
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in 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, Company manager, solicitor, professional accountant or other professional adviser.

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

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恒投證券 HENGTOU SECURITIES

(a joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English))

(the “Company”)
(Stock Code: 01476)

**PROPOSED ISSUE OF SHORT-TERM CORPORATE BONDS IN THE PRC,
PROPOSED ISSUE OF SHORT-TERM FINANCING BONDS IN THE PRC,
PROPOSED ISSUE OF PERPETUAL SUBORDINATED BONDS IN THE PRC,
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION,
PROPOSED AMENDMENTS TO RULES OF PROCEDURE FOR GENERAL MEETINGS,
PROPOSED AMENDMENTS TO CONNECTED TRANSACTIONS MANAGEMENT POLICY
AND
NOTICE OF EGM**

A notice convening the EGM to be held at the meeting room of 11/F, China Life Centre, No. 17 Finance Street, Xicheng District, Beijing, the PRC at 9:00 a.m. on Friday, 7 May 2021 is set out on pages 16 to 18 of this circular. A form of proxy for use at the EGM is also enclosed with this circular.

If you intend to attend the EGM by proxy, you are required to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the H Shares registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of H Shares), or to the Company's head office in the PRC at 11/F, China Life Centre, No. 17 Finance Street, Xicheng District, Beijing, the PRC (for the holders of Domestic Shares) as soon as possible but in any event not less than 24 hours before the time appointed for holding of the EGM (i.e. before 9:00 a.m. on Thursday, 6 May 2021) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

22 March 2021

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of Directors of the Company
“Company”	a joint stock company incorporated in the People’s Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English)
“Connected Transactions Management Policy”	the connected transactions management policy of the Company
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for or credited as paid in Renminbi
“EGM”	the 2021 first extraordinary general meeting of the Company to be held at the meeting room of 11/F, China Life Centre, No. 17 Finance Street, Xicheng District, Beijing, the PRC at 9:00 a.m. on Friday, 7 May 2021
“H Share(s)”	ordinary share(s) issued by the Company with a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for and traded in HK\$ and listed on the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure for General Meetings”	the rules of procedure for general meetings of the Company
“Share(s)”	the Domestic Share(s) and the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD

恒投證券
HENGTOU SECURITIES

(a joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English))

(the “Company”)
(Stock Code: 01476)

Executive Director:

Wu Yigang

Non-executive Directors:

Yu Lei

Wang Linjing

Dong Hong

Gao Liang

Independent non-executive Directors:

Lam Sek Kong

Xie Deren

Dai Genyou

Registered address:

Manshishangdu Office and
Commercial Complex,
Hailaer East Street,
Xincheng District,
Hohhot Inner Mongolia
Autonomous Region,
the PRC

Head office address:

11/F, China Life Centre,
No. 17 Finance Street,
Xicheng District, Beijing,
the PRC

Place of business in Hong Kong:

40/F, Dah Sing Financial Centre,
No. 248 Queen's Road East,
Wanchai, Hong Kong

22 March 2021

To the Shareholders,

Dear Sir/Madam,

**PROPOSED ISSUE OF SHORT-TERM CORPORATE BONDS IN THE PRC,
PROPOSED ISSUE OF SHORT-TERM FINANCING BONDS IN THE PRC,
PROPOSED ISSUE OF PERPETUAL SUBORDINATED BONDS IN THE PRC,
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION,
PROPOSED AMENDMENTS TO RULES OF PROCEDURE FOR GENERAL MEETINGS,
PROPOSED AMENDMENTS TO CONNECTED TRANSACTIONS MANAGEMENT POLICY
AND
NOTICE OF EGM**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to give you the notice of the EGM and provide you with relevant information to enable you to make informed decision on whether to vote for or against the resolutions to be proposed at the EGM for the following matters:

SPECIAL RESOLUTIONS

(1) PROPOSED ISSUE OF SHORT-TERM CORPORATE BONDS IN THE PRC

Reference is made to the announcement of the Company dated 19 March 2021.

In order to expand the Company's financing channels, optimize the debt structure and meet the needs of the Company's business development, the Board has proposed to issue short-term corporate bonds in the PRC (the "**Short-term Corporate Bonds**"). The details about the proposed issue of the Short-term Corporate Bonds in the PRC are as follows:

- | | |
|-------------------------|--|
| Size of issue: | the issue size of Short-term Corporate Bonds shall not exceed RMB3.00 billion (inclusive RMB3.00 billion) and the Short-term Corporate Bonds will be issued in one time or in tranches. |
| Maturity: | the term of the Short-term Corporate Bonds to be issued shall not exceed 1 year (inclusive 1 year), which will be determined in accordance with the Company's needs for working capital and market conditions. |
| Way of issue: | the Short-term Corporate Bonds shall be issued publicly on the stock exchange. |
| Interest rate of issue: | the annual interest rate, way of interest accrual and design of options shall be determined with reference to regulatory provisions and market conditions. |
| Use of proceeds: | the proceeds from the issue of the Short-term Corporate Bonds are proposed to be used to repay the debts due within 1 year and replenish the working capital, adjust and improve the Company's financial indicators, and optimize the Company's liability structure. |

LETTER FROM THE BOARD

- Validity period of the resolution: it shall be valid for 36 months from the date of consideration and approval at the EGM.
- Guarantee measures for repayment of the bonds: to fully guarantee the interests of the investors, in the event that the Company is unable to repay the principal and interests of the bonds as scheduled, or the Company is unable to repay the principal and interests of the bonds when they become due, it shall implement, as a minimum, the following guarantee measures:
- (i) no dividend will be distributed to the Shareholders;
 - (ii) suspend the implementation of projects that incur capital expenditure such as material external investments, acquisitions and mergers;
 - (iii) payment of salary and bonus of the Directors and senior management of the Company will be adjusted, reduced or ceased; and
 - (iv) not to approve any transfer or secondment of the key persons in charge.

LETTER FROM THE BOARD

Authorization matters:

it is proposed at the EGM to authorise the Board and the Board further authorises the management of the Company to handle with its absolute discretion, all the relevant matters regarding the issue and the transfer by way of public tender of the Short-term Corporate Bonds, in accordance with requirements of the relevant laws and regulations as well as the opinions and recommendations of the regulatory authorities, under the framework and principles of the plan on issue of Short-term Corporate Bonds as approved at the EGM and based on the principle of maximizing the Company's interests, including but not limited to:

- (i) to the extent permitted by the laws and regulations, formulating the specific issue proposal and amending and adjusting the terms of the issue based on the specific conditions of the Company and the market, including but not limited to the detailed size of issue, whether to issue in tranches, arrangement of the amount to be issued and the period of each tranche, the issue price, the subscribed objects, the coupon rate or its method of determination, the timing of issue, time and method of principal and interest payments, whether to provide repurchase terms or redemption terms, particulars of the use of proceeds, the measures to ensure debt repayment, the measures to mitigate repayment risks, matters relating to guarantee, transfer of the bonds by way of public tender, place of issuing and transfer by way of public tender, the specific subscription method, the specific placement arrangement, etc. and all matters relating to the terms of issue;
- (ii) engaging intermediaries, signing, executing, amending and completing all agreements and documents relating to the issue and transfer by way of public tender of the Short-term Corporate Bonds, and handling the matters related to reporting, transfer by way of public tender and information disclosure;
- (iii) selecting trustee(s) for the Short-term Corporate Bonds, executing the trust agreement(s) and formulating rules for meetings of the bondholders;

LETTER FROM THE BOARD

- (iv) undertaking negotiations relating to the issue and transfer by way of public tender of the Short-term Corporate Bonds on behalf of the Company, executing all relevant agreements and other necessary documents and making appropriate information disclosures;
- (v) in case there is any change in policies of the regulatory authorities in respect of the issue of the Short-term Corporate Bonds or change in market condition, authorising the Board or the Board's authorised person to make relevant adjustments to matters relating to the specific proposal for the issue of the Short-term Corporate Bonds in accordance with the opinions of the regulatory authorities, or to determine whether to continue to proceed with all or part of the work in respect of the issue of the Short-term Corporate Bonds based on the actual circumstances, except for matters which requires re-approval by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association;
- (vi) after completion of the issue, handling the matters relating to the application for transfer by way of public tender of the Short-term Corporate Bonds;
- (vii) handling all other matters relating to the issue and transfer by way of public tender of the Short-term Corporate Bonds; and
- (viii) this authorisation is valid from the date of consideration and approval at the EGM to the date the resolution of the EGM relating to the issue of the Short-term Corporate Bonds has lapsed or the above authorised matters are completed, whichever is earlier.

The proposed issue of Short-term Corporate Bonds in the PRC shall be subject to approval by Shareholders as a special resolution at the EGM and necessary approvals from relevant regulatory authorities.

A special resolution will be proposed at the EGM to consider and approve the proposed issue of Short-term Corporate Bonds in the PRC.

LETTER FROM THE BOARD

(2) PROPOSED ISSUE OF SHORT-TERM FINANCING BONDS IN THE PRC

Reference is made to the announcement of the Company dated 19 March 2021.

In order to expand the Company's financing channels, optimize the debt structure and meet the needs of the Company's business development, the Board has proposed to issue the short-term financing bonds in the PRC (the "**Short-term Financing Bonds**"). The details about the proposed issue of Short-term Financing Bonds in the PRC are as follows:

Size of issue:	the issue of the Short-term Financing Bonds shall be managed based on the outstanding balance, which shall not exceed 60% of the net capital of the Company. Subject to satisfaction of relevant regulatory requirements and various risk control indicators of the Company, the actual size of issue of each tranche of Short-term Financing Bonds shall be determined in accordance with the Company's capital needs and market conditions at the time of issue.
Maturity:	the Short-term Financing Bonds shall be issued on a rolling basis, with each term of issue not exceeding 91 days.
Way of issue:	the Short-term Financing Bonds shall be issued publicly on the interbank bond market. Upon approval for issue, the bonds may be issued in one tranche or multiple tranches on a rolling basis.
Interest rate of issue:	A fixed interest rate shall be adopted for the issue of the Short-term Financing Bonds. The interest rate of issue shall be determined by way of tender through the tender system and remain unchanged during the term of the bonds. The interest of the Short-term Financing Bonds shall be accrued on an annual basis with simple interest, without compound interest.
Use of proceeds:	the proceeds from the issue of the Short-term Financing Bonds are proposed to be used to replenish the working capital, adjust and improve the Company's financial indicators, and optimize the Company's liability structure.
Validity period of the resolution:	it shall be valid for 36 months from the date of consideration and approval at the EGM.

LETTER FROM THE BOARD

Guarantee measures for
repayment of the bonds:

to fully guarantee the interests of the investors, in the event that the Company is unable to repay the principal and interests of the Short-term Financing Bonds as scheduled, or the Company is unable to repay the principal and interests of the Short-term Financing Bonds when they become due, it shall implement, as a minimum, the following guarantee measures:

- (i) no dividend will be distributed to the Shareholders;
- (ii) suspend the implementation of projects that incur capital expenditure such as material external investments, acquisitions and mergers;
- (iii) payment of salary and bonus of the Directors and senior management of the Company will be adjusted, reduced or ceased; and
- (iv) not to approve any transfer or secondment of the key persons in charge.

LETTER FROM THE BOARD

Authorization matters: it is proposed at the EGM to authorise the Board and the Board to further authorises the management of the Company to handle with its absolute discretion, all the relevant matters regarding the issue and listing of the Short-term Financing Bonds, in accordance with requirements of the relevant laws and regulations as well as the opinions and recommendations of the regulatory authorities, under the framework and principles of the plan on issue of Short-term Financing Bonds as approved at the EGM and based on the principle of maximizing the Company's interests, including but not limited to:

- (i) to the extent permitted by the laws and regulations, formulating the specific issue proposal and amending and adjusting the terms of the issue of the Short-term Financing Bonds based on the specific conditions of the Company and the market, including but not limited to the detailed size of issue, whether to issue in tranches, arrangement of the amount to be issued and the period of each tranche and type, the issue price, the subscribed objects, the coupon rate or its method of determination, the timing of issue, time and method of principal and interest payments, whether to provide repurchase terms or redemption terms, particulars of the use of proceeds, the measures to ensure debt repayment, the measures to mitigate repayment risks, matters relating to guarantee, listing of the bonds, place of issuing and listing, the specific subscription method, the specific placement arrangement, etc. and all matters relating to the terms of issue;
- (ii) engaging intermediaries, signing, executing, amending and completing all agreements and documents relating to the issue and listing of the Short-term Financing Bonds, and handling the matters related to reporting, listing application and information disclosure;
- (iii) selecting trustee(s) for the Short-term Financing Bonds, executing the trust agreement(s) and formulating rules for meetings of the bondholders;

LETTER FROM THE BOARD

- (iv) undertaking negotiations relating to the issue and listing of the Short-term Financing Bonds on behalf of the Company, executing all relevant agreements and other necessary documents and making appropriate information disclosures;
- (v) in case there is any change in policies of the regulatory authorities in respect of the issue of the Short-term Financing Bonds or change in market condition, authorising the Board or the Board's authorised person to make relevant adjustments to matters relating to the specific proposal for the issue of the Short-term Financing Bonds in accordance with the opinions of the regulatory authorities, or to determine whether to continue to proceed with all or part of the work in respect of the issue of the Short-term Financing Bonds based on the actual circumstances, except for matters which requires re-approval by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association;
- (vi) after completion of the issue, handling the matters relating to the listing and transfer application of the Short-term Financing Bonds;
- (vii) handling all other matters relating to the issue and listing of the Short-term Financing Bonds;
- (viii) handling the matters relating to bank account of the Short-term Financing Bonds, including but not limited to signing relevant agreements, opening accounts, operating related accounts, etc.; and
- (ix) this authorisation is valid from the date of consideration and approval at the EGM to the date the resolution of the EGM relating to the issue of the Short-term Financing Bonds has lapsed or the above authorised matters are completed, whichever is earlier.

The proposed issue of Short-term Financing Bonds in the PRC shall be subject to approval by Shareholders as a special resolution at the EGM and necessary approvals from relevant regulatory authorities.

LETTER FROM THE BOARD

A special resolution will be proposed at the EGM to consider and approve the proposed issue of Short-term Financing Bonds in the PRC.

(3) PROPOSED ISSUE OF PERPETUAL SUBORDINATED BONDS IN THE PRC

Reference is made to the announcement of the Company dated 19 March 2021.

In order to expand the Company's financing channels, optimize the debt structure and meet the needs of the Company's business development, the Board has proposed to issue perpetual subordinated bonds in the PRC (the "**Perpetual Subordinated Bonds**"). The details about the proposed issue of the Perpetual Subordinated Bonds in the PRC are as follows:

Size of issue:	not exceeding RMB3.70 billion (inclusive RMB3.70 billion).
Way of issue:	the Perpetual Subordinated Bonds shall be issued publicly. Upon approval for issue, the bonds may be issued in one or multiple tranches.
Maturity:	The Perpetual Subordinated Bonds shall be re-priced every 5 interest-accruing years. At the end of each repricing cycle, the Company is entitled to extend the tranche of the Perpetual Subordinated Bonds for another re-pricing cycle (i.e. an extension of 5 years) or redeem the Perpetual Subordinated Bonds in full.
Use of proceeds:	the proceeds from the issue of the Perpetual Subordinated Bonds will be used to replenish the Company's working capital and repay the matured debts.
Method of determination of the coupon rate:	the coupon rate shall be determined in accordance with the market conditions and remain unchanged in the first 5 interest-accruing years during the term of the Perpetual Subordinated Bonds, and shall be reset every 5 years from the sixth interest-accruing year.
Validity period of the resolution:	it shall be valid for 36 months from the date of consideration and approval at the EGM.

LETTER FROM THE BOARD

Authorization matters:

it is proposed at the EGM to authorise the Board and the Board further authorises the management of the Company to handle with its absolute discretion, all the relevant matters regarding the issue and the transfer by way of public tender of the Perpetual Subordinated Bonds, in accordance with requirements of the relevant laws and regulations as well as the opinions and recommendations of the regulatory authorities, under the framework and principles of the plan on issue of Perpetual Subordinated Bonds as approved at the EGM and based on the principle of maximizing the Company's interests, including but not limited to:

- (i) to the extent permitted by the laws and regulations, formulating the specific issue proposal and amending and adjusting the terms of the issue of the Perpetual Subordinated Bonds based on the specific conditions of the Company and the market, including but not limited to the detailed size of issue, whether to issue in tranches and in various types, arrangement of the amount to be issued and the period of each tranche and type, the issue price, the subscribed objects, the coupon rate or its method of determination, the timing of issue, time and method of principal and interest payments, whether to provide repurchase terms or redemption terms, particulars of the use of proceeds, the measures to ensure debt repayment, the measures to mitigate repayment risks, matters relating to guarantee, transfer of the bonds by way of public tender, place of issuing and transfer by way of public tender, the specific subscription method, the specific placement arrangement, etc. and all matters relating to the terms of issue;
- (ii) engaging intermediaries, signing, executing, amending and completing all agreements and documents relating to the issue and transfer by way of public tender of the Perpetual Subordinated Bonds, and handling the matters related to reporting, transfer by way of public tender and information disclosure;

LETTER FROM THE BOARD

- (iii) selecting trustee(s) for the Perpetual Subordinated Bonds, executing the trust agreement(s) and formulating rules for meetings of the bondholders;
- (iv) undertaking negotiations relating to the issue and transfer by way of public tender of the Perpetual Subordinated Bonds on behalf of the Company, executing all relevant agreements and other necessary documents and making appropriate information disclosures;
- (v) in case there is any change in policies of the regulatory authorities in respect of the issue of the Perpetual Subordinated Bonds or change in market condition, authorising the Board or the Board's authorised person to make relevant adjustments to matters relating to the specific proposal for the issue of the Perpetual Subordinated Bonds in accordance with the opinions of the regulatory authorities, or to determine whether to continue to proceed with all or part of the work in respect of the issue of the Perpetual Subordinated Bonds based on the actual circumstances, except for matters which requires re-approval by the Shareholders at the general meeting pursuant to the relevant laws, regulations and the Articles of Association;
- (vi) after completion of the issue, handling the matters relating to the application for transfer by way of public tender of the Perpetual Subordinated Bonds;
- (vii) handling all other matters relating to the issue and transfer by way of public tender of the Subordinated Bonds; and
- (viii) this authorisation is valid from the date of consideration and approval at the EGM to the date the resolution of the EGM relating to the issue of the Perpetual Subordinated Bonds has lapsed or the above authorised matters are completed, whichever is earlier.

LETTER FROM THE BOARD

The proposed issue of the Perpetual Subordinated Bonds in the PRC shall be subject to approval by Shareholders as a special resolution at the EGM and necessary approvals from relevant regulatory authorities.

A special resolution will be proposed at the EGM to consider and approve the proposed issue of the Perpetual Subordinated Bonds in the PRC.

(4) PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 19 March 2021.

According to relevant regulations under the Reply on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (《關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》) issued by the State Council of the PRC and the Cancellation or Adjustment of Certain Administrative Approval Items of Securities Companies (《關於取消或調整證券公司部分行政審批項目與事項的公告》) announced by the China Securities Regulatory Commission, as well as the addition of “custodian business for securities investment funds” to the business scope as stated in the Business License of the Company, the Board proposes to make amendments to the relevant articles of the Articles of Association. Particulars are set out in Appendix I.

The proposed amendments to the Articles of Association shall become effective upon the approval of Shareholders by a special resolution at the EGM. In addition, the Board shall be authorized at the EGM to in turn authorise operating management of the Company to handle the approval and filing procedures with relevant regulatory authorities involved relating to such matter.

A special resolution will be proposed at the EGM to consider and approve the amendments to the Articles of Association.

ORDINARY RESOLUTIONS

(5) PROPOSED AMENDMENTS TO RULES OF PROCEDURE FOR GENERAL MEETINGS

Reference is made to the announcement of the Company dated 19 March 2021.

According to relevant regulation under the Reply on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (《關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》) issued by the State Council of the PRC, the Board proposes to make amendments to relevant articles of the Rules of Procedure for General Meetings. Particulars are set out in Appendix II.

LETTER FROM THE BOARD

The proposed amendments to the Rules of Procedure for General Meetings shall become effective upon the approval of Shareholders by a ordinary resolution at the EGM.

A ordinary resolution will be proposed at the EGM to consider and approve the amendments to the Rules of Procedure for General Meetings.

(6) PROPOSED AMENDMENTS TO CONNECTED TRANSACTIONS MANAGEMENT POLICY

Reference is made to the announcement of the Company dated 19 March 2021.

According to relevant regulation under the Notice on the Enhancement of the Connected Transactions Management Policy of Securities Company (《加強證券公司關聯交易監管事項的通知》) issued by China Securities Regulatory Commission and the Listing Rules, the Board proposes to make amendments to relevant articles of the Connected Transactions Management Policy. Particulars are set out in Appendix III.

The proposed amendments to the Connected Transactions Management Policy shall become effective upon the approval of Shareholders by an ordinary resolution at the EGM.

An ordinary resolution will be proposed at the EGM to consider and approve the amendments to the Connected Transactions Management Policy.

THE EGM

The EGM will be held at 9:00 am on Friday, 7 May 2021, to consider and, if thought fit, to pass resolutions in respect of the matters set out in the notice of the EGM. A form of proxy and a reply slip will be dispatched to the Shareholders in accordance with the Articles of Associations and the Listing Rules on Monday, 22 March 2021.

Whether or not you intend to attend and/or vote at the EGM, you are requested to complete and return the form of proxy in accordance with the instruction printed thereon. If you intend to attend the EGM, you are required to complete and return the reply slip to the Company's head office in the PRC or Company's H Share registrar on or before Friday, 16 April 2021.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any adjourned meeting, should you so wish and completion and return of the reply slip do not affect the right of a Shareholder to attend and vote at such meeting.

LETTER FROM THE BOARD

VOTING BY POLL

According to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Results of the poll voting will be published on the Company's website at www.cnht.com.cn and the website of the Stock Exchange at www.hkexnews.hk after the EGM.

RECOMMENDATION

The Board considers that all the resolutions to be proposed at the EGM are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favour of all the resolutions to be proposed at the EGM.

Yours faithfully,
By order of the Board
Wu Yigang
Acting Chairman

NOTICE OF EGM

恒投證券 HENGTOU SECURITIES

(a joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name “恒泰证券股份有限公司” and carrying on business in Hong Kong as “恒投證券” (in Chinese) and “HENGTOU SECURITIES” (in English))

(the “Company”)
(Stock Code: 01476)

NOTICE OF THE 2021 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 first extraordinary general meeting of the Company (the “EGM”) will be held at the meeting room of 11/F, China Life Centre, No. 17 Finance Street, Xicheng District, Beijing, the People's Republic of China (the “PRC”) at 9:00 a.m. on Friday, 7 May 2021 to consider and, if thought fit, to pass, with or without modifications, the following resolutions of the Company:

SPECIAL RESOLUTIONS

1. To consider and approve the proposed issue of Short-term Corporate Bonds in the PRC;
2. To consider and approve the proposed issue of Short-term Financing Bonds in the PRC;
3. To consider and approve the proposed issue of Perpetual Subordinated Bonds in the PRC; and
4. To consider and approve the proposed amendments to the Articles of Association.

ORDINARY RESOLUTIONS

5. To consider and approve the proposed amendments to the Rules of Procedure for General Meetings; and
6. To consider and approve the proposed amendments to the Connected Transactions Management Policy.

By order of the Board
Wu Yigang
Acting Chairman

Beijing, the PRC
22 March 2021

NOTICE OF EGM

Notes:

1. Details of the above resolutions are set out in the circular of the Company dated 22 March 2021.
2. In order to determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 7 April 2021 to Friday, 7 May 2021 (both days inclusive) during which period no transfer of shares will be effected. Shareholders of the Company (the “**Shareholders**”) whose names appear on the register of members of the Company on Friday, 30 April 2021 shall be entitled to attend the EGM. In order to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s head office in the PRC at 11/F, China Life Centre, No. 17 Finance Street, Xicheng District, Beijing, the PRC (for holders of domestic shares), or 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 holders of H shares) no later than 4:30 p.m. on Thursday, 1 April 2021 for registration.
3. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy need not be a Shareholder.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.
5. In order to be valid, the form of proxy must be deposited, for the holders of H shares, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, or for the holders of domestic shares, to the Company’s head office in the PRC, not less than 24 hours before the time for holding the EGM (i.e. before 9:00 a.m. on Thursday, 6 May 2021) or any adjournment thereof. If the form of proxy is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the form of proxy. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meetings should you so wish.
6. Shareholders shall produce their identity documents and supporting documents in respect of shares held when attending the EGM. If corporate Shareholders appoints authorised representative to attend the EGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the form of proxy signed by the Shareholders or their attorney when attending the EGM.
7. Shareholders who intend to attend the EGM should complete and return the reply slip in writing by hand or by post to the Company’s H shares registrar (for holders of H shares) or the head office of the Company in the PRC (for holders of domestic shares) before Friday, 16 April 2021.
8. The EGM is expected to be held for less than half a day. Shareholders who intend to attend the EGM shall arrange and bear their own transportation and accommodation expenses.

NOTICE OF EGM

9. The name and address of the Company's H shares registrar are as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
Hong Kong
Tel: +852 2862 8555
Fax: +852 2865 0990

10. The address of head office of the Company in the PRC is as follows:

11/F, China Life Centre,
No. 17 Finance Street,
Xicheng District, Beijing,
the PRC
Contact person: Wang Hui
Tel: +86 10 8327 0996
Fax: +86 10 8327 0998

11. Where there are joint registered holders of any share(s), any one of such joint holders may attend and vote at the EGM, either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
12. Pursuant to rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the general 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. As such, the chairman of the EGM will also demand that all the resolutions proposed at the EGM will be voted on by way of poll in registered form pursuant to Article 118 of the Articles of Association of the Company.

As at the date of this notice, the Board comprises Mr. Wu Yigang as executive Director; Mr. Yu Lei, Mr. Wang Linjing, Ms. Dong Hong and Ms. Gao Liang as non-executive Directors; and Dr. Lam Sek Kong, Mr. Xie Deren and Mr. Dai Genyou as independent non-executive Directors.

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

The English version of the Proposed Amendments is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Original articles	Proposed to be amended as
<p>Article 12 As registered in accordance with the laws, the scope of business of the Company covers:</p> <p>(1) securities brokerage;</p> <p>(2) securities investment consultation;</p> <p>(3) financial advisory business relating to securities trading and securities investment;</p> <p>(4) securities proprietary trading;</p> <p>(5) securities asset management;</p> <p>(6) margin financing and securities lending;</p> <p>(7) proxy sale of securities investment fund;</p> <p>(8) proxy sale of financial products.</p> <p>The Company shall not conduct other businesses beyond the scope of business as approved.</p> <p>The changes in the scope of business shall be subject to approval by the securities regulatory authority of the PRC, and these Articles of Association of the Company shall be amended in accordance with prescribed procedures and change of registration shall be undergone with the company registration authority.</p>	<p>Article 12 As registered in accordance with the laws, the scope of business of the Company covers:</p> <p>(1) securities brokerage;</p> <p>(2) securities investment consultation;</p> <p>(3) financial advisory business relating to securities trading and securities investment;</p> <p>(4) securities proprietary trading;</p> <p>(5) securities asset management;</p> <p>(6) margin financing and securities lending;</p> <p>(7) proxy sale of securities investment fund;</p> <p>(8) proxy sale of financial products;</p> <p>(9) custodian business for securities investment funds.</p> <p>The Company shall not conduct other businesses beyond the scope of business as approved.</p> <p>The changes in the scope of business shall be subject to approval by the securities regulatory authority of the PRC, and these Articles of Association of the Company shall be amended in accordance with prescribed procedures and change of registration shall be undergone with the company registration authority.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 36 The shares of the Company may be transferred in accordance with laws.</p> <p>The change of shareholders holding more than 5% of all the issued shares of the Company as well as the change of de facto controller of the Company, shall be subject to the approval of the securities regulatory authorities under the State Council.</p>	<p>Delete.</p> <p>The original Article 37 and subsequent articles shall be in descending order, and the references involved shall be changed accordingly.</p>
<p>Article 49 Change of the register of shareholders arising from share transfer shall not be registered within 30 days before convening of a general meeting or within five days prior to the benchmark date on which the Company decides to distribute dividends.</p> <p>In the event that the securities regulatory authorities at the location where the shares of the Company are listed make other provisions, such provisions shall prevail.</p>	<p>Article 48 Change of the register of shareholders arising from share transfer shall not be registered within 20 days before convening of a general meeting or within five days prior to the benchmark date on which the Company decides to distribute dividends.</p> <p>In the event that the securities regulatory authorities at the location where the shares of the Company are listed make other provisions, such provisions shall prevail.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 54 The Company shall make a register of shareholders. The register of shareholders shall be the sufficient evidence proving the holding of the shares of the Company by the shareholders. The shareholders enjoy rights and assume obligations as per the class of shares they hold; the same class of shares represents the same rights and the same obligations.</p> <p>Where any person directly or indirectly having rights and interests fails to disclose such rights and interests, the Company shall not exercise its rights to freeze or otherwise harm any right of such person attached to the shares solely for this reason.</p> <p>Approval from the CSRC shall be obtained for change of any shareholder holding 5% or above of the shares in our Company or the de facto controller, and any entity or individual is prohibited from directly or indirectly holding 5% or above of the shares in our Company without the approval of the CSRC. Otherwise, such act shall be rectified in due course and the relevant shares will not carrying voting rights before such rectification.</p> <p>.....</p>	<p>Article 53 The Company shall make a register of shareholders. The register of shareholders shall be the sufficient evidence proving the holding of the shares of the Company by the shareholders. The shareholders enjoy rights and assume obligations as per the class of shares they hold; the same class of shares represents the same rights and the same obligations.</p> <p>Where any person directly or indirectly having rights and interests fails to disclose such rights and interests, the Company shall not exercise its rights to freeze or otherwise harm any right of such person attached to the shares solely for this reason.</p> <p>The changes in principal shareholders of the Company and de facto controllers of the Company shall be approved by the securities regulatory authorities under the State Council. Otherwise, such act shall be rectified in due course and the relevant shares will not carry voting rights before such rectification.</p> <p>.....</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 79 Where the Company holds a general meeting, a written notice of the meeting shall be given 45 days before the date of the meeting to notify all shareholders whose names appear on the register of shareholders of the matters to be considered at and the date and venue of the meeting.</p> <p>A shareholder who intends to attend the meeting shall deliver to the Company his written reply concerning his attendance at such meeting 20 days before the date of the meeting.</p> <p>In determining the commencement date and the period, the Company shall not include the date on which the meeting is held.</p>	<p>Article 78 When the Company convenes an annual general meeting, a written notice of the meeting shall be given 20 working days before the date of meeting; when the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given 10 working days or 15 days (whichever is later) before the date of meeting, to notify the Shareholders whose names appear in the share register of the matters to be considered at, and the date and venue of, the meeting.</p> <p>In determining the commencement date and the period, the Company shall not include the date on which the meeting is held.</p>
<p>Article 80 The Company shall, based on the written replies received from the shareholders 20 days before the date of the general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. In the event that the number of voting shares represented by the shareholders who intend to attend the meeting amounts to half or above of the total voting shares, the Company may hold the meeting; if not, the Company shall, within five days, notify the shareholders again by publicly announcing the matters to be considered at, the date of the meeting and the venue of the meeting. The Company may hold the meeting after publication of such announcement.</p>	<p>Delete.</p> <p>The original Article 81 and subsequent articles shall be in descending order, and the references involved shall be changed accordingly.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 82 Unless otherwise stipulated by these Articles of Association, the notice of a general meeting shall, in any forms (including but not limited to postal mail, email, fax, announcement, publish on the website of the Company or the website of the stock exchange where the shares of the Company are listed) as permitted by the stock exchange where the shares of the Company are listed, be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For the shareholders of domestic shares, the notice of the general meeting may also be given by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities under the State Council 45 to 50 days prior to the convening of the meeting. Once such an announcement is made, all shareholders of the domestic shares shall be deemed to have received the relevant notice of the general meeting.</p>	<p>Article 80 Unless otherwise stipulated by these Articles of Association, the notice of a general meeting shall, in any forms (including but not limited to postal mail, email, fax, announcement, publish on the website of the Company or the website of the stock exchange where the shares of the Company are listed) as permitted by the stock exchange where the shares of the Company are listed, be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For the shareholders of domestic shares, the notice of the general meeting may also be given by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities under the State Council in accordance with the time limits as prescribed in Article 78. Once such an announcement is made, all shareholders of the domestic shares shall be deemed to have received the relevant notice of the general meeting.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>The notices, materials, or written statement of the general meeting shall be delivered to the shareholders of overseas listed foreign shares in any of the following manners, 45 days prior to the said meeting:</p> <p>(1) deliver to every shareholders of overseas listed foreign shares by personal delivery or by postal mail in accordance with the addresses of every shareholders of overseas listed foreign shares. The notice for shareholders of H Shares should be sent at Hong Kong to the best effort of the Company;</p> <p>(2) publish on the website of the Company or on the website designated by the stock exchange where the shares of the Company are listed in accordance with applicable laws, regulations and relevant listing rules;</p> <p>(3) deliver pursuant to other requirements by the stock exchange where the shares of the Company are listed or by listing rules.</p>	

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 133 When the Company is to convene a shareholders class meeting, it shall issue a written notice 45 days prior to the date of such meeting informing all the shareholders who are registered as shareholders of that class in the register of shareholders of the matters to be deliberated at the meeting as well as the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver their written replies to the Company of their attendance 20 days prior to the date of the meeting.</p> <p>In the event that the number of the voting shares represented by the shareholders intending to attend the meeting is one half or above of the total number of voting shares of that class, the Company may convene a shareholders class meeting of shareholders. Otherwise, the Company shall within five days notify the shareholders once again, by way of public announcement, of the matters to be deliberated at the meeting and the date and place of the meeting. Upon notification by public announcement, the Company may then proceed to convene the shareholders class meeting.</p>	<p>Article 131 When the Company is to convene a shareholders class meeting, it shall issue a written notice with reference to the time limits as prescribed in Article 78 informing all the shareholders who are registered as shareholders of that class in the register of shareholders of the matters to be deliberated at the meeting as well as the date and place of the meeting.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 137 Directors shall be elected or replaced at the general meeting. A director shall serve a term of three years, and may seek re-election upon expiry of the said term. The general meeting shall not remove a director without any reason prior to the expiry of his/her term of office.</p> <p>Directors of the Company shall obtain the professional qualifications from the securities regulatory authorities before taking the positions. The Company shall not engage the personnel without the said qualifications as directors, and shall not violate the provisions to authorize the personnel without the said qualifications to actually exercise duties.</p> <p>.....</p>	<p>Article 135 Directors shall be elected or replaced at the general meeting. A director shall serve a term of three years, and may seek re-election upon expiry of the said term. The general meeting shall not remove a director without any reason prior to the expiry of his/her term of office.</p> <p>The appointment of directors by the Company shall be filed with the local branch of the CSRC in the place where the Company is located. The Company shall not engage the personnel without the said qualifications as directors, and shall not violate the provisions to authorize the personnel without the said qualifications to actually exercise duties.</p> <p>.....</p>
<p>Article 200 Prior to the appointment as the supervisors of the Company, the supervisors of the Company shall obtain such qualifications as approved by the securities regulatory authorities of the PRC for holding the positions of supervisors. The Company shall not appoint the personnel without the abovementioned qualifications as the supervisors of the Company, and the Company shall not breach the provisions to authorize such personnel without the abovementioned qualifications to actually exercise the functions of the supervisors.</p>	<p>Article 198 The appointment of supervisors by the Company shall be filed with the local branch of the CSRC in the place where the Company is located. The Company shall not appoint the personnel without the abovementioned qualifications as the supervisors of the Company, and the Company shall not breach the provisions to authorize such personnel without the abovementioned qualifications to actually exercise the functions of the supervisors.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 222 The chief compliance officer of the Company shall possess the following conditions of qualifications:</p> <p>(1) he/she has obtained the qualifications for taking the role of a senior management officer at a securities company;</p> <p>(2) he/she is familiar with securities business, is familiar with such laws, regulations and standards as relating to securities, and possesses such professional knowledge and technique as required for carrying out compliance management;</p> <p>(3) he/she has more than 10 years of experience in securities and funds, and has passed the competence examination for compliance management personnel organized by Securities Association of China or Asset Management Association of China; or he/she has more than 5 years of experience in securities and funds, and has passed the legal professional qualification examination; or he has worked in security regulatory authorities or self-discipline organization in security or fund industry for more than 5 years;</p> <p>(4) Financial regulatory authorities have not imposed any administrative penalty or implemented any material administrative measure on such person over the past 3 years;</p> <p>(5) Other conditions set by the CSRC.</p>	<p>Article 220 The chief compliance officer of the Company shall possess the following conditions of qualifications:</p> <p>(Delete the original item (1) he/she has obtained the qualifications for taking the role of a senior management officer at a securities company)</p> <p>(1) he/she is familiar with securities business, is familiar with such laws, regulations and standards as relating to securities, and possesses such professional knowledge and technique as required for carrying out compliance management;</p> <p>(2) he/she has more than 10 years of experience in securities and funds, and has passed the competence examination for compliance management personnel organized by Securities Association of China or Asset Management Association of China; or he/she has more than 5 years of experience in securities and funds, and has passed the legal professional qualification examination; or he has worked in security regulatory authorities or self-discipline organization in security or fund industry for more than 5 years;</p> <p>(3) Financial regulatory authorities have not imposed any administrative penalty or implemented any material administrative measure on such person over the past 3 years;</p> <p>(4) Other conditions set by the CSRC.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>Article 223 The appointment and dismissal of chief compliance officer shall be conducted in accordance with the following procedure:</p> <p>(1) provided that the chief compliance officer satisfy the qualification conditions as required, subject to the recognition by relevant agencies of the CSRC, the chief compliance officer shall be nominated by the chairman of the Company and be appointed by the Board;</p> <p>.....</p>	<p>Article 221 The appointment and dismissal of chief compliance officer shall be conducted in accordance with the following procedure:</p> <p>(1) The chief compliance officer shall be nominated by the chairman of the Company and be appointed by the Board. The appointment of chief compliance officer by the Company shall meet laws, regulations and the regulatory requirements, and the Company shall submit the resume and relevant supporting materials to the local branch of the CSRC in the place where the Company is located for approval.</p> <p>.....</p>
<p>Article 224 The chief compliance officer shall be accountable to the Board internally and be accountable to the regulatory authorities externally. The main duties as exercised by the chief compliance officer are as follows:</p> <p>.....</p> <p>(6) to provide compliance consultancy to the management level, all departments and all branches of the Company;</p> <p>(7) to be responsible for handling such complaints and reports involving the act of the Company and its working staff in violation of laws and regulations;</p>	<p>Article 222 The chief compliance officer shall be accountable to the Board directly. The main duties as exercised by the chief compliance officer are as follows:</p> <p>.....</p> <p>(6) to provide compliance consultancy and organize compliance training to the management level, all departments and all branches of the Company;</p> <p>(7) to guide and urge the Company’s departments concerned to deal with the complaints regarding the Company and its staff in respect of their behaviors in violation of laws and regulations;</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>(8) to be responsible for communicating with the regulatory authorities in relation to relevant matters of compliance management, to regularly conduct evaluation for the effectiveness of the compliance management of the Company, and to timely solve or urge to solve such problems existing in the compliance management of the Company;</p>	<p>(8) to report to the Board and person in charge of operation and management, the legitimacy and compliance of operation and management and the implementation of compliance management work of the Company in accordance with the provisions of the Company; to report any violation of laws and regulations or any hidden compliance risks found in the Company to the Board and person in charge of operation and management in accordance with the provisions of these Articles of Association in a timely manner, present suggestions dealing with the problems found, and supervise and urge the rectification; meanwhile, to ensure that the Company promptly reports to the local branch of the CSRC in the place where the Company is located; if the Company fails to make such report, he/she shall report directly to the local branch of the CSRC in the place where the Company is located; in case of violation of industry codes of practice or the rules of self-regulation, to make a further report to the relevant self-regulatory organization;</p>
<p>(9) in the event that there are behaviors which are in breach of the laws and regulations as well as hidden risks of compliance, to be responsible for presenting opinions concerning restraining and handling the abovementioned behaviors and risks to relevant organizations or departments of the Company in a timely manner, to urge the rectification and report the results of rectification to the local branch of the CSRC where the Company is registered; the chief compliance officer may send copies of such reports to relevant</p>	<p>(9) to timely handle such investigation as required by the securities regulatory authorities and the self – disciplinary organizations, to cooperate with the securities regulatory authorities and the self-disciplinary organizations in respect of the examination and investigation for the Company, and to follow up and evaluate the implementation of regulatory opinions and regulatory requirements;</p>
<p>(10) to be responsible for submitting semi-annual compliance report and annual compliance report to the management level, the Board and the Supervisory Committee, and to make submissions to the local branch of the CSRC where the Company is registered within the prescribed time limit;</p>	<p>(9) to timely handle such investigation as required by the securities regulatory authorities and the self – disciplinary organizations, to cooperate with the securities regulatory authorities and the self-disciplinary organizations in respect of the examination and investigation for the Company, and to follow up and evaluate the implementation of regulatory opinions and regulatory requirements;</p>
<p>(11) to be responsible for organizing the study and training of the laws, regulations, rules and the internal control systems of the Company for the management level and all employees of the Company, to publicize compliance within the Company so as to promote the culture of compliance;</p>	<p>(10) other duties as prescribed by the laws, regulations, rules and regulatory documents and authorized by the Board.</p>

APPENDIX I COMPARISON TABLE OF AMENDMENTS TO ARTICLES OF ASSOCIATION

Original articles	Proposed to be amended as
<p>(12) to be responsible for timely making submission of the basic systems of compliance management of the Company as well as relevant systems as required by the regulatory authorities to the regulatory authorities for filing;</p>	
<p>(13) to maintain the contact and communication with the securities regulatory authorities and the self-disciplinary organizations, to take the initiative to cooperate with the securities regulatory authorities and the self-disciplinary organizations; as required by the regulatory authorities, the chief compliance officer shall accept the interview and communicate with such regulatory authorities in relation to the status of compliance;</p>	
<p>(14) to timely handle such investigation as required by the securities regulatory authorities and the self-disciplinary organizations, to cooperate with the securities regulatory authorities and the self-disciplinary organizations in respect of the examination and investigation for the Company, and to follow up and evaluate the implementation of regulatory opinions and regulatory requirements;</p>	
<p>(15) in the event that the chief compliance officer considers the provisions of laws and regulations are not expressly stated and it is difficult to make accurate judgment on the compliance of the operation and management as well as the practice behavior of the Company and its personnel, the chief compliance officer may seek advice from the securities regulatory authorities or the self-disciplinary organizations, and conduct corresponding handling of matters or judgment of behaviors according to the replied opinions of the securities regulatory authorities and the self-disciplinary organizations;</p>	
<p>(16) other duties as authorized by the Board.</p>	

The English version of the Proposed Amendments is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Original articles	Proposed to be amended as
<p>Article 16 Where the Company holds a general meeting, a written notice of the meeting shall be given 45 days before the date of the meeting to notify all shareholders whose names appear on the register of shareholders of the matters to be considered at the meeting and the date and venue of the meeting. A shareholder who intends to attend the meeting shall deliver to the Company his written reply concerning his attendance at such meeting 20 days before the date of the meeting.</p> <p>In determining the commencement date and the period, the Company shall not include the date on which the meeting is held.</p>	<p>Article 16 Where the Company holds an annual general meeting, a written notice of the meeting shall be given 20 business days before the date of the meeting; where the Company holds an extraordinary general meeting, a written notice of the meeting shall be given 10 business days or 15 days (whichever is longer) before the date of the meeting, to notify all shareholders whose names appear on the register of shareholders of the matters to be considered at the meeting and the date and venue of the meeting.</p> <p>In determining the commencement date and the period, the Company shall not include the date on which the meeting is held.</p>
<p>Article 17 The Company shall, based on the written replies received from the shareholders 20 days before the date of the general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. In the event that the number of voting shares represented by the shareholders who intend to attend the meeting amounts to half or above of the total voting shares, the Company may hold the meeting; if not, the Company shall, within five days, notify the shareholders again by publicly announcing the matters to be considered at the meeting, the date of the meeting and the venue of the meeting. The Company may hold the meeting after publication of such announcement.</p>	<p>Delete</p> <p>Article 18 and the subsequent Articles shall be renumbered in sequence.</p>

Original articles	Proposed to be amended as
<p>Article 19 Unless otherwise stipulated by these Articles of Association, the notice of a general meeting shall, in any forms as permitted by the stock exchange where the shares of the Company are listed, be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For the shareholders of domestic shares, the notice of the general meeting may also be given by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities under the State Council 45 to 50 days prior to the convening of the meeting. Once such an announcement is made, all shareholders of the domestic shares shall be deemed to have received the relevant notice of the general meeting.</p> <p>The notices, materials, or written statement of the general meeting shall be delivered to the shareholders of overseas listed foreign shares in any of the following manners, 45 days prior to the said meeting:</p> <p>(1) deliver to every shareholders of overseas listed foreign shares by personal delivery or by postal mail in accordance with the addresses of every shareholders of overseas listed foreign shares. The notice for shareholders of H Shares should be sent at Hong Kong to the best effort of the Company;</p>	<p>Article 18 Unless otherwise stipulated by these Articles of Association, the notice of a general meeting shall, in any forms (including but not limited to postal mail, email, fax, announcement, publish on the website of the Company or the website of the stock exchange where the shares of the Company are listed) as permitted by the stock exchange where the shares of the Company are listed, be sent to shareholders (regardless of whether they are entitled to vote at the general meeting) by personal delivery or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For the shareholders of domestic shares, the notice of the general meeting may also be given by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities under the State Council within the time limits as prescribed in Article 16 of these Articles of Association. Once such an announcement is made, all shareholders of the domestic shares shall be deemed to have received the relevant notice of the general meeting.</p>

Original articles	Proposed to be amended as
<p>(2) publish on the website of the Company or on the website designated by the stock exchange where the shares of the Company are listed in accordance with applicable laws, regulations and relevant listing rules;</p> <p>(3) deliver pursuant to other requirements by the stock exchange where the shares of the Company are listed or by listing rules.</p>	
<p>Article 71 When the Company is to convene a shareholders class meeting, it shall issue a written notice 45 days prior to the date of such meeting informing all the shareholders who are registered as shareholders of that class in the register of shareholders of the matters to be deliberated at the meeting as well as the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver their written replies to the Company of their attendance 20 days prior to the date of the meeting.</p> <p>In the event that the number of the voting shares represented by the shareholders intending to attend the meeting is one half or above of the total number of voting shares of that class, the Company may convene a shareholders class meeting of shareholders. Otherwise, the Company shall within five days notify the shareholders once again, by way of public announcement, of the matters to be deliberated at the meeting and the date and place of the meeting. Upon notification by public announcement, the Company may then proceed to convene the shareholders class meeting.</p>	<p>Article 70 When the Company is to convene a shareholders class meeting, it shall issue a written notice in accordance with the time limits as prescribed in Article 16 of these Articles of Association informing all the shareholders who are registered as shareholders of that class in the register of shareholders of the matters to be deliberated at the meeting as well as the date and place of the meeting.</p>

Original articles	Proposed to be amended as
<p>Article 83 These Articles of Association shall be formulated by the Board and resolved and passed at the general meeting, and take effect on the date when the overseas listed foreign shares (H Shares) issued by the Company are listed on the Hong Kong Stock Exchange. As of the effective date of these Articles of Association, the previous Rules of Procedure for General Meetings of the Company shall become void automatically.</p>	<p>Article 82 These Articles of Association shall be formulated by the Board, and come into force after resolved and passed at a general meeting. As of the effective date of these Articles of Association, the previous Rules of Procedure for General Meetings of the Company shall become void automatically.</p>

The English version of the Proposed Amendments is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Original articles	Proposed to be amended as
<p>Article 1 In order to protect the interests of investors and Hengtai Securities Co., Ltd. (the “Company”) and regulate the connected transactions of the Company, the system is formulated in accordance with the “Company Law of the People’s Republic of China”, the “Securities Law of the People’s Republic of China”, “Accounting Standards for Enterprises No.36–Disclosure of Related Parties”, the Listing of Securities on The Stock Exchange of Hong Kong Limited” (“Listing Rules of the Stock Exchange”), and other relevant laws and regulations and relevant regulations of the Articles of Association of Hengtai Securities Co., Ltd” (the “Articles of Association”).</p>	<p>Article 1 In order to protect the interests of investors and Hengtai Securities Co., Ltd. (the “Company”) and regulate the connected (“connected”) transactions of the Company, the system is formulated in accordance with the “Company Law of the People’s Republic of China”, the “Securities Law of the People’s Republic of China”, “Accounting Standards for Enterprises No.36–Disclosure of Related Parties”, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” (the “Hong Kong Listing Rules”), Notification of CSRC on Further Strengthening Connected Transaction Supervision of Securities Companies and the Implementation Guidelines on Connected Transactions of Listed Companies of the Shanghai Stock Exchange (“Guidelines on Connected Transactions of Listed Companies of the SSE”) and other relevant laws and regulations and relevant regulations of the Articles of Association of Hengtai Securities Co., Ltd” (“Articles of Association”).</p>

Original articles	Proposed to be amended as
<p>Article 5 Connected transactions represent those entered into between the Company and its holding subsidiaries and connected persons of the Company which involve transfer of resources or obligations, including but not limited to:</p> <ol style="list-style-type: none"> (1) purchase or sale of assets and commodities; (2) external investments (including entrusted financing, entrusted loans and equity investment etc.); (3) provision of financial assistance; (4) provision of guarantees; (5) lease or rental of assets; (6) management of assets and operations by consignment or commission; (7) receiving or donating assets as a gift; (8) restructuring of claims or debts; 	<p>Article 5 This Policy of connected transactions includes connected transactions under the Guidelines on Connected Transactions of Listed Companies of the SSE, and connected transactions as defined under the Hong Kong Listing Rules.</p> <p>Under the Guidelines on Connected Transactions of Listed Companies of the SSE, connected transactions represent those entered into between the Company and its holding subsidiaries and connected persons of the Company which involve transfer of resources or obligations, including but not limited to:</p> <ol style="list-style-type: none"> (1) purchase or sale of assets; (2) external investments (including entrusted financing, entrusted loans etc.); (3) provision of financial assistance; (4) provision of guarantees; (5) lease or rental of assets; (6) management of assets and operations by consignment or commission; (7) donating or receiving assets as a gift; (8) restructuring of claims or debts;

Original articles	Proposed to be amended as
(9) transfer of research and development project;	(9) execution of licensing agreements;
(10) signing license agreements;	(10) transfer or acquisition of research and development projects;
(11) purchase of raw materials, fuels and powers;	(11) purchase of raw materials, fuels and powers;
(12) sale of products and goods;	(12) sale of products and goods;
(13) provision or receipt of labor services;	(13) provision or receipt of labor services;
(14) designated or entrusted sales;	(14) designated or entrusted sales;
(15) joint investment with the related party;	(15) deposits or loans with finance companies of the connected persons;
(16) remuneration for key management;	(16) joint investment with the connected persons;
(17) other matters which may give rise to a transfer of resources or obligations by agreement and other related matters of connected transactions determined by relevant laws and regulations.	(17) other matters which may give rise to a transfer of resources or obligations by agreement and other related matters of connected transactions determined by relevant laws and regulations.
Such assets purchased or sold above exclude the purchase of raw materials, fuel and power as well as the sale of products, commodities and other assets related to daily operations, but the purchase and sale of such assets involved in connected transactions are still included.	

Original articles	Proposed to be amended as
<p>Pursuant to Hong Kong Listing Rules, a connected transaction refers to any transactions of the Company or its subsidiaries with the connected persons; and the designated type transactions, which enable the connected persons to obtain profit through the rights and interests of the entity involved in such transaction, with the third party. A connected transaction can be a one-off transaction or continuing transaction. A “transaction” includes a transaction with the nature of capital and profit, whether or not such transaction is carried out in the ordinary business of the Company, including the following types of transactions:</p> <p>(I) acquisition or disposal of assets by the Company, including the transactions deemed to be the disposal;</p> <p>(II) grant, receipt, exercise, transfer or termination of an option by the Company in order to acquire or dispose assets, or to subscribe securities; or no exercise of an option decided by the Company for the consideration of acquisition or disposal of assets, or subscription of securities;</p> <p>(III) entering into or terminating financial leases or operating leases or sub-leases;</p> <p>(IV) providing indemnity or guarantee, or providing or receiving financial assistance. “Financial assistance” includes grant of credit, borrowings, or providing indemnity, guarantee, assurance or pledge in terms of loans;</p>	<p>Pursuant to Hong Kong Listing Rules, a connected transaction refers to any transactions of the Company or its subsidiaries with the connected persons; and the designated type transactions, which enable the connected persons to obtain profit through the rights and interests of the entity involved in such transaction, with the third party. A connected transaction can be a one-off transaction or continuing transaction. A “transaction” includes a transaction with the nature of capital and profit, whether or not such transaction is carried out in the ordinary business of the Company, including the following types of transactions:</p> <p>(I) acquisition or disposal of assets by the Company, including the transactions deemed to be the disposal;</p> <p>(II) grant, receipt, exercise, transfer or termination of an option by the Company in order to acquire or dispose assets, or to subscribe securities; or no exercise of an option decided by the Company for the consideration of acquisition or disposal of assets, or subscription of securities;</p> <p>(III) entering into or terminating financial leases or operating leases or sub-leases;</p> <p>(IV) providing indemnity or guarantee, or providing or receiving financial assistance. “Financial assistance” includes grant of credit, borrowings, or providing indemnity, guarantee, assurance or pledge in terms of loans;</p>

Original articles	Proposed to be amended as
<p>(V) entering into any agreement or arrangement to set up a joint venture in any form (e.g. in form of a partnership or a company) or in any other form of joint arrangement;</p> <p>(VI) issuing new securities of the Company;</p> <p>(VII) providing, receiving or sharing services; or</p> <p>(VIII) purchasing or providing raw materials, intermediate products and/or finished products.</p> <p>The designated type transactions with the third party and continuing connected transactions are defined particularly as set out in the annex of these Rules</p>	<p>(V) entering into any agreement or arrangement to set up a joint venture in any form (e.g. in form of a partnership or a company) or in any other form of joint arrangement;</p> <p>(VI) issuing new securities of the Company or its subsidiaries, including underwriting or distribution of securities in issue;</p> <p>(VII) providing, receiving or sharing services;</p> <p>(VIII) purchasing or providing raw materials, intermediate products and/or finished products.</p> <p>The designated type transactions with the third party and continuing connected transactions are defined particularly as set out in the annex of these Rules.</p>
<p>Article 8 The connected transaction occurred by the subsidiary controlled by the Company or holding 50% or over shares shall be deemed as corporate conduct, and this system shall apply to transaction behavior; the connected transaction occurred by participating company of the Company, shall be calculated by transaction object multiplied by participating proportion or agreement bonus proportion and this system shall apply.</p>	<p>Article 8 The connected transaction occurred by the subsidiary actually controlled by the Company or holding 50% or over shares shall be deemed as corporate conduct, and this system shall apply to transaction behavior; this policy shall apply to connected transactions occurred between a subsidiary of the Company and its connected persons; for definition of subsidiary, please refer to the appendix to this policy.</p>
<p>Article 9 The connected persons of the Company consist of connected legal persons and connected natural persons.</p>	<p>Article 9 The connected persons of the Company consist of connected legal persons and connected natural persons as regulated by the Guidelines on Connected Transactions of Listed Companies of the SSE or connected persons as defined under Chapter 14A of the Hong Kong Listing Rules.</p>

Original articles	Proposed to be amended as
<p>Article 10 Legal persons that meet any of the following conditions shall be the related legal persons of the Company:</p> <p>(I) legal persons or other organizations directly or indirectly control the Company;</p> <p>(II) legal persons or other organizations other than the Company and its controlled subsidiaries that are directly or indirectly controlled by the legal persons mentioned in preceding Clause of this Article;</p> <p>(III) The body corporate directly or indirectly controlled by the Companies' related natural person listed below, or the body corporate in which the related natural persons act as directors and senior management staff, except the Company and its controlling subsidiaries;</p> <p>(IV) a legal person or other organization and persons acting in concert with them which holds more than 5% shares in the Company;</p> <p>(V) a legal person or other organization which have been identified, on basis of the principle of substance over form, as having special relations with the Company that may lead to the Company's preference over their interests under the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") and other regulatory bodies or determined by the Company.</p>	<p>Article 10 Legal persons that meet any of the following requirements of the Guidelines on Connected Transactions of Listed Companies of the SSE, shall be the related legal persons of the Company:</p> <p>(I) legal persons or other organizations directly or indirectly control the Company;</p> <p>(II) legal persons or other organizations other than the Company and its controlled subsidiaries that are directly or indirectly controlled by the legal persons mentioned in preceding Clause of this Article;</p> <p>(III) The body corporate directly or indirectly controlled by the Companies' related natural person listed below, or the body corporate in which the related natural persons act as directors and senior management staff, except the Company and its controlling subsidiaries;</p> <p>(IV) a legal person or other organization and persons acting in concert with them which holds more than 5% shares in the Company;</p> <p>(V) a legal person or other organization which have been identified, on basis of the principle of substance over form, as having special relations with the Company that may lead to the Company's preference over their interests under the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") and other regulatory bodies or determined by the Company.</p>

Original articles	Proposed to be amended as
<p>Article 11 A natural person shall be deemed as a connected natural person of the Company under any of the following circumstances:</p> <p>(I) a natural person who directly or indirectly holds more than 5% shares in the Company;</p> <p>(II) a director, supervisor and senior management personnel of the Company;</p> <p>(III) a director, supervisor and member of senior management personnel of the legal person listed in item (1) in the Article 10;</p> <p>(IV) close family members of the natural persons prescribed in item (1) and (2) of this Article, including parents, spouse, brothers and sisters and their spouses, children aged 18 or above and their spouses, brothers-in-law and sisters-in-law, and parents of their children's spouses;</p> <p>(V) a natural person determined by the CSRC and other regulatory bodies or the Company in accordance with the substance over form principle that has special relationship with the Company and may induce the Company's interest to lean towards it.</p>	<p>Article 11 A natural person shall be deemed as a connected natural person of the Company, which meets the requirements of the Guidelines on Connected Transactions of Listed Companies of the SSE, under any of the following circumstances:</p> <p>(I) a natural person who directly or indirectly holds more than 5% shares in the Company;</p> <p>(II) a director, supervisor and senior management personnel of the Company;</p> <p>(III) a director, supervisor and member of senior management personnel of the legal person listed in item (I) in the Article 10;</p> <p>(IV) close family members of the natural persons prescribed in item (I) and (II) of this Article, including parents, spouse, brothers and sisters and their spouses, children aged 18 or above and their spouses, brothers-in-law and sisters-in-law, and parents of their children's spouses;</p> <p>(V) a natural person determined by the CSRC and other regulatory bodies or the Company in accordance with the substance over form principle that has special relationship with the Company and may induce the Company's interest to lean towards it.</p>

Original articles	Proposed to be amended as
<p>Article 15 The connected persons within the meaning of the Hong Kong Listing Rules include the following:</p> <p>(I) each “director” (including person who was a director of the Company in the past 12 months), “supervisor”, the “chief executive” and “substantial shareholder” of the Company and/or its subsidiaries;</p> <p>(II) any “associate(s)” of any persons as set out in Clause (I) above;</p> <p>(III) a non-wholly owned subsidiary of the Company, where any connected persons of the company to be listed (except for those at subsidiary level), are entitled to, individually or together, exercise (or control the exercise) of ten per cent (10%) or more of the voting rights at any general meeting of the non-wholly owned subsidiary;</p> <p>(IV) any subsidiary company of a non-wholly owned subsidiary company referred to in Clause (III) above (in Clause (III) above and this Clause (iv), each referred to as a “connected subsidiary”); and</p> <p>(V) a person deemed to be connected by the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”).</p> <p>More detailed description of the definitions of the term “connected person” and related terminologies in the Hong Kong Stock Exchange are set out in the appendix to these Rules.</p>	<p>Article 15 The connected persons within the meaning of the Hong Kong Listing Rules include the following:</p> <p>(I) each director, supervisor, chief executive and substantial shareholder of the Company or any of its subsidiaries;</p> <p>(II) a person who was a director of the Company or any of its subsidiaries in the last 12 months;</p> <p>(III) a supervisor of the Company or any of its subsidiaries;</p> <p>(VI) any “associate” of a person mentioned in paragraphs (1),(2) or (3) of this definition;</p> <p>(V) connected subsidiaries; or</p> <p>(VI) a person deemed to be connected by the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”).</p> <p>More detailed description of the definitions of the term “connected person” and related terminologies in the Hong Kong Stock Exchange are set out in the appendix to these Rules.</p>

Original articles	Proposed to be amended as
<p>Chapter IV Decision-making Procedures for Connected Transactions</p> <p>Article 16 The Company’s proposed connected transactions shall be proposed by the Company’s functional departments. The resolution shall specify the specific matters of the connected transaction, the basis for determination of the price and the degree of influence on the interests of the Company and Shareholders.</p>	<p>Chapter IV Decision-making Procedures and Disclosure for Connected Transactions</p> <p>Article 16 The Company’s proposed connected transactions shall be proposed by the Company’s functional departments. The resolution shall specify the specific matters of the connected transaction, the basis for determination of the price and the degree of influence on the interests of the Company and Shareholders.</p> <p>A written agreement shall be signed to clarify the pricing policy of connected transactions. The pricing of the connected transactions of the Company shall be fair and executed with reference to the following principles:</p> <p>(I) where the transactions implement the government pricing, such prices apply directly;</p> <p>(II) where the transactions implement the government-guided prices, the transaction price may be determined reasonably within the range of the government-guided prices;</p> <p>(III) except where the government pricing or the government-guided prices apply, if there is a comparable independent third-party market price or charging standard, the transaction price may be determined with reference to such price or standard with priority;</p> <p>(IV) where there is no comparable independent third-party market price, the transaction price may be determined with reference to the price of a non-related party transaction occurring between the related party and a third party independent of such related party;</p> <p>(V) if there is neither independent third-party market price nor independent non-related party transaction price for reference, a reasonable price could be served as the pricing basis, the formed price is the reasonable cost plus the reasonable profit.</p>

Original articles	Proposed to be amended as
<p>Article 22 Decision-making authority</p> <p>(I) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB30,000,000 and representing more than 2% of the absolute value of the latest audited net assets of the Company (except for the cash assets received and provision of guarantee by the Company), the transaction shall be submitted to the general meeting of shareholders for consideration;</p> <p>(II) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB3,000,000 and representing more than 0.2% of the absolute value of the latest audited net assets of the Company, the transaction shall be submitted to the Board for consideration;</p> <p>(III) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB300,000 and representing more than 0.02% of the absolute value of the latest audited net assets of the Company, the transaction shall be submitted to the Board for consideration;</p> <p>(IV) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB3,000,000 and representing more than 0.2% of the absolute value of the latest audited net assets of the Company, the transaction shall be submitted to the general meeting of shareholders for consideration;</p> <p>(V) Any guarantee (regardless of the amount) provided by the Company to the connected person(s) shall be submitted to the general meeting for approval upon consideration and approval of the Board.</p>	<p>Article 22 Decision-making authority</p> <p>The Company shall abide by the provisions of Articles 22 to 30 and Article 33 of the system when considering the connected transactions that comply with the provisions of the Guidelines on Connected Transactions of Listed Companies of the SSE:</p> <p>(I) If a material connected transaction (“material connected transaction”) is entered into between the Company and a connected person with a transaction amount of more than RMB30,000,000 and representing more than 5% of the absolute value of the latest audited net assets of the Company (except for the cash assets received and provision of guarantee by the Company), the transaction shall be submitted to the general meeting of shareholders for consideration;</p> <p>(II) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB3,000,000 and representing more than 0.5% of the absolute value of the latest audited net assets of the Company, the transaction shall be submitted to the Board for consideration;</p> <p>(III) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB300,000, the transaction shall be submitted to the Board for consideration;</p> <p>(IV) If a connected transaction is entered into between the Company and a connected person with a transaction amount of more than RMB3,000,000 and representing more than 0.5% of the absolute value of the latest audited net assets of the Company, the transaction shall be submitted to the general meeting of shareholders for consideration;</p>

Original articles	Proposed to be amended as
	<p>(V) Any guarantee (regardless of the amount) provided by the Company to the connected person(s) shall be submitted to the general meeting for approval upon consideration and approval of the Board.</p> <p>(VI) The connected transactions which fail to meet the criteria for consideration at the Board meeting with the transaction amount exceeding RMB500,000 shall be considered by the president's office meeting of the Company, and the connected transactions of RMB500,000 or less shall be submitted to the internal connected transaction approval process of the Company for consideration.</p>
<p>Articles 25 The Company shall also employ an intermediary organization qualified in carrying out business relating to securities and futures to audit or value the object of the material connected transaction between the Company and the connected parties which requires to be approved at the general meeting, Connected transaction on sale and purchase or service relating to the daily operation of the Company may be exempted from auditing or valuation.</p>	<p>Articles 25 The Company shall also employ an intermediary organization qualified in carrying out business relating to securities and futures to audit or value the object of the material connected transaction between the Company and the connected parties which requires to be approved at the general meeting, connected transaction on sale and purchase or service relating to the daily operation of the Company may be exempted from auditing or valuation.</p> <p>If the Company intends to have a material connected transaction with a connected party, it shall submit it to the Board for consideration after the independent directors propose their prior approval opinions. Before making a judgment, an independent director may employ an independent financial adviser to issue a report as the basis for his judgment.</p> <p>The Audit Committee of the Board of the Company shall at the same time examine the connected transactions, form written opinions, submit them to the Board for consideration, and report them to the Supervisory Committee. The Audit Committee may employ an independent financial adviser to issue a report as the basis of its judgment.</p>

Original articles	Proposed to be amended as
<p>Articles 31 Connected transactions with related parties as defined by the Hong Kong Stock Exchange:</p> <p>The Company shall meet the reporting, announcement and approval requirements under the Hong Kong Listing Rules in respect of various types of connected transactions defined therein by the Hong Kong Stock Exchange, namely, fully-exempt connected transactions, Partially-exempt connected transactions and non-exempt connected transactions.</p> <p>(I) Fully-exempt connected transactions shall be subject to the relevant requirements of annual review under Article 32.</p> <p>(II) Partially-exempt one-off connected transactions shall be dealt with in accordance with the announcement requirements under Clause (III) (1) (A) of this Article and the reporting requirements under Clause (III)(1) (F) of this Article. Partially-exempt continuing connected transactions shall be dealt with in accordance with the requirement under Clause (III) (2) (A) of this Article. Partially-exempt financial assistance shall be dealt with in accordance with the requirements of partially-exempt one-off connected transactions or of partially-exempt continuing connected transactions, depending on whether it is a one-off or continuing connected transaction.</p>	<p>Articles 31 Connected transactions with related parties as defined by the Hong Kong Stock Exchange shall comply with the relevant provisions of Articles 31 to 35 below:</p> <p>The Company shall meet the reporting, announcement and approval requirements under the Hong Kong Listing Rules in respect of various types of connected transactions defined therein by the Hong Kong Stock Exchange, namely, fully-exempt connected transactions, Partially-exempt connected transactions and non-exempt connected transactions.</p> <p>(I) Fully-exempt connected transactions are not subject to the requirements of announcement, independent shareholders' approval, annual reporting, annual review and all other disclosure requirements.</p> <p>(II) Partially-exempt one-off connected transactions shall be dealt with in accordance with the announcement requirements under Clause (III)(1)(A) of this Article and the reporting requirements under Clause (III)(1)(F) of this Article. In addition to complying with the requirements of rules of partially-exempt one-off connected transactions, partially-exempt continuing connected transactions shall comply with extra requirements for continuing connected transactions under Clause (III)(2)(A) of this Article. Partially-exempt financial assistance shall be dealt with in accordance with the requirements of partially-exempt one-off connected transactions or of partially-exempt continuing connected transactions, depending on whether it is a one-off or continuing connected transaction.</p>

Original articles	Proposed to be amended as
<p>(III) Non-exempt connected transactions shall be subject to the reporting, announcement and independent shareholders' approval requirements.</p> <p>(1) Non-exempt one-off connected transactions shall be subject to the reporting, announcement and independent shareholders' approval requirements, and shall be conducted on the following principles:</p> <p>(A) they shall firstly be approved by the Board of the Company, and the Company shall issue an announcement on the day after obtaining the approval of the Board.</p> <p>(B) upon approval of the Board and the publication of an announcement, the independent financial adviser shall confirm that the connected transactions are fair and reasonable and in the interests of the Company and its shareholders as a whole, and submit such opinion to the independent directors for review. The independent Directors shall then convene a separate meeting to confirm that the connected transactions are fair and reasonable and in the interests of the Company and its shareholders as a whole. If there is a disagreement among independent Directors, the majority and minority opinions shall be listed. The abovementioned opinions of the independent financial adviser and the independent Directors shall be included in the circular to be dispatched to the shareholders.</p>	<p>(III) Non-exempt connected transactions shall be subject to the reporting, announcement and independent shareholders' approval requirements.</p> <p>(1) Non-exempt one-off connected transactions shall be subject to the reporting, announcement and independent shareholders' approval requirements, and shall be conducted on the following principles:</p> <p>(A) they shall firstly be approved by the Board of the Company, and the Company shall issue an announcement on the day after obtaining the approval of the Board.</p> <p>(B) upon approval of the Board and the publication of an announcement, the independent financial adviser shall give relevant opinions on the following matters in accordance with the written agreement of the transaction:</p> <p>(a) Whether the transaction terms are fair and reasonable;</p> <p>(b) Whether the connected transaction is conducted in accordance with the general commercial terms or better terms in the usual course of business of the Company;</p> <p>(c) Whether the connected transaction is in the interests of the Company and its shareholders as a whole; and</p> <p>(d) Whether shareholders should vote for connected transactions.</p>

Original articles	Proposed to be amended as
	<p data-bbox="887 300 1394 853">At the same time, an independent Board committee shall be established, which shall be composed of independent non-executive Directors who do not have material interest in the relevant transaction. If all independent non-executive Directors are significantly interested in the transaction, there is no need to establish an independent Board committee. After considering the recommendations of the independent financial adviser, the independent Board committee shall give opinions to the shareholders of the Company on the following matters:</p> <ul data-bbox="887 900 1394 1491" style="list-style-type: none"><li data-bbox="887 900 1394 966">(a) Whether the transaction terms are fair and reasonable;<li data-bbox="887 1012 1394 1193">(b) Whether the connected transaction is conducted in accordance with the general commercial terms or better terms in the usual course of business of the Company;<li data-bbox="887 1240 1394 1378">(c) Whether the connected transaction is in the interests of the Company and its shareholders as a whole; and<li data-bbox="887 1425 1394 1491">(d) How to vote on connected transactions. <p data-bbox="887 1538 1394 1827">If there is a disagreement among independent directors, the majority and minority opinions shall be listed. The abovementioned opinions of the independent financial adviser and the independent directors shall be included in the circular to be dispatched to the shareholders</p>

Original articles	Proposed to be amended as
<p>(C) the circular shall be dispatched to the shareholders within 15 business days after the publication of the announcement. Prior to the dispatch of the circular to the shareholders, the proposed final proof of the circular shall be submitted to the Hong Kong Stock Exchange for review, and the Company shall then dispatch the circular to the shareholders after the circular has been confirmed by the Hong Kong Stock Exchange in compliance with the Hong Kong Listing Rules. The circular shall be made available in both English and Chinese versions. Any amendments to the circular or supplemental circular and/or relevant information shall be dispatched to the shareholders not less than 10 business days before the date of the general meeting (or such earlier dates required by the Articles of Association).</p>	<p>(C) if the connected transaction is subject to the approval of the shareholders at the general meeting, the Company shall send a circular to the shareholders at the same time or before issuing a notice of the general meeting; if the Company is exempt from holding the general meeting by the Hong Kong Stock Exchange in accordance with Clause (D) below, the Company shall dispatch the circular to the shareholders within 15 business days after the publication of the announcement. Prior to the dispatch of circular to the shareholders, the proposed final proof of the circular shall be submitted to the Hong Kong Stock Exchange for review, and the Company shall then dispatch the circular to the shareholders after the circular has been confirmed by the Hong Kong Stock Exchange in compliance with the Hong Kong Listing Rules. The circular shall be made available in both English and Chinese versions. Any amendments to the circular or supplemental circular and/or relevant information shall be dispatched to the shareholders not less than 10 business days before the date of the general meeting (or such earlier dates required by the Articles of Association).</p>

Original articles	Proposed to be amended as
<p>(D) connected transactions shall be submitted to the general meeting for review. Connected transactions are subject to approval at the general meeting. At the general meeting, any connected parties with a material interest shall abstain from voting. Independent shareholders' approval shall be conducted by way of poll. The Company shall issue an announcement on newspapers to disclose the voting results on the first business day immediately after the date of the meeting. For connected transactions exempt from convening a general meeting, independent shareholders may grant approval in writing</p> <p>(E) approved connected transactions shall be reported to the board of directors for filing.</p>	<p>(D) connected transactions shall be submitted to the independent shareholder general meeting for review. Connected transactions are subject to approval at the independent shareholder general meeting. At the independent shareholder general meeting, any shareholder with a material interest in the transactions shall abstain from voting. Independent shareholders' approval shall be conducted by way of a poll. The Company shall issue an announcement on newspapers to disclose the voting results on the first business day immediately after the date of the meeting. For connected transactions exempt from convening a general meeting, independent shareholders may grant approval in writing. Hong Kong Stock Exchange may give exemptions from the requirement of convening a general meeting and accept the written approval of shareholders instead, provided that: (1) if the Company convenes a general meeting to approve the transaction, no shareholder is required to abstain from voting; and (2) the transaction is approved by shareholders holding more than 50% of the voting right of the general meeting or closely related shareholders.</p> <p>(E) approved connected transactions shall be reported to the Board for filing.</p>

Original articles	Proposed to be amended as
<p>(F) a report shall be made based on the following principles: the date of a connected transaction, the relevant parties to the transaction and a description of their connected relationships, description of the transaction and its purpose, the consideration and terms (including interest rate, repayment term and pledge), and the nature and extent of the connected parties' interests in the transaction shall be disclosed in the first annual report and accounts after the connected transaction has been concluded.</p> <p>(2) Non-exempt continuing connected transactions shall be dealt with on the following principles:</p> <p>(A) a maximum annual cap shall be set in respect of each connected transaction and its calculation basis shall be disclosed.</p>	<p>(F) a report shall be made based on the following principles: the date of a connected transaction, the relevant parties to the transaction and a description of their connected relationships, description of the transaction and its purpose, the consideration and terms (including interest rate, repayment term and pledge), and the nature of the connected parties' interests in the transaction shall be disclosed in the first annual report and accounts after the connected transaction has been concluded. Continuing connected transactions shall be confirmed in the annual report by independent non-executive Directors and auditors in accordance with Chapter 14A of the Hong Kong Listing Rules.</p>

Original articles	Proposed to be amended as
<p>(B) written agreement(s) shall be entered into with the related parties in respect of each connected transaction. The agreement shall reflect normal commercial terms and set out the basis of the calculation of the payments to be made. The duration of the agreement shall be fixed without exceeding 3 years. Where the nature of the transaction requires the agreement to have a duration of over 3 years, it is required to obtain a confirmation in writing from the financial adviser.</p> <p>(C) such transactions are subject to the reporting, announcement and independent shareholders' approval requirements, relevant approval procedures under the Company's internal authorization and filing with the Board at the same time.</p> <p>(D) such transactions are subject to the relevant requirements regarding the annual review of continuing connected transactions described in Article 32.</p>	<p>(2) For non-exempt or partially exempt continuing connected transactions, on the basis of complying with the relevant requirements of non-exempt or partially exempted connected transactions, the following additional processing principles shall be followed:</p> <p>(A) a full year cap (the "cap") shall be set for continuing connected transactions. The upper limit shall be: expressed in currency with reference to the previous transactions and amounts in the published information of the Company. If the Company has not conducted such transactions in the past, a cap shall be set on reasonable assumptions. If the connected transaction requires the approval of independent shareholders, the upper limit shall be approved by shareholders.</p> <p>(B) written agreement(s) shall be entered into with the related parties in respect of each connected transaction. The agreement shall reflect normal commercial terms and set out the basis of the calculation of the payments to be made. The duration of the agreement shall be fixed without exceeding 3 years. Where the nature of the transaction requires the agreement to have a duration of over 3 years, it is required to obtain a confirmation in writing from the financial adviser.</p>

Original articles	Proposed to be amended as
<p>(3) Where a non-exempt financial assistance is a one-off connected transaction, it shall be dealt with in accordance with Clause (III) (1) of this Article. Where a non-exempt financial assistance is a continuing connected transaction, it shall be dealt with in accordance with Clause (III) (2) of this Article.</p> <p>Exemption from the connected transaction requirements are available for the following types of transactions in accordance with the Hong Kong Listing Rules:</p> <p>(I) de minimis transactions;</p>	<p>(C) in the event that the relevant continuing connected transactions exceed the upper limit, or the agreement is renewed or substantially amended, it is necessary to re-comply with the requirements of announcement and shareholder approval.</p> <p>(D) such transactions are subject to the relevant requirements regarding the annual review of continuing connected transactions described in Article 32.</p> <p>(3) Where a non-exempt financial assistance is a one-off connected transaction, it shall be dealt with in accordance with Clause (III) (1) of this Article. Where a non-exempt financial assistance is a continuing connected transaction, it shall be dealt with in accordance with Clause (III) (2) of this Article.</p> <p>Full or partial exemptions from the connected transaction requirements are available for the following types of transactions in accordance with the Hong Kong Listing Rules and shall meet the requirements under Chapter 14A of the Hong Kong Listing Rules on percentage ratio (including asset ratio, revenue ratio, consideration ratio and equity capital ratio) and relevant aggregation calculation (please refer to Article 35 below):</p> <p>(I) de minimis transactions;</p>

Original articles	Proposed to be amended as
(II) financial assistance;	(II) financial assistance;
(III) issue of new securities by listed group company;	(III) issue of new securities by listed group company;
(IV) dealings in securities on stock exchanges;	(IV) dealings in securities on stock exchanges;
(V) directors' service contracts and insurance;	(V) directors' service contracts and insurance;
(VI) repurchase of securities by listed group company;	(VI) repurchase of securities by listed group company;
(VII) purchase or disposal of consumer goods or services;	(VII) purchase or disposal of consumer goods or services;
(VIII) sharing of administrative services;	(VIII) sharing of administrative services;
(IX) transactions with associates of passive investors; and	(IX) transactions with associates of passive investors; and
(X) transactions with connected persons at the subsidiary level.	(X) transactions with connected persons at the subsidiary level.

Original articles	Proposed to be amended as
<p>Article 32 Annual review requirements are as follows:</p> <p>(I) The Company’s independent Directors shall review the continuing connected transactions every year and confirm in the annual report and the accounts whether the transactions have been entered into:</p> <ol style="list-style-type: none"> 1. in the ordinary and usual course of business of the Company; 2. on normal commercial terms or terms no less favourable to the Company than terms available to or from independent third parties (as the case may be) if the comparable transactions are not sufficient to determine whether the terms of the transactions are on normal commercial terms; and 3. according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company’s shareholders as a whole. 	<p>Article 32 Annual review requirements of continuing connected transactions are as follows:</p> <p>(I) The Company’s independent Directors shall review the continuing connected transactions every year and confirm in the annual report and the accounts whether the transactions have been entered into:</p> <ol style="list-style-type: none"> 1. entered into in the ordinary and usual course of business of the Company; 2. on normal commercial terms or better terms; and 3. according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company’s shareholders as a whole.

Original articles	Proposed to be amended as
<p>(II) The auditors shall provide a letter (a copy shall be sent to the Hong Kong Stock Exchange at least 10 business days before the bulk printing of the Company's annual report) to the Board of the Company every year confirming that the continuing connected transactions:</p> <ol style="list-style-type: none"> 1. have been approved by the Board of the Company Board; 2. were entered into in accordance with the pricing policies of the Company (if the transactions involve the provision of goods or services by the Company); 3. were entered into in accordance with the relevant agreement governing the transactions; and 4. have not exceeded the cap disclosed in the previous announcements. 	<p>(II) The auditors shall provide a letter (a copy shall be sent to the Hong Kong Stock Exchange at least 10 business days before the bulk printing of the Company's annual report) to the Board of the Company every year confirming that the continuing connected transactions:</p> <ol style="list-style-type: none"> 1. have been approved by the Board of the Company; 2. were entered into in accordance with the pricing policies of the Company (if the transactions involve the provision of goods or services by the Company); 3. were entered into in accordance with the relevant agreement governing the transactions; and 4. have not exceeded the cap disclosed in the previous announcements.
<p>(III) The Company shall allow, and procure the counterparties to the continuing connected transactions allow, the auditors sufficient access to the Company's records for the purpose of reporting on the transactions under these Rules. The Board of the Company shall indicate in the annual report whether its auditors have confirmed the matters as required in Clause (II) above.</p>	<p>(III) The Company shall allow, and procure the counterparties to the continuing connected transactions allow, the auditors sufficient access to the Company's records for the purpose of reporting on the transactions under these Rules. The Board of the Company shall indicate in the annual report whether its auditors have confirmed the matters as required in Clause (II) above.</p>

Original articles	Proposed to be amended as
<p>(IV) The Company shall promptly notify the Hong Kong Stock Exchange and publish an announcement if it is aware or has reason to believe that the independent Directors and/or the auditors cannot confirm the matters as required in Clause (I) or Clause (II) above, respectively. The Company may be required to re-comply with the requirements of Article 31 and additional conditions deemed appropriate by the Hong Kong Stock Exchange.</p>	<p>(IV) The Company shall promptly notify the Hong Kong Stock Exchange and publish an announcement if it is aware or has reason to believe that the independent Directors and/or the auditors cannot confirm the matters as required in Clause (I) or Clause (II) above, respectively. The Company may be required to re-comply with the requirements of Article 31 and additional conditions deemed appropriate by the Hong Kong Stock Exchange.</p>
<p>(V) If the Company has entered into an agreement for continuing transactions, and the transactions subsequently become continuing connected transactions (for any reason, for example, one of the parties to the transactions becomes a director of the Company), the Company must promptly after becoming aware of this fact, comply with all applicable reporting, annual review and disclosure requirements under this Chapter for all these continuing connected transactions. If the agreement is modified or renewed, the Company shall fully comply with all applicable reporting, annual review, disclosure, and independent shareholders' approval requirements under the Measures for all continuing connected transactions that have taken effect after such modification or renewal.</p>	<p>(V) If the Company has entered into an agreement for continuing transactions, and the transactions subsequently become continuing connected transactions (for any reason, for example, one of the parties to the transactions becomes a director of the Company), the Company must promptly after becoming aware of this fact, comply with all applicable reporting, annual review and disclosure requirements under chapter 14A of the Hong Kong Listing Rules for all these continuing connected transactions. If the agreement is modified or renewed, the Company shall fully comply with all connected transactions requirements under the Measures for all continuing connected transactions that have taken effect after such modification or renewal.</p>
<p>(VI) The supervisory committee of the Company shall monitor the consideration, voting, disclosure and execution of connected transactions and express their opinions in the annual reports. Article 32 Annual review requirements of continuing connected transactions are as follows:</p>	<p>(VI) The supervisory committee of the Company shall monitor the consideration, voting, disclosure and execution of connected transactions and express their opinions in the annual reports.</p>

Original articles	Proposed to be amended as
<p>Chapter V Disclosure of Information on Connected Transaction</p> <p>Article 33 The announcements, notices and annual reports of a company's disclosure of connected transactions on the Hong Kong Stock Exchange shall at least include the information required under Rules 14A.68 to 14A.72 of the Hong Kong Listing Rules.</p>	<p>Integrating the relevant provisions of Disclosure of Information from original Chapter V to Chapter IV and adding Article 33. Articles will be adjusted accordingly.</p> <p>Article 33 If a transaction is a connected transaction under the Implementation Guidelines on Connected Transactions of Listed Companies of the Shanghai Stock Exchange as well as a connection transaction under Chapter 14A of the Hong Kong Listing Rules, such transaction shall comply with the stricter rules under this policy and go through relevant approval procedure. If a transaction is only a connected transaction under the Implementation Guidelines on Connected Transactions of Listed Companies of the Shanghai Stock Exchange, or only a connection transaction under Chapter 14A of the Hong Kong Listing Rules, such transaction shall only comply with the applicable provisions in this policy.</p> <p>Article 34 The announcements, notices and annual reports of a company's disclosure of connected transactions on the Hong Kong Stock Exchange shall at least include the information required under Rules 14A.68 to 14A.72 of the Hong Kong Listing Rules.</p>

Original articles	Proposed to be amended as
	<p data-bbox="810 304 1390 417">Adding Chapter V Management of Daily Connected Transactions, original chapters will be postponed</p> <p data-bbox="810 476 1390 544">Chapter V Management of Daily Connected Transactions</p> <p data-bbox="810 604 1390 1229">Article 36 The definitions of “daily connected transactions” shall comply with the relevant requirements of the Guidelines on Connected Transactions of Listed Companies of the SSE, and the “daily connected transactions” referred to in this system include but are not limited to: providing securities brokerage services, securities asset management services, securities underwriting and sponsor services, trading units leasing service, securities investment advisory services, financial products agency sale services, financial consulting relating to the securities trading and securities investment and other daily connected transactions as required by the stock exchange.</p> <p data-bbox="810 1289 1390 1702">Article 37 If the Company enters into many new daily connected transactions, the Company may, based on the type of transactions, make reasonable estimation of the aggregate amount of such daily connected transactions to be entered into in the year prior to the disclosure of the annual report for the preceding year, and submit the transactions to the Board or the general meeting for approval with reference to the estimated amount.</p>

Original articles	Proposed to be amended as
	<p>If the actual amount of the transactions exceeds the estimated aggregate amount, the Company shall resubmit the transactions for consideration in accordance with this system in respect of the excessive amount.</p> <p>Article 38 In the event of any substantial changes to the major terms of the agreement during its execution or where the agreement expires and shall be renewed, the Company shall, with reference to the aggregate transaction amount involved in such agreement, resubmit for consideration in accordance with this system.</p> <p>Add Chapter VI Management and Responsibility of Connected Transactions, original chapters will be postponed</p> <p>Chapter VI Management and Responsibility of Connected Transactions</p> <p>Article 39 The Audit Committee under the Board of the Company shall be liable for control and daily administration of the connected transactions of the Company, perform an audit on major connected transactions, provide written opinions, and submit such opinions to the Board for consideration. The office of the Board of the Company shall assist in coordinating the management of connected transactions, and shall be responsible for the dynamic aggregation of updates of the list of connected persons. In the event of the occurrence of connected transaction, the Audit Committee, the Board and the general meeting shall be convened for consideration of such matter in accordance with the relevant system, and the connected transactions of the Company shall be counted and tracked on a daily basis.</p>

Original articles	Proposed to be amended as
	<p data-bbox="810 306 1390 974">Article 40 Each department or holding subsidiary in which a connected transaction occurs is responsible for the specific implementation of the connected transaction, including but not limited to the initiation of the connected transaction, contract signing and execution of the transaction. Each department of the Company and its holding subsidiary should carefully review the list of connected persons of the Company, and consider whether the proposed transactions constitute connected transactions. If it constitutes a connected transaction under this system, it shall be promptly reported to the office of the Board and perform the corresponding approval procedures.</p> <p data-bbox="810 1034 1390 1532">Article 41 The Audit Department and the Compliance Department of the Company are responsible for supervising and auditing connected transactions of the Company and its holding subsidiaries, conducting audits on material connected transaction on a case-by-case basis, examining and evaluating the compliance and standardization of material connected transactions, as well as issuing a special audit report to be submitted to the Board for consideration and disclosure shall be made in the annual report.</p>

Original articles	Proposed to be amended as
	<p data-bbox="810 306 1377 719">Article 42 The Directors, supervisors and senior management of the Company, shareholders holding more than 5% of the shares of the Company shall inform the office of the Board of the connected relationship with the Company in a timely manner to improve the list of connected persons. Upon the changes in connected information, the Board Office shall be informed of the list of connected persons accordingly after the change.</p> <p data-bbox="810 778 1377 1221">Article 43 If any connected transaction of the Company’s departments and subsidiaries within the scope of this system has not been carried out in accordance with the provisions of this system, resulting in violation of the information disclosure of the Company, causing serious impact or loss to the Company, the Company shall initiate accountability procedures to hold relevant personnel accountable in accordance with the Company’s “Accountability Measures”.</p>

Original articles	Proposed to be amended as
<p>CHAPTER 6 SUPPLEMENTARY PROVISIONS</p> <p>Article 35 Upon consideration and approval by the general meeting of the Company, the Rules shall become effective from the date of the Company's H shares listing on The Stock Exchange of Hong Kong Limited. From the effective date of the Rules, the original connected transactions shall automatically become invalid.</p> <p>Article 36 The amendments to the system shall be amended by the Board and submitted to the shareholders' general meeting for consideration and approval.</p> <p>Article 37 These management principles shall be subject to the interpretation by the Board with authorization from the general meeting.</p>	<p>CHAPTER 7 SUPPLEMENTARY PROVISIONS</p> <p>Article 44 The Rules shall become effective from the date of consideration and approval by the general meeting of the Company. From the effective date of the Rules, the original connected transactions shall automatically become invalid.</p> <p>Article 45 The amendments to the system shall be amended by the Board and submitted to the general meeting for consideration and approval.</p> <p>Article 46 These management principles shall be subject to the interpretation by the Board with authorization from the general meeting.</p>