoltaic power stations, property leasing, site leasing.
5. As of 31 December 2019: Total assets of RMB220,070,000, total short-term borrowings of RMB19,027,800, total current liabilities of RMB40,113,200, total liabilities of RMB40,113,200, and net assets of RMB179,956,800; for the year 2019: operating revenue of RMB76,700, and net profit of RMB104,645,100.
6. Associated relationship or other relationships with the Company: Controlled subsidiary

(vi) Xuzhou Fountainhead Sewage Co., Ltd.

1. Company name: Xuzhou Fountainhead Sewage Co., Ltd.
2. Registered address: Xuzhou Industrial Park (100 meters south of the intersection of National Highway 310 and National Highway 206), the PRC
3. Legal representative: Lu Xuanhui (呂宣惠)
4. Business scope: Collection, treatment and deep purification of sewage, operation services for sewage treatment and recycling of sewage.
5. As of 31 December 2019: Total assets of RMB29,087,400, total current liabilities of RMB15,004,400, total liabilities of RMB18,709,100, and net assets of RMB10,378,300; for the year 2019: operating revenue of RMB8,604,600, and net profit of RMB1,660,500.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(vii) Peixian Fountainhead Water Operation Co., Ltd.

1. Company name: Peixian Fountainhead Water Operation Co., Ltd.
2. Registered address: West of East Ring Road, Pei County, south of Yanhe Bridge, the PRC
3. Legal representative: Lu Xuanhui (吕宣惠)
4. Business scope: Collection, treatment and deep purification of sewage.
5. As of 31 December 2019: Total assets of RMB74,922,800, total current liabilities of RMB45,715,400, total long-term borrowings of RMB8,000,000, total liabilities of RMB60,353,700, and net assets of RMB14,569,100; for the year 2019: operating revenue of RMB17,626,300, and net profit of RMB5,076,200.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

(viii) Lianyun gang West Lake Sewage Co., Ltd.

1. Company name: Lianyun gang West Lake Sewage Co., Ltd.
2. Registered address: Southwest side of West Area, Donghai County Economic Development Zone, the PRC
3. Legal representative: Wang Jian (王健)
4. Business scope: Sewage treatment and recycling.
5. As of 31 December 2019: Total assets of RMB38,786,700, total current liabilities of RMB23,797,800, total liabilities of RMB28,442,300, and net assets of RMB10,344,400; for the year 2019: operating revenue of RMB9,628,500, and net profit of RMB1,574,400.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(ix) Xuzhou Dazhong Water Operation Co., Ltd.

1. Company name: Xuzhou Dazhong Water Operation Co., Ltd.
2. Registered address: Sanbahe Sewage Treatment Plant, Qiaojiahu Village, Xuzhou, the PRC
3. Legal representative: Lu Xuanhui (呂宣惠)
4. Business scope: Collection, treatment and deep purification of sewage, operation services for sewage treatment and recycling of sewage, development, transfer, consultation and services of environmental protection technology.
5. As of 31 December 2019: Total assets of RMB62,506,300, total current liabilities of RMB7,003,200, total liabilities of RMB12,109,000, and net assets of RMB50,397,300; for the year 2019: operating revenue of RMB21,517,100, and net profit of RMB6,124,800.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

(x) Xuzhou Jiawang Dazhong Water Operation Co., Ltd.

1. Company name: Xuzhou Jiawang Dazhong Water Operation Co., Ltd.
2. Registered address: Xuzhou Industrial Park (100 meters south of the intersection of National Highway 310 and National Highway 206), Jiangsu province, the PRC
3. Legal representative: Lu Xuanhui (呂宣惠)
4. Business scope: Collection, treatment and deep purification of sewage, operation services for sewage treatment and recycling of sewage.
5. As of 31 December 2019: Total assets of RMB50,001,400, total non-current liabilities due within one year of RMB2,493,700, total current liabilities of RMB36,815,000, total liabilities of RMB37,857,400, and net assets of RMB12,144,000; for the year 2019: operating revenue of RMB9,594,300, and net profit of RMB4,014,600.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(xi) Pizhou Fountainhead Water Operation Co., Ltd.

1. Company name: Pizhou Fountainhead Water Operation Co., Ltd.
2. Registered address: 500 meters east of Zhendong Village, Yunhe Town, Pizhou, the PRC
3. Legal representative: Lu Xuanhui (呂宣惠)
4. Business scope: Sewage treatment and operation.
5. As of 31 December 2019: Total assets of RMB49,520,300, total non-current liabilities due within one year of RMB1,563,800, total current liabilities of RMB28,500,100, total liabilities of RMB34,729,100, and net assets of RMB14,791,200; for the year 2019: operating revenue of RMB15,855,700, and net profit of RMB6,560,800.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

(xii) Shanghai Dazhong Gas Co., Ltd.

1. Company name: Shanghai Dazhong Gas Co., Ltd.
2. Registered address: 309 Fushan Road, China (Shanghai) Pilot Free Trade Zone
3. Legal representative: Yang Guoping (楊國平)
4. Business scope: Planning, design and construction of gas, natural gas, gas meters, gas equipment appliances, gas kitchen equipment, gas distribution and gas projects, construction of municipal public construction projects, professional construction of pipeline construction projects.
5. As of 31 December 2019: Total assets of RMB5,209,784,700, total short-term borrowings of RMB100,119,600, total current liabilities of RMB2,878,830,100, total liabilities of RMB3,627,336,100, and net assets of RMB1,582,448,700; for the year 2019: operating revenue of RMB3,893,272,300, and net profit of RMB136,321,300.
6. Associated relationship or other relationships with the Company: Controlled subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(xiii) Shanghai Dazhong Gas Investment Developing Co., Ltd.

1. Company name: Shanghai Dazhong Gas Investment Developing Co., Ltd.
2. Registered address: Room 1226, 2575 Hunan Road, Kangqiao Town, Pudong New Area (Kangqiao), Shanghai, the PRC
3. Legal representative: Yang Guoping (楊國平)
4. Business scope: Asset management, corporate management, domestic commerce, asset restructuring, asset custody and relevant business consultation, economic and trade information consultation, investment in urban public utilities such as gas, transportation, water and environmental protection, industrial investment.
5. As of 31 December 2019: Total assets of RMB157,737,400, total current liabilities of RMB176,800, total liabilities of RMB176,800, and net assets of RMB157,560,600; for the year 2019: operating revenue of RMB nil, and net profit of RMB13,987,800.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

(xiv) Nantong Dazhong Gas Co., Ltd.

1. Company name: Nantong Dazhong Gas Co., Ltd.
2. Registered address: No.59, Gongnong North Road, Nantong city, the PRC
3. Legal representative: Zhuang Jianhao (莊建浩)
4. Business scope: Production, distribution and supply of pipeline gas, supply of CNG, supply of liquefied petroleum gas, etc.
5. As of 31 December 2019: Total assets of RMB1,562,064,300, total current liabilities of RMB340,518,100, total liabilities of RMB1,134,936,900, and net assets of RMB427,127,400; for the year 2019: operating revenue of RMB1,099,972,900, and net profit of RMB50,643,600.
6. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(xv) Shanghai Dazhong Group Capital Equity Investment Co., Ltd.

1. Company name: Shanghai Dazhong Group Capital Equity Investment Co., Ltd.
2. Registered address: Room 24A01, 518 Shangcheng Road, Pudong New Area, Shanghai, the PRC
3. Legal representative: Yang Guoping (楊國平)
4. Business scope: Equity investment, equity investment management, investment consultation, industrial investment, and asset management.
5. As of 31 December 2019: Total assets of RMB798,482,900, total liabilities of RMB275,083,800, and net assets of RMB523,399,200; for the year 2019: operating revenue of RMBnil, and net profit of RMB-17,547,200.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

(xvi) Shanghai Dazhong Assets Management Co., Ltd.

1. Company name: Shanghai Dazhong Assets Management Co., Ltd.
2. Registered address: Room 906, Building A, 169 Taigu Road, China (Shanghai) Pilot Free Trade Zone
3. Legal representative: Yang Guoping (楊國平)
4. Business scope: Asset management, investment management, equity investment management, investment consultation, etc.
5. As of 31 December 2019: Total assets of RMB538,379,100, total current liabilities of RMB1,500, total liabilities of RMB1,500, and net assets of RMB538,377,600; for the year 2019: operating revenue of RMBnil, and net profit of RMB-249,600.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(xvii) Shanghai Dazhong Financial Leasing Co., Ltd.

1. Company name: Shanghai Dazhong Financial Leasing Co., Ltd.
2. Registered address: Room 108, 26 Jiafeng Road, China (Shanghai) Pilot Free Trade Zone
3. Legal representative: Yang Guoping (楊國平)
4. Business scope: Financial leasing business, leasing business, purchase of domestic and overseas leased property, treatment and maintenance of residual value of leased property, consultation and provision of guarantee for leasing transactions, engagement in commercial factoring business in relation to its main business.
5. As of 31 December 2019: Total assets of RMB2,172,675,800, total non-current liabilities due within one year of RMB855,689,300, total current liabilities of RMB1,078,710,900, total long-term borrowings of RMB240,532,800, total liabilities of RMB1,614,538,200, and net assets of RMB558,137,600; for the year 2019: operating revenue of RMB146,548,900, and net profit of RMB45,419,300.
6. Associated relationship or other relationships with the Company: Controlled subsidiary

(xviii) Shanghai Dazhong Transportation Commerce Co., Ltd.

1. Company name: Shanghai Dazhong Transportation Commerce Co., Ltd.
2. Registered address: Room 1112, 1515 Zhongshan West Road, Xuhui District, Shanghai, the PRC
3. Legal representative: Li Weitao (李偉濤)
4. Business scope: Provision of corporate management consultation and planning and business information consultation through the membership card system of the Group, provision of a variety of management, planning, consultation and agent services in relation to employee benefits to units of the enterprise through the employee service card system, etc.
5. As of 31 December 2019: Total assets of RMB150,267,100, total current liabilities of RMB49,709,900, total liabilities of RMB49,709,900, and net assets of RMB100,557,200; for the year 2019: operating revenue of RMB4,042,800, and net profit of RMB980,700.

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

6. Associated relationship or other relationships with the Company:
Wholly-owned subsidiary

(xix) Shanghai Zhonggong Information Service Co., Ltd.

1. Company name: Shanghai Zhonggong Information Service Co., Ltd.
2. Registered address: Room A1-5932, 58 Fuminzhi Road, Hengsha Township, Chongming County, Shanghai, the PRC (Shanghai Hengtai Economic Development Zone)
3. Legal representative: Chen Jiami (陳佳敕)
4. Business scope: Business consultation, business management consultation, marketing planning, corporate image planning, exhibition services, financial consultation, translation services, market information consultation and survey, etc.
5. As of 31 December 2019: Total assets of RMB54,500,000, total current liabilities of RMB42,798,300, total liabilities of RMB44,219,500, and net assets of RMB10,280,500; for the year 2019: operating revenue of RMB6,130,000, and net profit of RMB855,700.
6. Associated relationship or other relationships with the Company:
Wholly-owned subsidiary

(xx) Dazhong (Hong Kong) International Corporation Limited

1. Company name: Dazhong (Hong Kong) International Corporation Limited
2. Registered address: FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
3. Business scope: Passenger transportation services of rental cars, business and investment in relation to freight transport.
4. As of 31 December 2019: Total assets of USD293,448,200, total short-term borrowings of USD37,213,100, total current liabilities of USD161,487,000, total liabilities of USD161,487,000, and net assets of USD131,961,200; for the year 2019: operating revenue of USDnil, and net profit of USD12,174,600.
5. Associated relationship or other relationships with the Company:
Wholly-owned subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(xxi) Xuzhou Qingshanquan Dazhong Water Operation Co., Ltd.

1. Company name: Xuzhou Qingshanquan Dazhong Water Operation Co., Ltd.
2. Registered address: Textile Industry Park, Qingshanquan Town, Jiawang District, Xuzhou, the PRC
3. Legal representative: Lu Xuanhui (呂宣惠)
4. Business scope: Sewage treatment and recycling and operation services
5. As of 31 December 2019: Total assets of RMB39,440,000, total current liabilities of RMB17,105,500, total long-term borrowings of RMB10,482,500, total liabilities of RMB28,536,300, and net assets of RMB10,903,700; for the year 2019: operating revenue of RMB5,315,600, and net profit of RMB980,000.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

(xxii) Shanghai Dazhong Run Logistics Shares Co., Ltd.

1. Company name: Shanghai Dazhong Run Logistics Shares Co., Ltd.
2. Registered address: No. 451, Wenshui Road, Jing'an District, Shanghai, the PRC
3. Legal representative: Liang Jiawei (梁嘉瑋)
4. Business scope: General cargo transportation, general cargo transportation (freight leasing), general cargo transportation (field moving transportation), cargo-specific transportation (refrigeration), road transport of dangerous goods (Class II (flammable gas)), road general cargo transportation (truck brokerage), domestic freight forwarding agent, sea/land/air international freight forwarding agent and packaging services.
5. As of 31 December 2019: Total assets of RMB93,895,200, total current liabilities of RMB33,079,400, total liabilities of RMB35,965,900, and net assets of RMB57,929,300; for the year 2019: operating revenue of RMB83,788,200 and net profit of RMB4,236,100.
6. Associated relationship or other relationships with the Company: Controlled subsidiary

<p>APPENDIX VII RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>

(xxiii) Shanghai Ruyu Energy Investment Co., Ltd.

1. Company name: Shanghai Ruyu Energy Investment Co., Ltd.
2. Registered address: Room G1016, Building 10, No.1021, Sanshuang Road, Gangxi Town, Chongming District, Shanghai, the PRC
3. Legal representative: Liang Jiawei (梁嘉玮)
4. Business scope: Technology development, technology consulting, technology transfer and technical services in energy technology area.
5. As of 31 December 2019: Total assets of RMB1,245,940,300, total current liabilities of RMB1,367,200, total liabilities of RMB1,367,200, and net assets of RMB1,244,573,100; for the year 2019: operating revenue of RMBnil, and net profit of RMB93,247,500.
6. Associated relationship or other relationships with the Company: Wholly-owned subsidiary

(xxiv) Shanghai Dazhong Run Supply Chain Management Co., Ltd.

1. Company name: Shanghai Dazhong Run Supply Chain Management Co., Ltd.
2. Registered address: No.56 Suide Road, Putuo District, Shanghai, the PRC
3. Legal representative: He Zhou (何洲)
4. Business scope: Uploading and unloading services, supply chain management, road cargo transportation, domestic freight forwarding agent, etc.
5. As of 31 December 2019: Total assets of RMB26,458,400, total current liabilities of RMB9,270,200, total liabilities of RMB16,430,500, and net assets of RMB10,028,000; for the year 2019: operating revenue of RMB56,825,800, and net profit of RMB6,386,800.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(xxv) Platinum Capital Investment Corporational Limited

1. Company name: Platinum Capital Investment Corporational Limited
2. As of 31 December 2019: Total assets of USD200, total current liabilities of USD8,900, total liabilities of USD8,900, and net assets of USD-8,700; for the year 2019: operating revenue of USDnil, and net profit of USD-2,800.
3. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

(xxvi) CENTURY CHARM LIMITED

1. Company name: CENTURY CHARM LIMITED
2. As of 31 December 2019: Total assets of USD100, total current liabilities of USD11,900, total liabilities of USD11,900, and net assets of USD-11,800; for the year 2019: operating revenue of USDnil, and net profit of USD-3,100.
3. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

(xxvii) ULTRA PARTNER LIMITED

1. Company name: ULTRA PARTNER LIMITED
2. As of 31 December 2019: Total assets of USD100, total current liabilities of USD11,900, total liabilities of USD11,900, and net assets of USD-11,800; for the year 2019: operating revenue of USDnil, and net profit of USD-3,100.
3. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(xxviii) Fretum Construction & Engineering Enterprise Limited

1. Company name: Fretum Construction & Engineering Enterprise Limited
2. Registered address: FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
3. Business scope: CORP
4. As of 31 December 2019: Total assets of USD67,685,200, total current liabilities of USD11,146,100, total liabilities of USD11,146,100, and net assets of USD56,539,200; for the year 2019: operating revenue of USDnil, and net profit of USD1,725,500.
5. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

(xxix) Galaxy Building & Development Corporation Limited

1. Company name: Galaxy Building & Development Corporation Limited
2. Registered address: FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
3. Business scope: CORP
4. As of 31 December 2019: Total assets of USD3,175,700, total current liabilities of USD12,800, total liabilities of USD12,800, and net assets of USD3,162,800; for the year 2019: operating revenue of USD nil, and net profit of USD37,600.
5. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(xxx) Ace Best Investing Management Corporation Limited

1. Company name: Ace Best Investing Management Corporation Limited
2. Registered address: FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
3. Business scope: CORP
4. As of 31 December 2019: Total assets of USD4,992,100, total current liabilities of USD nil, total liabilities of USD nil, and net assets of USD4,992,100; for the year 2019: operating revenue of USD nil, and net profit of USD-1,400.
5. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

(xxxi) Interstellar Capital Investment CO., Limited

1. Company name: Interstellar Capital Investment CO., Limited
2. Registered address: FLAT/RM 8204B, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
3. Business scope: CORP
4. As of 31 December 2019: Total assets of RMB412,224,500, total current liabilities of RMB89,600, total liabilities of RMB89,600, and net assets of RMB412,134,900; for the year 2019: operating revenue of RMB nil, and net profit of RMB-15,400.
5. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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(xxxii) Allpay (International) Finance Service Corporation Limited

1. Company name: Allpay (International) Finance Service Corporation Limited
2. Registered address: Suites 3011, 30th Floor, Tower 6 the Gateway, 1 Canton Road, Kowloon, Hong Kong
3. Business scope: CORP
4. As of 31 December 2019: Total assets of USD6,590,300, total current liabilities of USD nil, total liabilities of USD nil, and net assets of USD6,590,300; for the year 2019: operating revenue of USD nil, and net profit of USD26,700.
5. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

(xxxiii) Dazhong (Vietnam) International Co., Ltd.

1. Company name: Dazhong (Vietnam) International Co., Ltd.
2. Registered address: Ho Chi Minh City, Vietnam
3. Legal representative: Zhuang Ziguó (莊自國)
4. Business scope: Management consultation
5. As of 31 December 2019: Total assets of RMB32,949,700, total current liabilities of RMB350,600, total liabilities of RMB350,600, and net assets of RMB32,599,000; for the year 2019: operating revenue of RMB nil, and net profit of RMB1,965,900.
6. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

<p>APPENDIX VII</p> <p>RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING</p>
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(xxxiv) Jiangsu Dazhong Environmental Governance Co., Ltd.

1. Company name: Jiangsu Dazhong Environmental Governance Co., Ltd.
2. Registered address: Sanbahe Sewage Treatment Plant, Qiaojiahu Village, Yunlong District, Xuzhou, the PRC
3. Legal representative: Yang Weibiao (楊衛標)
4. Business scope: Environmental control and management services; water pollution control services; design and construction of environmental engineering, water treatment works, hydraulic engineering, waterproofing engineering, municipal engineering and pipeline, technology consulting and technical services; sales of construction materials and chemical products (excluding hazardous products); construction, operation and management of photovoltaic power stations; municipal waste disposal services; car park management services; water services. (Projects subject to approval according to law may not commence business until they are approved by relevant departments)
5. As of 31 December 2019: Total assets of RMBnil, total current liabilities of RMBnil, total liabilities of RMBnil, and net assets of RMBnil; for the year 2019: operating revenue of RMBnil, and net profit of RMBnil.
6. Associated relationship or other relationships with the Company: Subsidiary of a wholly-owned subsidiary

(xxxv) Shanghai Dazhong Gas Pipeline Engineering Co., Ltd.

1. Company name: Shanghai Dazhong Gas Pipeline Engineering Co., Ltd.
2. Registered address: Room 3008, Floor 3, Building 1, No. 999 jinzha Road, Fengxian District, Shanghai, the PRC
3. Legal representative: Zhao Yeqing (趙曄青)

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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4. Business scope: Professional construction of pipeline construction engineering and testing of gas equipment. Engagement in technology development, technology consulting, technical services and technology transfer in the technical field of gas pipeline engineering. Construction of municipal public construction projects, and wholesale and retail of gas alarm devices, stainless steel kitchen equipment and gas equipment. Installation and maintenance of gas cookers. Gas operation, and water and electricity installation. (Projects subject to approval according to law may not commence business until they are approved by relevant departments).
5. As of 31 December 2019: Total assets of RMB13,811,500, total current liabilities of RMB3,650,600, total liabilities of RMB3,650,600, and net assets of RMB10,160,900; for the year 2019: operating revenue of RMB15,880,500, and net profit of RMB160,900.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

(xxxvi) Shanghai Zhongju Equipment Leasing Co., Ltd.

1. Company name: Shanghai Zhongju Equipment Leasing Co., Ltd.
2. Registered address: Room 333, Floor 3, Part 4, Building 1, No. 2001 Yanggao North Road, China (Shanghai) Pilot Free Trade Zone
3. Legal representative: Liang Jiawei (梁嘉璋)
4. Business scope: Finance leasing business of machinery and equipment (only SPV), leasing business, purchase of overseas leased property, and treatment of residual value of leased property. (Projects subject to approval according to law may not commence business until they are approved by relevant departments).
5. As of 31 December 2019: Total assets of RMBnil, total current liabilities of RMBnil, total liabilities of RMBnil, and net assets of RMBnil; for the year 2019: operating revenue of RMBnil, and net profit of RMBnil.
6. Associated relationship or other relationships with the Company: Subsidiary of a controlled subsidiary

The above guaranteed parties are not shareholders, de facto controllers of shareholders and controlled subsidiaries and affiliates of related parties of the Company, and are not individuals.

APPENDIX VII	RESOLUTION ON THE PROPOSAL OF THE PROVISION OF GUARANTEE FOR CONTROLLED SUBSIDIARIES WITH RESPECT TO THEIR EXTERNAL FINANCING
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III. MAIN SUBJECT OF GUARANTEE AGREEMENT

The Company provides credit guarantees, and the term and amount of which are determined in accordance with the business requirements of the guaranteed party.

IV. AGGREGATE AMOUNT OF EXTERNAL GUARANTEES AND AGGREGATE AMOUNT OF OVERDUE GUARANTEES

In 2019, the Company provided guarantees of RMB1,721,111,561.56 (foreign currency inclusive) in aggregate for its controlled subsidiaries and subsidiaries of its controlled subsidiaries (including subsidiaries with a gearing ratio of more than 70%).

As of 31 December 2019, the balance of guarantees provided by the Company to its controlled subsidiaries and subsidiaries of its controlled subsidiaries (including subsidiaries with a gearing ratio of more than 70%) amounted to RMB1,515,507,350.59 (foreign currency inclusive), which accounted for 18.93% of net assets of the Company. The Company has not provided any guarantee for its controlling shareholders and related parties, and there is no overdue guarantee.

This resolution shall be proposed at 2019 AGM for approval and then the Company's management is authorized to perform such specific execution. This resolution shall be valid from the date on which the resolution is considered and approved at the 2019 AGM to the date on which the next annual general meeting is held.

<p style="text-align: center;">APPENDIX VIII RESOLUTION ON ENTERING INTO THE LOAN MUTUAL GUARANTEE WITH THE CONTROLLING SHAREHOLDER AND CONNECTED TRANSACTIONS</p>
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I. OVERVIEW OF RELATED PARTY TRANSACTIONS

1. The Company entered into a loan mutual guarantee agreement with Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) (“Dazhong Business Management”) (the “Agreement”). The transaction aims to meet the daily production and operating capital turnover requirements of the Company and Dazhong Business Management and to support the development of enterprise. The Company and Dazhong Business Management will apply for borrowings or facilities from financial institutions by mutual guarantee in accordance with the borrowing requirements of banks or relevant financial institutions. The limit of mutual guarantee to be provided by the Company and Dazhong Business Management to each other is not more than RMB500 million, that is, the amount of guarantee to be provided by the Company to Dazhong Business Management is not more than RMB500 million, and the amount of guarantee to be provided by Dazhong Business Management to the Company is not more than RMB500 million, both of which can be utilised by one or more times. The mutual guarantee period is valid for 36 months from the date on which the mutual guarantee matters were approved by the necessary internal consideration procedures of the Parties. That means within the aforementioned period, the Parties are entitled to demand guarantee for its loans from banks or relevant financial institutions by the other party, with the specific amounts and periods to be agreed in the guarantee agreements signed by then.

The chairman of the Board of the Company is authorised to enter into the above Loan Mutual Guarantee Agreement on behalf of the Company with Dazhong Business Management, and the Company will fulfill its information disclosure obligations in accordance with the progress in a timely manner.

2. As Mr. Yang Guoping, being the Chairman of the Board of the Company, Mr. Liang Jiawei, being a Director, and Ms. Zhao Siyuan, being a Supervisor, are also directors of Shanghai Dazhong Business Management Co., Ltd., and Dazhong Business Management is the largest shareholder of the Company, pursuant to the relevant provisions of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the transaction constitutes a related party transaction of listed company. Related directors Mr. Yang Guoping and Mr. Liang Jiawei both abstained from voting on the resolution concerning the related guarantee. In addition, in accordance with the Hong Kong Listing Rules, the transaction constitutes a continuing connected transaction of the Company.
3. The transaction is subject to approval at the 2019 AGM, and the interested related parties to the related transaction will abstain from voting on the resolution at the general meeting.

APPENDIX VIII RESOLUTION ON ENTERING INTO THE LOAN MUTUAL GUARANTEE WITH THE CONTROLLING SHAREHOLDER AND CONNECTED TRANSACTIONS

4. As of the date of this announcement, the balance of the cumulative amount of guarantee provided by the Company to Dazhong Business Management was nil; and the balance of the cumulative amount of guarantee provided by Dazhong Business Management to the Company was nil.
5. As of this related party transaction, the number of related party transactions in relation to the transactions conducted by the Company with a same related party or different related parties was nil.
6. This related party transaction does not constitute a major asset restructuring under the Measures for the Administration of the Material Asset Restructurings of Listed Companies.

II. BACKGROUND OF RELATED PARTY

(I) Relationship with related party

Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) is a controlling shareholder of the Company. Mr. Yang Guoping, being the Chairman and director of the Company, Mr. Liang Jiawei, being a Director, and Ms. Zhao Siyuan, being a Supervisor, are also directors of Shanghai Dazhong Business Management Co., Ltd.

(II) Basic information of related party

1. Company name: Shanghai Dazhong Business Management Co., Ltd.

Type of company: Other limited liability company

Legal address: Room 182, Block S, Level 1, Building 3, No.7, Jiayi Industrial Zone, Qingpu Industrial Park Area, Shanghai

Legal representative: Zhao Siyuan (趙思淵)

Registered capital: RMB159 million

Date of establishment: 10 March 1995

Main business: operation management and business management of taxi companies and related companies, investment management, property management, investment consultancy, business consultancy, marketing and planning, corporate image planning, conference services, interior decoration, operation of taxi business and sales of automobile components (for items subject to approval, the operation shall only be conducted after obtaining approval from relevant departments)

<p align="center">APPENDIX VIII RESOLUTION ON ENTERING INTO THE LOAN MUTUAL GUARANTEE WITH THE CONTROLLING SHAREHOLDER AND CONNECTED TRANSACTIONS</p>

2. Business of Dazhong Business Management for the latest three years: operation of taxis, automobile sales services for 3 specialised 4s stores and 7 automobile repairs companies, hotel services and equity investments in sectors including real estate and logistics.
3. The related party's relationship with the Company in aspect of property right, business, assets, credits and debts and personnel are in line with the requirements of relevant laws and regulations.
4. Key financial indicators for the latest year and period:

Key financial indicators of Dazhong Business Management for the latest year and period:

Currency: RMB Unit: 0'000

Item	31 December 2018 (audited)	30 September 2019 (unaudited)
Total assets	200,554.29	201,555.50
Total liabilities	130,420.11	131,632.82
Net assets	70,134.18	69,922.68

Item	From January to December 2018 (audited)	From January to September 2019 (unaudited)
Operating revenue	2,753.06	3,236.96
Net profit	2,860.48	1,775.99

III. MAIN SUBJECT OF THE LOAN MUTUAL GUARANTEE AGREEMENT

1. Investment direction requirements on loan capital: Each party shall use the capital from loans to invest in business scope that is in line with national industrial policies and business license. The Company and Dazhong Business Management have undertaken to provide the other party with necessary credit guarantee for applying for loans, and to enter into guarantee contract with creditor banks or relevant financial institutions in accordance with the Agreement and the other party's requirements.

<p style="text-align: center;">APPENDIX VIII RESOLUTION ON ENTERING INTO THE LOAN MUTUAL GUARANTEE WITH THE CONTROLLING SHAREHOLDER AND CONNECTED TRANSACTIONS</p>
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2. Principles on mutual guarantee: The annual cumulative amount of guarantee provided by the Company to Dazhong Business Management shall be not more than RMB500 million (the “Annual Cap for Party A”); and the annual cumulative amount of guarantee provided by Dazhong Business Management to the Company shall be not more than RMB500 million (the “Annual Cap for Party B”).

The mutual guarantee between Party A and Party B shall be performed on an equal basis. Each Party shall calculate the commission fees receivable for the loans guaranteed in that financial year according to the following formula. If the total amount of commission fees receivable by one party is equal to the total amount of commission fees receivable by the other party during the relevant financial year, neither party to the Loan Mutual Guarantee Agreement shall be required to pay commission fees. If the total amount of commission fees receivable by one party (the “Receivable Party”) is higher than the total amount of commission fees receivable by the other party (the “Payable Party”) during the relevant financial year, the Payable Party shall pay the net amount of commission fees to the Receivable Party in cash within three months after December 31 of that financial year.

The commission fee for each guarantee = the guarantee amount × (days of effective guarantee during the year/365) × the guarantee commission fee rate. For the avoidance of doubt, if one party requires the other party to guarantee more than one loan in a financial year, the total commission fee payable by that party to the other party will be the sum of the commission fees incurred from each guarantee. The guarantee commission fee rate for each deal is determined and agreed with reference to the commission market rate of guarantee service providers, which is expected to range from 0.3% to 0.8%.

3. Mutual guarantee period: The terms for the Parties to the Agreement in their mutual guarantee obligations are 36 months from the date on which the mutual guarantee matters were approved by the necessary internal consideration procedures of the Parties (the “Validity Period”).
4. Dispute resolution: Any dispute arising from the performance of the Agreement by the Parties shall be resolved through friendly consultation, or otherwise any party shall have the right to submit the dispute to the people’s court with jurisdiction for resolution.
5. Effect of agreement: The Agreement shall be established upon execution by the Parties, and shall take effect from the date when the Parties fulfilled each of their internal consideration procedures in accordance with the requirements of relevant laws and regulations, including but not limited to the Listing Rules of The Stock Exchange of Hong Kong Limited.

<p style="text-align: center;">APPENDIX VIII RESOLUTION ON ENTERING INTO THE LOAN MUTUAL GUARANTEE WITH THE CONTROLLING SHAREHOLDER AND CONNECTED TRANSACTIONS</p>

IV. As of 31 December 2019, the balance of guarantees provided by the Company to its controlled subsidiaries and subsidiaries of its controlled subsidiaries (including subsidiaries with a gearing ratio of more than 70%) amounted to RMB1,515,507,350.59 (foreign currency translation inclusive), which accounted for 18.80% of net assets of the Company. The Company has not provided any guarantee for its controlling shareholders and related parties, and there is no overdue guarantee.

V. PURPOSE OF THE RELATED PARTY TRANSACTION AND ITS IMPLICATIONS ON THE COMPANY

1. The entering into the Agreement by the Company with Dazhong Business Management is to meet the Company's daily production and operating capital turnover requirements, which is beneficial to the Company's continuous production and operation. The other party, Dazhong Business Management, is a controlling shareholder of the Company with good asset quality and stable production and operation.
2. The Agreement is signed under the principle of reciprocity between the Parties. In the case of establishing a mutual guarantee relationship, the financial risk of providing a certain amount of guarantee to the other party is within the Company's controllable range. During the implementation process, the Company will actively strengthen communication with Dazhong Business Management to keep abreast of its operating conditions. In addition, the Company will adopt other measures to effectively avoid risks and protect the interests of the Company.

The details of the resolution on the proposal for the Company and its subsidiaries to use self-owned idle funds for entrusted financing in 2020 are as follows:

In order to continuously enhance the efficiency of the use of the funds of the Company and its subsidiaries and reasonably utilize the idle funds, the Company and its subsidiaries intend to use self-owned idle funds to entrust financial institutions such as commercial banks, trust companies, securities companies, fund companies and insurance companies for entrusted wealth management with a limit shared by the Company and its subsidiaries on a revolving basis, provided that liquidity requirements for the ordinary course of operation of the Company and its subsidiaries are securely met. Both parties of the entrusted wealth management are independent to each other, and the entrusted wealth management does not constitute a related transaction.

I. BASIC DESCRIPTION

The capital source of entrusted financing is the self-owned idle funds of the Company and its subsidiaries.

II. PRODUCT DESCRIPTION

The Company proposes to entrust financial institutions such as commercial banks, trust companies, securities companies, fund companies, insurance companies and asset management companies for entrusted financing, including but not limited to other financing targets and financing methods approved according to the Company's internal decision-making procedures, such as financing products (bank financing products, trust plan, asset management plan, income receipts of securities dealers, etc.), bonds (national bonds, reverse repurchase of national bonds, corporate bonds, enterprise bonds, government bonds, etc.), foreign exchange financial products (forwards, swaps and options, etc.), currency funds, etc.. The funds will not be used to invest in stocks and underlying derivatives, securities investment funds and products with the purpose of securities investment.

III. LIMIT AND TERM OF THE ENTRUSTED FINANCING

The Company will use its self-owned idle funds for entrusted wealth management with a maximum balance of RMB3.5 billion (foreign currency translation inclusive) per day and such limit can be used on a revolving basis. The term of the entrusted wealth management shall begin from the date on which the resolution is passed at the 2019 AGM of the Company to the date on which the 2020 AGM of the Company is held.

IV. DESCRIPTION OF PROCEDURES OF CONSIDERATION AND APPROVAL REQUIRED

Pursuant to the requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, Hong Kong Listing Rules and Articles of Association, this matter is subject to the consideration and approval by the general meeting of the Company.

V. RISK MANAGEMENT AND CONTROL

The Company has established sound procedures for the consideration and approval and implementation of the use of funds to ensure the effective application and regulated use of funds. During the period of entrusted wealth management, the Company will maintain close contact with the trustee of entrusted wealth management and timely track the operation of the wealth managed funds. If any risk factors that may affect the security of funds of the Company are identified, appropriate measures shall be adopted in time to control investment risks. Meanwhile, in accordance with the relevant requirements of the China Securities Regulatory Commission and Shanghai Stock Exchange and Hong Kong Listing Rules, the Company will disclose the condition of entrusted wealth management products during the reporting period in regular reports, if applicable.

The operation management of the Company is authorised to organize and implement the specific matters on the purchase of wealth management products within the investment limit. Such entrusted wealth management is in line with the requirement of internal funds management of the Company, and the Company will further improve the procedures for consideration and approval and control of investment and wealth management to ensure the safety and effective use of funds.

VI. IMPACT ON THE DAILY OPERATION OF THE COMPANY

Unit: RMB

Items	31 December 2018 <i>(Audited)</i>	31 December 2019 <i>(Audited)</i>
Total assets	21,592,362,814.96	22,565,398,377.59
Total liabilities	13,011,189,708.76	13,316,597,973.46
Net assets	7,459,681,430.71	8,063,278,014.37
	Year of 2018	Year of 2019
Net cash flows from operating activities	280,254,371.31	1,218,417,852.14

The Company and its subsidiaries will conduct sufficient estimation and measurement on the risks and returns of wealth management products and future capital requirements. The use of such funds shall not affect the requirements for daily operation and development of the Company. Purchasing wealth management products with self-owned idle funds in time can help improving the efficiency of utilization of idle funds of the Company and control the foreign exchange rate risk, and will not harm the interests of the shareholders of the Company.

APPENDIX IX	RESOLUTION ON THE PROPOSAL FOR THE COMPANY AND ITS SUBSIDIARIES TO USE IDLE FUNDS FOR ENTRUSTED FINANCING FOR THE YEAR 2020
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VII. CAUTION ON RISKS

The financial market is subject to significant impacts imposed by changes in macro-economic condition, fiscal and monetary policies, exchange rate and liquidity, therefore, the expected returns on investment could be uncertain.

VIII. INFORMATION ON ENTRUSTED WEALTH MANAGEMENT WITH SELF-OWNED CAPITAL OR PROCEEDS RAISED BY THE COMPANY DURING LATEST TWELVE MONTHS UP TO 28 FEBRUARY 2020

Amount in RMB0,000

No.	Type of Wealth Management Products	Actual Investment Amount	Actual Principle Amount Recovered	Actual Return	Outstanding Principle Amount
1	Bank Wealth Management Products	91,926.00	59,626.00	1,472.05	32,300.00
Total		91,926.00	59,626.00	1,472.05	32,300.00
Maximum investment amount per day during latest twelve months					42,557.00
Maximum investment amount per day during latest twelve months/net assets for the past year (%)					5.28%
Cumulative returns on entrusted wealth management during latest twelve months/net profits for the past year (%)					2.80%
Wealth management limit already utilized					32,300.00
Outstanding wealth management limit					317,700.00
Maximum wealth management limit					350,000.00

The details of the resolution on the re-appointment of the domestic audit firm and internal control audit firm for the Group for the year 2020 are as follows:

As the domestic audit firm and internal control audit firm appointed by the Company for the year 2019, BDO China Shu Lun Pan Certified Public Accountants LLP, in the course of audit on the Company, adhered to the independent, objective and fair practice standards, diligently fulfilled its obligations, issued independent audit opinion objectively and impartially, and satisfactorily completed the commissioned audit work of the Company. In 2019, the service fee for audit business paid by the Company to BDO China Shu Lun Pan Certified Public Accountants LLP amounted to RMB1.5 million, and the service fee for internal control audit business amounted to RMB0.4 million.

In order to ensure the continuity and stability of external audit work of the Company, as considered and approved in the twenty-first meeting of the Tenth session of the Board, the Company proposes to re-appoint BDO China Shu Lun Pan Certified Public Accountants LLP to conduct audit on the annual financial statements of the Company for the year 2020 and issue audit reports, and proposes to re-appoint BDO China Shu Lun Pan Certified Public Accountants LLP to conduct audit on the effectiveness of internal control of the Company for the year 2020 and issue internal control audit reports. The term of both appointments shall be one year, and audit fees shall be paid in accordance with the standard paid schedule.

The details of the resolution on the appointment of the overseas audit firm for the Company for the year 2020 are as follows:

As the overseas audit firm appointed by the Company for the year 2019, BDO Limited, in the course of audit on the Company, diligently fulfilled its duties, adhered to the independent, objective and fair practice standards, and completed the annual audit work. In 2019 the service fee for audit business paid by the Company to BDO Limited amounted to HK\$1.3 million.

In order to ensure the continuity and stability of external audit work of the Company, as considered and approved in the twenty-first meeting of the Tenth session of the Board, the Company proposes to re-appoint BDO Limited as the overseas audit firm for the Company for the year 2020. The term of appointment shall be one year, and audit fees shall be paid in accordance with the standard paid schedule.

APPENDIX XII RESOLUTION ON THE PROPOSED ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

In order to satisfy the requirements for production, operation and development of the Company and optimize its debt structure, the Company proposes to apply for issuance of onshore or offshore debt financing instruments of totaling no more than RMB9 billion (inclusive) by one or multiple issuances or by multiple tranches through public offerings or private placements. Such debt financing instruments include but not limited to the offshore Renminbi or foreign currency bonds, corporate bonds, mid-term notes, short-term commercial papers, super short-term commercial papers and other onshore or offshore debt financing instruments which can be issued by the Company as approved, filled and recognized by the China Securities Regulatory Commission (hereafter referred to as “CSRC”), the Securities Association of China, the National Association of Financial Market Institutional Investors, the National Development and Reform Commission (hereafter referred to as “NDRC”) and other relevant authorities pursuant to related regulations.

1. SUMMARY OF THE ISSUE

(I) Type of Onshore and Offshore Debt Financing Instruments to be Issued

A resolution will be proposed at the 2019 AGM by the Board to authorize the Board or the authorized representatives of the Board (the “**Authorized Representatives**”) to jointly or severally determine the types of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments and details of priorities for repayment of creditors in accordance with laws, regulations and the relevant rules stipulated by securities regulatory authorities, as well as the resolutions of the 2019 AGM, the Company’s conditions and then prevailing market conditions at the time of issue. The onshore Debt Financing Instruments or the offshore Debt Financing Instruments proposed for issue in this resolution do not contain any provision for conversion into shares.

(II) Issue Method and Size

The aggregate issue size of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments of the Company shall be no more than RMB9 billion (inclusive) (based on the balance outstanding on the instruments issued and, in the case of an instrument denominated in foreign currency, based on the median exchange rate published by the People’s Bank of China on the date of issue), and shall be in compliance with the requirements prescribed in the relevant laws and regulations on the maximum amount of the specific debt financing instruments to be issued. The Board will propose to the Authorized Representatives to jointly or severally determine, at its/their sole discretion, the issue size and issue method in accordance with relevant laws and regulations as well as the advice and recommendations of regulatory authorities, the Company’s actual needs for funding and the then prevailing market conditions at the time of issue, in order to maximize the interest of the Company, and to monitor the issue and payment of the onshore Debt Financing Instruments or offshore Debt Financing Instruments of the Company.

APPENDIX XII RESOLUTION ON THE PROPOSED ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

(III) Par Value and Issue Price

The Authorized Representatives will jointly or severally determine the issue price of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments in accordance with the then prevailing market conditions at the time of issue and relevant laws and regulations.

(IV) Issue Target and Arrangements on Placement to Shareholders of the Company

The issue target of the onshore Debt Financing Instruments shall be the onshore investors which meet the conditions for subscription. The issue target of the offshore Debt Financing Instruments shall be the onshore and offshore investors which meet the conditions for subscription. The Authorized Representatives will jointly or severally determine the detailed issue target in accordance with relevant laws and regulations, the prevailing market conditions and specific matters in connection with the issue. The onshore Debt Financing Instruments and the offshore Debt Financing Instruments may be placed to the shareholders of the Company. The Authorized Representatives will jointly or severally determine the details of the placement arrangements (including whether to make such placement and the proportion of placement, etc.) in accordance with the then prevailing market conditions and specific matters in connection with the issue and the laws.

(V) Term and Type of Bonds

The term of the fixed-term onshore Debt Financing Instruments or offshore Debt Financing Instruments shall be no more than 10 years (inclusive). It may have single term and type or hybrid types with multiple types; the non-fixed-term onshore Debt Financing Instruments or offshore Debt Financing Instruments are not subject to the aforementioned requirement on the term. The Authorized Representatives will jointly or severally determine the detailed term and size of each type of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments in accordance with the relevant rules and then prevailing market conditions at the time of issue.

(VI) Coupon Rate

The Authorized Representatives will determine the interest rate for the issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments as well as the method of calculation and payment thereof in accordance with the then prevailing market conditions at the time of issue and relevant rules.

(VII) Security Measures

The Authorized Representatives will jointly or severally determine the security and other credit enhancement arrangements based on the features of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments and the issue needs in accordance with the laws.

(VIII) Use of Proceeds

The proceeds raised from the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments shall be used to fund business operation needs of the Company, improve the debt structure of the Company, repay the Company's debts, supplement working capital of the Company and/or make project constructions. The Authorized Representatives will jointly or severally determine the detailed use of proceeds in accordance with the funding needs of the Company.

(IX) Measures to Ensure Repayment

The Authorized Representatives will jointly or severally implement, as a minimum, the following measures in the event they expect that the Company is unable to repay the principal and interests of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments as scheduled, or the Company fails to repay the principal and interests of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments when they become due:

1. suspension of profit distribution to the Shareholders;
2. suspension of implementation of capital expenditure projects such as substantial external investments and acquisitions and mergers;
3. reduction or suspension of the payment of the salary and bonus of the directors and the senior management of the Company;
4. no re-designation of the key responsible persons.

(X) Listing Arrangements for Bonds

The Authorized Representatives will jointly or severally apply for listing of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments in accordance with the actual conditions of the Company and the prevailing market conditions.

(XI) Validity Period of Resolution

The resolution of the 2019 AGM regarding the issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments shall be valid for a period of 36 months from the date of passing of the resolutions at the 2019 AGM. Where the Board and/or its Authorized Representatives have, during the term of the authorization, decided the issue or partial issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments, and provided that the Company has also, during the term of the authorization, obtained the approval or license from or completed filing or registration (if applicable) with regulatory authorities on the issue, the Company may, during the validity period of such approval, license, filing or registration, complete the issue or relevant partial issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments.

2. AUTHORIZATION

To ensure effective coordination of the specific issue of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments and other matters in connection with the issue, a resolution will be proposed at the 2019 AGM by the Board to authorize the management to deal with, at its/their sole discretion, all matters in connection with the issue of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments within the framework and under the principles approved at the 2019 AGM, including but not limited to:

1. formulation and adjustment of the details of the proposal for issue of the onshore Debt Financing Instruments or the offshore Debt Financing Instruments in accordance with the applicable laws, regulations and relevant provisions from regulatory authorities as well as resolutions passed at the 2019 AGM of the Company, and based on the actual conditions of the Company and the specific conditions of the relevant debt market, including without limitation, the determination of the suitable issuer(s), timing of issue, details of issue size and method, terms of issue, issue targets, maturity, whether to issue on a one-off, multiple issues, multi- tranche issues or multiple-category issues basis, the issue size and term of each issue, tranche and category, the methods in which the nominal value and interest rate are determined, currency (including offshore RMB), pricing method, issue arrangements, credit enhancement arrangements including letter of guarantee or letter of support, rating arrangement, details of subscription

APPENDIX XII RESOLUTION ON THE PROPOSED ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

method, whether to incorporate terms of repurchase or redemption, details of placement arrangements, use of proceeds, registration, listing of the offshore Debt Financing Instruments and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment (if applicable), etc. and all matters in connection with the issue of the onshore Debt Financing Instruments and the offshore Debt Financing Instruments;

2. determining and engaging intermediary agency, signing, implementing, amending and completing all agreements and documents relating to the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments of the Company, including without limitation, the sponsor agreement, underwriting agreement, credit enhancement agreements such as guarantee agreement or letter of support, bond indenture, engagement letter with intermediary agency, trust agreement, settlement management agreement, registration and custody agreement, listing agreement and other legal documents, etc., and disclosing the relevant information in accordance with the relevant laws, regulations and the listing rules of the stock exchanges on which the Company's securities are listed (including without limitation, the preliminary and final offering memoranda of the Debt Financing Instruments, and all announcements and circulars, etc. in relation to the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments);
3. selecting and engaging trustee manager(s) and settlement manager(s) for the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments, signing the trustee agreement(s) and settlement management agreement(s) and (if applicable), formulating rules for meetings of the holders of the Debt Financing Instruments;
4. undertaking all applications and filings as well as listing matters (if applicable) in connection with the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments, including without limitation, preparing, revising and submitting relevant application and filing materials relating to the issue and listing of the onshore or offshore Debt Financing Instruments and application and filing materials in respect of credit enhancement agreements such as guarantee or letter of support to be provided by the Company, the issuer(s) and/or third party(ies), and signing the relevant application and filing documents and other legal documents;

APPENDIX XII RESOLUTION ON THE PROPOSED ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

5. making relevant adjustments to matters relating to the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments according to the advice of and changes in the policies of regulatory authorities or the changes in market conditions, or determining whether to continue with all or part of the work in respect of the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments in accordance with the actual conditions, unless re-approval by the Shareholders at the 2019 AGM is otherwise required pursuant to the relevant laws, regulations and the Articles of Association;
6. dealing with other relevant matters in connection with the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments;
7. subject to approval of the above authorization at the 2019 AGM, a resolution will be proposed to agree the Board in turn to authorize the authorized representatives of the Company to act as Authorized Representatives for the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments to jointly or severally deal with all matters in connection with the issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments on behalf of the Company pursuant to the resolutions passed at the 2019 AGM and the authorization granted by the Board.

The above authorizations shall remain valid and effective on and from the date when the shareholders at the 2019 AGM have approved and passed the resolutions until the earlier of the expiry of 36 months or the date when matters authorized above have been completed (depending on whether the issue of all onshore Debt Financing Instruments and offshore Debt Financing Instruments has been completed). However, where the Board and/or its Authorized Representatives have, during the term of the authorization, decided the issue or partial issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments, and provided that the Company has also, during the term of the authorization, obtained the approval or license from or completed filing or registration (if applicable) with regulatory authorities on the issue, the Company may, during the validity period of such approval, license, filing or registration, complete the issue or relevant partial issue of onshore Debt Financing Instruments and offshore Debt Financing Instruments. With respect to the matters of issue or partial issue, the above authorization shall remain valid until the date of completion of such issue or partial issue.

The biographical details of candidates for Directors are set out as follows:

(i) Mr. Yang Guoping – executive Director

Mr. Yang Guoping (楊國平), aged 63, joined our Company in January 1992 and was appointed as the chairman of the Board and a Director of our Company on January 1, 1992. Mr. Yang is the chairman of the strategic development committee of the Board and a member of the nomination committee of the Board and the remuneration and appraisal committee of the Board of our Company. He also currently held positions in various listed companies, including Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司) (listed on Shanghai Stock Exchange, stock code: A Shares: 600611; B Shares: 900903), Shanghai Jiaoda Onlly Co., Ltd. (上海交大昂立股份有限公司) (listed on Shanghai Stock Exchange, stock code: 600530), Shanghai Jiao Yun Group Co., Ltd. (上海交運集團股份有限公司) (listed on Shanghai Stock Exchange; stock code: 600676), Songz Automobile Air Conditioning Co., Ltd. (上海加冷松芝汽車空調股份有限公司) (listed on Shenzhen Stock Exchange, stock code: 002454), Nanjiang Public Utilities Development Co., Ltd. (南京公用發展股份有限公司) (formerly known as Nanjing Zhongbei Group Co., Ltd. (南京中北(集團)股份有限公司) (listed on Shenzhen Stock Exchange, stock code: 000421), Shanghai Shentong Metro Group Co., Ltd. (上海申通地鐵股份有限公司) (listed on Shanghai Stock Exchange, stock code: 600834), and Bright Real Estate Group Co., Ltd. (光明房地產集團股份有限公司) (listed on Shanghai Stock Exchange, stock code: 600708). Mr. Yang is currently the director of Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) (the Company's Shareholder), the chairman of Shanghai Dazhong Gas Co., Ltd.* (上海大眾燃氣有限公司) and the vice chairman of Shenzhen Capital Group Co., Ltd.* (深圳市創新投資集團有限公司). Mr. Yang was granted the title of senior economist by Shanghai Expertise Qualification Review Committee, Economics Series (Sphere of Production) (上海市經濟系列(生產領域)高級專業技術職務任職資格評審委員會) in April 1995. Mr. Yang is currently the council executive director (理事會常務理事) of China Association for Public Companies (中國上市公司協會) and council vice president (理事會副會長) of the Listed Companies Association of Shanghai (上海上市公司協會). He is also the honorary president of the seventh Shanghai Youth Entrepreneurs Association (上海市青年企業家協會), vice chairman of the eighth commission of Shanghai Youth Federation (上海市青年聯合會) and vice president of China Taxicab and Livery Association (中國出租汽車暨汽車租賃協會). Mr. Yang is also the president (理事長) of the Shanghai Association of Micro-credit (上海小額貸款公司協會). Mr. Yang was accredited as one of the top ten national outstanding young entrepreneurs (全國十大傑出青年企業家) by the Central Communist Youth League Organisation Department (共青團中央) and the China Youth Entrepreneurs Association (中國青年企業家協會) in November 1995. He was honoured as national labour model (全國勞動模範) by the PRC State Council (中華人民共和國國務院) in April 2000. Mr. Yang was accredited as one of the outstanding quality individual in the PRC (中國傑出質量人) by China Quality Association (中國質量協會) in October 2005. He is accredited as China influential MBA Individual (中國MBA風雲人物) in December 2006. He also received the EY Entrepreneur of The Year 2013 (安永企業家獎2013大獎) accredited by Ernst & Young in November 2013. Mr. Yang was honoured as the Outstanding Entrepreneur (傑出企業家) by the first session of China (Shanghai) Listing Companies' Social Liabilities Summit (首屆中國(上海)上市公司企業社會責任峰會) in December 2015. Mr. Yang received a master's degree in business administration from Shanghai Jiao Tong University (上海交通大學) in July 1997.

As at the date of this circular, Mr. Yang Guoping is deemed to be directly interested in a total of 2,097,861 A shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(ii) Mr. Liang Jiawei – executive Director

Mr. Liang Jiawei (梁嘉瑋), aged 46, joined the Company in September 2000 and was appointed as a Director of the Company on July 28, 2015. Mr. Liang is a member of the strategic development committee of the Board of the Company. He has been the chief executive officer of the Company since June 2015 and used to serve as the manager of investment and development department of the Company from January 2006 to June 2016, secretary to the Board of the Company from April 2008 to June 2015 and vice general manager of the Company from April 2014 to June 2015. Mr. Liang used to be the vice chairman of Shanghai Dazhong Financial Leasing Co., Ltd.* (上海大眾融資租賃有限公司) from December 2014 to December 2017. Mr. Liang has been the director of Dazhong Transportation (Group) Co., Ltd.* (大眾交通 (集團) 股份有限公司) (listed on Shanghai Stock Exchange, stock code: A Shares: 600611; B Shares: 900903) since April 2016. Mr. Liang is currently the executive vice president (legal representative) of The Listed Companies Association of Shanghai (上海上市公司協會), the chairman of Shanghai Dazhong Logistics Co., Ltd. (上海大眾運行物流股份有限公司), the vice president (副理事長) of Shanghai Leasing Industry Association (上海市租賃行業協會), the vice president (副理事長) of Shanghai Association of Stock System Enterprises (上海市股份公司聯合會), the vice chairman of Shanghai Dazhong Group Capital Equity Investment Co., Ltd.* (上海大眾集團資本股權投資有限公司), the director of Shenzhen Capital Group Co., Ltd.* (深圳市創新投資集團有限公司) and the director of Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) (the Company's shareholder). He was granted the title of economist (finance) by PRC Ministry of Personnel (中華人民共和國人事部) in November 2000. Mr. Liang served as clerk of the general managers' office of Shanghai Jiao Yun Group Co., Ltd. (上海交運集團股份有限公司) from July 1995 to March 1999. He was accredited twice as outstanding secretary to the board (優秀董事會秘書) by the Listed Companies Association of Shanghai (上海上市公司協會) in April 2013 and May 2015, respectively. Mr. Liang was accredited as the excellent secretary to the board of listed companies (上市公司優秀董秘) in the eighth, ninth and tenth selection of New Fortune Gold Medal Secretary to the Board (新財富金牌董秘) held by the New Fortune Magazine (新財富雜誌). He was also accredited as one of the 100 Best Board Secretaries of companies Listed on the Main Board of China in 2013 (2013年度中國主板上市公司百佳董秘) by Securities Times (《證券時報》) in September 2014. Mr. Liang obtained a bachelor degree in administrative management from Shanghai University (上海大學) in July 1995 and a master's degree in business administration from Preston University in the United States in November 2002.

As at the date of this circular, Mr. Liang Jiawei is deemed to be interested in the 222,300 A shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(iii) Mr. Wang Baoping – executive Director

Mr. Wang Baoping (汪寶平), aged 60. He had an internship as a construction worker in the construction workshop of Yangshupu Gas Plant since August 1981, and served as deputy secretary of the Youth League Committee before leaving in November 1983. From November 1983 to October 1992, he served as deputy secretary and secretary of the Youth League Committee and deputy chief of the Metering Energy Section of Shanghai Gas Company. From October 1992 to June 1997, Mr. Wang served as general manager of Shanghai Gas Industrial Corporation* (上海煤氣實業總公司). From June 1997 to May 2004, he served as deputy general manager and general manager of Shanghai Gas Sales Group Co., Ltd.* (上海煤銷售集團有限公司) successively. From June 2004 to May 2015, he served as chairman, party secretary and general manager of Shanghai Gas North Sales Co., Ltd.* (上海燃氣市北銷售有限公司) successively. Since May 2015, Mr. Wang has served as deputy general manager of Shanghai Gas (Group) Co., Ltd.* (上海燃氣(集團)有限公司) (the second largest shareholder of the Company). He obtained a degree in TV and Information Processing from Evening University of Shanghai Polytechnic University in 1987. Mr. Wang is qualified as a senior economist.

(iv) Mr. Yang Weibiao – executive Director

Mr. Yang Weibiao (楊衛標), aged 50, was appointed as an executive Director of the Company on May 25, 2017. He is also the general manager of the environmental business department of the Company. He joined the Company in March 2004. Mr. Yang served in various positions and was appointed as the assistant to chief executive officer of the Company in May 2014. He was further appointed as employee representative Supervisor on July 10, 2015. Mr. Yang was the assistant manager of investment and development department of Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司) (listed on Shanghai Stock Exchange, A shares: 600611; B shares: 900903) from November 2000 to February 2004. Mr. Yang is now the chairman of Shanghai Dazhong Jiading Sewage Treatment Co., Ltd.* (上海大眾嘉定污水處理有限公司), the chairman of Shanghai Dazhong Environment Industry Co., Ltd.* (上海大眾環境產業有限公司), the chairman of Jiangsu Dazhong Water Group Co., Ltd.* (江蘇大眾水務集團有限公司) and the chairman of Jiangsu Dazhong Environmental Treatment Co., Ltd.* (江蘇大眾環境治理有限公司). He obtained a bachelor degree in politics and administration from Fudan University (復旦大學) in July 1992 and a master's degree in economics from Fudan University in July 1999.

As at the date of this circular, Mr. Yang Weibiao is deemed to be interested in the 54,000 A shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(v) Ms. Qu Jia – non-executive Director

Ms. Qu Jia (瞿佳), aged 44. From July 1998 to March 2000, she served as Executive Officer, head of the Youth League Committee and secretary of Party Committee of Shanghai Petroleum and Natural Gas Co., Ltd.* (上海石油天然氣有限公司) She held several positions in Shenergy (Group) Co., Ltd.* (申能(集團)有限公司) from March 2002 to September 2017, including deputy secretary of the Youth League Committee, director of the Party Office, secretary of the Youth League Committee, deputy director of the Party Office, deputy director (acting) of the Party Office and director of the Party Office. Ms. Qu has served as secretary of Discipline Inspection Committee and manager of Human Resources Department of Shanghai Gas (Group) Co., Ltd.* (上海燃氣(集團)有限公司) since September 2017. She obtained a degree in economics from East China Normal University in July 1998, and obtained a Master degree in world economics from the International Business School of East China Normal University in January 2005. Ms. Qu is qualified as a senior political engineer in China and an economist in China.

(vi) Mr. Jin Yongsheng – non-executive Director

Mr. Jin Yongsheng (金永生), aged 56. He served as an executive director of ENN Energy Holdings Limited (“ENN”) (listed on Hong Kong Stock Exchange, stock code: 2688) from 2000 to 2006, and was responsible for the administration, legal affairs and investor relations of ENN Group, and served as a non-executive director of ENN from 2006 to 2017 because of position transfer. He also served as an executive director and chief executive officer of CIMC ENRIC Holdings Limited (listed on Hong Kong Stock Exchange, stock code: 3899) from 2006 to 2009, and was transferred to a non-executive director of the company from 2009 to 2018. Mr. Jin is currently a director of ENN Ecological Holding Co., Ltd. (listed on Shanghai Stock Exchange, stock code: 600803) and a non-executive director of ENN. He obtained a degree in finance from Tianjin Institute of Finance and Economics in 1986, and obtained an EMBA from Peking University in 2005. Mr. Jin is qualified as a practicing lawyer in China.

(vii) Mr. Wang Kaiguo – independent non-executive Director

Mr. Wang Kaiguo (王開國), aged 60, was appointed as an independent non-executive Director of the Company on May 25, 2017. He is currently the president of PE Association of Shanghai (上海股權投資協會) and the vice president (副理事長) of Shanghai Financial Association (上海金融業聯會). Mr. Wang worked successively as deputy head of application department (應用科室), chief of division of politics and laws, department of policies and regulations (政策法規司政法處) and deputy director of Research Institute of Administrative Bureau of State-owned Property (國家國有資產管理局研究所) from July 1990 to February 1995. He also served successively and/or simultaneously as deputy general manager, general manager, chairman of board of directors, secretary of party group (黨組書記) and secretary of party committee (黨委書記) of Haitong Securities Limited (海通證券有限公司) from February 1995 to December 2001. Mr. Wang served as chairman of board of directors and secretary of party committee (黨委書記) of Haitong Securities Company Limited (海通證券股份有限公司) from December 2001 to July 2016. Mr. Wang served as an independent director of Shanghai Chlor-Alkali Chemical Co., Ltd. (上海氯鹼化工股份有限公司) (listed on Shanghai Stock Exchange, stock code: 600618) from December 2009 to December 2014. Mr. Wang is now the chairman of Shanghai Zhongping Guoyu Asset Management Co., Ltd. (上海中平國瑀資產管理有限公司), the independent director of Caitong Fund Management Co., Ltd. (財通基金管理有限公司), the independent director of Shanghai Rural Commercial Bank Co., Ltd., the independent director of Anxin Trust Co., Ltd. (安信信託股份有限公司) (listed on Shanghai Stock Exchange, stock code: 600816) and independent director of Zhongliang Holdings Group Co., Ltd. (中梁控股集團有限公司) (listed on Hong Kong Stock Exchange, stock code: 2772). Mr. Wang also served as the vice president of the Securities Association of China (中國證券業協會). Mr. Wang obtained a bachelor's degree in economics from Jilin University (吉林大學) in July 1984 and a master's degree in economics from the same university in July 1987. Mr. Wang Kaiguo received his PH.D. in economics from Xiamen University (廈門大學) in May 1992. Mr. Wang was granted the title of senior economist by Bank of Communications Ltd. Expertise Qualification Review Committee, Economic and Accounting Series (交通銀行經濟會計系列高級專業技術服務評審委員會) in December 1997. Mr. Wang was selected as "the Best Head of Listed Company (最佳上市公司掌門人)" by the ninth Hexun.com China Financial Billboard (和訊網中國財經風雲榜) in January 2012, won the title of "the Most Influential Leader (最具影響力領袖)" in China Securities Golden Bauhinia Award held by Ta Kung Pao in November 2012. He was also awarded as "Top 100 Business Leader of China Listed Company (中國上市公司百強企業領袖獎)" by China Business Top 100 (中國上市公司百強高峰論壇) in September 2014, and "the Most Strategic Chairman (最具戰略眼光董事長)" of Round Table Award (金圓桌獎) held by Directors & Boards Magazine (《董事會》雜誌) in November 2014.

(viii) Mr. Chow Siu Lui – independent non-executive Director

Mr. Chow Siu Lui (鄒小磊), aged 59, joined our Company and was appointed as an independent non-executive Director of our Company in April 2016. Mr. Chow has served as managing director of private equity team and is currently a partner of VMS Investment Group Limited (鼎佩投資集團有限公司) since April 2012. Mr. Chow has been the independent non-executive director of NWS Holdings Limited (listed on the Hong Kong Stock Exchange, stock code: 00659) from March 2012 to June 2012, Kong Shum Union Property Management (Holding) Limited (listed on the Hong Kong Stock Exchange, stock code: 8181) from February 2015 to October 2015, Fullshare Holdings Limited (listed on the Hong Kong Stock Exchange, stock code: 00607) since December 2013, Genertec Universal Medical Group Co., Ltd. (listed on the Hong Kong Stock Exchange, stock code: 2666) since June 2015, Sinco Pharmaceuticals Holdings Limited (listed on the Hong Kong Stock Exchange, stock code: 6833) since September 2015, Futong Technology Development Holdings Limited (listed on the Hong Kong Stock Exchange, stock code: 00465) since December 2016, China Everbright Greentech Limited (listed on the Hong Kong Stock Exchange, stock code: 01257) since May 2017, China Tobacco International (HK) Company Limited (listed on the Hong Kong Stock Exchange, stock code: 06055) since June 2016, Global Cord Blood Corporation (listed on the New York Stock Exchange, stock code: CO) since November 2019, and the non-executive director of Renrui Human Resources Technology Holdings Limited (listed on the Hong Kong Stock Exchange, stock code: 06919) since December 2019. Mr. Chow obtained his qualification as a fellow of the Association of Chartered Certified Accountants (英國特許公認會計師公會) in July 1991, the Hong Kong Institute of Certified Public Accountants (香港會計師公會) (“HKICPA”) in December 1993, the Hong Kong Institute of Chartered Secretaries (香港特許秘書公會) (“HKICS”) in 2009, and the Institute of Chartered Secretaries and Administrators (英國特許秘書及行政人員公會) in 2009. Mr. Chow was appointed as the chairman of the mainland development strategies advisory panel and a member of the registration and practicing committee of the HKICPA for the year 2016 in February 2016 (he currently still serves as the chairman of the mainland development strategies advisory panel). Mr. Chow was appointed as a council member and chairman of audit committee of the HKICS in December 2015. Mr. Chow currently serves as a member of the investment management committee of the HKICS. He obtained a professional diploma in accountancy from Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) in November 1983.

(ix) Mr. Liu Zhengdong – independent non-executive Director

Mr. Liu Zhengdong (劉正東), aged 50, was appointed as an independent non-executive Director of the Company on May 25, 2017. He is currently a senior partner and chairman of partners' meeting of MHP Law Firm in Shanghai (上海市君悅律師事務所). Mr. Liu served as an independent director of Shanghai Liangxin Electrical Co., Ltd. (上海良信電器股份有限公司) (listed on the Shenzhen Stock Exchange, stock code: 002706) from April 2011 to April 2017. He has been an independent non-executive director of Hualing Xingma Automobile (Group) Co., Ltd. (華菱星馬汽車(集團)股份有限公司) (listed on the Shanghai Stock Exchange, stock code: 600375) since January 2016, and an independent non-executive director of Sinopharm Group Co. Ltd. (國藥控股股份有限公司) (listed on the Hong Kong Stock Exchange, stock code: 01099) since September 2014. Mr. Liu also currently serves as a member of All China Lawyers Association (中華全國律師協會), vice president of Shanghai Chamber of Commerce (上海市總商會) and an arbitrator under the China International Economic and Trade Arbitration Commission (中國國際經濟仲裁委員會). Mr. Liu obtained a bachelor's degree in laws from East China University of Political Science and Law (華東政法大學) (formerly known as East China Academy of Political Science and Law (華東政法學院)) in July 1991, and a master's degree in international economic laws from the same university in June 2002. He obtained independent director qualification certificate authorised by CSRC in March 2002. Mr. Liu has been named as "Shanghai Outstanding Non-litigation Lawyer (上海市優秀非訴律師)" by Shanghai Lawyers Association (上海市律師協會) in December 2004, the "National Outstanding Lawyer (全國優秀律師)" by All China Lawyers Association in June 2005, and "Shanghai Leader Talent (上海市領軍人物)" by Organisation Department of CPC Shanghai Committee (中共上海市委組織部) and Shanghai Municipal Human Resources and Social Security Bureau (上海市人力資源和社會保障局) in January 2010. Mr. Liu has been selected as a member of expert advisor panel of Shanghai Municipal People's Congress Internal and Judicial Affairs Committee (上海市人民代表大會內務司法委員會) since April 2014, a member of Shanghai Press Ethics Committee (上海市新聞道德委員會) since May 2013, and a people supervisor (人民監督員) of Shanghai People's Procuratorate (上海市檢察院) since February 2017.

Biographical details of candidates for the Supervisors are set out as follows:

(i) Ms. Zhao Siyuan — Supervisor

Ms. Zhao Siyuan (趙思淵), aged 48, joined our Company in April 2014 and was appointed as a Supervisor of the Company in April 2014. Ms. Zhao has been the manager of legal department from July 1993 to August 2008, secretary to the board since August 2008 and director and vice general manager since May 2015 of Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司) (listed on the Shanghai Stock Exchange, A shares: 600611; B shares: 900903) and the chairperson of Shanghai Dazhong Business Management Co., Ltd.* (上海大眾企業管理有限公司) (the Company's Shareholder) since June 2019. Ms. Zhao is accredited as excellent secretary to the board (優秀董事會秘書) by the Listed Companies Association of Shanghai (上海上市公司協會) in May 2015. Ms. Zhao obtained a bachelor's degree in law from Shanghai University (上海大學) in July 1993.

(ii) Mr. Zhuang Jianhao — Supervisor

Mr. Zhuang Jianhao (莊建浩), aged 58, joined the Company in January 2002 and served in various positions responsible for technology and management of gas supply business sector of the Company. He was the assistant to chief executive officer from January 2002 to April 2008, a former Director from May 2002 to May 2003, a vice general manager from May 2002 to April 2008, and the chief technology officer from April 2008 to April 2014. Mr. Zhuang was re-appointed as a Director and vice general manager of the Company in April 2014. Mr. Zhuang is currently the director and vice general manager of Shanghai Dazhong Gas Co., Ltd.* (上海大眾燃氣有限公司), the chairman of Nantong Dazhong Gas Co., Ltd.* (南通大眾燃氣有限公司), the director of Fengxian Gas Co., Ltd.* (奉賢燃氣股份有限公司) and the director of Shanghai Songjiang Gas Co., Ltd.* (上海松江燃氣有限公司). He was granted the title of senior engineer by Shanghai Title Reform Leading Group (上海市職稱改革工作領導小組) in December 1995. Mr. Zhuang obtained a bachelor degree in coal chemical industry from East China Chemical Industry College (華東化工學院) (currently known as East China University of Science and Technology (華東理工大學)) in July 1983. He attended a joint master program in business administration from the University of Canberra in Australia and the East China University of Science and Technology and received master's degrees in July and August 2004, respectively.

As at the date of this circular, Mr. Zhuang Jianhao is deemed to be interested in the 115,000 A shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(iii) Ms. Zhao Fei — Employee Representative Supervisor

Ms. Zhao Fei (趙飛), aged 41, was appointed as a Supervisor of the Company in May 2017. She joined the Company in February 2004 and served as secretary to the Board from June 2015 to May 2017. She is currently a joint company secretary of the Company. She has been a legal staff of the Company and has been the general manager of our legal department since March 2014. Ms. Zhao was the assistant to the legal department of Dazhong Transportation (Group) Co., Ltd.* (大眾交通(集團)股份有限公司) (listed on Shanghai Stock Exchange, stock code: A Shares: 600611; B Shares: 900903) from July 2000 to December 2003. Ms. Zhao has been the supervisor of Shanghai Seari Intelligent System Co., Ltd. (上海電科智能系統股份有限公司) since April 2019. Ms. Zhao passed the PRC judicial exam and received the qualification of legal profession (法律職業資格證) by Ministry of Justice of the People's Republic of China (中華人民共和國司法部) in February 2007. Ms. Zhao obtained a bachelor's degree in law from Shanghai University of Finance and Economics (上海財經大學) in July 2000 and a master degree in law from Fudan University (復旦大學) in January 2011.

As at the date of this circular, Ms. Zhao Fei is deemed to be interested in the 50,000 A shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Details of the Amendments to the Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd.

Existing Provision	Provisions after Amendment
<p>Article 38 When any director, supervisor, senior officer of the Company or any shareholder of the Company holding more than 5% of the Company's shares disposes of his/her/its shares in the Company within six months of purchase, or purchases shares in the Company again within six months of disposal, the proceeds derived therefrom shall be retained for the benefit of the Company. However, the disposals by brokerage companies holding more than 5% of the shares in the Company due to the fact that their underwritten shares remain unsubscribed shall not be subject to the six-month period restriction.</p>	<p>Article 38 When any director, supervisor, senior officer of the Company or any shareholder of the Company holding more than 5% of the Company's shares disposes of his/her/its shares in the Company within six months of purchase, or purchases shares in the Company again within six months of disposal, the proceeds derived therefrom shall be retained for the benefit of the Company. However, the disposals by brokerage companies holding more than 5% of the shares in the Company due to the fact that their underwritten shares remain unsubscribed shall not be subject to the six-month period restriction.</p>
<p>If the Board of Directors fails to comply with the provisions of the preceding paragraph, the shareholders shall have the right to require the Board of Directors to comply with the provisions within thirty (30) days. If the Board of Directors fails to comply with the provisions within the prescribed period, the shareholders shall, for the benefit of the Company and in their own names, have the right to institute legal proceedings directly at a People's Court. The provisions of Article 268 of this Articles of Association are applicable to the shareholders of foreign shares.</p>	<p>If the Board of Directors fails to comply with the provisions of the preceding paragraph, the shareholders shall have the right to require the Board of Directors to comply with the provisions within thirty (30) days. If the Board of Directors fails to comply with the provisions within the prescribed period, the shareholders shall, for the benefit of the Company and in their own names, have the right to institute legal proceedings directly at a People's Court. The provisions of Article 268<u>267</u> of this Articles of Association are applicable to the shareholders of foreign shares.</p>
<p>If the Board of Directors of the Company does not comply with the provisions of the first paragraph set out above, the responsible directors shall bear joint and several liabilities legally accordingly.</p>	<p>If the Board of Directors of the Company does not comply with the provisions of the first paragraph set out above, the responsible directors shall bear joint and several liabilities legally accordingly.</p>

<p style="text-align: center;">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 48 No registration of any change in the register of shareholders arising from a transfer of share shall be effected within 30 days before the holding of a Shareholders' General Meeting or within 5 days prior to the reference date set by the Company for the distribution of dividends.</p> <p>Requirements of the securities regulatory authority of the place where the shares of the Company are listed shall prevail.</p>	<p>Article 48 No registration of any change in the register of shareholders arising from a <u>If the laws and regulations of the PRC or the Hong Kong Listing Rules stipulate that no</u> transfer of share shall be effected within 30 days before the holding of a Shareholders' General Meeting, or that the period of closure of register of members within 5 days prior to the reference date set by the Company for the distribution of dividends, <u>such requirements shall prevail.</u></p> <p>Requirements of the securities regulatory authority of the place where the shares of the Company are listed shall prevail. Requirements imposed during the period when the register of change in shareholders is closed shall prevail.</p>
<p>Article 60 The provisions of Article 268 hereof shall be applicable if shareholders of foreign shares are involved in the contents listed in Article 57 to Article 59.</p>	<p>Article 60 The provisions of Article 268<u>267</u> hereof shall be applicable if shareholders of foreign shares are involved in the contents listed in Article 57 to Article 59.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 66 The general meeting is the organ of power of the Company and shall exercise the following powers:</p> <p>(1) deciding on the business policies and investment plans of the Company;</p> <p>(2) electing and replacing Directors and supervisors who are appointed from amongst representatives of the shareholders and deciding on matters relating to the remuneration of the Directors and supervisors;</p> <p>(3) examining and approving reports of the Board of Directors;</p> <p>(4) examining and approving reports of the Supervisory Committee;</p> <p>(5) examining and approving the Company's annual financial budget and final account proposals;</p>	<p>Article 66 The general meeting is the organ of power of the Company and shall exercise the following powers:</p> <p>(1) deciding on the business policies and investment plans of the Company;</p> <p>(2) electing and replacing Directors and supervisors who are appointed from amongst representatives of the shareholders and deciding on matters relating to the remuneration of the Directors and supervisors;</p> <p>(3) examining and approving reports of the Board of Directors;</p> <p>(4) examining and approving reports of the Supervisory Committee;</p> <p>(5) examining and approving the Company's annual financial budget and final account proposals;</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
(6) examining and approving the Company's plans for profit distribution and loss make-up;	(6) examining and approving the Company's plans for profit distribution and loss make-up;
(7) adopting resolutions on the increase or reduction of the Company's registered capital;	(7) adopting resolutions on the increase or reduction of the Company's registered capital;
(8) adopting resolutions on plans for issuance of bonds of the Company;	(8) adopting resolutions on plans for issuance of bonds of the Company;
(9) adopting resolutions on matters such as merger, division, dissolution, liquidation and change of corporate form of the Company;	(9) adopting resolutions on matters such as merger, division, dissolution, liquidation and change of corporate form of the Company;
(10) amending the Articles of Association;	(10) amending the Articles of Association;
(11) adopting resolutions on the engagement or removal or discontinuation of engagement of accounting firms by the Company;	(11) adopting resolutions on the engagement or removal or discontinuation of engagement of accounting firms by the Company;
(12) examining and approving guarantees required in Article 67;	(12) examining and approving guarantees required in Article 67;
(13) examining proposals on matters relating to the purchase or sale by the Bank of material assets exceeding 30% of the latest audited total assets of the Company within one year;	(13) examining proposals on matters relating to the purchase or sale by the Bank of material assets exceeding 30% of the latest audited total assets of the Company within one year;
(14) examining proposals on changes in the use of proceeds;	(14) examining proposals on changes in the use of proceeds;
(15) examining share incentive plans;	(15) examining share incentive plans;
(16) considering proposals from shareholders representing 5% (inclusive) or more of the shares in the Company with voting rights;	(16) considering proposals from shareholders representing <u>53</u> % (inclusive)_or more of the shares in the Company with voting rights;
(17) adopting resolutions on acquisition of shares of the Company as stipulated in paragraph (1) or (2) of Article 29 hereof;	(17) adopting resolutions on acquisition of shares of the Company as stipulated in paragraph (1) or (2) of Article 29 hereof;
(18) considering other matters which are to be decided by the shareholders in general meetings according to the laws, administrative regulations, departmental rules or required in the Articles of Association.	(18) considering other matters which are to be decided by the shareholders in general meetings according to the laws, administrative regulations, departmental rules or required in the Articles of Association.

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
Article 69 Where the Company convenes a general meeting, written notice must be given not less than 45 days prior to the meeting to notify all shareholders whose names appear in the share register of the matters to be considered and the date and venue of the meeting. Shareholders that intend to attend the general meeting shall deliver a written reply to the Company on meeting attendance not less than 20 days prior to the meeting.	Article 69 Where the Company convenes a general meeting, written notice must be given not less than 45 <u>20 business</u> days prior to the meeting, <u>while the longer of 15 days or 10 business days for the case of convening _____ an _____ extraordinary shareholders' meeting,</u> so as to notify all shareholders whose names appear in the share register of the matters to be considered and the date and venue of the meeting. Shareholders that intend to attend the general meeting shall deliver a written reply to the Company on meeting attendance not less than 20 days prior to the meeting.
Article 70 In the annual general meeting of the Company, shareholders holding 5% or more of the total voting shares of the Company, are entitled to propose new resolutions to the Company in written form. The Company shall include those matters which are within the scope of duties of the general meeting into the agenda of such meeting.	Article 70 In the annual -general meeting of the Company, shareholders holding 53 % or more of the total voting shares of the Company, are entitled to propose new resolutions to the Company in written form. The Company shall include those matters which are within the scope of duties of the general meeting into the agenda of such meeting.

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
<p>Article 71 The Company shall, based on the written replies received 20 days before the date of the general meeting, calculate the number of voting shares represented by shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting reaches not less than one half of the Company's total voting shares, the Company may hold the general meeting. If not, the Company shall within 5 days notify the shareholders again by announcement of the matters to be considered, the date and venue of the meeting. The Company then may hold the general meeting after notice by announcement.</p> <p>An extraordinary general meeting shall not decide on any matter not stated in the notice of the meeting.</p>	<p>Article 71 The Company shall, based on the written replies received 20 days before the date of the general meeting, calculate the number of voting shares represented by shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting reaches not less than one half of the Company's total voting shares, the Company may hold the general meeting. If not, the Company shall within 5 days notify the shareholders again by announcement of the matters to be considered, the date and venue of the meeting. The Company then may hold the general meeting after notice by announcement.</p> <p>An extraordinary general meeting shall not decide on any matter not stated in the notice of the meeting.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 74 Independent directors shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting. For such a proposal, the Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such a meeting, a notice of general meeting shall be given within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given and an announcement shall be made.</p>	<p>Article 74 Independent <u>non-executive</u> directors shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting. For such a proposal, the Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such a meeting, a notice of general meeting shall be given within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given and an announcement shall be made.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 75 The Supervisory Committee shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting and shall make such a proposal in written form. The Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such meeting, a notice of general meeting shall be given within 5 days after the resolution of the Board of Directors is made. Any change to the original proposal in the notice shall be subject to the approval from the Supervisory Committee.</p> <p>Where the Board of Directors does not agree to hold such a meeting, or fails to give a written reply within 10 days upon receipt of the proposal, its reasons shall be given and an announcement shall be made.</p>	<p>Article 75 The Supervisory Committee shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting and shall make such a proposal in written form. The Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such meeting, a notice of general meeting shall be given within 5 days after the resolution of the Board of Directors is made. Any change to the original proposal in the notice shall be subject to the approval from the Supervisory Committee.</p> <p>Where the Board of Directors does not agree to hold such a meeting, or fails to give a written reply within 10 days upon receipt of the request<u>proposal</u>, <u>the Supervisory Committee may convene the shareholders' meeting on its own</u>.its reasons shall be given and an announcement shall be made.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
<p>Article 76 Where shareholders request to hold an extraordinary general meeting or class meeting, the following procedures shall be followed:</p> <p>(1) two or more shareholders who collectively hold 10% or more of the voting shares at the proposed meeting may make a proposal to the Board of Directors on holding an extraordinary general meeting or class meeting by signing one or several written requests with same content in same format and define the meeting agenda. The Board of Directors shall convene such meeting as soon as possible upon receipt of the aforesaid written request. The aforesaid number of shares held shall be calculated as of the date when the written request was put forward by the shareholders.</p> <p>(2) in case that the Board of Directors fails to give a notice of convening such meeting within 30 days after receipt of the aforesaid written request, the shareholders who put forward the request may convene such a meeting within 4 months after receipt of the request by the Board of Directors, and the procedures shall be the same as those for convening a general meeting by the Board of Directors where possible. The expenses reasonably incurred by shareholders in convening and holding such a meeting for the Board of Directors fails to hold such a meeting on the aforesaid request shall be borne by the Company and shall be deducted from any payment due by the Company to non performing directors.</p>	<p>Article 76 Where shareholders request to hold an extraordinary general meeting or class meeting, the following procedures shall be followed:</p> <p>(1) two or more shareholders who collectively hold 10% or more of the voting shares at the proposed meeting may make a proposal to the Board of Directors on holding an extraordinary general meeting or class meeting by signing one or several written requests with same content in same format and define the meeting agenda. The Board of Directors shall convene such meeting as soon as possible upon receipt of the aforesaid written request. The aforesaid number of shares held shall be calculated as of the date when the written request was put forward by the shareholders.</p> <p>(2) in case that the Board<u>Where the Board of Directors fails</u>Directors does not agree to give a notice of convening such meeting<u>convene an extraordinary general meeting, or does not respond</u> within 30<u>10</u> days after receipt of<u>receiving the aforesaid written request, the ordinary shareholders who put forward (including preferred shareholders whose voting rights have been restored) holding more than 10% of the Company's shares individually or in aggregate have the right to propose to the request may</u> Supervisory Committee to convene such an extraordinary general meeting within 4 months after receipt of the request by the Board of Directors, and the procedures shall be<u>submit a request to the Supervisory Committee in writing.</u></p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
	<p><u>If the same as those for convening Supervisory Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene a general meeting bywithin 5 days of receiving the request. Changes to the original request set out in the Boardnotice shall be subject to the consents of relevant shareholders.</u></p> <p><u>The failure of the Supervisory Committee to issue a notice of Directors where possible.the shareholders' meeting within the prescribed time limit shall be deemed that the Supervisory Committee will not convene and preside over the shareholders' meeting. Ordinary shareholders (including preferred shareholders whose voting rights are restored) who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over a shareholders' meeting.</u></p> <p>The expenses reasonably incurred by shareholders in convening and holding such a meeting for the Board of Directors fails to hold such a meeting on the aforesaid request shall be borne by the Company and shall be deducted from any payment due by the Company to non performing directors.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 79 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and shareholder(s) individually or jointly holding more than 5% of the Company's shares shall have the right to propose resolutions to the Company.</p> <p>However , for proposals related to division , merger, dissolution, liquidation of the Company, replacement of members of the Board of Directors and the Supervisory Committee, and amendments to the Articles of Association, only shareholders individually holding more than 20% of the Company's shares for 3 consecutive years shall have the right to propose resolutions to the Company.</p> <p>Shareholder(s) individually or jointly holding more than 5% of the Company's shares may propose special resolutions in writing to the convener(s) 10 working days before the general meeting is convened. The convener (s) shall issue a supplementary notice of the general meeting within 2 days after receiving the resolutions to announce the contents of the special resolutions.</p> <p>Except as provided in the preceding paragraph, after sending out a notice of general meeting, the convener(s) shall not make any amendments to the proposals included in the notice of general meeting or add any new proposals.</p> <p>The Board of Directors of the Company shall examine the proposals of the general meeting in accordance with the Articles of Association in the best interests of the Company and the shareholders. Proposals not set out in the notice of general meeting or not complying with the Articles of Association shall not be submitted to the general meeting for voting and resolution by the Board of Directors of the Company.</p>	<p>Article 79 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and shareholder(s) individually or jointly holding more than 5<u>53</u>% of the Company's shares shall have the right to propose resolutions to the Company.</p> <p>However , for proposals related to division , merger, dissolution, liquidation of the Company, replacement of members of the Board of Directors and the Supervisory Committee, and amendments to the Articles of Association, only shareholders individually holding more than 20% of the Company's shares for 3 consecutive years shall have the right to propose resolutions to the Company.</p> <p>Shareholder(s) individually or jointly holding more than 5<u>53</u>% of the Company's shares may propose special resolutions in writing to the convener(s) 10 working days before the general meeting is convened. The convener (s) shall issue a supplementary notice of the general meeting within 2 days after receiving the resolutions to announce the contents of the special resolutions.</p> <p>Except as provided in the preceding paragraph, after sending out a notice of general meeting, the convener(s) shall not make any amendments to the proposals included in the notice of general meeting or add any new proposals.</p> <p>The Board of Directors of the Company shall examine the proposals of the general meeting in accordance with the Articles of Association in the best interests of the Company and the shareholders. Proposals not set out in the notice of general meeting or not complying with the Articles of Association shall not be submitted to the general meeting for voting and resolution by the Board of Directors of the Company.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 80 The notice of a general meeting shall include the followings:</p> <p>(1) being in written form;</p> <p>(2) the time, venue and duration of the meeting;</p> <p>(3) the matters and proposals submitted for consideration at the meeting;</p> <p>(4) providing the shareholders with such information and explanation as necessary for them to make informed decisions in connection with the matters to be discussed. This means that when the following matters which shall include, but shall not be limited to: any merger, share repurchase, share capital reorganization or other restructuring proposals are involved, the detailed terms of the proposed transaction, the proposed agreement (if any) and detailed explanation as to the cause and effect of such proposed transaction shall be provided;</p> <p>(5) containing a disclosure of the nature and extent of the material interests of any Director, supervisor, manager or other senior officer in relation to the matters to be discussed and an explanation of the effect of the matters to be discussed on them in their capacity as shareholders so far as it is different from the effect on the interest of shareholders of the same class;</p> <p>(6) containing the full text of any special resolution to be proposed and approved at the meeting;</p> <p>(7) a clear explanation in writing indicating that all shareholders are entitled to attend and vote at the general meeting, or to appoint one or more proxies in writing to attend and vote at the meeting on his or her behalf and that such proxies are not necessarily shareholders of the Company;</p>	<p>Article 80 The notice of a general meeting shall include the followings:</p> <p>(1) being in written form;</p> <p>(2) the time, venue and duration of the meeting;</p> <p>(3) the matters and proposals submitted for consideration at the meeting;</p> <p>(4) providing the shareholders with such information and explanation as necessary for them to make informed decisions in connection with the matters to be discussed. This means that when the following matters which shall include, but shall not be limited to: any merger, share repurchase, share capital reorganization or other restructuring proposals are involved, the detailed terms of the proposed transaction, the proposed agreement (if any) and detailed explanation as to the cause and effect of such proposed transaction shall be provided;</p> <p>(5) containing a disclosure of the nature and extent of the material interests of any Director, supervisor, manager or other senior officer in relation to the matters to be discussed and an explanation of the effect of the matters to be discussed on them in their capacity as shareholders so far as it is different from the effect on the interest of shareholders of the same class;</p> <p>(6) containing the full text of any special resolution to be proposed and approved at the meeting;</p> <p>(7) a clear explanation in writing indicating that all shareholders are entitled to attend and vote at the general meeting, or to appoint one or more proxies in writing to attend and vote at the meeting on his or her behalf and that such proxies are not necessarily shareholders of the Company;</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>(8) specified delivery time and place of the power of attorney for proxy voting at the meeting;</p> <p>(9) specified record date for shareholders entitled to attend the general meeting;</p> <p>(10) name and telephone number of the contact person for the meeting.</p> <p>Details of all proposals shall be disclosed on a full and complete basis in the notice and supplementary notice of general meeting. Where opinions from independent directors are required on any matters to be discussed, such opinions and reasons from independent directors shall be disclosed in the notice or supplementary notice of general meeting.</p> <p>Where a general meeting is held online or by any other means, the notice of general meeting shall specify the time and procedures of the voting online or by any other means. The voting online or by any other means shall be started not earlier than 3:00 p.m. on the day before the on-the-spot general meeting is held and not later than 9:30 a.m. on the day when the on-the-spot general meeting is held, and shall be concluded not earlier than 3:00 p.m. on the day when the on-the-spot general meeting ends.</p>	<p>(8) specified delivery time and place of the power of attorney for proxy voting at the meeting;</p> <p>(9) specified record date for shareholders entitled to attend the general meeting;</p> <p>(10) name and telephone number of the contact person for the meeting.</p> <p>Details of all proposals shall be disclosed on a full and complete basis in the notice and supplementary notice of general meeting. Where opinions from independent <u>non-executive</u> directors are required on any matters to be discussed, such opinions and reasons from independent <u>non-executive</u> directors shall be disclosed in the notice or supplementary notice of general meeting.</p> <p>Where a general meeting is held online or by any other means, the notice of general meeting shall specify the time and procedures of the voting online or by any other means. The voting online or by any other means shall be started not earlier than 3:00 p.m. on the day before the on-the-spot general meeting is held and not later than 9:30 a.m. on the day when the on-the-spot general meeting is held, and shall be concluded not earlier than 3:00 p.m. on the day when the on-the-spot general meeting ends.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 81 Notice of general meeting shall be served to shareholders (whether or not entitled to vote at the general meeting) by personal delivery or prepaid mail to their addresses. The address of the recipient shall be the address registered in the register of shareholders. For holders of domestic shares, notice of general meeting may be issued in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authorities under the State Council 45 to 50 days prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming general meetings once the announcement is published.</p> <p>For holders of overseas-listed foreign shares, subject to the compliance with laws, administrative regulations, normative documents and relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed and relevant procedures, the notice of a general meeting may be published on the websites of the Company and the websites designated by the SEHK, or by other ways permitted under the Hong Kong Listing Rules and the Articles of Association, instead of delivery by hand or by prepaid mail to the holders of overseas-listed foreign shares.</p>	<p>Article 81 Notice of general meeting shall be served to shareholders (whether or not entitled to vote at the general meeting) by personal delivery or prepaid mail to their addresses. The address of the recipient shall be the address registered in the register of shareholders. For holders of domestic shares, notice of general meeting may be issued in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authorities under the State Council 45 to 50 days prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming general meetings once the announcement is published.</p> <p>For holders of overseas-listed foreign shares, subject to the compliance with laws, administrative regulations, normative documents and relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed and relevant procedures, the notice of a general meeting may be published on the websites of the Company and the websites designated by the SEHK, or by other ways permitted under the Hong Kong Listing Rules and the Articles of Association, instead of delivery by hand or by prepaid mail to the holders of overseas-listed foreign shares.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
Article 97 In the annual general meeting, the Board and the Supervisory Committee shall report their work for the past year to the general meeting. Each independent director shall also present a work report.	Article 97 In the annual general meeting, the Board and the Supervisory Committee shall report their work for the past year to the general meeting. Each independent <u>non-executive</u> director shall also present a work report.
<p>Article 106 Shareholders (including proxies) shall exercise their voting rights according to the number of shares carrying voting rights they represent, with one vote for each share.</p> <p>Shares of the Company held by the Company itself do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a Shareholders' General Meeting.</p> <p>The Board, independent Directors and shareholders who meet the relevant requirements are entitled to solicit shareholders' voting rights. Information including the specific voting intention shall be fully disclosed to shareholders from whom voting rights are being solicited. It is prohibited to solicit voting rights from shareholders by offering consideration or consideration in disguised form. The Company shall not impose any limit on the minimum shareholding in respect of the soliciting voting rights.</p>	<p>Article 106 Shareholders (including proxies) shall exercise their voting rights according to the number of shares carrying voting rights they represent, with one vote for each share.</p> <p>Shares of the Company held by the Company itself do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a Shareholders' General Meeting.</p> <p>The Board, independent <u>non-executive</u> Directors and shareholders who meet the relevant requirements are entitled to solicit shareholders' voting rights. Information including the specific voting intention shall be fully disclosed to shareholders from whom voting rights are being solicited. It is prohibited to solicit voting rights from shareholders by offering consideration or consideration in disguised form. The Company shall not impose any limit on the minimum shareholding in respect of the soliciting voting rights.</p>

<p style="text-align: center;">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
Article 114 Voting is conducted by open ballot at the Shareholders' General Meeting.	<p>Article 114 Voting is conducted by open ballot at the Shareholders' General Meeting.</p> <p><u>Voting at a Shareholders' General Meeting shall be in the form of a show of hands unless a poll is (before or after any vote by show of hands) demanded by the following persons:</u></p> <p>(1) <u>the presider of the meeting;</u></p> <p>(2) <u>at least two shareholders or proxies entitled to vote;</u></p> <p>(3) <u>one or certain shareholders (including proxies) individually or jointly holding 10% or more of all shares carrying voting rights at the meeting.</u></p> <p><u>Unless a poll is demanded by any person, the presider of the meeting shall declare whether a resolution has been passed based on a show of hands and record the result in the minutes of meeting as the conclusive evidence. There is no need to provide evidence of the number or percentage of votes in favour of or against such resolution.</u></p> <p><u>The demand for a poll may be withdrawn by the person who makes such demand. In case of any contradiction of this Article with the Hong Kong Listing Rules, the Hong Kong Listing Rules shall prevail.</u></p>

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Existing Provision	Provisions after Amendment
<p>Article 115 Voting at a Shareholders' General Meeting shall be in the form of a show of hands unless a poll is (before or after any vote by show of hands) demanded by the following persons:</p> <p>(1) the presider of the meeting;</p> <p>(2) at least two shareholders or proxies entitled to vote;</p> <p>(3) one or certain shareholders (including proxies) individually or jointly holding 10% or more of all shares carrying voting rights at the meeting.</p> <p>Unless a poll is demanded by any person, the presider of the meeting shall declare whether a resolution has been passed based on a show of hands and record the result in the minutes of meeting as the conclusive evidence. There is no need to provide evidence of the number or percentage of votes in favour of or against such resolution.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand. In case of any contradiction of this Article with the Hong Kong Listing Rules, the Hong Kong Listing Rules shall prevail.</p>	<p><u>Deleted</u></p>
<p>Article 130 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 132 to 136.</p>	<p>Article 130<u>129</u> Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 132<u>131</u> to 136<u>135</u>.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
<p>Article 132 Shareholders of the affected class, whether or not having the right to vote at the general meetings, shall nevertheless have the right to vote at class meetings on matters referred to in clauses (2) to (8) and (11) to (12) of Article 131, but interested shareholders shall not be entitled to vote at class meetings.</p> <p>The interested shareholders referred to in the preceding paragraph have the following meanings:</p> <p>(1) In the case of a repurchase of its own shares by the Company by making repurchase offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 30 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholder as defined in Article 65 of the Articles of Association;</p>	<p>Article 132<u>131</u> Shareholders of the affected class, whether or not having the right to vote at the general meetings, shall nevertheless have the right to vote at class meetings on matters referred to in clauses (2) to (8) and (11) to (12) of Article 130<u>1</u>, but interested shareholders shall not be entitled to vote at class meetings.</p> <p>The interested shareholders referred to in the preceding paragraph have the following meanings:</p> <p>(1) In the case of a repurchase of its own shares by the Company by making repurchase offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 30 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholder as defined in Article 65 of the Articles of Association;</p>

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Existing Provision	Provisions after Amendment
<p>(2) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 30 of the Articles of Association, “interested shareholder” shall refer to the shareholder in relation to the agreement;</p> <p>(3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>	<p>(2) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 30 of the Articles of Association, “interested shareholder” shall refer to the shareholder in relation to the agreement;</p> <p>(3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>
<p>Article 133 A resolution of a class meeting shall only be passed in accordance with Article 132 by shareholders present at the class meeting who represent more than two-thirds of voting rights.</p>	<p>Article 133<u>132</u> A resolution of a class meeting shall only be passed in accordance with Article 132<u>131</u> by shareholders present at the class meeting who represent more than two-thirds of voting rights.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 134 Written notices of a class meeting convened by the Company shall be dispatched forty-five days prior to the date of the class meeting to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the date and venue of the meeting. Shareholders who intend to attend the meeting shall serve on the Company written replies of their intention to attend 20 days prior to the date of the meeting.</p> <p>If the number of shares carrying voting rights at such meeting held by shareholders who intend to attend such meeting reaches more than one half of the total number of shares of a class carrying voting rights at such meeting, the Company may convene such class meeting; if not, the Company shall further notify the shareholders by way of announcement within 5 days thereof specifying the matters to be considered and the date and venue of the meeting. After such announcement is given, the Company may then convene the class meeting.</p>	<p>Article 134134¹³³ Written notices of a class meeting convened by the Company shall be dispatched <u>in accordance with the provisions regarding convening a shareholders' meeting in these Articles of Association</u>forty-five days prior to the date of the class meeting to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the date and venue of the meeting. Shareholders who intend to attend the meeting shall serve on the Company written replies of their intention to attend 20 days prior to the date of the meeting.</p> <p>If the number of shares carrying voting rights at such meeting held by shareholders who intend to attend such meeting reaches more than one half of the total number of shares of a class carrying voting rights at such meeting, the Company may convene such class meeting; if not, the Company shall further notify the shareholders by way of announcement within 5 days thereof specifying the matters to be considered and the date and venue of the meeting. After such announcement is given, the Company may then convene the class meeting.</p>

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Existing Provision	Provisions after Amendment
<p>Article 138 Directors shall be elected or replaced at a general meeting. The term of office of the Directors shall be three years. Upon expiry of the current term of office, a Director shall be eligible to offer himself for reelection and re-appointment. Before expiry of the current term of office, a Director shall not be dismissed without cause by the general meeting. The general meeting may, by an ordinary resolution, dismiss any Director before the expiry of his term of office (but without prejudice to such Director's right to claim damages based on any contract) on the condition that all the relevant laws and administrative regulations are fully complied with.</p> <p>Written notices of intent to nominate candidates for Directors and indication of consent to such nomination shall be given to the Company 7 days prior to the general meeting. The Company shall permit no less than 7 days (commencing from the next day of the date of the general meeting notice) for relevant nominators and nominees to submit the aforesaid notice and document.</p> <p>Save for independent Directors and staff representative Directors, the proportion of Directors to be replaced at each term of the Board of Directors shall not exceed one fifth of the total number of members of the Board of Directors.</p>	<p>Article 138<u>137</u> Directors shall be elected or replaced at a general meeting. The term of office of the Directors shall be three years. Upon expiry of the current term of office, a Director shall be eligible to offer himself for reelection and re-appointment. Before expiry of the current term of office, a Director shall not be dismissed without cause by the general meeting. The general meeting may, by an ordinary resolution, dismiss any Director before the expiry of his term of office (but without prejudice to such Director's right to claim damages based on any contract) on the condition that all the relevant laws and administrative regulations are fully complied with.</p> <p>Written notices of intent to nominate candidates for Directors and indication of consent to such nomination shall be given to the Company 7 days prior to the general meeting. The Company shall permit no less than 7 days (commencing from the next day of the date of the general meeting notice) for relevant nominators and nominees to submit the aforesaid notice and document.</p> <p>Save for independent <u>non-executive</u> Directors and staff representative Directors, the proportion of Directors to be replaced at each term of the Board of Directors shall not exceed one fifth of the total number of members of the Board of Directors.</p>

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Existing Provision	Provisions after Amendment
The tenure of a Director shall start from the date on which the said Director assumes office until the expiration of the term of the incumbent Board. In the event that re-election of Directors is not conducted on a timely manner upon expiration of the term of service of a Director, the incumbent Directors shall continue to perform their duties of Directors in accordance with laws, administrative regulations, department rules and requirements of the Article of Associations until incoming director assumes his office.	The tenure of a Director shall start from the date on which the said Director assumes office until the expiration of the term of the incumbent Board. In the event that re-election of Directors is not conducted on a timely manner upon expiration of the term of service of a Director, the incumbent Directors shall continue to perform their duties of Directors in accordance with laws, administrative regulations, department rules and requirements of the Article of Associations until incoming director assumes his office.
Article 146 Independent Directors shall comply with the relevant requirements of laws, administrative regulations and department rules.	Article 146 <u>145</u> Independent non-executive Directors shall comply with the relevant requirements of laws, administrative regulations and department rules.
Article 148 The Board of Directors shall be composed of 13 Directors and shall have one (1) chairman and five (5) independent directors. One (1) vice chairman can be appointed.	Article 148 <u>147</u> The Board of Directors shall be composed of <u>9 to</u> 13 Directors and shall have one (1) chairman and three (3) to five (5) independent non-executive directors (representing not less than one-third of the total number of the Board). One (1) or two (2) vice chairman/chairmen <u>vice chairman</u> can be appointed.

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Existing Provision	Provisions after Amendment
<p>Article 156 Where it is under any of the following circumstances, the chairman of the Board of Directors shall, within 10 days after receiving the proposal, convene an extraordinary meeting of the Board of Directors:</p> <p>(1) When the chairman of the Board of Directors considers it necessary to hold a meeting;</p> <p>(2) When 1/3 or more directors jointly put forward a motion;</p> <p>(3) When the Supervisory Committee puts forward a motion;</p> <p>(4) When the manager puts forward a motion;</p> <p>(5) When 1/2 or more independent directors put forward a motion;</p> <p>(6) When the shareholders that represent 1/10 or more of the voting rights put forward a motion.</p> <p>When the department in charge of managing securities matters temporarily proposes to Board of Directors to resolve on certain matters, the chairman of the Board of Directors may convene extraordinary meeting of the Board of Directors.</p>	<p>Article 156<u>155</u> Where it is under any of the following circumstances, the chairman of the Board of Directors shall, within 10 days after receiving the proposal, convene an extraordinary meeting of the Board of Directors:</p> <p>(1) When the chairman of the Board of Directors considers it necessary to hold a meeting;</p> <p>(2) When 1/3 or more directors jointly put forward a motion;</p> <p>(3) When the Supervisory Committee puts forward a motion;</p> <p>(4) When the manager puts forward a motion;</p> <p>(5) When 1/2 or more independent <u>non-executive</u> directors put forward a motion;</p> <p>(6) When the shareholders that represent 1/10 or more of the voting rights put forward a motion.</p> <p>When the department in charge of <u>supervising</u> managing securities matters temporarily proposes to Board of Directors to resolve on certain matters, the chairman of the Board of Directors may convene extraordinary meeting of the Board of Directors.</p>

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Existing Provision	Provisions after Amendment
Article 157 Notice of extraordinary meetings of the Board of Directors shall be delivered by written notice. Deadline for serving the notice is at least 10 working days in advance.	Article 157 <u>156</u> Notice of <u>When the Board of Directors convenes an</u> extraordinary meetings <u>meeting</u> , it may determine the <u>method and time limit</u> of the Board of Directors shall be delivered by written notice.
Article 159 The meeting of the Board of Directors can only be convened when more than half of the Directors attend. Each Director shall have one (1) vote. An ordinary resolution of the Board of directors shall be passed by more than half of the members of the Board of Directors. Special resolutions of the Board of Directors and those under Article 149 of the Articles of Association shall be passed by more than two thirds of all Directors.	Article 159 <u>158</u> The meeting of the Board of Directors can only be convened when more than half of the Directors attend. Each Director shall have one (1) vote. An ordinary resolution of the Board of directors shall be passed by more than half of the members of the Board of Directors. Special resolutions of the Board of Directors and those under Article 149 <u>148</u> of the Articles of Association shall be passed by more than two thirds of all Directors.
Where there is an equality of votes cast both for and against a resolution, the chairman of the Board of Directors shall have another casting vote.	Where there is an equality of votes cast both for and against a resolution, the chairman of the Board of Directors shall have another casting vote.

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Existing Provision	Provisions after Amendment
<p>Article 169 The responsibilities of the secretary to the Board of Directors are to:</p> <p>(1) ensure the Company to keep complete organizational documents and records;</p> <p>(2) ensure that the Company prepare and deliver, in accordance with law, the reports and documents required by competent authorities;</p> <p>(3) ensure proper establishment of the register of shareholders of the Company, and ensure persons entitled to obtain related records and documents of the Company timely obtain such records and documents;</p> <p>(4) prepare meetings of the Board of Directors and Shareholders' General Meetings, responsible for the minutes of the meetings and the custody of documents and minutes of the meetings;</p> <p>(5) administer the information disclosure matters of the Company, urge the Company to develop and implement a system of information disclosure and an internal reporting system of material information in order to facilitate the Company and the related parties in carrying out their information disclosure obligations according to the relevant laws, and do regular disclosure and periodic reports of the Company in accordance with relevant regulations so as to ensure timely, accurate, legal, truthful and complete information disclosure of the Company;</p>	<p>Article 169<u>168</u> The responsibilities of the secretary to the Board of Directors are to:</p> <p>(1) ensure the Company to keep complete organizational documents and records;</p> <p>(2) ensure that the Company prepare and deliver, in accordance with law, the reports and documents required by competent authorities;</p> <p>(3) ensure proper establishment of the register of shareholders of the Company, and ensure persons entitled to obtain related records and documents of the Company timely obtain such records and documents;</p> <p>(4) prepare meetings of the Board of Directors and Shareholders' General Meetings, responsible for the minutes of the meetings and the custody of documents and minutes of the meetings;</p> <p>(5) administer the information disclosure matters of the Company, urge the Company to develop and implement a system of information disclosure and an internal reporting system of material information in order to facilitate the Company and the related parties in carrying out their information disclosure obligations according to the relevant laws, and do regular disclosure and periodic reports of the Company in accordance with relevant regulations so as to ensure timely, accurate, legal, truthful and complete information disclosure of the Company;</p>

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Existing Provision	Provisions after Amendment
(6) responsible for the management of investor relationship, establish a sound investor relation management system, coordinate the relationship between the Company and investors, receive investor consultation, and provide investors with the information disclosed by the company;	(6) responsible for the management of investor relationship, establish a sound investor relation management system, coordinate the relationship between the Company and investors, receive investor consultation, and provide investors with the information disclosed by the company;
(7) provide consultation or suggestions for major decisions of the Company;	(7) provide consultation or suggestions for major decisions of the Company;
(8) administer the confidentiality of the disclosure of information, formulate security measures, when inside information is disclosed, timely take remedial measures to explain and clarify, timely report to Shanghai Stock Exchange and China Securities Regulatory Commission;	(8) administer the confidentiality of the disclosure of information, formulate security measures, when inside information is disclosed, timely take remedial measures to explain and clarify, timely report to Shanghai Stock Exchange and China Securities Regulatory Commission;
(9) remind Directors to be diligent, prompt the Board of Directors to legally perform its functions and powers, ensure the Company operating normally;	(9) remind Directors to be diligent, prompt the Board of Directors to legally perform its functions and powers, ensure the Company operating normally;
(10) other powers conferred by the Articles of Association and the listing rules of stock exchanges where the shares of the Company are listed.	(10) other powers conferred by the Articles of Association and the listing rules of stock exchanges where the shares of the Company are listed.

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
Article 172 The Company shall have one (1) manager, a number of vice managers, who shall be appointed or dismissed by the Board of Directors.	Article 172 <u>171</u> The Company shall have one (1) manager, a number of vice managers, who shall be appointed or dismissed by the Board of Directors.
Vice manager, secretary to the Board of Directors and Chief Financial Officer shall serve as senior officers of the Company.	Vice manager, secretary to the Board of Directors and Chief Financial Officer shall serve as senior officers of the Company.
The provisions of Article 139 of the Articles of Association concerning loyalty to directors and the provisions of Articles 140 (4) to (6) on diligence shall be applicable to managers and other senior officers.	The provisions of Article 139 <u>138</u> of the Articles of Association concerning loyalty to directors and the provisions of Articles 140 <u>139</u> (4) to (6) on diligence shall be applicable to managers and other senior officers.

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 189 The Supervisory Committee shall be accountable to the shareholders in a general meeting, and shall exercise the following functions and powers :</p> <p>(1) examine regular reports prepared by the Board of Directors and propose written examination suggestions;</p> <p>(2) to review the Company’s financial position;</p> <p>(3) to supervise the Directors and senior officers’ acts of violation of any laws, administrative regulations and the Articles of Association when performing their duties of the Company;</p> <p>(4) to demand any Director or senior officer who acts in a manner which is harmful to the Company’s interest to rectify such behavior;</p> <p>(5) to check the financial information, such as the financial report, business report and plans for distribution of profits to be submitted by the Board of Directors to the Shareholders’ General Meetings, and to authorize in the Company’s name, public certified accountants and licensed auditors to assist in the re-examination of such information, should any doubt arise in respect thereof;</p>	<p>Article 189<u>188</u> The Supervisory Committee shall be accountable to the shareholders in a general meeting, and shall exercise the following functions and powers :</p> <p>(1) examine regular reports prepared by the Board of Directors and propose written examination suggestions;</p> <p>(2) to review the Company’s financial position;</p> <p>(3) to supervise the Directors, <u>managers and other</u> and senior officers’ <u>performance of their duties of the Company, and to recommend to remove those acts of violation of</u> violating any laws, administrative regulations and, the Articles of Association <u>or resolutions of the Shareholders’ General Meeting</u> when performing their duties of the Company;</p> <p>(4) to demand any Director or senior officer who acts in a manner which is harmful to the Company’s interest to rectify such behavior;</p> <p>(5) to check the financial information, such as the financial report, business report and plans for distribution of profits to be submitted by the Board of Directors to the Shareholders’ General Meetings, and to authorize in the Company’s name, public certified accountants and licensed auditors to assist in the re-examination of such information, should any doubt arise in respect thereof;</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
(6) to propose to convene an extraordinary general meeting;	(6) to propose to convene an extraordinary general meeting, <u>and to convene and preside over the Shareholders' General Meeting when the Board of Directors fails to perform the duties of convening and presiding over the Shareholders' General Meeting as required by the Company Law;</u>
(7) to submit proposals to Shareholders' General Meetings;	(7) to submit proposals to Shareholders' General Meetings;
(8) to represent the Company in negotiations with, or to initiate legal proceedings against any Director or senior officer according to the Company Law;	(8) to represent the Company in negotiations with, or to initiate legal proceedings against any Director or senior officer according to <u>Article 151 of the Company Law;</u>
(9) to identify unusual operation of the Company and to engage an accountancy firm, a law firm or any professional organization to investigate when necessary at the cost of the Company.	(9) to identify unusual operation of the Company and to engage an accountancy firm, a law firm or any professional organization to investigate when necessary at the cost of the Company.
(10) other functions and powers as provided by the Articles of Association. Supervisors shall attend Board meetings.	(10) other functions and powers as provided by the Articles of Association. Supervisors shall attend Board meetings

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
<p>Article 207 A loan guarantee provided by the Company in breach of sub-clause 1 of Article 205 shall not be enforceable against the Company, unless:</p> <p>(1) the lender was not aware of the loan provided to an associate of the directors(s), supervisors(s), manager(s) and other senior officers of the Company or of its parent company;</p> <p>(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>	<p>Article 207<u>206</u> A loan guarantee provided by the Company in breach of <u>these Articles of Association</u>sub-clause 1 of Article 205 shall not be enforceable against the Company, unless:</p> <p>(1) the lender was not aware of the loan provided to an associate of the directors(s), supervisors(s), manager(s) and other senior officers of the Company or of its parent company;</p> <p>(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 210 The Company shall enter into contracts in writing with each director and supervisor in relation to their emoluments, subject to prior approval at a general meeting , which should at least include the following provisions:</p> <p>(1) the director(s) , supervisor(s) and senior officer s undertake(s) to the Company that they will comply with the Company Law, Special Regulations, these Articles of Association, Hong Kong Codes on Takeovers and Mergers and Share Repurchases, Hong Kong Code on Share Repurchases and other rules formulated by the SEHK and agree that the Company may enjoy the remedy as provided in these Articles of Association. The contracts and their positions may not be assigned;</p> <p>(2) the directors(s), supervisors(s) and senior officers undertake(s) to the Company that they will comply with and perform their duties to the shareholders according to these Articles of Association;</p> <p>(3) the arbitration provisions in Article 268 of these Articles of Association.</p> <p>The aforesaid emoluments shall include:</p> <p>(1) the emoluments for acting as a director, supervisor or senior officer of the Company;</p> <p>(2) the emoluments for acting as a director, supervisor or senior officer of any subsidiary of the Company;</p>	<p>Article 210<u>209</u> The Company shall enter into contracts in writing with each director and supervisor in relation to their emoluments, subject to prior approval at a general meeting , which should at least include the following provisions:</p> <p>(1) the director(s) , supervisor(s) and senior officer s undertake(s) to the Company that they will comply with the Company Law, Special Regulations, these Articles of Association, Hong Kong Codes on Takeovers and Mergers and Share Repurchases, Hong Kong Code on Share Repurchases and other rules formulated by the SEHK and agree that the Company may enjoy the remedy as provided in these Articles of Association. The contracts and their positions may not be assigned;</p> <p>(2) the directors(s), supervisors(s) and senior officers undertake(s) to the Company that they will comply with and perform their duties to the shareholders according to these Articles of Association;</p> <p>(3) the arbitration provisions in Article 268 of these Articles of Association.</p> <p>The aforesaid emoluments shall include:</p> <p>(1) the emoluments for acting as a director, supervisor or senior officer of the Company;</p> <p>(2) the emoluments for acting as a director, supervisor or senior officer of any subsidiary of the Company;</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>(3) the emoluments in respect of the provision of other services in connection with the management of the Company and any of its subsidiaries;</p> <p>(4) the payment to such a director or supervisor for compensation for his loss of office, or retirement. Except under a contract entered into in accordance with the foregoing paragraph, no proceedings may be brought by a director or supervisor against the Company for any benefits due to him in respect of the matters mentioned in this Article.</p>	<p>(3) the emoluments in respect of the provision of other services in connection with the management of the Company and any of its subsidiaries;</p> <p>(4) the payment to such a director or supervisor for compensation for his loss of office, or retirement. Except under a contract entered into in accordance with the foregoing paragraph, no proceedings may be brought by a director or supervisor against the Company for any benefits due to him in respect of the matters mentioned in this Article.</p>
<p>Article 223 The Company's profit distribution policy are as follows:</p> <p>(1) Principle of profit distribution: The profit distribution of the Company shall focus on the reasonable investment return of the investors. The Company shall determine the reasonable profit distribution plan in accordance with the current operation conditions and the capital requirement plan of project investment and maintain a continuous and stable profit distribution policy. The Company's profit distribution shall not exceed the range of the accumulated distributable profits nor harm the ability of the Company to operate and develop in a sustainable manner.</p> <p>(2) Contents of the Company's profit distribution: Profit of the Company can be distributed by cash, stock or a combination of cash and stock, with priority over cash dividends.</p>	<p>Article 223-222 The Company's profit distribution policy are as follows:</p> <p>(1) Principle of profit distribution: The profit distribution of the Company shall focus on the reasonable investment return of the investors. The Company shall determine the reasonable profit distribution plan in accordance with the current operation conditions and the capital requirement plan of project investment and maintain a continuous and stable profit distribution policy. The Company's profit distribution shall not exceed the range of the accumulated distributable profits nor harm the ability of the Company to operate and develop in a sustainable manner.</p> <p>(2) Contents of the Company's profit distribution: Profit of the Company can be distributed by cash, stock or a combination of cash and stock, with priority over cash dividends.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>(3) Adjustment to profit distribution: If the Company is required to make adjustments to the profit distribution policy in line with its production and operation, investment plans, and long term development demands, the adjusted profit distribution policy shall not violate the relevant regulations of the CSRC and Shanghai Stock Exchange. A resolution regarding the adjustments to the profit distribution policy, upon seeking the opinions of independent directors and supervisory committee in advance , shall perform respective decision-making procedure and shall be approved by the shareholders by an affirmative vote of two-thirds or more of all shareholders attending the general meeting.</p> <p>(4) Decision-making procedure that profit distribution shall perform:</p> <p>1. When formulating the profit distribution proposal, the Board of Directors shall take the initiative to communicate and exchange with shareholders especially with minority shareholders through multiply channel, fully listen to their opinions and demands, and timely respond to the issues that minority shareholders concerned.</p>	<p>(3) Adjustment to profit distribution: If the Company is required to make adjustments to the profit distribution policy in line with its production and operation, investment plans, and long term development demands, the adjusted profit distribution policy shall not violate the relevant regulations of the CSRC and Shanghai Stock Exchange. A resolution regarding the adjustments to the profit distribution policy, upon seeking the opinions of independent <u>non-executive</u> directors and supervisory committee in advance-, shall perform respective decision-making procedure and shall be approved by the shareholders by an affirmative vote of two-thirds or more of all shareholders attending the general meeting.</p> <p>(4) Decision-making procedure that profit distribution shall perform:</p> <p>1. When formulating the profit distribution proposal, the Board of Directors shall take the initiative to communicate and exchange with shareholders especially with minority shareholders through multiply channel, fully listen to their opinions and demands, and timely respond to the issues that minority shareholders concerned.</p>

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

Existing Provision	Provisions after Amendment
2. When considering the profit distribution proposal, the Board of Directors shall carefully consider and deliberate the timing, conditions, and minimum percentage, etc. of the distribution of cash dividend by the Company, and independent director shall express their clear opinions and fully listen to the opinions of the supervisory committee thereon.	2. When considering the profit distribution proposal, the Board of Directors shall carefully consider and deliberate the timing, conditions, and minimum percentage, etc. of the distribution of cash dividend by the Company, and independent <u>non-executive</u> director shall express their clear opinions and fully listen to the opinions of the supervisory committee thereon.
Article 256 Where the situation set forth in item (1) of Article 255 of these Articles of Association occurs, the Company may continue to exist by amending these Articles of Association. Amendments to these Articles of Association in accordance with preceding paragraph shall be passed by a vote representing more than two-thirds of the voting rights of the shareholders present at the general meeting.	Article 256-255 Where the situation set forth in item (1) of Article 255-254 of these Articles of Association occurs, the Company may continue to exist by amending these Articles of Association. Amendments to these Articles of Association in accordance with preceding paragraph shall be passed by a vote representing more than two-thirds of the voting rights of the shareholders present at the general meeting.

<p align="center">APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>
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Existing Provision	Provisions after Amendment
<p>Article 257 Should the Company dissolve due to reasons stipulated in items (1) and (2) of Article 255, it shall set up a liquidation committee to begin liquidation within 15 days after the occurrence of the dissolution event, and the members of this committee shall be determined by ordinary resolutions of the Shareholders' General Meeting, failing which creditors may apply to the People's court for the establishment of a liquidation committee comprising designated persons.</p> <p>Should the Company dissolve due to reasons stipulated in item (4) of Article 255, relevant competent authorities shall organize shareholders, relevant authorities and professionals to form the liquidation committee and start the liquidation.</p> <p>Should the Company dissolve due to reasons stipulated in item (6) of Article 255, bankruptcy liquidation shall be carried out in accordance with the relevant laws on corporate bankruptcy.</p>	<p>Article 257<u>256</u> Should the Company dissolve due to reasons stipulated in items (1) and (2) of Article 255<u>254</u>, it shall set up a liquidation committee to begin liquidation within 15 days after the occurrence of the dissolution event, and the members of this committee shall be determined by ordinary resolutions of the Shareholders' General Meeting, failing which creditors may apply to the People's court for the establishment of a liquidation committee comprising designated persons.</p> <p>Should the Company dissolve due to reasons stipulated in item (4) of Article 255<u>254</u>, relevant competent authorities shall organize shareholders, relevant authorities and professionals to form the liquidation committee and start the liquidation.</p> <p>Should the Company dissolve due to reasons stipulated in item (6) of Article 255<u>254</u>, bankruptcy liquidation shall be carried out in accordance with the relevant laws on corporate bankruptcy.</p>
<p>Article 273 Accounting firm referred to in these Articles of Association shall bear the same meaning as "auditors".</p>	<p>Article 273<u>272</u> <u>Chairman shall bear the same meaning as "chairman of the Board"; Vice chairman shall bear the same meaning as "Vice chairman of the Board"; Manager shall bear the same meaning as "CEO"; Vice Manager shall bear the same meaning as "Vice CEO"; Accounting firm referred to in these Articles of Association shall bear the same meaning as "auditors" and a "Business Day" means the date on which the Stock Exchange is open for the business of dealings in securities.</u></p>

<p>APPENDIX XV RESOLUTION ON THE AMENDMENTS ON THE ARTICLES OF ASSOCIATION OF THE COMPANY AND THE CHANGE ON INDUSTRIAL AND COMMERCIAL REGISTRATION</p>

The Board proposes to the general meeting to grant approval to the Board to authorize the management to be responsible for all relevant registration procedures required for the change of the above matters of the Company to the industrial and commercial registration authority. The above amendments shall have legal effect on the Company.

Note: The Articles of Association and its amendments were originally drafted in Chinese and there was no official English version. Therefore, any English translation is for reference only. In case of any discrepancies, the Chinese version shall prevail.

Details of the Amendments to the Rules of Procedures for the General Meeting of Shanghai Dazhong Public Utilities (Group) Co., Ltd.

Existing Provision	Provisions after Amendment
<p>Article 1 The Rules of Procedures are hereby formulated in accordance with the Company Law of the People's Republic of China ("the Company Law"), Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas ("Mandatory Provisions"), Letter about Suggestions on Amendment to Articles of Association of Companies to be Listed in Hong Kong, Rules on Shareholders' General Meetings of Listed Companies (ZJHGG [2014] No.46) issued by China Securities Regulatory Commission ("CSRC"), Opinions on Further Standardizing Operations and Reform of Companies Listed outside the PRC (the "Opinions"), Guidance for the Articles of Association of Listed Companies ("Guidance for the Articles of Association"), Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), other relevant laws, administrative regulations, rules and normative documents of the People's Republic of China ("China", for the purpose of the Rules, excluding Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan), the Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. ("Articles of Association"), as well as other relevant laws and regulations, for the purpose of regulating the acts of shareholders' general meetings of Shanghai Dazhong Public Utilities (Group) Co., Ltd. ("the Company"), guaranteeing functions and powers exercised by the shareholders' general meetings of the Company in accordance with the law, and protecting the interests of the Company and its shareholders.</p>	<p>Article 1 The Rules of Procedures are hereby formulated in accordance with the Company Law of the People's Republic of China ("the Company Law"), Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas ("Mandatory Provisions"), Letter about Suggestions on Amendment to Articles of Association of Companies to be Listed in Hong Kong, Rules on Shareholders' General Meetings of Listed Companies (ZJHGG [20142016] No.4622) issued by China Securities Regulatory Commission ("CSRC"), Opinions on Further Standardizing Operations and Reform of Companies Listed outside the PRC (the "Opinions"), Guidance for the Articles of Association of Listed Companies ("Guidance for the Articles of Association"), Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), other relevant laws, administrative regulations, rules and normative documents of the People's Republic of China ("China", for the purpose of the Rules, excluding Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan), the Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. ("Articles of Association"), as well as other relevant laws and regulations, for the purpose of regulating the acts of shareholders' general meetings of Shanghai Dazhong Public Utilities (Group) Co., Ltd. ("the Company"), guaranteeing functions and powers exercised by the shareholders' general meetings of the Company in accordance with the law, and protecting the interests of the Company and its shareholders.</p>

Existing Provision	Provisions after Amendment
<p>Article 2 The Company shall convene Shareholders' General Meetings in strict accordance with laws, administrative regulations, rules, normative documents, Hong Kong Listing Rules, the Articles of Association, as well as the Rules of Procedures, in order to guarantee shareholders can exercise their rights according to the law.</p> <p>The Board of Directors of the Company shall faithfully perform its duties and carefully organize Shareholders' General Meetings as scheduled. All the directors of the Company shall be diligent and responsible to guarantee that the shareholders' general meetings can be normally convened and legally perform its functions and powers.</p>	<p>Article 2 The Company shall convene Shareholders' General Meetings in strict accordance with laws, administrative regulations, rules, normative documents, Hong Kong Listing Rules, the Articles of Association, as well as the Rules of Procedures, in order to guarantee shareholders can exercise their rights according to the law.</p> <p>The Board of Directors of the Company shall faithfully perform its duties and carefully organize Shareholders' General Meetings as scheduled. All the directors of the Company shall be diligent and responsible to guarantee that the shareholders' general meetings can be normally convened and legally perform its functions and powers.</p>

Existing Provision	Provisions after Amendment
<p>Article 3 The general meetings shall include annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year and shall be held within six months from the end of the preceding financial year.</p> <p>Extraordinary general meetings shall be held irregularly. The Company shall convene an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:</p> <p>(I) The number of directors is less than the number as stipulated in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;</p> <p>(II) The losses of the Company which have not been made up reach one-third of the total share capital;</p> <p>(III) Shareholders holding not less than 10% (inclusive) of the Company's issued shares with voting rights request in writing to hold an extraordinary general meeting;</p> <p>(IV) Whenever the Board considers necessary;</p> <p>(V) When the Supervisory Committee proposes to convene a meeting;</p> <p>(VI) When more than half of the independent directors make a written proposal;</p> <p>(VII) Other circumstances as provided by laws, administrative regulations, departmental rules or the Articles of Association.</p>	<p>Article 3 The general meetings shall include annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year and shall be held within six months from the end of the preceding financial year.</p> <p>Extraordinary general meetings shall be held irregularly. The Company shall convene an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:</p> <p>(I) The number of directors is less than the number as stipulated in the Company Law or less than two-thirds of the number prescribed in the Articles of Association;</p> <p>(II) The losses of the Company which have not been made up reach one-third of the total share capital;</p> <p>(III) Shareholders holding not less than 10% (inclusive) of the Company's issued shares with voting rights request in writing to hold an extraordinary general meeting;</p> <p>(IV) Whenever the Board considers necessary;</p> <p>(V) When the Supervisory Committee proposes to convene a meeting;</p> <p>(VI) When more than half of the independent directors make a written proposal;</p> <p>(VII) Other circumstances as provided by laws, administrative regulations, departmental rules or the Articles of Association.</p>

Existing Provision	Provisions after Amendment
<p>Article 4 When holding a general meeting, the Company shall engage lawyers to advise on the following matters and make an announcement:</p> <p>(I) Whether the procedures for convening and holding the meeting are compliant with the laws, administrative regulations, Rules on Shareholders' General Meetings of Listed Companies, and the Articles of Association;</p> <p>(II) Whether the qualifications of the attendees and the conveners are lawful and valid;</p> <p>(III) Whether the voting procedures and results of the meeting are lawful and valid;</p> <p>(IV) Other relevant matters at the request of the Company.</p>	<p>Article 4 When holding a general meeting, the Company shall engage lawyers to advise on the following matters and make an announcement:</p> <p>(I) Whether the procedures for convening and holding the meeting are compliant with the laws, administrative regulations, Rules on Shareholders' General Meetings of Listed Companies, and the Articles of Association;</p> <p>(II) Whether the qualifications of the attendees and the conveners are lawful and valid;</p> <p>(III) Whether the voting procedures and results of the meeting are lawful and valid;</p> <p>(IV) Other relevant matters at the request of the Company.</p>
<p>Article 5 The general meeting is the top organ of power of the Company and shall exercise the following functions and powers:</p> <p>(I) Deciding on the business policies and investment plans of the Company;</p> <p>(II) Electing and replacing directors and supervisors who are appointed from amongst representatives of the shareholders and deciding on matters relating to the remuneration of the directors and supervisors;</p> <p>(III) Examining and approving reports of the Board of Directors;</p> <p>(IV) Examining and approving reports of the Supervisory Committee;</p>	<p>Article 5 The general meeting is the top organ of power of the Company and shall exercise the following functions and powers:</p> <p>(I) Deciding on the business policies and investment plans of the Company;</p> <p>(II) Electing and replacing directors and supervisors who are appointed from amongst representatives of the shareholders and deciding on matters relating to the remuneration of the directors and supervisors;</p> <p>(III) Examining and approving reports of the Board of Directors;</p> <p>(IV) Examining and approving reports of the Supervisory Committee;</p>

Existing Provision	Provisions after Amendment
(V) Examining and approving the Company's annual financial budget and final account proposals;	(V) Examining and approving the Company's annual financial budget and final account proposals;
(VI) Examining and approving the Company's plans for profit distribution and loss make-up;	(VI) Examining and approving the Company's plans for profit distribution and loss make-up;
(VII) Adopting resolutions on the increase or reduction of the Company's registered capital;	(VII) Adopting resolutions on the increase or reduction of the Company's registered capital;
(VIII) Adopting resolutions on the issuance of bonds of the Company;	(VIII) Adopting resolutions on the issuance of bonds of the Company;
(IX) Adopting resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;	(IX) Adopting resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;
(X) Amending the Articles of Association;	(X) Amending the Articles of Association;
(XI) Adopting resolutions on the engagement or removal of engagement of accounting firms by the Company;	(XI) Adopting resolutions on the engagement— or removal <u>or non-reappointment</u> of engagement of accounting firms by the Company;
(XII) Examining and approving guarantees required in Article 6;	(XII) Examining and approving guarantees required in Article 667 <u>of the Articles of Association</u> ;
(XIII) Examining on matters relating to the purchase and sale of material assets exceeding 30% of the latest audited total assets of the Company within one year;	(XIII) Examining on matters relating to the purchase and sale of material assets exceeding 30% of the latest audited total assets of the Company within one year;
(XIV) Examining and approving the matters on changes in the use of proceeds;	(XIV) Examining and approving the matters on changes in the use of proceeds;
(XV) Examining share incentive plans;	(XV) Examining share incentive plans;

Existing Provision	Provisions after Amendment
<p>(XVI) Considering proposals from shareholders representing 5% (inclusive) or more of the shares in the Company with voting rights;</p> <p>(XVII) Considering other matters which are to be decided by the Shareholders' General Meetings according to the laws, administrative regulations, departmental rules, regulatory requirements of the regulatory authorities and stock exchange of the place where the Company's securities are listed, or provisions of the Articles of Association.</p>	<p>(XVI) Considering proposals from shareholders representing <u>53%</u> (inclusive) or more of the shares in the Company with voting rights;</p> <p>(XVII) <u>Making resolutions on the Company's acquisition of its own shares due to the circumstances specified in Article 29 (1) and (2) of the Articles of Association;</u></p> <p>(XVIII) Considering other matters which are to be decided by the shareholders' general meetings according to the laws, administrative regulations, departmental rules, regulatory requirements of the regulatory authorities and stock exchange of the place where the Company's securities are listed, or provisions of the Articles of Association.</p>
<p>Article 8 Independent directors shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting. For such a proposal, the Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such a meeting, a notice of general meeting will be given within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given and an announcement will be made.</p>	<p>Article 8 Independent <u>non-executive</u> directors shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting. For such a proposal, the Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such a meeting, a notice of general meeting willshall be given within 5 days after the resolution of the Board of Directors is made. Where the Board of Directors does not agree to hold such a meeting, its reasons shall be given and an announcement willshall be made.</p>

Existing Provision	Provisions after Amendment
<p>Article 9 The Supervisory Committee shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting and shall make such a proposal in written form. The Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such meeting, a notice of general meeting shall be given within 5 days after the resolution of the Board of Directors is made. Any change to the original proposal in the notice shall be subject to the approval from the Supervisory Committee.</p> <p>Where the Board of Directors does not agree to hold such a meeting, or fails to give a written reply within 10 days upon receipt of the proposal, its reasons shall be given and an announcement shall be made.</p>	<p>Article 9 The Supervisory Committee shall be entitled to make a proposal to the Board of Directors on holding an extraordinary general meeting and shall make such a proposal in written form. The Board of Directors shall give a written reply on whether to agree or not to hold such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.</p> <p>Where the Board of Directors agrees to hold such meeting, a notice of general meeting shall be given within 5 days after the resolution of the Board of Directors is made. Any change to the original proposal in the notice shall be subject to the approval from the Supervisory Committee.</p> <p>Where the Board of Directors does not agree to hold such a meeting, or fails to give a written reply within 10 days upon receipt of the proposal<u>request</u>, <u>the Supervisory Committee may convene a shareholders' meeting on its own</u>its reasons shall be given and an announcement shall be made.</p>

Existing Provision	Provisions after Amendment
<p>Article 10 Where shareholders request to hold an extraordinary general meeting or class meeting, the following procedures shall be followed:</p> <p>(I) Two or more shareholders who collectively hold 10% or more of the voting shares at the proposed meeting may make a proposal to the Board of Directors on holding an extraordinary general meeting or class meeting by signing one or several written requests with same content in same format and define the meeting agenda. The Board of Directors shall convene such meetings as soon as possible upon receipt of the aforesaid written request. The aforesaid number of shares held shall be calculated as of the date when the written request was put forward by the shareholders.</p> <p>(II) In case that the Board of Directors fails to give a notice of convening such meeting within 30 days after receipt of the aforesaid written request, the shareholders who put forward the request may convene such a meeting within 4 months after receipt of the request by the Board of Directors, and the procedures shall be the same as those for convening a general meeting by the Board of Directors where possible.</p>	<p>Article 10 Where shareholders request to hold an extraordinary general meeting or class meeting, the following procedures shall be followed:</p> <p>(I) Two or more shareholders who collectively hold 10% or more of the voting shares at the proposed meeting may make a proposal to the Board of Directors on holding an extraordinary general meeting or class meeting by signing one or several written requests with same content in same format and define the meeting agenda. The Board of Directors shall convene such meetings as soon as possible upon receipt of the aforesaid written request. The aforesaid number of shares held shall be calculated as of the date when the written request was put forward by the shareholders.</p> <p>(II) <u>Where the board of Directors does not agree to fails to give a notice of convening such meeting</u> convene an extraordinary general meeting, or does not respond within 30<u>10</u> days after <u>receiving the</u> receipt of the aforesaid written request, <u>ordinary shareholders (including preferred shareholders whose voting rights have been restored) holding more than 10% of the Company's shares individually or in aggregate have the right to propose to the Supervisory Committee to convene an extraordinary general meeting, and shall submit a request to the Supervisory Committee in writing.</u></p>

Existing Provision	Provisions after Amendment
<p>The expenses reasonably incurred by shareholders in convening and holding such a meeting for the Board of Directors fails to hold such a meeting on the aforesaid request shall be borne by the Company and shall be deducted from any payment due by the Company to non-performing directors.</p>	<p><u>If the Supervisory Committee agrees to convene an extraordinary general meeting, it shall issue a notice to convene a general meeting within 5 days upon receiving the request. Changes to the original request set out in the notice shall be subject to the consents of relevant shareholders.</u></p> <p><u>The failure of the Supervisory Committee to issue a notice of the shareholders' meeting within the prescribed time limit shall be deemed that the Supervisory Committee will not convene and preside over the shareholders' meeting. Ordinary shareholders (including preferred shareholders whose voting rights are restored) who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over a shareholders' meeting.</u></p> <p>The expenses reasonably incurred by shareholders in convening and holding such a meeting for the Board of Directors fails to hold such a meeting on the aforesaid request shall be borne by the Company and shall be deducted from any payment due by the Company to non-performing directors.</p>
<p>Newly added provisions</p>	<p><u>Article 11 The expenses reasonably incurred by shareholders in convening and holding a meeting which the Board of Directors fails to hold such a meeting on the aforesaid request shall be borne by the Company and shall be deducted from any payment due by the Company to non-performing directors.</u></p>

Existing Provision	Provisions after Amendment
Newly added provisions	<u>Article 12</u> If a shareholder decides to convene a Shareholders' General Meeting on his own, in addition to fulfilling the foregoing procedures, he shall file a record with the local office of the CSRC and stock exchange where the Company is located.
Article 11 With respect to a general meeting convened by the shareholders, the Board of Directors and the Secretary to the Board shall give cooperation. The Board of Directors shall provide the register of the shareholders as of the record date.	<u>Article 11</u> 13 With respect to a general meeting convened by the shareholders, the Board of Directors and the Secretary to the Board shall give cooperation. The Board of Directors shall provide the register of the shareholders as of the record date.
Article 12 The content of a proposal shall be determined by general meeting, which shall have definite topics to be discussed and specific matters for resolution and shall be in compliance with laws, administrative regulations and the Articles of Association.	<u>Article 12</u> 14 The content of a proposal shall be determined by general meeting, which shall have definite topics to be discussed and specific matters for resolution and shall be in compliance with laws, administrative regulations and the Articles of Association.

Existing Provision	Provisions after Amendment
<p>Article 13 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and shareholder(s) individually or jointly holding more than 5% of the Company's shares shall have the right to make proposals to the Company.</p>	<p><u>Article 13</u>15 When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and shareholder(s) individually or jointly holding more than 5<u>3</u>% of the Company's shares shall have the right to make proposals to the Company.</p>
<p>Shareholder(s) individually or jointly holding more than 5% of the Company's shares may propose temporary proposals in writing to the convener 10 working days before the general meeting is convened. The convener shall issue a supplementary notice of the general meeting within 2 days after receiving the proposal to announce the contents of the temporary proposal.</p>	<p>Shareholder(s) individually or jointly holding more than 5<u>3</u>% of the Company's shares may propose temporary proposals in writing to the convener 10 working days before the general meeting is convened. The convener shall issue a supplementary notice of the general meeting within 2 days after receiving the proposal to announce the contents of the temporary proposal.</p>
<p>Except as provided in the preceding paragraph, after sending out a notice of general meeting, the convener shall not make any amendments to the proposals included in the notice of general meeting or add any new proposals.</p>	<p>Except as provided in the preceding paragraph, after sending out a notice of general meeting, the convener shall not make any amendments to the proposals included in the notice of general meeting or add any new proposals.</p>

Existing Provision	Provisions after Amendment
<p>The Board of Directors of the Company shall examine the proposals of the general meeting in accordance with the Articles of Association in the best interests of the Company and the shareholders. Proposals not set out in the notice of general meeting or not complying with the Articles of Association shall not be submitted to the general meeting for voting and resolution by the Board of Directors of the Company.</p>	<p>The Board of Directors of the Company shall examine the proposals of the general meeting in accordance with the Articles of Association in the best interests of the Company and the shareholders. Proposals not set out in the notice of general meeting or not complying with the Articles of Association shall not be submitted to the general meeting for voting and resolution by the Board of Directors of the Company.</p>
<p>Article 14 Where the Company convenes a general meeting, a written notice must be given not less than 45 days prior to the meeting to notify all shareholders whose names appear in the share register of the matters to be considered and the date and venue of the meeting. Shareholders that intend to attend the general meeting shall deliver a written reply to the Company on meeting attendance not less than 20 days prior to the meeting.</p>	<p><u>Article 14</u>16 Where the Company convenes <u>an annual</u> general meeting, a written notice must be given not less than <u>45-20 business</u> days prior to the meeting <u>while 15 days and not less than 10 business days prior to the meeting in the case of convening an extraordinary general meeting,</u> to notify all shareholders whose names appear in the share register of the matters to be considered and the date and venue of the meeting. Shareholders that intend to attend the general meeting shall deliver a written reply to the Company on meeting attendance not less than 20 days prior to the meeting.</p>
<p>Article 15 In the annual general meeting of the Company, shareholders holding 5% or more of the total voting shares of the Company, are entitled to make new proposals to the Company in written form. The Company shall include those matters which are within the scope of duties of the general meeting into the agenda of such meeting.</p>	<p><u>Article 15</u>17 In the annual general meeting of the Company, shareholders holding <u>53</u>% or more of the total voting shares of the Company, are entitled to make new proposals to the Company in written form. The Company shall include those matters which are within the scope of duties of the general meeting into the agenda of such meeting.</p>

Existing Provision	Provisions after Amendment
<p>Article 16 The Company shall, based on the written replies received 20 days before the date of the general meeting, calculate the number of voting shares represented by shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting reaches not less than one half of the Company's total voting shares, the Company may hold the general meeting. If not, the Company shall within 5 days notify the shareholders again by announcement of the matters to be considered, the date and venue of the meeting. The Company then may hold the general meeting after notice by announcement.</p> <p>An extraordinary general meeting shall not decide on any matter not stated in the notice of the meeting.</p>	<p><u>Deleted</u></p>

Existing Provision	Provisions after Amendment
Newly added provisions	<u>Article 18</u> The extraordinary general meeting shall not make resolutions on matters not specified in the notice.
Article 17 The specific place for each annual general meeting or extraordinary general meeting shall be determined by the Board of Directors and announced in accordance with the Articles of Association. The venue for a physical general meeting to be held shall be arranged. The Company shall provide internet voting for the convenience of shareholders attending the meetings. Shareholders attending a general meeting through the above means shall be deemed attending.	<u>Article 17</u> 19 The Company's general meeting shall be held in Shanghai. The specific place for each annual general meeting or extraordinary general meeting shall be determined by the Board of Directors and announced in accordance with the Articles of Association. The venue for a physical general meeting to be held shall be arranged. The Company shall provide internet voting for the convenience of shareholders attending the meetings. Shareholders attending a general meeting through the above means shall be deemed attending.
Article 18 The notice of a general meeting shall include the followings: (I) Being in written form; (II) The time, venue and duration of the meeting; (III) The matters and proposals submitted for consideration at the meeting; (IV) Providing the shareholders with such information and explanation as necessary for them to make informed decisions in connection with the matters to be discussed. This means that when the following matters which shall include, but shall not be limited to: any merger, share repurchase, share capital reorganization or other restructuring proposals are involved, the detailed terms of the proposed transaction, the proposed agreement (if any) and detailed explanation as to the cause and effect of such proposed transaction shall be provided;	<u>Article 18</u> 20 The notice of a general meeting shall include the followings: (I) Being in written form; (II) The time, venue and duration of the meeting; (III) The matters and proposals submitted for consideration at the meeting; (IV) Providing the shareholders with such information and explanation as necessary for them to make informed decisions in connection with the matters to be discussed. This means that when the following matters which shall include, but shall not be limited to: any merger, share repurchase, share capital reorganization or other restructuring proposals are involved, the detailed terms of the proposed transaction, the proposed agreement (if any) and detailed explanation as to the cause and effect of such proposed transaction shall be provided;

Existing Provision	Provisions after Amendment
(V) Containing a disclosure of the nature and extent of the material interests of any director, supervisor, manager or other senior officer in relation to the matters to be discussed and an explanation of the effect of the matters to be discussed on them in their capacity as shareholders so far as it is different from the effect on the interest of shareholders of the same class;	(V) Containing a disclosure of the nature and extent of the material interests of any director, supervisor, manager or other senior officer in relation to the matters to be discussed and an explanation of the effect of the matters to be discussed on them in their capacity as shareholders so far as it is different from the effect on the interest of shareholders of the same class;
(VI) Containing the full text of any special resolution to be proposed and approved at the meeting;	(VI) Containing the full text of any special resolution to be proposed and approved at the meeting;
(VII) A clear explanation in writing indicating that all shareholders are entitled to attend and vote at the general meeting, or to appoint one or more proxies in writing to attend and vote at the meeting on his or her behalf and that such proxies are not necessarily shareholders of the Company;	(VII) A clear explanation in writing indicating that all shareholders are entitled to attend and vote at the general meeting, or to appoint one or more proxies in writing to attend and vote at the meeting on his or her behalf and that such proxies are not necessarily shareholders of the Company;
(VIII) Specified delivery time and place of the power of attorney for proxy voting at the meeting;	(VIII) Specified delivery time and place of the power of attorney for proxy voting at the meeting;
(IX) Specified record date for shareholders entitled to attend the general meeting;	(IX) Specified record date for shareholders entitled to attend the general meeting;
(X) Name and telephone number of the contact person for the meeting;	(X) Name and telephone number of the contact person for the meeting; <u>Details of all proposals shall be disclosed on a full and complete basis in the notice and supplementary notice of general meeting. Where opinions from independent non-executive directors are required on any matters to be discussed, such opinions and reasons from independent non-executive directors shall be disclosed in the notice or supplementary notice of general meeting.</u>

Existing Provision	Provisions after Amendment
<p>(XI) Where a general meeting is held online or by any other means, the notice of general meeting shall specify the time and procedures of the voting online or by any other means.</p> <p>Details of all proposals shall be disclosed on a full and complete basis in the notice and supplementary notice of general meeting. Where opinions from independent directors are required on any matters to be discussed, such opinions and reasons from independent directors shall be disclosed in the notice or supplementary notice of general meeting.</p> <p>The voting online or by any other means shall be started not earlier than 3:00 p.m. on the day before the on-the-spot general meeting is held and not later than 9:30 a.m. on the day when the on-the-spot general meeting is held, and shall be concluded not earlier than 3:00 p.m. on the day when the on-the-spot general meeting ends.</p>	<p>(XI) Where a general meeting is held online or by any other means, the notice of general meeting shall specify the time and procedures of the voting online or by any other means.</p> <p>Details of all proposals shall be disclosed on a full and complete basis in the notice and supplementary notice of general meeting. Where opinions from independent directors are required on any matters to be discussed, such opinions and reasons from independent directors shall be disclosed in the notice or supplementary notice of general meeting.</p> <p>The voting online or by any other means shall be started not earlier than 3:00 p.m. on the day before the on-the-spot general meeting is held and not later than 9:30 a.m. on the day when the on-the-spot general meeting is held, and shall be concluded not earlier than 3:00 p.m. on the day when the on-the-spot general meeting ends.</p>

Existing Provision	Provisions after Amendment
<p>Article 19 Notice of general meeting shall be served to shareholders (whether or not entitled to vote at the general meeting) by personal delivery or prepaid mail to their addresses. The address of the recipient shall be the address registered in the register of shareholders. For holders of domestic shares, a notice of general meeting may be issued in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authorities under the State Council 45 to 50 days prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming general meetings once the announcement is published.</p> <p>For holders of overseas-listed foreign shares, subject to the compliance with laws, administrative regulations, normative documents and relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed and relevant procedures, the notice of a general meeting may be published on the websites of the Company and the websites designated by the SEHK, or by other ways permitted under the Hong Kong Listing Rules and the Articles of Association, instead of delivery by hand or by prepaid mail to the holders of overseas-listed foreign shares.</p>	<p><u>Article 19</u> 21 Except as otherwise provided in the Articles of Association, the <u>Notice</u> notice of general meeting shall be served to shareholders (whether or not entitled to vote at the general meeting) by personal delivery or prepaid mail to their addresses. The address of the recipient shall be the address registered in the register of shareholders. For holders of domestic shares, a notice of general meeting may be issued in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authorities under the State Council 45 to 50 days prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming general meetings once the announcement is published.</p> <p>For holders of overseas-listed foreign shares, subject to the compliance with laws, administrative regulations, normative documents and relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed and relevant procedures, the notice of a general meeting may be published on the websites of the Company and the websites designated by the SEHK, or by other ways permitted under the Hong Kong Listing Rules and the Articles of Association, instead of delivery by hand or by prepaid mail to the holders of overseas-listed foreign shares.</p>

Existing Provision	Provisions after Amendment
<p>Article 21 After issuance of the notice for the general meeting, the general meeting shall not be postponed or cancelled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of delay or cancellation, the convener shall make an announcement giving reasons at least 2 working days before the date when the meeting is convened.</p>	<p><u>Article 212123</u> After issuance of the notice for the general meeting, the general meeting shall not be postponed or cancelled without proper reasonsand, the proposals specified in the notice shall not be withdrawn <u>and the venue of the on-site meeting shall not be changed</u>. In case of delay or cancellation <u>or the need to change the on-site meeting venue</u>, the convener shall make an announcement giving reasons at least 2 working days before the date when the meeting is convened.</p>

Existing Provision	Provisions after Amendment
<p>Article 23 All shareholders on the register of shareholders on the shareholding record date or their proxies shall be entitled to attend the general meeting. They shall vote in accordance with the provisions of the relevant laws, regulations and the Articles of Association.</p> <p>Shareholders may attend the general meeting in person or they may appoint proxies to attend and vote on their behalf.</p> <p>The instrument appointing a proxy shall be in writing under the hand of the principal or his attorney authorized in writing; where the principal is a legal person, such instrument shall be under its seal or under the hand of his director or attorney duly authorized.</p>	<p><u>Article 23</u>25 All shareholders on the register of shareholders on the shareholding record date or their proxies shall be entitled to attend the general meeting. They shall vote in accordance with the provisions of the relevant laws, regulations and the Articles of Association.</p> <p>Shareholders may attend the general meeting in person or they may appoint proxies to attend and vote on their behalf.</p> <p>The instrument appointing a proxy shall be in writing under the hand of the principal or his attorney authorized in writing; where the principal is a legal person, such instrument shall be under its seal or under the hand of his director or attorney duly authorized.</p>
<p>Article 24 Individual shareholders who attend the meeting in person shall produce their identity cards or other effective document or proof of identity and stock account cards. Proxies of individual shareholders shall produce effective proof of identity and the authorization letter from the shareholder.</p> <p>A corporate shareholder shall appoint a legal representative or a proxy entrusted by the legal representative to attend the meeting. If a legal representative attends the meeting, he shall produce his identity card and a valid certificate proving his qualification to be a legal representative; if a proxy is entrusted to attend the meeting, the proxy shall produce his identity card, and a written power of attorney issued by the legal representative of the corporate shareholder in accordance with the law.</p>	<p><u>Article 24</u>26 Individual shareholders who attend the meeting in person shall produce their identity cards or other effective document or proof of identity and stock account cards. Proxies of individual shareholders shall produce effective proof of identity and the authorization letter from the shareholder.</p> <p>A corporate shareholder shall appoint a legal representative or a proxy entrusted by the legal representative to attend the meeting. If a legal representative attends the meeting, he shall produce his identity card and a valid certificate proving his qualification to be a legal representative; if a proxy is entrusted to attend the meeting, the proxy shall produce his identity card, and a written power of attorney issued by the legal representative of the corporate shareholder in accordance with the law.</p>

Existing Provision	Provisions after Amendment
Newly added provisions	<u>Article 27 A corporate shareholder shall appoint a legal representative or a proxy entrusted by the legal representative to attend the meeting. If a legal representative attends the meeting, he shall produce his identity card and a valid certificate proving his qualification to be a legal representative; if a proxy is entrusted to attend the meeting, the proxy shall produce his identity card, and a written power of attorney issued by the legal representative of the corporate shareholder in accordance with the law.</u>

Existing Provision	Provisions after Amendment
<p>Article 33 The general meeting shall be convened by the Board of Directors and presided over by the chairman of the Board of Directors. Where the chairman of the Board of Directors is unable to discharge or fails to discharge his/her duties, the meeting shall be convened and presided over by the vice chairman of the Board of Directors (if there are two or more vice chairmen, the one elected by more than one half of the directors shall preside over the meeting). In the event that both the chairman and vice chairman are unable to attend the meeting, a director selected by the Board of Directors shall convene and preside over the meeting. In the event that no such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the presider, the attending shareholder who holds the most voting shares shall preside over the meeting.</p> <p>For the general meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting.</p> <p>In the event that the presider of the meeting violates the rules of procedures which results in the general meeting being unable to continue, upon approval by the shareholders representing more than half of the voting rights present at the meeting, a person may be elected to preside over the general meeting and the meeting shall continue.</p>	<p><u>Article 33</u>36 The general meeting shall be convened by the Board of Directors and presided over by the chairman of the Board of Directors. Where the chairman of the Board of Directors is unable to discharge or fails to discharge his/her duties, the meeting shall be convened and presided over by the vice chairman of the Board of Directors (if there are two or more vice chairmen, the one elected by more than one half of the directors shall preside over the meeting). In the event that both the chairman and vice chairman are unable to attend the meeting, a director selected by the Board of Directors shall convene and preside over the meeting. In the event that no such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the presider, the attending shareholder who holds the most voting shares shall preside over the meeting.</p> <p>For the general meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting.</p> <p>In the event that the presider of the meeting violates the rules of procedures which results in the general meeting being unable to continue, upon approval by the shareholders representing more than half of the voting rights present at the meeting, a person may be elected to preside over the general meeting and the meeting shall continue.</p>

Existing Provision	Provisions after Amendment
Newly added provisions	<u>Article 37</u> The Company shall formulate the rules of procedures for the general meeting and specify in details the procedures for convening and voting at the general meeting, including notification, registration, reviewing of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, public announcements as well as principle for the authorization granted to the Board by the general meeting, and the content of authorization shall be clear and specific. The rules of procedures for the general meeting shall be appended to the Articles of Association and shall be formulated by the Board and approved by the general meeting.
Article 34 In the annual general meeting, the Board and the Supervisory Committee shall report their work for the past year to the general meeting. Each independent director shall also present a work report.	<u>Article 34</u> 38 In the annual general meeting, the Board and the Supervisory Committee shall report their work for the past year to the general meeting. Each independent <u>non-executive</u> director shall also present a work report.
Article 35 Directors, supervisors, managers and other senior officers shall provide answers and explanations in response to queries and recommendations made by shareholders at the general meeting, provided that no trade secrets of the Company shall be discussed at the meeting.	<u>Article 35</u> 39 Directors, supervisors, managers and other , senior officers shall provide answers and explanations in response to queries and recommendations made by shareholders at the general meeting, provided that no trade secrets of the Company shall be discussed at the meeting.

Existing Provision	Provisions after Amendment
<p>Article 37 Minutes shall be prepared for general meetings by the Secretary to the Board. The minutes shall state the following contents:</p> <p>(I) Time, venue and agenda of the meeting and name of the convener;</p> <p>(II) The name of the presider of the meeting and the names of Directors, supervisors, managers and other senior officers attending or present at the meeting;</p> <p>(III) The numbers of shareholders and proxies attending the meeting, total number of voting shares they hold and the percentages to the total number of shares of the Company;</p>	<p><u>Article 37</u>41 Minutes shall be prepared for general meetings by the Secretary to the Board. The minutes shall state the following contents:</p> <p>(I) Time, venue and agenda of the meeting and name of the convener;</p> <p>(II) The name of the presider of the meeting and the names of Directors, supervisors, managers and other senior officers attending or present at the meeting;</p> <p>(III) The numbers of shareholders and proxies attending the meeting, total number of voting shares they hold and the percentages to the total number of shares of the Company;</p>

Existing Provision	Provisions after Amendment
(IV) The process of review and discussion, summary of any speech and voting results of each proposal;	(IV) The process of review and discussion, summary of any speech and voting results of each proposal;
(V) Shareholders' questions, opinions or suggestions and corresponding answers or explanations;	(V) Shareholders' questions, opinions or suggestions and corresponding answers or explanations;
(VI) Names of lawyers, vote counters and scrutinizer of the voting;	(VI) Names of lawyers, vote counters and scrutinizer of the voting;
(VII) Other contents to be included as specified in the Articles of Association.	(VII) Other contents to be included as specified in the Articles of Association.
Article 40 Attending shareholders shall sign the attendance register prepared by the Company, and fill in items such as the name (or names of organizations), identity card numbers, residential addresses, the number of shares held or voting rights represented and names of the principals (or name of organizations).	<u>Deleted</u>

Existing Provision	Provisions after Amendment
<p>Article 42 Following matters shall be adopted by way of ordinary resolutions at general meetings:</p> <p>(I) Work reports of the Board of Directors and the Supervisory Committee;</p> <p>(II) Profit distribution plans and loss recovery plans prepared by the Board of Directors;</p> <p>(III) Dismissal of the members of the Board of Directors and the Supervisory Committee and their remuneration and the payment thereof;</p> <p>(IV) Annual budget plans, final account plans, balance sheets, income statements and other financial statements of the Company;</p> <p>(V) Annual reports of the Company;</p> <p>(VI) Other matters other than those required by the laws, administrative regulations, the listing rules of the stock exchange on which the shares of the Company are listed or the Articles of Association to be adopted by special resolutions.</p>	<p><u>Article 42</u>45 Following matters shall be adopted by way of ordinary resolutions at general meetings:</p> <p>(I) Work reports of the Board of Directors and the Supervisory Committee;</p> <p>(II) Profit distribution plans and loss recovery plans prepared by the Board of Directors;</p> <p>(III) Dismissal of the members of the Board of Directors and the Supervisory Committee and their remuneration and the payment thereof;</p> <p>(IV) Annual budget plans, final account plans, balance sheets, income statements and other financial statements of the Company;</p> <p>(V) Annual reports of the Company;</p> <p>(VI) Other matters other than those required by the laws, administrative regulations, the listing rules of the stock exchange on which the shares of the Company are listed or the Articles of Association to be adopted by special resolutions.</p>

Existing Provision	Provisions after Amendment
Article 43 Following matters shall be adopted by way of special resolutions at general meetings:	<u>Article 43</u> 46 Following matters shall be adopted by way of special resolutions at general meetings:
(I) Increase or reduction in the registered capital and issue of shares of any class, stock warrants and other similar securities;	(I) Increase or reduction in the registered capital and issue of shares of any class, stock warrants and other similar securities;
(II) Issue of corporate bonds;	(II) Issue of corporate bonds;
(III) The division, merger, dissolution, liquidation and change of corporate form of the Company;	(III) The division, merger, dissolution, liquidation and change of corporate form of the Company;
(IV) Amendments to the Articles of Association;	(IV) Amendments to the Articles of Association;
(V) The purchases and disposals of material assets or guarantees within one year, which exceed 30% of the latest audited total assets of the Company;	(V) The purchases and disposals of material assets or guarantees within one year, which exceed 30% of the latest audited total assets of the Company;
(VI) Adjustments to the profit distribution policy;	(VI) Adjustments to the profit distribution policy;
(VII) Equity incentive plans;	(VII) Equity incentive plans;
(VIII) Any other matters required by the laws, administrative regulations or the Articles of Association, and matters considered in an ordinary resolution adopted at a Shareholders' General Meeting having a material impact on the Company, and thus in need of approval by a special resolution.	<u>(VIII) The Company's acquisition of its own shares due to the circumstances specified in Article 29 (1) and (2) of the Articles of Association;</u> (IX) Any other matters required by the laws, administrative regulations or the Articles of Association, and matters considered in an ordinary resolution adopted at a Shareholders' General Meeting having a material impact on the Company, and thus in need of approval by a special resolution.

Existing Provision	Provisions after Amendment
<p>Article 44 Shareholders (including proxies) shall exercise their voting rights according to the number of shares carrying voting rights they represent, with one vote for each share.</p>	<p><u>Article 44</u>47 Shareholders (including proxies) shall exercise their voting rights according to the number of shares carrying voting rights they represent, with one vote for each share.</p>
<p>Shares of the Company held by the Company itself don't carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a Shareholders' General Meeting.</p>	<p>Shares of the Company held by the Company itself don't carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a Shareholders' General Meeting.</p>
<p>The Board, independent directors and shareholders who meet the relevant requirements are entitled to solicit shareholders' voting rights. Information including the specific voting intention shall be fully disclosed to shareholders from whom voting rights are being solicited. It is prohibited to solicit voting rights from shareholders by offering consideration or consideration in disguised form. The Company shall not impose any limit on the minimum shareholding in respect of the soliciting voting rights.</p>	<p>The Board, independent <u>non-executive</u> directors and shareholders who meet the relevant requirements are entitled to solicit shareholders' voting rights. Information including the specific voting intention shall be fully disclosed to shareholders from whom voting rights are being solicited. It is prohibited to solicit voting rights from shareholders by offering consideration or consideration in disguised form. The Company shall not impose any limit on the minimum shareholding in respect of the soliciting voting rights.</p>

Existing Provision	Provisions after Amendment
<p>Article 45 When connected transactions are being considered at a Shareholders' General Meeting, the connected shareholders shall abstain from voting, and the number of shares carrying voting rights represented by them shall not be counted in the total number of valid votes; the announcement on the resolutions of a general meeting shall fully disclose the voting results of non-connected shareholders. If connected shareholders cannot abstain from voting due to special situation, the Company shall vote according to the regular procedure after soliciting the approval of authority and make detailed explanation in the announcement in relation to the resolutions at the Shareholders' General Meeting.</p> <p>If any shareholder shall abstain from voting on certain resolution in accordance with the listing rules of the place where the overseas-listed foreign shares are listed, or such listing rules limit any shareholder to vote in favour of or against certain resolution, the voting which violates such requirement or limitation by such shareholder or his proxy shall not be included in the voting results.</p>	<p><u>Article 45</u>48 When connected transactions are being considered at a Shareholders' General Meeting, the connected shareholders shall abstain from voting, and the number of shares carrying voting rights represented by them shall not be counted in the total number of valid votes, the announcement on the resolutions of a general meeting shall fully disclose the voting results of non-connected shareholders. If connected shareholders cannot abstain from voting due to special situation, the Company shall vote according to the regular procedure after soliciting the approval of authority and make detailed explanation in the announcement in relation to the resolutions at the Shareholders' General Meeting.</p> <p>If any shareholder shall abstain from voting on certain resolution in accordance with the listing rules of the place where the overseas-listed foreign shares are listed, or such listing rules limit any shareholder to vote in favour of or against certain resolution, the voting which violates such requirement or limitation by such shareholder or his proxy shall not be included in the voting results.</p>

Existing Provision	Provisions after Amendment
<p>Article 48 List of director and supervisor candidates shall be submitted in the form of proposals to the Shareholders' General Meeting for voting.</p> <p>As to voting for the election of directors and supervisors at the general meeting, accumulative voting system may be adopted in accordance with the provisions in the Articles of Association or resolutions to be passed at the Shareholders' General Meeting.</p> <p>The accumulative voting system as mentioned in the preceding paragraph means that in the election of directors or supervisors at the Shareholders' General Meeting, each share carries a voting right equivalent to the number of directors or supervisors to be elected. A shareholder may concentrate the voting rights. The Board shall notify shareholders of the biography and profile of the director and supervisor candidates.</p> <p>Candidates for directors and supervisors of the Company are generally shareholders' representatives of the Company, senior officers of the Company or social celebrities. Directors and supervisors who are not staff representatives shall be nominated by the last term of office of the directors and the supervisors and submitted to the general meeting for voting.</p>	<p><u>Article 48</u>⁵¹ List of director and supervisor candidates shall be submitted in the form of proposals to the Shareholders' General Meeting for voting.</p> <p>As to voting for the election of directors and supervisors at the general meeting, accumulative voting system may be adopted in accordance with the provisions in the Articles of Association or resolutions to be passed at the Shareholders' General Meeting.</p> <p>The accumulative voting system as mentioned in the preceding paragraph means that in the election of directors or supervisors at the Shareholders' General Meeting, each share carries a voting right equivalent to the number of directors or supervisors to be elected. A shareholder may concentrate the voting rights. The Board shall notify shareholders of the biography and profile of the director and supervisor candidates.</p> <p>Candidates for directors and supervisors of the Company are generally shareholders' representatives of the Company, senior officers of the Company or social celebrities. Directors and supervisors who are not staff representatives shall be nominated by the last term of office of the directors and the supervisors and submitted to the general meeting for voting.</p> <p><u>The directors who are also employee representatives shall be democratically elected by the Company's employees.</u></p>

Existing Provision	Provisions after Amendment
<p>Article 54 A poll demanded on such matters as the election of presider of the meeting or the suspension of the meeting, shall be taken forthwith; A poll demanded on any other matters shall be taken at such time as the presider of the meeting may decide, and the meeting may proceed to discuss other matters, while the outcome of the poll shall still be deemed to be a resolution of that meeting.</p>	<p><u>Article 54</u>⁵⁷ A poll demanded on such matters as the election of presider of the meeting or the suspension of the meeting, shall be taken forthwith; A poll demanded on any other matters shall be taken at such time as the presider of the meeting may decide, and the meeting may proceed to discuss other matters, while the outcome of the poll shall still be deemed to be a resolution of that meeting.</p>
<p>Article 55 On a poll taken at a meeting, a shareholder (including a proxy) entitled to two or more votes need not cast all his votes in the same way.</p>	<p><u>Article 55</u>⁵⁸ On a poll taken at a meeting, a shareholder (including a proxy) entitled to two or more votes need not cast all his votes in the same way.</p>
<p>Article 57 Before the relevant proposal is voted on at a Shareholders' General Meeting, two representatives of the shareholders shall be elected for counting the votes and scrutinizing the poll. Any shareholder who is interested in the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the poll.</p> <p>When the proposal is being voted on at the shareholders' general meeting, lawyers, the representatives of shareholders and representatives of supervisors shall be jointly responsible for counting the votes and scrutinizing the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting. Auditors of the Company, share registrars or external accountants who are qualified to act as auditors of the Company may act as the vote counters and the scrutineers.</p> <p>Shareholders of the listed company or their proxies, who have cast their votes by network voting or by other means, have the right to check their voting results through the respective voting system.</p>	<p><u>Article 57</u>⁶⁰ Before the relevant proposal is voted on at a Shareholders' General Meeting, two representatives of the shareholders shall be elected for counting the votes and scrutinizing the poll. Any shareholder who is interested in the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the poll.</p> <p>When the proposal is being voted on at the shareholders' general meeting, lawyers, the representatives of shareholders and representatives of supervisors shall be jointly responsible for counting the votes and scrutinizing the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting. Auditors of the Company, share registrars or external accountants who are qualified to act as auditors of the Company may act as the vote counters and the scrutineers.</p> <p>Shareholders of the listed company or their proxies, who have cast their votes by network voting or by other means, have the right to check their voting results through the respective voting system.</p>

Existing Provision	Provisions after Amendment
<p>Article 67 Shareholders holding different classes of shares shall be class shareholders.</p> <p>Class shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of laws, administrative regulations and the Articles of Association.</p>	<p><u>Article 67</u>70 Shareholders holding different classes of shares shall be class shareholders.</p> <p>Class shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of laws, administrative regulations and the Articles of Association.</p>
<p>Article 68 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 70 to 74.</p>	<p><u>Article 68</u>71 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 70<u>73</u> to 74<u>77</u>.</p>

Existing Provision	Provisions after Amendment
<p>Article 70 Shareholders of the affected class, whether or not having the right to vote at the general meetings, shall nevertheless have the right to vote at class meetings on matters referred to in clauses (2) to (8) and (11) to (12) of Article 69, but interested shareholders shall not be entitled to vote at class meetings.</p> <p>The interested shareholders referred to in the preceding paragraph have the following meanings:</p> <p>(I) In the case of a repurchase of its own shares by the Company by making repurchase offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 30 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholder as defined in Article 65 of the Articles of Association;</p> <p>(II) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 30 of the Articles of Association, “interested shareholder” shall refer to the shareholder in relation to the agreement;</p> <p>(III) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>	<p><u>Article 70</u>73 Shareholders of the affected class, whether or not having the right to vote at the general meetings, shall nevertheless have the right to vote at class meetings on matters referred to in clauses (2) to (8) and (11) to (12) of Article 69<u>72</u>, but interested shareholders shall not be entitled to vote at class meetings.</p> <p>The interested shareholders referred to in the preceding paragraph have the following meanings:</p> <p>(I) In the case of a repurchase of its own shares by the Company by making repurchase offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 30 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholder as defined in Article 65 of the Articles of Association;</p> <p>(II) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 30 of the Articles of Association, “interested shareholder” shall refer to the shareholder in relation to the agreement;</p> <p>(III) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>

Existing Provision	Provisions after Amendment
Article 71 A resolution of a class meeting shall only be passed in accordance with Article 70 by shareholders present at the class meeting who represent more than two-thirds of voting rights.	Article 71 ⁷⁴ A resolution of a class meeting shall only be passed in accordance with Article 70 ⁷³ by shareholders present at the class meeting who represent more than two-thirds of voting rights.
<p>Article 72 Written notices of a class meeting convened by the Company shall be dispatched 45 days prior to the date of the class meeting to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the date and venue of the meeting. Shareholders who intend to attend the meeting shall serve on the Company written replies of their intention to attend 20 days prior to the date of the meeting.</p> <p>If the number of shares carrying voting rights at such meeting held by shareholders who intend to attend such meeting reaches more than one half of the total number of shares of a class carrying voting rights at such meeting, the Company may convene such class meeting; if not, the Company shall further notify the shareholders by way of announcement within 5 days thereof specifying the matters to be considered and the date and venue of the meeting. After such announcement is given, the Company may then convene the class meeting.</p>	<p>Article 72⁷⁵ Written notices of a class meeting convened by the Company shall be dispatched 45 days <u>in accordance with the terms of the Company's Articles of Association regarding the procedures for holding the general meeting of shareholders</u> prior to the date of the class meeting to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the date and venue of the meeting. Shareholders who intend to attend the meeting shall serve on the Company written replies of their intention to attend 20 days prior to the date of the meeting.</p> <p>If the number of shares carrying voting rights at such meeting held by shareholders who intend to attend such meeting reaches more than one half of the total number of shares of a class carrying voting rights at such meeting, the Company may convene such class meeting; if not, the Company shall further notify the shareholders by way of announcement within 5 days thereof specifying the matters to be considered and the date and venue of the meeting. After such announcement is given, the Company may then convene the class meeting.</p>
Article 73 Notices of class meetings need only be served on shareholders entitled to vote at the meetings. Procedures for holding a class meeting shall be similar to those for holding a general meeting as far as possible, and the provisions in the Articles of Association relating to the procedures for a general meeting shall apply to a class meeting.	Article 73 ⁷⁶ Notices of class meetings need only be served on shareholders entitled to vote at the meetings. Procedures for holding a class meeting shall be similar to those for holding a general meeting as far as possible, and the provisions in the Articles of Association relating to the procedures for a general meeting shall apply to a class meeting.

Existing Provision	Provisions after Amendment
<p>Article 78 The notices and announcements mentioned herein refer to the disclosed contents in relevant information published in newspapers designated by CSRC. As for long notices or announcements, the Company may choose to make a brief disclosure of relevant contents in newspapers designated by CSRC, but the full text shall be meanwhile published on the website designated by CSRC.</p> <p>The supplementary notice of shareholders' general meeting mentioned herein shall be published in the same newspaper designated for publication of the notice of the meeting.</p> <p>Any announcement to be published to shareholders of overseas-listed foreign shares as required by the Articles of Association shall be published by the methods specified by the Hong Kong Listing Rules.</p>	<p><u>Article 78</u>81 The notices and announcements mentioned herein refer to the disclosed contents in relevant information published in newspapers designated by CSRC. As for long notices or announcements, the Company may choose to make a brief disclosure of relevant contents in newspapers designated by CSRC, but the full text shall be meanwhile published on the website designated by CSRC.</p> <p>The supplementary notice of shareholders' general meeting mentioned herein shall be published in the same newspaper designated for publication of the notice of the meeting.</p> <p>Any announcement to be published to shareholders of overseas-listed foreign shares as required by the Articles of Association shall be published by the methods specified by the Hong Kong Listing Rules.</p>
<p>Article 79 The terms “above”, “below”, “within”, as stated in these Rules shall all include the given figure; the terms “exceeding”, “less than” and “more than” shall all exclude the given figure.</p>	<p><u>Article 79</u>82 The terms “above”, “below”, “within”, as stated in these Rules shall all include the given figure; the terms “exceeding”, “less than” and “more than” shall all exclude the given figure.</p>
<p>Article 80 In the absence of relevant provisions herein or in case of any contradiction between the Articles of Association and relevant laws and regulations, the relevant laws, regulations, normative documents, relevant rules of the stock exchange on which shares of the Company are listed, the Articles of Association and the amendments thereto shall prevail.</p>	<p><u>Article 80</u>83 In the absence of relevant provisions herein or in case of any contradiction between the Articles of Association and relevant laws and regulations, the relevant laws, regulations, normative documents, relevant rules of <u>the securities regulatory</u> and the stock exchange on which shares of the Company are listed, the Articles of Association and the amendments thereto shall prevail.</p>

Existing Provision	Provisions after Amendment
Article 81 The Rules is drafted by the Board of Directors and is the appendix to the Articles of Association, the Rules will come into effect upon deliberation and adoption by the shareholders' general meeting of the Company, after the overseas-listed foreign shares of the Company (H Shares) are listed on the Main Board of the Stock Exchange of Hong Kong Limited.	Article 81 ⁸¹⁸⁴ The Rules is drafted by the Board of Directors and is the appendix to the Articles of Association, the Rules will come into effect upon deliberation and adoption by the shareholders' general meeting of the Company, after the overseas-listed foreign shares of the Company (H Shares) are listed on the Main Board of the Stock Exchange of Hong Kong Limited.

Note: The Rules of Procedures for the General Meeting and its amendments were originally drafted in Chinese and there was no official English version. Therefore, any English translation is for reference only. In case of any discrepancies, the Chinese version shall prevail.

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Details of the Amendments to the Rules of Procedures for the Board of Directors of Shanghai Dazhong Public Utilities (Group) Co., Ltd.

Existing Provisions	Provisions after Amendment
Article 1 The Rules are formulated in accordance with the Company Law of the People’ s Republic of China (“the Company Law”), the Securities Law of the People’s Republic of China (“the Securities Law”), Governance Standards of Listed Companies, Rules Governing the Listing of Stocks on Shanghai Stock Exchange, Special Regulations of the State Council on Overseas Offering and Listing of Shares by Joint Stock Limited Companies, Guiding Opinions on the Establishment of Independent Director System in Listed Companies, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Letter about Suggestions on Amendment to Articles of Association of Companies to be Listed in Hong Kong, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“Articles of Association”), and other relevant laws, rules, regulations and normative documents, and in combination with actual situations of the Company, for the purpose of regulating the rules of procedure and decision-making procedures of the Board of Directors, specifying duties and rights of the Board of Directors, and guaranteeing the efficient operation and scientific decision-making of the Board of Directors.	Article 1 The Rules are formulated in accordance with the Company Law of the People’ s Republic of China (“the Company Law”), the Securities Law of the People’s Republic of China (“the Securities Law”), Governance Standards of Listed Companies, Rules Governing the Listing of Stocks on Shanghai Stock Exchange, Special Regulations of the State Council on Overseas Offering and Listing of Shares by Joint Stock Limited Companies, Guiding Opinions on the Establishment of Independent Director System in Listed Companies, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Letter about Suggestions on Amendment to Articles of Association of Companies to be Listed in Hong Kong, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“Articles of Association”), and other relevant laws, rules, regulations and normative documents, and in combination with actual situations of the Company, for the purpose of regulating the rules of procedure and decision-making procedures of the Board of Directors, specifying duties and rights of the Board of Directors, and guaranteeing the efficient operation and scientific decision-making of the Board of Directors.

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 3 The Board of Directors shall exercise the following functions and powers in accordance with relevant laws, regulations and Articles of Association, as well as the functions and powers entrusted by the shareholders' general meeting:</p> <p>(I) To convene shareholders' general meetings and report on its work to the shareholders in general meetings;</p> <p>(II) To implement resolutions adopted by the shareholders in general meetings;</p> <p>(III) To determine the Company's business plans and investment proposals;</p> <p>(IV) To formulate the Company's preliminary and final annual financial budgets;</p> <p>(V) To formulate the Company's profit distribution proposal and loss recovery proposal;</p> <p>(VI) To formulate proposals for the increase or reduction of the Company's registered capital and for the issuance of the Company's debentures or other securities and listing;</p> <p>(VII) To formulate plans for important mergers and acquisition of the shares of the Company, the acquisition of the Company's stocks consolidation, division, dissolution or change of the form of the Company;</p> <p>(VIII) To determine, to the extent authorized by the Shareholders' General Meeting, on such matters as the external investments, purchase or sale of assets, assets pledge, external guarantee, entrusted banking and connected transactions of the Company;</p>	<p>Article 3 The Board of Directors shall exercise the following functions and powers in accordance with relevant laws, regulations and Articles of Association, as well as the functions and powers entrusted by the shareholders' general meeting:</p> <p>(I) To convene shareholders' general meetings and report on its work to the <u>shareholders</u> in general meetings;</p> <p>(II) To implement resolutions adopted by the shareholders in general meetings;</p> <p>(III) To determine the Company's business plans and investment proposals;</p> <p>(IV) To formulate the Company's preliminary and final annual financial budgets;</p> <p>(V) To formulate the Company's profit distribution proposal and loss recovery proposal;</p> <p>(VI) To formulate proposals for the increase or reduction of the Company's registered capital and for the issuance of the Company's debentures or other securities and listing;</p> <p>(VII) To formulate plans for important mergers and acquisition of the shares of the Company <u>due to the circumstances specified in Article 29 (1) of the Articles of Association</u>, consolidation, division, dissolution or change of the form of the Company;</p> <p>(VIII) To determine, to the extent authorized by the Shareholders' General Meeting, on such matters as the external investments, purchase or sale of assets, assets pledge, external guarantee, entrusted banking and connected transactions of the Company;</p>

APPENDIX XVII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
(IX) To decide on the Company's internal management structure;	(IX) To decide on the Company's internal management structure;
(X) To appoint or remove the Company's general manager or Secretary to the Board, and, based on the recommendations of the general manager, to appoint or remove the vice manager(s) and other senior officers such as CFO and decide on their remuneration;	(X) To appoint or remove the Company's general-managers or Secretary to the Board <u>and authorized representative of securities</u> of the Board, and, based on the recommendations of the general-managers , to appoint or remove the vice manager(s) and other senior officers such as CFO and decide on their remuneration;
(XI) To formulate the Company's basic management system;	(XI) To formulate the Company's basic management system;
(XII) To formulate proposals for any amendment of the Articles of Association;	(XII) To formulate proposals for any amendment of the Articles of Association;
(XIII) To manage the information disclosure of the Company;	(XIII) To manage the information disclosure of the Company;
(XIV) To propose to the Shareholders' General Meeting for employment or replacement of the accountancy firm that does auditing for the Company;	(XIV) To propose to the Shareholders' General Meeting for employment or replacement of the accountancy firm that does auditing for the Company;
(XV) To hear reporting from the Company's general manager and inspect the performance of the general manager;	(XV) To hear reporting from the Company's general-managers and inspect the performance of the general-managers ;

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Existing Provisions	Provisions after Amendment
<p>(XVI) To exercise any other functions and powers stipulated by the laws, regulations, department rules or the Articles of Association, or conferred by the shareholders' general meeting.</p> <p>Other than the Board of Directors' resolutions in respect of the matters specified in items (6), (7) and (12) of this Article which shall be passed by the affirmative vote of more than two-thirds of all Directors, the Board of Directors' resolutions in respect of all other matters may be passed by the affirmative vote of a simple majority of all the Directors.</p>	<p>(XVI) <u>To make plans for the Company's acquisition of its own shares due to the circumstances specified in Article 29 (3), (5), and (6) of the Articles of Association;</u></p> <p>(XVII) To exercise any other functions and powers stipulated by the laws, <u>administrative</u> regulations, department rules or the Articles of Association, or conferred by the shareholders' general meeting.</p> <p>Other than the Board of Directors' resolutions in respect of the matters specified in items (6), (7) and (12) of this Article <u>and otherwise stipulated by the laws, administrative regulations and the Articles of Association</u> which shall be passed by the affirmative vote of more than two-thirds of all Directors, the Board of Directors' resolutions in respect of all other matters may be passed by the affirmative vote of a simple majority of all the Directors.</p>
<p>Article 4 The meetings of the Board of Directors shall be divided into regular meetings and extraordinary meetings. The meetings may be convened in the form of on-site meeting or communication voting (unless specially specified, the meetings of the Board of Directors refer to the meetings of the Board of Directors and the extraordinary meetings of the Board of Directors).</p>	<p>Article 4 The meetings of the Board of Directors shall be divided into regular meetings and extraordinary meetings. The meetings may be convened in the form of on-site meeting or communication voting (unless specially specified, the meetings of the Board of Directors refer to the meetings of the Board of Directors and the extraordinary meetings of the Board of Directors).</p>
<p>Article 5 Regular meetings shall be held at least four times each year (at approximately quarterly interval). Regular meetings shall be convened by the Chairman by serving a notice to all the directors and supervisors at least 14 days before the proposed date of the meeting.</p>	<p>Article 5 Regular meetings shall be held at least four times each year (at approximately quarterly interval). Regular meetings shall be convened by the Chairman by serving a notice to all the directors and supervisors at least 14 days before the proposed date of the meeting.</p>

APPENDIX XVII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 6 Where it is under any of the following circumstances, the chairman of the Board of Directors shall, within 10 days after receiving the proposal, convene an extraordinary meeting of the Board of Directors:</p> <p>(I) When the chairman of the Board of Directors considers it necessary;</p> <p>(II) When 1/3 or more directors jointly put forward a motion;</p> <p>(III) When the Supervisory Committee puts forward a motion;</p> <p>(IV) When the manager puts forward a motion;</p> <p>(V) When 1/2 or more independent directors put forward a motion;</p> <p>(VI) When the shareholders that represent 1/10 or more of the voting rights put forward a motion.</p> <p>When the department in charge of managing securities matters temporarily proposes to Board of Directors to resolve on certain matters, the chairman of the Board of Directors may convene extraordinary meeting of the Board of Directors.</p>	<p>Article 6 Where it is under any of the following circumstances, the chairman of the Board of Directors shall, within 10 days after receiving the proposal, convene an extraordinary meeting of the Board of Directors:</p> <p>(I) When the chairman of the Board of Directors considers it necessary;</p> <p>(II) When 1/3 or more directors jointly put forward a motion;</p> <p>(III) When the Supervisory Committee puts forward a motion;</p> <p>(IV) When the manager puts forward a motion;</p> <p>(V) When 1/2 or more independent <u>non-executive</u> directors put forward a motion;</p> <p>(VI) When the shareholders that represent 1/10 or more of the voting rights put forward a motion.</p> <p>When the department in charge of managing <u>supervising</u> securities matters temporarily proposes to Board of Directors to resolve on certain matters, the chairman of the Board of Directors may convene extraordinary meeting of the Board of Directors.</p>
<p>Article 7 A notice of the extraordinary meeting of the Board of Directors shall be delivered in writing to all the directors and attendees to be present ten working days (except for special circumstances) before the meeting is convened.</p>	<p>Article 7 A notice of the extraordinary meeting <u>when the</u> Board of Directors <u>convenes, it may determine the notice method and time-limit for convening a board meeting.</u> the extraordinary meeting of the Board of Directors shall be delivered in writing to all the directors and attendees to be present ten working days (except for special circumstances) before the meeting is convened.</p>

APPENDIX XVII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 12 If the chairman of the Board of Directors is unable to perform his duties, he can assign the vice chairman to exercise his powers. If the chairman of the Board of Directors is unable to perform his duties, the vice chairman shall perform such duties (if there are 2 or more vice chairmen, a vice chairman of the Board of Directors nominated by more than half of the directors shall perform such duties); if the vice chairman of the Board of Directors is unable to perform his duties, a director nominated by more than half of the directors shall perform such duties.</p>	<p>Article 12 If the chairman of the Board of Directors is unable to perform his duties, he can assign the vice chairman to exercise his powers. If the chairman of the Board of Directors is unable to <u>or does not</u> perform his duties, the vice chairman shall perform such duties<u>convene and preside over the meeting</u> (if there are 2 or more vice chairmen, a vice chairman of the Board of Directors nominated by more than half of the directors shall perform such duties); if <u>there is no vice chairman of the Board of Directors or</u> the vice chairman of the Board of Directors is unable to <u>or does not</u> perform his duties, a director nominated by more than half of the directors shall perform such duties.</p>
<p>Article 13 The directors shall attend in person the meetings of the Board of Directors. Where any director is unable to attend the meeting for a certain reason, he may, by issuing a written power of attorney, entrust another director to attend the meeting on his behalf. Other persons than incumbent directors of the Company shall not be entrusted to attend the meeting.</p> <p>The power of attorney shall specify the names of the principal and proxy, scope of authorization of the principal, instructions on the voting intention of the proposal, powers and valid period, and shall be signed or sealed by the principal.</p> <p>A director appointed to attend the meeting shall exercise the rights of a director within the scope of authority conferred by the appointing director. Where the director has not appointed a representative to attend the meeting on his behalf, he shall be deemed to have waived his right to vote at the meeting.</p>	<p>Article 13 The directors shall attend in person the meetings of the Board of Directors. Where any director is unable to attend the meeting for a certain reason, he may, by issuing a written power of attorney, entrust another director to attend the meeting on his behalf. Other persons than incumbent directors of the Company shall not be entrusted to attend the meeting.</p> <p>The power of attorney shall specify the names of the principal and proxy, <u>proxy matters</u>, scope of authorization of the principal, instructions on the voting intention of the proposal, powers and valid period, and shall be signed or sealed by the principal.</p> <p>A director appointed to attend the meeting shall exercise the rights of a director within the scope of authority conferred by the appointing director. Where the <u>absent</u> director has not appointed a representative to attend the meeting on his behalf, he shall be deemed to have waived his right to vote at the meeting.</p>

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Existing Provisions	Provisions after Amendment
Article 14 Independent directors shall not be absent from the meeting or entrust other directors to attend the meeting for three consecutive times.	Article 14 If the independent <u>non-executive directors do not attend the board meetings in person for three consecutive times</u> , the board of directors <u>shall request the shareholders' general meeting to replace them</u> . Independent directors shall not be absent from the meeting or entrust other directors to attend the meeting for three consecutive times.
Article 15 Members of the Supervisory Committee, the secretary to the Board of Directors, representatives of securities affairs, and the general managers who are not directors shall be present at the meetings of the Board of Directors, and other senior officers and relevant personnel shall be also present at the meetings of the Board of Directors when necessary.	Article 15 Members of the Supervisory Committee, the secretary to the Board of Directors, representatives of securities affairs, and the general managers who are not directors shall be present at the meetings of the Board of Directors, and other senior officers and relevant personnel shall be also present at the meetings of the Board of Directors when necessary.
Article 17 Where two or more independent directors deem that the materials are inadequate or the demonstration is not clear, they may jointly propose to the Board of Directors in writing to postpone the meeting of the Board of Directors or the deliberation, and the Board of Directors shall adopt their proposal.	Article 17 Where two or more independent <u>non-executive</u> directors deem that the materials are inadequate or the demonstration is not clear, they may jointly propose to the Board of Directors in writing to postpone the meeting of the Board of Directors or the deliberation, and the Board of Directors shall adopt their proposal.
Article 18 The proposals to the meetings of the Board of Directors shall be respectively submitted by the specialized committees of the Board of Directors, the management and directors to the Secretary to the Board or representatives of securities affairs as per their respective responsibilities or powers.	Article 18 The proposals to the meetings of the Board of Directors shall be respectively submitted by the specialized committees of the Board of Directors, the management and directors to the <u>Board as per their respective responsibilities or powers</u> , and the Secretary to the Board or <u>and</u> representatives of securities affairs <u>shall be responsible for collecting these proposals as per their respective responsibilities or powers</u> .

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 19 The meeting proposals shall comply with following conditions:</p> <p>(I) The contents shall not conflict with the laws, regulations and the Articles of Association, and shall fall into the business scope of the Company and the limits of functions and powers of the Board of Directors;</p> <p>(II) The connected transaction with a total subject amount exceeding RMB3 million and 5% of the latest audited net assets value of the Company, or other connected transactions that shall be considered and approved by the Board of Directors and /or the shareholders' general meeting in accordance with the rules of the stock exchange governing the listing of securities of the place where the Company's securities are listed, shall be regarded as the proposal to the Board of Directors upon recognition by independent directors;</p> <p>(III) Having definite topics to be discussed and specific matters for resolution;</p> <p>(IV) Submitted and delivered to the Secretary to the Board or representatives of securities affairs in writing;</p> <p>(V) Proposals approved by all the directors present at the meeting to be considered during the meeting of the Board of Directors.</p> <p>(VI) Delivered ten working days (exclusive of the date of convening) before the meeting is convened.</p>	<p>Article 19 The meeting proposals shall comply with following conditions:</p> <p>(I) The contents shall not conflict with the laws, regulations and the Articles of Association, and shall fall into the business scope of the Company and the limits of functions and powers of the Board of Directors;</p> <p>(II) The connected transaction with a total subject amount exceeding RMB3 million and 5% of the latest audited net assets value of the Company, or other connected transactions that shall be considered and approved by the Board of Directors and /or the shareholders' general meeting in accordance with the rules of the stock exchange governing the listing of securities of the place where the Company's securities are listed, shall be regarded as the proposal to the Board of Directors upon recognition by independent <u>non-executive</u> directors;</p> <p>(III) Having definite topics to be discussed and specific matters for resolution;</p> <p>(IV) Submitted and delivered to the Secretary to the Board or representatives of securities affairs in writing;</p> <p>(V) Proposals approved by all the directors present at the meeting to be considered during the meeting of the Board of Directors.</p> <p>(VI) Delivered ten working days (exclusive of the date of convening) before the meeting is convened.</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 20 The Secretary to the Board and representatives of securities affairs shall review the proposals following the principle of relevance and procedure. The proposals complying with the preceding paragraph shall be submitted to the Board of Directors for deliberation and resolution.</p> <p>(I) Relevance. The Secretary to the Board and representatives of securities affairs shall review the proposals. The proposals with direct relationship with the Company and within the scope of functions and powers of the Board of Directors as stipulated in laws, regulations and the Articles of Association shall be submitted to the Board of Directors for discussion. The proposals that don't comply with aforesaid requirements will not be submitted to the Board of Directors for discussion.</p> <p>(II) Procedures. The Secretary to the Board and representatives of securities affairs may make decisions on procedures related to the proposal. The separate or consolidated voting of a proposal shall obtain the consent of the former submitter of the proposal; should the former submitter disagree with the change, the meeting presider may submit the procedural problem to the Board of Directors for decision-making and the proposal shall be deliberated as per the procedures decided by the Board of Directors.</p>	<p>Article 20 The Secretary to the Board and representatives of securities affairs shall review the proposals following the principle of relevance and procedure. The proposals complying with the preceding paragraph shall be submitted to the Board of Directors for deliberation and resolution.</p> <p>(I) Relevance. The Secretary to the Board and representatives of securities affairs shall review the proposals. The proposals with direct relationship with the Company and within the scope of functions and powers of the Board of Directors as stipulated in laws, regulations and the Articles of Association shall be submitted to the Board of Directors for discussion. The proposals that don't comply with aforesaid requirements will not be submitted to the Board of Directors for discussion.</p> <p>(II) Procedures. The Secretary to the Board and representatives of securities affairs may make decisions on procedures related to the proposal. The separate or consolidated voting of a proposal shall obtain the consent of the former submitter of the proposal; should the former submitter disagree with the change, the meeting presider may submit the procedural problem to the Board of Directors for decision-making and the proposal shall be deliberated as per the procedures decided by the Board of Directors.</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 22 The meeting of the Board of Directors shall be held with the attendance of more than 1/2 of the directors.</p> <p>Directors shall be the persons attending the meetings of the Board of Directors, and present at the meetings shall be directors, general managers of the Company that are not directors, Secretary to the Board and representatives of the securities affairs. When needs arise, the Board of Directors may invite other relevant personnel to be present at the meeting. Attendees with multiple identities shall make a prior announcement of their identities.</p>	<p>Article 22 The meeting of the Board of Directors shall be held with the attendance of more than <u>half 1/2</u> of the directors.</p> <p>Directors shall be the persons attending the meetings of the Board of Directors, and present at the meetings shall be directors, general managers of the Company that are not directors, Secretary to the Board and representatives of the securities affairs. When needs arise, the Board of Directors may invite other relevant personnel to be present at the meeting. Attendees with multiple identities shall make a prior announcement of their identities.</p> <p><u>Each Director shall have one (1) vote. An ordinary resolution of the Board of Directors shall be passed by more than half of the members of the Board of Directors. Special resolutions of the Board of Directors and those under Article 148 of the Articles of Association shall be passed by more than two thirds of all Directors.</u></p> <p><u>To make resolutions on guarantees within the authority of the Board of Directors, in addition to the consent of more than half of all directors of the Company, the consent of more than two-thirds of the directors present at the meeting must be obtained.</u></p> <p><u>Where there is an equality of votes cast both for and against a resolution, the chairman of the Board of Directors shall have another casting vote.</u></p>

APPENDIX XVII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 23 Following matters shall be discussed by the Board of Directors to pass resolutions, and then submitted to the shareholders' general meeting for deliberation and resolution:</p> <p>(I) The Company' s business plans and investment proposals;</p> <p>(II) Electing and replacing directors, and matters relating to the remuneration of the directors and supervisors;</p> <p>(III) Reports made by the Board of Directors of the Company;</p> <p>(IV) The Company's preliminary and final annual financial budgets;</p> <p>(V) The Company's plans for profit distribution and loss make-up;</p> <p>(VI) The Company's plans for the increase or reduction of its registered capital;</p> <p>(VII) Plans for issuance of bonds of the Company;</p> <p>(VIII) Plans for the merger, division, dissolution, liquidation and asset restructuring of the Company;</p> <p>(IX) Proposals for any amendment of the Articles of Association;</p> <p>(X) Plans for engagement or removal of accounting firms by the Company;</p>	<p>Article 23 Following matters shall be discussed by the Board of Directors to pass resolutions, and then submitted to the shareholders' general meeting for deliberation and resolution:</p> <p>(I) The Company' s business plans and investment proposals;</p> <p>(II) Electing and replacing directors, and matters relating to the remuneration of the directors and supervisors;</p> <p>(III) Reports made by the Board of Directors of the Company;</p> <p>(IV) The Company's preliminary and final annual financial budgets;</p> <p>(V) The Company's plans for profit distribution and loss make-up;</p> <p>(VI) <u>The Company's increases or decreases of its registered capital, issues bonds or other securities, and listing programs;</u></p> <p>(VII) The Company's plans for the increase or reduction of its registered capital;</p> <p>(VIII) Plans for issuance of bonds of the Company;</p> <p>(IX) Plans for the merger, division, dissolution, liquidation and asset restructuring of the Company; <u>Plans for significant acquisitions of the Company, the acquisition of the Company's stocks due to the circumstances specified in Article 29 (1) of the Articles of Association, consolidation, division, dissolution or change of the form of the Company</u></p> <p>(X) Proposals for any amendment of the Articles of Association;</p> <p>(XI) Plans for engagement or removal of accounting firms by the Company;</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>(XI) Proposals by shareholders holding more than 5% of the Company's issued shares with voting rights;</p> <p>(XII) The connected transaction with a total subject amount exceeding RMB30 million and 5% of the latest audited net assets value of the Company, and other connected transactions that shall be considered and approved by the shareholders' general meeting in accordance with the rules of the stock exchange governing the listing of securities at the place where the Company's securities are listed;</p> <p>(XIII) Other matters that shall be approved by the shareholders' general meeting in accordance with laws, regulations, normative documents and relevant requirements of the securities regulatory authorities and stock exchange of the place where the Company's share are listed.</p>	<p>(XII) Proposals by shareholders holding more than 53% of the Company's issued shares with voting rights;</p> <p>(XII) The connected transaction with a total subject amount exceeding RMB30 million and 5% of the latest audited net assets value of the Company, and other connected transactions that shall be considered and approved by the shareholders' general meeting in accordance with the rules of the stock exchange governing the listing of securities at the place where the Company's securities are listed;</p> <p>(XIII) Other matters that shall be approved by the shareholders' general meeting in accordance with laws, regulations, normative documents and relevant requirements of the securities regulatory authorities and stock exchange of the place where the Company's share are listed.</p>
<p>Article 24 The implementation of any of the following matters shall be subject to the deliberation and subsequent resolutions by Board of Directors.</p> <p>(I) The Company's business plans and investment proposals;</p> <p>(II) To decide on the Company's internal management structure;</p> <p>(III) To appoint or dismiss the Company's general manager or Secretary to the Board, and, based on the recommendations of the general manager, to appoint or remove the vice manager(s) and other senior officers such as CFO and decide on their remuneration;</p> <p>(IV) To formulate the Company's basic management system;</p>	<p>Article 24 The implementation of any of the following matters shall be subject to the deliberation and subsequent resolutions by Board of Directors.</p> <p>(I) The Company's business plans and investment proposals;</p> <p>(II) To decide on the Company's internal management structure;</p> <p>(III) To appoint or dismiss the Company's general managers or Secretary to the Board, and, based on the recommendations of the general managers, to appoint or remove the vice manager(s) and other senior officers such as CFO and decide on their remuneration;</p> <p>(IV) To formulate the Company's basic management system;</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>(V) To listen to the work reports made by the general manager of the Company;</p> <p>(VI) The plan for the information disclosure of the Company;</p> <p>(VII) The plan for the explanations given in connection with the qualified audit opinion issued by the registered accountant on the financial report of the Company at the Shareholders' General Meeting;</p> <p>(VIII) The connected transaction with a total amount ranging from RMB3 million to RMB30 million and 0.5%-5% of the latest audited net assets value of the Company, except connected transactions that shall be considered and approved by the shareholders' general meeting in accordance with the rules of the stock exchange governing the listing of securities of the place where the Company's securities are listed;</p> <p>(IX) Other proposals stipulated by the laws, regulations or the Articles of Association, or authorized by the shareholders' general meeting.</p>	<p>(V) <u>To make plans for the Company's acquisition of its own shares due to the circumstances specified in Article 29 (3), (5), and (6) of the Articles of Association;</u>To listen to the work reports made by the general manager of the Company;</p> <p>(VI) The plan for the information disclosure of the Company;</p> <p>(VII) The plan for the explanations given in connection with the qualified audit opinion issued by the registered accountant on the financial report of the Company at the Shareholders' General Meeting;</p> <p><u>(VIII) Other proposals stipulated by the laws, regulations or the Articles of Association, or authorized by the shareholders' general meeting;</u></p> <p>(VIII) The connected transaction with a total amount ranging from RMB3 million to RMB30 million and 0.5%-5% of the latest audited net assets value of the Company, except connected transactions that shall be considered and approved by the shareholders' general meeting in accordance with the rules of the stock exchange governing the listing of securities of the place where the Company's securities are listed.;</p> <p>(IX) Other proposals stipulated by the laws, regulations or the Articles of Association, or authorized by the shareholders' general meeting.</p>

APPENDIX XVII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 25 The Board of Directors shall not, without the prior approval of shareholders in a general meeting, dispose or agree to dispose of any fixed assets of the Company where the aggregate of the amount of the expected consideration for the proposed disposition, and the proceeds from any such disposition of any fixed assets of the Company that has been completed in the period of four months immediately preceding the proposed disposition exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet which was approved at a Shareholders' General Meeting.</p> <p>For the purposes of this Article, "disposition" includes an act involving the transfer of an interest in assets but does not include the usage of fixed assets for the provision of security.</p> <p>The validity of a disposition by the Company shall not be affected by any breach of the first paragraph of this Article.</p>	<p>Article 25 The Board of Directors shall not, without the prior approval of shareholders in a general meeting, dispose or agree to dispose of any fixed assets of the Company where the aggregate of the amount of the expected consideration for the proposed disposition, and the proceeds from any such disposition of any fixed assets of the Company that has been completed in the period of four months immediately preceding the proposed disposition exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet which was approved at a Shareholders' General Meeting.</p> <p>For the purposes of this Article, "disposition" includes an act involving the transfer of an interest in assets but does not include the usage of fixed assets for the provision of security.</p> <p>The validity of a disposition by the Company shall not be affected by any breach of the first paragraph of this Article.</p> <p><u>For requirement above otherwise provided by laws, administrative regulations, relevant provisions of securities regulatory authority where the shares of the Company are issued, those provisions shall be followed.</u></p>
<p>Article 29 Resolutions to be adopted at the meeting of the Board of Directors shall be voted by open ballot. Each director shall have one vote. The resolution of the Board of Directors shall be approved by majority of all the members of the Board of Directors, but the election and removal of the chairman of the Board of Directors, and resolutions made in accordance with Article 149 of the Articles of Association shall be adopted by more than 2/3 of all the directors.</p> <p>Where there is an equality of votes cast both for and against a resolution, the chairman of the Board of Directors shall have another casting vote.</p>	<p>Article 29 Resolutions to be adopted at the meeting of the Board of Directors shall be voted by open ballot. Each director shall have one vote. The resolution of the Board of Directors shall be approved by majority of all the <u>incumbent</u> members of the Board of Directors, but the election and removal of the chairman of the Board of Directors, and resolutions made in accordance with Article 149 of the Articles of Association shall be adopted by more than 2/3 of all the directors.</p> <p>Where there is an equality of votes cast both for and against a resolution, the chairman of the Board of Directors shall have another casting vote.</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 30 Where there are direct or indirect connected relations between directors or their employers and the existing or planned contracts, transactions or arrangements of the Company (other than an employment contract), the nature and extent of the connected relations shall be declared to the Board of Directors at the earliest opportunity, whether or not the relevant issues shall be subject to approval of the Board of Directors under normal circumstance.</p> <p>Independent directors must issue independent opinions on connected transactions.</p> <p>The directors involved in the connected transactions shall abstain from voting on the connected transactions. Where the Board of Directors considers the matters which are materially interested with a certain director or his/her spouse and immediate relatives, such director shall abstain from voting. Voting on connected matters shall be adopted by more than 1/2 of directors except connected directors.</p> <p>Where big shareholders or directors are deemed by the Board of Directors to have material interest conflicts with the matters to be considered by the Board of Directors, relevant matters shall be dealt with by convening meetings of the Board of Directors (rather than written resolutions). Independent non-executive directors without material interest in the transaction and its emergency contact person shall attend relevant meetings of the Board of Directors.</p>	<p>Article 30 Where there are direct or indirect connected relations between directors or their employers and the existing or planned contracts, transactions or arrangements of the Company (other than an employment contract), the nature and extent of the connected relations shall be declared to the Board of Directors at the earliest opportunity, whether or not the relevant issues shall be subject to approval of the Board of Directors under normal circumstance.</p> <p>Independent <u>non-executive</u> directors must issue independent opinions on connected transactions.</p> <p>The directors involved in the connected transactions shall abstain from voting on the connected transactions. Where the Board of Directors considers the matters which are materially interested with a certain director or his/her spouse and immediate relatives, such director shall abstain from voting. Voting on connected matters shall be adopted by more than 1/2 of directors except connected directors.</p> <p>Where big shareholders or directors are deemed by the Board of Directors to have material interest conflicts with the matters to be considered by the Board of Directors, relevant matters shall be dealt with by convening meetings of the Board of Directors (rather than written resolutions). Independent non-executive directors without material interest in the transaction and its emergency contact person shall attend relevant meetings of the Board of Directors.</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
Article 31 The director with interested relations with the proposal of the Board of Directors shall not participate in the voting, or included into the quorum. The directors deemed unable to discharge his duties in accordance with the Articles of Association are not entitled to vote on various proposals before they are replaced by the shareholders' general meeting. Directors automatically disqualified in accordance with the law are not entitled to vote. Where a director fails to attend a meeting of the Board of Directors, and has not appointed another director to attend the meeting on his behalf, he shall be deemed to have waived his right to vote at the meeting.	Article 31 The director with interested relations with the proposal of the Board of Directors shall not participate in the voting, or included into the quorum. The directors deemed unable to discharge his duties in accordance with the Articles of Association are not entitled to vote on various proposals before they are replaced by the shareholders' general meeting. Directors automatically disqualified in accordance with the law are not entitled to vote. Where a director fails to attend a meeting of the Board of Directors, and has not appointed another director to attend the meeting on his behalf, he shall be deemed to have waived his right to vote at the meeting.
Article 34 Written resolutions shall be formed at the meetings of the Board of Directors. Attending directors shall sign the resolutions of the Board of Directors, and be liable for such resolutions. If a resolution of the Board of Directors violates laws, regulations or the Articles of Association, and the Company suffers serious losses as a result thereof, the directors who participated in the passing of such resolution shall compensate the Company therefor. However, if it can be proven that a director expressly objected to the resolution when the resolution was being voted , which was recorded in the minutes of the meeting , such director shall be released from such liability.	Article 34 Written resolutions shall be formed at the meetings of the Board of Directors. Attending directors shall sign the resolutions of the Board of Directors, and be liable for such resolutions. If a resolution of the Board of Directors violates laws, regulations or the Articles of Association, and the Company suffers serious losses as a result thereof, the directors who participated in the passing of such resolution shall compensate the Company therefor. However, if it can be proven that a director expressly objected to the resolution when the resolution was being voted , which was recorded in the minutes of the meeting , such director shall be released from such liability.
Article 35 Minutes shall be taken at the meetings of the Board of Directors. Directors, the Secretary to the Board and recorders who attend the meeting shall sign the minutes of the meeting. Attending directors shall have the right to request for an explanation of their comments made at the meetings to be noted in the minutes.	Article 35 Minutes shall be taken at the meetings of the Board of Directors. Directors, the Secretary to the Board and recorders who attend the meeting shall sign the minutes of the meeting. Attending directors shall have the right to request for an explanation of their comments made at the meetings <u>minutes</u> to be noted in the minutes.

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
<p>Article 36 The minutes of the meetings of the Board of Directors shall include following contents:</p> <p>(I) Session, time, venue and convening mode of the meeting, and name of the convener and presider;</p> <p>(II) Names of attending directors, and names of directors (proxies) entrusted to attend the meeting;</p> <p>(III) Agenda of the meeting;</p> <p>(IV) Essentials of speeches delivered by directors;</p> <p>(V) Way of voting and result thereof with respect of each matter to be deliberated (the number of votes for, against or waiver shall be stated in the voting result).</p>	<p>Article 36 The minutes of the meetings of the Board of Directors shall include following contents:</p> <p>(I) Session, time, venue and convening mode of the meeting, and name of the convener and presider;</p> <p>(II) Names of attending directors, and names of directors (proxies) entrusted to attend the meeting;</p> <p>(III) Agenda of the meeting;</p> <p>(IV) Essentials of speeches delivered by directors;</p> <p>(V) Way of voting and result thereof with respect of each matter to be deliberated (the number of votes for, against or waiver shall be stated in the voting result).</p>
<p>Article 37 The minutes of the meetings of the Board of Directors shall be kept in the Office of Secretary to the Board for ten years.</p>	<p>Article 37 The minutes of the meetings of the Board of Directors shall be kept <u>as corporate documents</u> in the Office of Secretary to the Board for <u>a validity period of</u> ten years.</p>
<p>Article 39 As stipulated by laws, regulations and the Articles of Association, matters to be considered and decided at the meetings of the Board of Directors are inside information before external disclosure. Directors, supervisors and other personnel shall sign the commitment of confidentiality.</p>	<p>Article 39 As stipulated by laws, regulations and the Articles of Association, matters to be considered and decided at the meetings of the Board of Directors are inside information before external disclosure. Directors, supervisors and other personnel shall sign the commitment of confidentiality.</p>

APPENDIX XVII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE BOARD OF DIRECTORS
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Existing Provisions	Provisions after Amendment
Article 41 The matters not stipulated herein shall be implemented in accordance with the relevant laws, regulations, normative documents, rules of the stock exchange governing the corporate stock listing, and the Articles of Association. In case of any contradiction between the Rules and the Articles of Association, the Articles of Association shall prevail.	Article 41 The matters not stipulated herein shall be implemented in accordance with the relevant laws, regulations, normative documents, rules of <u>securities regulators and</u> the stock exchange governing the corporate stock listing, and the Articles of Association. In case of any contradiction between the Rules and the Articles of Association, the Articles of Association shall prevail.
Article 42 The term “above”, “following” and “within”, as stated in the Rules shall all include the given figure; the term “exceeding”, “less than” and “more than” shall all exclude the given figure.	Article 42 The term “above”, “following” and “within”, as stated in the Rules shall all include the given figure; the term “exceeding”, “less than” and “more than” shall all exclude the given figure. <u>For the amounts involved, RMB or foreign currency equivalent to RMB is applicable.</u>
Article 43 The Board of Directors of the Company reserves the right of interpretation on the Rules.	Article 43 The Board of Directors of the Company reserves the right of <u>is responsible for the</u> interpretation on the Rules.
Article 44 As the appendix to the Articles of Association, the Rules will come into effect upon deliberation and adoption of the draft of the Board of Directors of the Company by the shareholders' general meeting of the Company, at the date when the overseas-listed foreign shares of the Company (H Shares) are listed on the Main Board of the Stock Exchange of Hong Kong Limited. Once the Rules come into effect, the former Rules of Procedures of the Board of Directors of the Company shall become null and void automatically.	Article 44 As the appendix to the Articles of Association, the Rules will come into effect upon deliberation and adoption of the draft of the Board of Directors of the Company by the shareholders' general meeting of the Company, at the date when the overseas-listed foreign shares of the Company (H Shares) are listed on the Main Board of the Stock Exchange of Hong Kong Limited. Once the Rules come into effect, the former Rules of Procedures of the Board of Directors of the Company shall become null and void automatically.

Note: The Rules of Procedures for the Board of Directors and its amendments were originally drafted in Chinese and there was no official English version. Therefore, any English translation is for reference only. In case of any discrepancies, the Chinese version shall prevail.

APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE
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Details of the Amendments to the Rules of Procedures for the Supervisory Committee of Shanghai Dazhong Public Utilities (Group) Co., Ltd.

Existing Provisions	Provisions after Amendment
Article 1 The Rules are formulated in accordance with the Company Law of the People’s Republic of China (“the “Company Law”), the Securities Law of the People’s Republic of China (“the “Securities Law”), Rules Governing the Listing of Stocks on Shanghai Stock Exchange, Special Regulations of the State Council on Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), Governance Standards of Listed Companies, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Letter about Suggestions on Amendment to Articles of Association of Companies to be Listed in Hong Kong, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“Articles of Association”), and other relevant laws, rules, regulations and normative documents, and in combination with actual situations of the Company, for the purpose of regulating the rules of procedure and acts of the Supervisory Committee, and guaranteeing the fair, just and efficient performance of function of supervision by the Supervisory Committee.	Article 1 The Rules are formulated in accordance with the Company Law of the People’s Republic of China (“the “Company Law”), the Securities Law of the People’s Republic of China (“the “Securities Law”), Rules Governing the Listing of Stocks on Shanghai Stock Exchange, Special Regulations of the State Council on Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), Governance Standards of Listed Companies, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Letter about Suggestions on Amendment to Articles of Association of Companies to be Listed in Hong Kong, Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Articles of Association of Shanghai Dazhong Public Utilities (Group) Co., Ltd. (“Articles of Association”), and other relevant laws, rules, regulations and normative documents, and in combination with actual situations of the Company, for the purpose of regulating the rules of procedure and acts of the Supervisory Committee, and guaranteeing the fair, just and efficient performance of function of supervision by the Supervisory Committee.

<p>APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE</p>

Existing Provisions	Provisions after Amendment
<p>Chapter Two Functions and Powers of the Supervisory Committee</p> <p>Article 2 The Company shall have a Supervisory Committee. The Supervisory Committee shall be accountable to all shareholders. It shall supervise the legality and compliance of financial accounting and performance of duties and responsibilities by the Company's directors, managers and other senior officers, and safeguard the legitimate rights and interests of the Company and its shareholders.</p>	<p>Chapter Two Functions and Powers of the Supervisory Committee</p> <p>Article 2 The Company shall have a Supervisory Committee. The Supervisory Committee shall be accountable to all shareholders. It shall supervise the legality and compliance of financial accounting and performance of duties and responsibilities by the Company's directors, managers and other senior officers, and safeguard the legitimate rights and interests of the Company and its shareholders. <u>The Supervisory Committee has a chairman and may have a vice-chairman.</u></p>

<p>APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE</p>

Existing Provisions	Provisions after Amendment
<p>Article 3 The Supervisory Committee shall exercise the following functions and powers in accordance with relevant laws, regulations and Articles of Association, as well as the functions and powers entrusted by the general meeting:</p> <p>(I) To examine regular reports prepared by the Board of Directors and propose written examination suggestions;</p> <p>(II) To review the Company's financial position;</p> <p>(III) To supervise the directors, managers and other senior officers' acts of violation of any laws, administrative regulations and the Articles of Association when performing their duties of the Company;</p> <p>(IV) To demand any directors, managers and other senior officers who act in a manner which is harmful to the Company' s interest to rectify such behavior;</p> <p>(V) To check the financial information, such as the financial report, business report and plans for distribution of profits to be submitted by the Board of Directors to the Shareholders' General Meetings, and authorize in the Company's name, public certified accountants and licensed auditors to assist in the re-examination of such information, should any doubt arise in respect thereof;</p>	<p>Article 3 The Supervisory Committee shall exercise the following functions and powers in accordance with relevant laws, regulations and Articles of Association, as well as the functions and powers entrusted by the general meeting:</p> <p>(I) To examine regular reports prepared by the Board of Directors and propose written examination suggestions;</p> <p>(II) To review the Company's financial position;</p> <p>(III) To supervise the directors, managers and other senior officers' acts <u>when performing their duties of the Company and propose to remove those violating of violation of</u> any laws, administrative regulations and, the Articles of Association <u>or the resolutions of the general meeting when performing their duties of the Company;</u></p> <p>(IV) To demand any directors, managers and other senior officers who act in a manner which is harmful to the Company' s interest to rectify such behavior;</p> <p>(V) To check the financial information, such as the financial report, business report and plans for distribution of profits to be submitted by the Board of Directors to the Shareholders' General Meetings, and authorize in the Company's name, public certified accountants and licensed auditors to assist in the re-examination of such information, should any doubt arise in respect thereof;</p>

<p align="center">APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE</p>
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Existing Provisions	Provisions after Amendment
<p>(VI) To propose to convene an extraordinary general meeting;</p> <p>(VII) To submit proposals to Shareholders' General Meetings;</p> <p>(VIII) To represent the Company in negotiations with, or to initiate legal proceedings against any directors according to the Company Law;</p> <p>(IX) To identify unusual operation of the Company and to engage an accountancy firm, a law firm or any professional organization to investigate when necessary at the cost of the Company;</p> <p>(X) Other functions and powers as provided by the Articles of Association.</p>	<p>(VI) To propose to convene an extraordinary general meeting, <u>and to convene and preside over a general meeting when the board of directors fails to do so as required by the Company Law;</u></p> <p>(VII) To submit proposals to Shareholders' General Meetings;</p> <p>(VIII) To represent the Company in negotiations with, or to initiate legal proceedings against any directors <u>and senior officers</u> according to <u>Article 151</u> of the Company Law;</p> <p>(IX) To identify unusual operation of the Company and to engage an accountancy firm, a law firm or any professional organization to investigate when necessary at the cost of the Company;</p> <p>(X) Other functions and powers as provided by the Articles of Association.</p> <p><u>Supervisors may attend board meetings.</u></p>

<p align="center">APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE</p>
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Existing Provisions	Provisions after Amendment
Newly added provisions	<u>Article 4 While reporting the situation to the board of directors and shareholders meeting, the Supervisory Committee may report the situation directly to the securities supervision agency and other relevant departments.</u>
<p>Chapter Three Type and Convening of Meetings</p> <p>Article 4 The method for conducting business is the meeting of the Supervisory Committee. The meetings of the Supervisory Committee shall be divided into regular meetings and extraordinary meetings. The meetings may be convened in the form of on-site meeting or communication voting (unless specially specified, the meetings of the Supervisory Committee include the extraordinary meetings of the Supervisory Committee).</p>	<p><u>Chapter Three Type and Convening of Meetings Procedures for Convening Meetings and Notice of the Supervisory Committee</u></p> <p>Article 4Article 5 The method for conducting business is the meeting of the Supervisory Committee.The meetings of the Supervisory Committee shall be divided into regular meetings and extraordinary meetings. The meetings may be convened in the form of on-site meeting or communication voting (unless specially specified, the meetings of the Supervisory Committee include the extraordinary meetings of the Supervisory Committee).</p>

<p align="center">APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE</p>
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Existing Provisions	Provisions after Amendment
Article 5 The Supervisory Committee shall convene a meeting every 6 months, which shall be convened by the chairman of Supervisory Committee. The number of times and specific time of the meetings of the Supervisory Committee shall be decided by the chairman of the Supervisory Committee.	Article 5 Article 6 The Supervisory Committee shall convene a meeting every 6 months, which shall be convened by the chairman of Supervisory Committee, <u>and a notice shall be sent to all supervisors and attendees in writing 14 days before the meeting. Under special circumstances, it may be less than 10 days, but no later than two days before the meeting is held.</u> The number of times and specific time of the meetings of the Supervisory Committee shall be decided by the chairman of the Supervisory Committee.
Article 6 A supervisor may propose to convene an extraordinary meeting of the Supervisory Committee. A written notice shall be served to all the supervisors at least ten days before the proposed date of the meeting. The directors, managers, other senior officers, internal and external auditors may be asked when necessary to attend the meeting to answer relevant questions.	Deleted

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Existing Provisions	Provisions after Amendment
<p>Article 7 In case of any of the following circumstances, the chairman of the Supervisory Committee shall convene an extraordinary meeting of the Supervisory Committee within three working days (except special occasions):</p> <p>(I) The Company has financial violations against relevant regulations and false financial accounting information, and refuses to make correction when requested;</p> <p>(II) The Board of Directors refuses to take corresponding measures when required where the directors, managers and other senior officers' acts when performing their duties of the Company violate any laws, regulations and the Articles of Association;</p> <p>(III) The directors, managers and other senior officer of the Company refuse to make correction as required where their acts are harmful to the Company's interest.</p>	<p>Article 7 In case of any of the following circumstances, the chairman of the Supervisory Committee shall convene an extraordinary meeting of the Supervisory Committee within three working<u>ten</u> days (except special occasions):</p> <p>(I) <u>Whenever the chairman of the Supervisory Committee considers necessary;</u></p> <p>(II) <u>When more than two-thirds of the supervisors jointly propose;</u></p> <p>(III) The Company has financial violations against relevant regulations and false financial accounting information, and refuses to make correction when requested;</p> <p>(IV) The Board of Directors refuses to take corresponding measures when required where the directors, managers and other senior officers' acts when performing their duties of the Company violate any laws, regulations and the Articles of Association;</p>

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Existing Provisions	Provisions after Amendment
	<p>(VIII) The directors, managers and other senior officer of the Company refuse to make correction as required where their acts are harmful to the Company's interest.</p> <p><u>When the supervisory department temporarily proposes that the Supervisory Committee needs to make a certain resolution, the chairman of the Supervisory Committee may convene an extraordinary meeting of the Supervisory Committee. The proposal to convene an extraordinary meeting of the Supervisory Committee made by a supervisor shall require the consent of more than half of all the supervisors.</u></p>
Newly added provisions	<p><u>Article 8 The extraordinary meeting of the Supervisory Committee shall notify all supervisors and attendees of the meeting in writing 10 working days before the meeting (excluding special circumstances).</u></p>
Newly added provisions	<p><u>Article 10 The meetings of the Supervisory Committee and the extraordinary meetings of the Supervisory Committee may be held and make resolutions in writing, by phone, by fax, or by means of communication equipment capable of communicating with all supervisors, provided that the supervisors fully express their opinions. The supervisors attending the meeting shall sign on site or sign later and indicate the date of re-signature for such meeting.</u></p>

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Existing Provisions	Provisions after Amendment
Newly added provisions	<p><u>Article 11 The content of the meeting notice shall include:</u></p> <p>(I) <u>the date and venue of the meeting;</u></p> <p>(II) <u>the duration of the meeting and the mode of holding the meeting;</u></p> <p>(III) <u>subject and topics;</u></p> <p>(IV) <u>the convener and moderator of the meeting, the proposer of the extraordinary meeting and its written proposals;</u></p> <p>(V) <u>necessary meeting materials for the supervisors to vote;</u></p> <p>(VI) <u>the requirements that supervisors should attend in person or entrust other supervisors to attend the meeting on their behalf;</u></p> <p>(VII) <u>the date of notification;</u></p> <p>(VIII) <u>Name and telephone number of the conference contact person.</u></p>
Newly added provisions	<p><u>Article 12 The Supervisory Committee meeting shall be convened and chaired by the Chairman of the Supervisory Committee.</u></p>

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Existing Provisions	Provisions after Amendment
Newly added provisions	<u>Article 13 When the chairman of the Supervisory Committee is unable to or does not perform his duties, the chairman of the Supervisory Committee shall designate a supervisor to convene and preside over it. When the chairman of the Supervisory Committee does not designate a candidate, more than half of the supervisors shall nominate one supervisor to convene and preside over the meeting of the Supervisory Committee.</u>
Newly added provisions	<u>Article 14 The Supervisory Committee meeting shall be attended by the supervisor himself. If any supervisor cannot attend in person for any reason, he may entrust other supervisors in writing to attend on his behalf. The power of attorney shall specify the name, proxy matters, scope of authorization and validity period of the proxy, and shall be signed or sealed by the principal. The supervisors attending the meeting on behalf of them shall exercise their rights as supervisors within the scope of authorization. A supervisor who fails to attend a meeting of the Supervisory Committee or entrust a representative to attend is deemed to have waived his voting right at that meeting.</u>
Newly added provisions	<u>Article 15 The Supervisory Committee may require the Company's directors, managers and other senior management personnel, internal auditors and external auditors to attend meetings of the Supervisory Committee.</u>

APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE
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Existing Provisions	Provisions after Amendment
<p>Chapter Four Meeting Proposals</p> <p>Article 9 The contents of meeting proposals are the supervision of the activities of the Board of Directors and the operating activities of the Company, which shall be submitted to the chairman of the Supervisory Committee upon classification by the Supervisory Committee Office.</p>	<p>Chapter Four <u>Procedures for Submitting Proposals to the Supervisory Committee Meeting Proposals</u></p> <p>Article 9<u>Article 16</u> The contents of meeting proposals are the supervision of the activities of the Board of Directors and the operating activities of the Company, which shall be submitted to the chairman of the Supervisory Committee upon classification by the Supervisory Committee Office.</p>
<p>Article 10 The meeting proposals shall comply with following conditions:</p> <p>(I) The contents shall not conflict with the laws, regulations and the Articles of Association, and shall fall into the business scope of the Company and the limits of functions and powers of the Supervisory Committee;</p> <p>(II) Having definite topics to be discussed and specific matters for resolution;</p> <p>(III) Submitted in writing to the Supervisory Committee Office;</p> <p>(IV) Proposals approved by all the supervisors present at the meeting to be considered during the meeting of the Supervisory Committee.</p>	<p>Article 10<u>Article 17</u> The meeting proposals shall comply with following conditions:</p> <p>(I) The contents shall not conflict with the laws, regulations and the Articles of Association, and shall fall into the business scope of the Company and the limits of functions and powers of the Supervisory Committee;</p> <p>(II) Having definite topics to be discussed and specific matters for resolution;</p> <p>(III) Submitted in writing to the Supervisory Committee Office;</p> <p>(IV) Proposals approved by all the supervisors present at the meeting to be considered during the meeting of the Supervisory Committee.</p>
<p>Article 11 The Company shall provide necessary conditions for the preparation of the proposals of the meetings of the Supervisory Committee.</p>	<p>Article 11<u>Article 18</u> The Company shall provide necessary conditions for the preparation of the proposals of the meetings of the Supervisory Committee.</p>

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Existing Provisions	Provisions after Amendment
<p>Chapter Five Meeting Rules</p> <p>Article 12 The meeting of the Supervisory Committee shall be attended by two thirds or more of the members of the Supervisory Committee. A resolution of the Supervisory Committee must be passed by two thirds or more of the incumbent members of the Supervisory Committee.</p> <p>The election or removal of the chairman of the Supervisory Committee shall be determined by two-thirds or more of the members of the Supervisory Committee. Vice chairman shall be elected by half of the members of the Supervisory Committee.</p>	<p>Chapter Five Meeting—Rules Considering and Voting Procedures at Meetings of the Supervisory Committee</p> <p>Article 12<u>Article 19</u> The meeting of the Supervisory Committee shall be attended by two thirds or more<u>more than half</u> of the members of the Supervisory Committee. <u>The chairman and vice chairman of the Supervisory Committee are elected by more than half of all supervisors.</u></p> <p><u>Each supervisor has one (1) vote. A resolution of the Supervisory Committee must be passed by two thirds or more of the incumbent members of the Supervisory Committee</u><u>more than half of supervisors.</u></p> <p>The election or removal of the chairman of the Supervisory Committee shall be determined by two-thirds or more of the members of the Supervisory Committee. Vice chairman shall be elected by half of the members of the Supervisory Committee.</p>
Newly added provisions	<p><u>Article 20 Before the start of the meeting, the representative of the chairman of the Supervisory Committee shall report to the Supervisory Committee on the status of the attendees.</u></p>

APPENDIX XVIII	RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE
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Existing Provisions	Provisions after Amendment
Newly added provisions	<u>Article 21 After reading the resolutions at the Supervisory Committee meeting, the attending supervisors will discuss under the organization of the chairperson of the meeting. The supervisors' speeches shall be conducted in an orderly manner under the organization of the chairperson of the meeting. The supervisors participating in the meeting may also raise questions with relevant personnel on the content of resolutions, and the relevant personnel shall respond to these questions.</u>
Newly added provisions	<u>Article 22 Persons attending the meetings of the Supervisory Committee and other participants shall not interfere in the agenda of the Supervisory Committee. They do not participate in the discussion and voting at the formal meeting of the Supervisory Committee, and can express their opinions and suggestions at the informal meeting of the Supervisory Committee for reference when the supervisors make decisions.</u>
Article 13 Resolutions to be adopted at the meeting of the Supervisory Committee shall be voted by open ballot or a show of hands. Each supervisor shall have one vote.	Article 13 <u>Article 23 Resolutions to be adopted at the meeting of the Supervisory Committee shall be voted by open ballot or a show of hands. Each supervisor shall have one vote. The resolution of the Supervisory Committee must be passed by more than half of all the supervisors in office.</u>
Article 14 Attendees that are not supervisors shall not participate in the voting.	Deleted
Newly added provisions	<u>Article 24 A resolution shall be formed after passing the vote at the Supervisory Committee meeting.</u>

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Existing Provisions	Provisions after Amendment
Newly added provisions	<p><u>Chapter Six Resolutions and Minutes at the Supervisory Committee Meeting</u></p> <p><u>Article 25 The Supervisory Committee shall form a written resolution for the meeting, which shall be signed by the supervisors in presence. The supervisors shall be liable for the resolutions of the Supervisory Committee. If a resolution of the Supervisory Committee violates the laws, administrative regulations or the Articles of Association, and the Company suffers serious losses as a result thereof, the supervisors who participated in the passing of such resolution shall compensate the Company therefor. However, if it can be proven that a supervisor expressly objected to the resolution when the resolution was being voted, and that such objection was recorded in the minutes of the meeting, such supervisor shall be released from such liability.</u></p>

APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE
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Existing Provisions	Provisions after Amendment
<p>Article 15 The Supervisory Committee shall prepare meeting minutes. Attending supervisors and recorders shall sign the meeting minutes for confirmation. Attending supervisors shall have the right to request for an explanation of their comments made at the meetings to be noted in the minutes.</p> <p>The minutes of the meetings of the Supervisory Committee shall be properly kept as records of the Company. Such minutes shall be kept for ten years. If the matters for voting by the Supervisory Committee have an effect for more than 10 years, relevant records shall be maintained till the effect disappears.</p>	<p>Article 15<u>Article 26</u> The Supervisory Committee shall prepare meeting minutes. Attending supervisors and recorders shall sign the meeting minutes for confirmation. Attending supervisors shall have the right to request for an explanation of their comments made at the meetings to be noted in the minutes.</p> <p>The minutes of the meetings of the Supervisory Committee shall be properly kept as records of the Company. Such minutes shall be kept for ten years. If the matters for voting by the Supervisory Committee have an effect for more than 10 years, relevant records shall be maintained till the effect disappears.</p>
<p>Article 16 The minutes of the meetings of the Supervisory Committee shall include following contents:</p> <p>(I) Time and venue of the meeting and name of the convener;</p> <p>(II) Name of attending supervisors;</p> <p>(III) Agenda of the meeting;</p> <p>(IV) Essentials of speeches delivered by supervisors;</p> <p>(V) Way of voting and result thereof with respect of each matter to be deliberated (the number of votes for, against or waiver shall be stated in the voting result).</p>	<p>Article 16<u>Article 27</u> The minutes of the meetings of the Supervisory Committee shall include following contents:</p> <p>(I) <u>(I)</u> Time and, venue and deadline of the meeting and name of the convener;</p> <p><u>(II) Subject and topics;</u></p> <p>(III) Name of attending supervisors;</p> <p>(III) <u>(IV)</u> Agenda of the meeting;</p> <p>(IV) Essentials of speeches delivered by supervisors;</p> <p><u>(VI)</u> Way of voting and result thereof with respect of each matter to be deliberated (the number of votes for, against or waiver shall be stated in the voting result).</p>

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Existing Provisions	Provisions after Amendment
Newly added provisions	<u>Article 28 The minutes of meetings of the Supervisory Committee shall be kept as archives of the Company by the office of the Supervisory Committee for ten (10) years.</u>
Newly added provisions	<p><u>Chapter Seven Information Disclosure</u></p> <p><u>Article 29 After the resolution of the meeting of the Supervisory Committee is formed, the Supervisory Committee of the Company shall comply with relevant national laws, regulations, regulatory documents and relevant requirements of the securities regulatory agency and stock exchange where the Company's shares are listed to perform its information disclosure obligations.</u></p>
Newly added provisions	<u>Article 30 According to the requirements of laws, regulations and the Company's Articles of Association, the matters discussed and resolved on the Supervisory Committee meeting shall be disclosed as internal matters before being disclosed to the public. Besides directors and supervisors, other persons shall sign confidentiality commitments.</u>

APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE
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Existing Provisions	Provisions after Amendment
Article 17 Supervisors shall sign the minutes of the meetings of the Supervisory Committee, and be liable for the resolutions of the Supervisory Committee. If a resolution of the Supervisory Committee violates laws, regulations or the Articles of Association, and the Company suffers serious losses as a result thereof, the supervisors who participated in the passing of such resolution shall compensate the Company therefor. However, if it can be proven that a supervisor expressly objected to the resolution when the resolution was being voted, which was recorded in the minutes of the meeting , such supervisor shall be released from such liability.	Deleted
Article 18 If the resignation of a supervisor causes the quorum of the Supervisory Committee of the Company to fall below the statutory minimum, the written resignation of such supervisor shall come into effect after the next supervisor fills the vacancy arising from his resignation.	Deleted
Article 19 When the Supervisory Committee reflects relevant situations to the Board of Directors and shareholders' general meeting, it may directly report the situations to the securities regulatory authority and other relevant departments.	Deleted

APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE
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Existing Provisions	Provisions after Amendment
<p>Chapter Six Scope of Deliberation</p> <p>Article 20 The meetings of the Supervisory Committee shall discuss following matters:</p> <p>(I) To review the Company's financial position;</p> <p>(II) To supervise the directors, managers and other senior officers' acts of violation of any laws, administrative regulations and the Articles of Association when performing their duties of the Company;</p> <p>(III) To demand any directors, managers and other senior officers who act in a manner which is harmful to the Company's interest to rectify such behaviour, and report to the shareholders' general meeting or competent national authority when necessary;</p> <p>(IV) To propose to convene an extraordinary general meeting or an extraordinary meeting of the Board of Directors;</p> <p>(V) To represent the Company in negotiations with, or to initiate legal proceedings against any directors;</p> <p>(VI) Other matters stipulated by the Articles of Association or authorized by shareholders' general meeting.</p>	Deleted
<p>Chapter Seven Notices of Meetings</p> <p>Article 21 A notice of the meeting of the Supervisory Committee shall include the time and place of the meeting; the duration of the meeting; particulars of a matter and the matters to be discussed; the date when the notice is given. Notices of meetings shall be delivered by email, fax or hand.</p>	Deleted

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Existing Provisions	Provisions after Amendment
Article 22 The notices of meetings of the Supervisory Committee shall be delivered to all the supervisors 10 days before the meeting is convened, and the notices of extraordinary meetings of the Supervisory Committee shall be delivered to all the supervisors three working days before the meeting is convened (except for special circumstances).	Deleted
Article 23 The Supervisory Committee shall notify in writing the senior officers of the Company, internal auditors and external auditors that are required to attend the meeting three days before the meeting of the Supervisory Committee is convened.	Deleted
Article 24 Where the meeting of the Supervisory Committee cannot be convened as scheduled, an announcement shall be made to specify the reason.	Deleted
Chapter Eight Presider of the Meeting Article 25 The meetings of the Supervisory Committee shall be convened and presided over by the chairman of the Supervisory Committee. If the chairman of the Supervisory Committee is unable to perform his/her duties for special reasons, he/ she should appoint one supervisor to convene and chair the meeting. If the chairman did not appoint any one, such meeting shall be convened and presided over by a supervisor nominated by more than half of the supervisors.	Deleted

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Existing Provisions	Provisions after Amendment
Chapter Nine Attendees Article 26 The supervisors shall attend in person the meetings of the Supervisory Committee. Where any supervisor is unable to attend the meeting for a certain reason, he may, by issuing a written power of attorney, entrust another supervisor to attend the meeting on his behalf. The scope of authorization shall be stated in the power of attorney.	Deleted
Article 27 The directors, managers and other senior officers of the Company, internal auditors and external auditors shall as required attend the meetings of the Supervisory Committee.	Deleted
Chapter Ten Meeting Discipline Article 28 According to the Articles of Association, failure of a supervisor to attend the meeting in person for two consecutive times without entrusting another supervisor to attend the meeting on his behalf shall be deemed as failure to perform his duties. Under such circumstances, the Supervisory Committee shall put forward a proposal at the shareholders' general meeting or to workers conference to replace such supervisor.	Deleted
Article 29 Without the consent of informed shareholders' general meeting, supervisors and attendees shall not disclose any confidential information related to the Company acquired during their tenure. Without the consent of the Supervisory Committee, the contents and resolutions of the meetings of the Supervisory Committee shall not be divulged.	Article 29 <u>Article 31</u> Without the consent of informed shareholders' general meeting, supervisors and attendees shall not disclose any confidential information related to the Company acquired during their tenure. Without the consent of the Supervisory Committee, the contents and resolutions of the meetings of the Supervisory Committee shall not be divulged.

<p>APPENDIX XVIII RESOLUTION ON THE AMENDMENTS ON THE RULES OF PROCEDURES FOR THE SUPERVISORY COMMITTEE</p>

Existing Provisions	Provisions after Amendment
<p>Article 30 Attendees shall abide by the discipline of the meeting:</p> <p>(I) Appear at the meeting on time and be seated as arranged;</p> <p>(II) Deliver concise and brief speeches related to the proposals;</p> <p>(III) Attend the meeting with adequate time and energy;</p> <p>(IV) Consciously maintain the discipline and normal order of the meeting.</p>	<p>Deleted</p>

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Existing Provisions	Provisions after Amendment
<p>Chapter Eleven Supplementary Rules</p> <p>Article 31 In case of any contradiction between the matter not stipulated herein and the Rules, laws, regulations and the Articles of Association, the laws, regulations, normative documents, rules of the stock exchange governing the corporate stock listing, and the Articles of Association shall prevail.</p>	<p><u>Chapter Eight Supplementary Rules</u></p> <p>Article 31<u>Article 32</u> In case of any contradiction between the matter not stipulated herein and the Rules, laws, regulations and the Articles of Association, the laws, regulations, normative documents, rules of <u>the securities regulators and</u> the stock exchange governing the corporate stock listing, and the Articles of Association shall prevail. <u>In case of conflict between these Rules and the Articles of Association, the Articles of Association shall prevail.</u></p>
<p>Article 33 The Supervisory Committee of the Company reserves the right of interpretation on the Rules.</p>	<p>Article 33<u>Article 34</u> The Supervisory Committee of the Company reserves the right of interpretation on the Rules.</p>
<p>Article 34 As the appendix to the Articles of Association, the Rules will come into effect upon deliberation and adoption of the draft of the Supervisory Committee of the Company by the shareholders' general meeting of the Company, after the overseas-listed foreign shares of the Company (H Shares) are listed on the Main Board of the Stock Exchange of Hong Kong Limited. As of the effective date of the Rules, the former Rules of Procedures of the Supervisory Committee of the Company shall be become null and void automatically.</p>	<p>Article 34<u>Article 35</u> As the appendix to the Articles of Association, the Rules will come into effect upon deliberation and adoption of the draft of the Supervisory Committee of the Company by the Shareholders' General Meeting of the Company, after the overseas-listed foreign shares of the Company (H Shares) are listed on the Main Board of the Stock Exchange of Hong Kong Limited. As of the effective date of the Rules, the former Rules of Procedures of the Supervisory Committee of the Company shall be become null and void automatically.</p>

Note: The Rules of Procedures for the Supervisory Committee and its amendments were originally drafted in Chinese and there was no official English version. Therefore, any English translation is for reference only. In case of any discrepancies, the Chinese version shall prevail.