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海通证券股份有限公司
HAITONG SECURITIES CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6837)

ANNOUNCEMENT

- (1) PROPOSED GRANT OF GENERAL MANDATE TO AUTHORISE,
ALLOT OR ISSUE A SHARES AND/OR H SHARES
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PROPRIETARY BUSINESS OF THE COMPANY FOR 2022

The board (the “**Board**”) of directors (the “**Directors**”) of Haitong Securities Co., Ltd. (the “**Company**”) hereby announces that:

I. PROPOSED GRANT OF GENERAL MANDATE TO AUTHORISE, ALLOT OR ISSUE A SHARES AND/OR H SHARES

The Board has resolved to propose a resolution regarding the grant of the general mandate to authorise, allot or issue A shares of the Company (the “**A Shares**”) and/or H shares of the Company (the “**H Shares**”) at the general meeting of the Company. Details of this general mandate are as follows:

In compliance with the regulations stipulated in the Company Law (the “**PRC Company Law**”) of the People's Republic of China (the “**PRC**”), the Securities Law of the PRC (the “**PRC Securities Law**”) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the articles of association of the Company (the “**Articles of Association**”), and subject to the terms and conditions set out in the following provisions (1), (2) and (3), it is proposed that the general meeting grant an unconditional general mandate to the Board to authorise, allot or issue A Shares and/or H Shares (including warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into shares) separately or concurrently, and to execute the necessary documents, complete the necessary formalities and take other necessary steps to complete the aforesaid matters:

- (1) the authorisation is valid for the period from the date of passing of this resolution at the general meeting to approve the grant of such authorisation until whichever is the earliest of:
 - (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution at the general meeting;
 - (b) the expiration of the 12-month period following the passing of this resolution at the general meeting; or
 - (c) the date on which the authorisation set out in this resolution is revoked or varied by a resolution of the shareholders of the Company at any general meeting.

Should the Board, during the validity period of the authorisation, execute the necessary documents, complete the necessary formalities, or take relevant steps which might be required to be performed or carried out upon or after the end of the validity period or continued until the end of the validity period, the validity period of the authorisation will be extended accordingly;

- (2) the respective number of the A Shares and/or H Shares which the Board proposes to authorise, allot or issue, or conditionally or unconditionally agrees to authorise, allot or issue (including warrants, convertible bonds and other securities that carry rights to subscribe for or are convertible into shares, which will be calculated based on the aggregate number of shares potentially convertible by them) shall not exceed 20% of the respective number of the A Shares and/or H Shares of the Company in issue as at the date of passing of this resolution at the general meeting;
- (3) the Board shall exercise the authorisation pursuant to the PRC Company Law, the PRC Securities Law and the Hong Kong Listing Rules and all other applicable laws, regulations and requirements of any other government or regulatory authorities and with the approval by the China Securities Regulatory Commission (the “CSRC”) and/or other relevant governmental authorities in the PRC.

With respect to an issue of shares pursuant to the general mandate set out in this resolution, a proposal is made to the general meeting to authorise the Board to increase the Company’s registered capital corresponding to the number of shares issued under the general mandate, to make amendments to the Articles of Association where applicable and necessary in response to the increase of the Company’s registered capital, and to take any other necessary actions and complete any other necessary procedures.

After the Board has obtained the aforesaid general mandate, a proposal is made to the general meeting to approve the Board to in turn authorise the chairman and the general manager of the Company to jointly or separately sign, execute, amend, complete and submit all agreements, contracts and documents relating to the recognition, allotment or issuance of shares under the general mandate, unless otherwise provided by laws and regulations.

A circular containing, among other things, details of the above resolution, together with the notice of the general meeting, will be despatched to the shareholders of the Company in due course.

II. PROJECTED ROUTINE RELATED PARTY TRANSACTIONS/CONNECTED TRANSACTIONS IN 2022

The Company has been approved by CSRC to engage in securities business and provide trading and intermediary services for securities and other financial products. The transaction counterparties and the target clients may also include related parties/connected persons of the Company. For the purpose of sound management and information disclosure for its related party transactions/connected transactions, the Company, in accordance with the Company Law of the PRC, the Code of Corporate Governance for Listed Companies, Rules Governing the Listing of Stocks on Shanghai Stock Exchange (the “**Shanghai Stock Exchange Listing Rules**”), the Guidelines No. 5 for the Self-regulatory Rules of Companies Listed on the Shanghai Stock Exchange on Transactions and Related Transactions, Hong Kong Listing Rules and requirements of other laws and regulations, as well as the Articles of Association and the Measures Concerning Related Party Transactions Management of the Company, has made projections about its routine related party transactions/connected transactions to be conducted in 2022 based on the need of its routine operations and business development.

(I) Implementation of Routine Related Party Transactions/Connected Transactions in 2021

1. *Continuing Connected Transactions under the Hong Kong Listing Rules*

Reference was made to the announcement of the Company dated 6 August 2020, pursuant to which, the Company and Shanghai Guosheng (Group) Co., Ltd. (“**Shanghai Guosheng Group**”) entered into the securities and financial products transactions and securities and financial services framework agreement (the “**Continuing Connected Transactions Framework Agreement**”) on 6 August 2020 for a term commencing from 6 August 2020 to 31 December 2022. The Continuing Connected Transactions Framework Agreement provided scope, pricing basis and approval and supervision procedures of the connected transactions and set for the annual caps for such connected transactions during the three years ending 31 December 2022. Pursuant to the Continuing Connected Transactions Framework Agreement, the Company and its subsidiaries (the “**Group**”) and Shanghai Guosheng Group and its associates will conduct the securities and financial products transactions and the securities and financial services in the course of ordinary business.

For the year ended 31 December 2021, the annual caps and actual transaction amounts of the securities and financial products transactions and the securities and financial services conducted between the Group and Shanghai Guosheng Group and its associates under the Continuing Connected Transactions Framework Agreement are as follows:

Unit: RMB'0,000

Transactions	Annual caps for the year ended 31 December 2021	Actual transaction amount for the year ended 31 December 2021
Securities and Financial Products Transactions		
Inflow ⁽¹⁾	290,000.00	30,379.98
Outflow ⁽²⁾	540,000.00	49,132.51
Securities and Financial Services		
Total revenue derived from provision of Securities and Financial Services by the Group to Shanghai Guosheng Group and its associates	7,000.00	2,561.76
Total expenses incurred for Securities and Financial Services provided by Shanghai Guosheng Group and its associates to the Group	2,000.00	—

(1) “Inflow” refers to the total amount of cash inflows arising from the Securities and Financial Products Transactions, including the sale of fixed income products and equity products, the interest received from derivatives related to fixed income products and borrowing/repurchase through financing transactions.

(2) “Outflow” refers to the total amount of cash outflows arising from the Securities and Financial Products Transactions, including the purchase of fixed income products and equity products, the interest paid for derivatives related to fixed income products and borrowing/repurchase through financing transactions.

The independent non-executive Directors of the Company has reviewed the above continuing connected transactions in the year ended 31 December 2021, and confirmed that such transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the agreements for such transactions, the terms of which are fair and reasonable, and are in the interest of the Shareholders as a whole. The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Please refer to the annual results announcement of the Company dated 29 March 2022 for further details.

2. Routine Related Party Transactions under the Shanghai Stock Exchange Listing Rules

(1) Related party transactions with Shanghai Guosheng Group and Shanghai Guosheng Group Assets Co., Ltd.

Unit: RMB'0,000

Transaction	Transaction amount for the year ended 31 December 2021	% of similar transaction amount of the Group	Notes
Fee and commission income	340.38	0.00%	Investment banking service fee income charged from related parties
Fee and commission income	15.81	0.00%	Securities trading fee and commission income received from related parties
Net interest income	14.93	0.00%	Net interest income from margin deposits of related parties
Net gains or losses from trading of derivative financial instruments (<i>note</i>)	-360.28	0.00%	For the year ended 31 December 2021, the amount of notional principal amounts was RMB180 million As at 31 December 2021, the balance of notional principal amounts was RMB92 million

Note: The realized and unrealized investment income generated from trading of derivatives between the related parties as the counterparties and the Company, with losses presented in negative terms.

Unit: RMB10 thousand

Item	Balance as at 31 December 2021	Percentage to the amount of similar transactions (%)	Remarks
Accounts receivable	58.50	0.00%	Balance of bond underwriting service fees receivable from related parties
Accounts payable to brokerage clients	17,469.89	0.00%	Balance of margin deposits from clients placed by related parties
Accounts payable	9,160.00	1.00%	Balance of margin deposits payable by the Company to related parties on derivative financial instruments
Derivative financial assets	94.92	0.00%	Balance of derivative financial assets generated from trading of derivatives with related parties

- (2) *Related party transactions with companies (other than the Company and its subsidiaries), where the Company's Directors, supervisors and senior management hold positions as directors or senior management, and other related corporate legal persons*

Unit: RMB10 thousand

Content of transactions	Transaction volume in 2021	Percentage to the amount of similar transactions (%)	Remarks
Fee and commission income	30,571.87	2.00%	Income from assets management business, income from sales service and income from investment consulting service received from related parties
Net gains or losses from trading of derivative financial instruments (<i>note</i>)	-4,462.62	0.00%	For the year ended 31 December 2021, the amount of notional principal amounts was RMB11,731 million
			As at 31 December 2021, the balance of notional principal amounts was RMB5,666 million
Fee and commission income	61.02	0.00%	Securities trading fee and commission income received from related parties
Net interest income	8.42	0.00%	Net interest income from margin deposits of related parties
Business and management expenses	16.69	0.00%	Expenses such as fund sales service fees paid to related parties

Note: The realized and unrealized investment income generated from trading of derivatives between the related parties as the counterparties and the Company, with losses presented in negative value.

Unit: RMB10 thousand

Item	Balance as at 31 December 2021	Percentage to the amount of similar transactions (%)	Remarks
Accounts payable to brokerage clients	962.39	0.00%	Balance of margin deposits from clients placed by related parties
Accounts receivable	5,251.00	0.00%	Balance of performance fees receivable from related parties
Accounts payable	6.93	0.00%	Service fees balance due to related parties
Derivative financial assets	749.38	1.00%	Balance of derivative financial assets from derivative trading with related parties
Derivative financial liabilities	9,653.00	6.00%	Balance of derivative financial liabilities from derivative trading with related parties

Related corporate legal persons, such as certain securities companies, carried out spot trading with the Company as qualified counterparties. For the year ended 31 December 2021, the accumulated trading volume amounted to RMB2,419 million.

(II) Projected Transaction Type and Transaction Amount of the Routine Related Party Transactions/Connected Transactions in 2022

The Company estimated transaction type and transaction amount of the related-party transactions/connected transactions for the year of 2022 and for the period ending conclusion of the 2022 annual general meeting.

(1) *Projected related party transactions/connected transactions with Shanghai Guosheng Group and its Associates*

Reference was made to the announcement of the Company dated 6 August 2020, the Company and Shanghai Guosheng Group entered into the Continuing Connected Transactions Framework Agreement on 6 August 2020, pursuant to which, the Group and Shanghai Guosheng Group and its associates will conduct the securities and financial products transactions and the securities and financial services in the course of ordinary business. For details of the transaction types and annual caps for each transaction type for the three years ending 31 December 2022, please refer to the announcement of the Company dated 6 August 2020.

(2) *Projected related party transactions with companies (other than the Company and its subsidiaries), where the Company's Directors, supervisors and senior management hold positions as directors or senior management, and other related corporate legal persons*

Type of transaction	Scope of transaction	Caps for and descriptions of projected transaction
Securities and Financial Product Services	Providing securities and futures brokerage services, lease of trading rights, targeted asset management services, asset custody and operation outsourcing services to related parties; bank deposits and deposit interest in related parties; providing third-party fund depository services by related parties; agency sale of financial products of related parties; providing underwriting, sponsorship and financial consultation services to related parties; providing stock pledge, margin financing and securities lending services to related parties; providing investment consultation services to related parties; related parties providing banking credit, borrowing and other services to the Company; providing financial leasing to related parties; pay dividends to related parties and making joint investment with related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.
Securities and Financial Product Transactions	Resale or repurchase in the interbank market with related parties; conducting bond proprietary trading in the interbank market with related parties; carrying out receivables transfer with related parties; subscribing for bonds, funds, wealth management products or trust plans issued by related parties; related parties subscribing for funds, asset management plans, wealth management products, over-the-counter derivatives and private placement bonds issued by the Company; conducting transfer of the listed shares in the NEEQ with related parties and making joint investment with related parties.	Due to uncertainties of the occurrence and volume of such business, the projected cap will be the actual transaction amount.

(III) Background of the Related Parties/Connected Persons in respect of the Related Party Transactions/Connected Transactions in 2022

(1) Shanghai Guosheng Group and its Associates

Shanghai Guosheng Group is a large state-owned investment holding company focusing on capital operation, which was established in April 2007. As at 31 December 2021, Shanghai Guosheng Group and its wholly-owned subsidiary Shanghai Guosheng Group Assets Co., Ltd. in aggregate held approximately 10.38% equity interest of the Company. According to the Rule 6.3.3 (4) of the Shanghai Stock Exchange Listing Rules, Shanghai Guosheng Group and its wholly-owned subsidiary Shanghai Guosheng Group Assets Co., Ltd. constitute related parties of the Company. Shanghai Guosheng Group and its associates constitute connected persons of the Company pursuant to Rules 14A.07(1) and (4) and 14A.13 of the Hong Kong Listing Rules.

(2) Other related companies

Pursuant to Rule 6.3.3 (4) of the Shanghai Stock Exchange Listing Rules, in the event that the directors, supervisors and senior management of the Company hold the positions of directors or senior management of a company (other than the Company and its holding subsidiaries), such companies will constitute the related parties of the Company, but do not constitute a connected person of the Company under the Hong Kong Listing rules.

(IV) Price Determination Principles

(1) Securities and financial products and services

It mainly includes but not limited to the following services arising from relevant business: fee charged from securities brokerage on behalf of client, sales and service fees of securities and financial products, entrusted assets management fee and performance-based compensation, investment consulting fee, underwriting fees of investment banks, financial advisory fees, accounts receivable, and accounts payable etc., which shall be determined with reference of market price, industry practice and prices determined by the third party.

(2) Trading in securities and financial products

It mainly includes but not limited to the following transactions arising from relevant business: interest income from security deposits, income from investments, and trading financial assets etc., which shall be determined with reference to market price, industry practice and prices determined by the third party.

The above routine related party transactions will not prejudice the interests of the Company and its shareholders, including its minority shareholders.

(V) Reasons of the Transactions and Impact on the Company

- (1) The above related party transactions/connected transactions are conducted in the ordinary course of the Company's business and will generate a stream of recurring revenue for the Company, which promotes the development of the Company's business, and has no material impact on the normal operations of the Company.
- (2) The above related party transactions/connected transactions are fair, and the prices under these transactions is made reference to the market price, therefore does not prejudice the interest of the Company and its shareholders as a whole.
- (3) The above related party transactions/connected transactions do not prejudice the independence of the Company as the principal business of the Company does not rely on the related parties/connected persons as a result of the above related party transactions/connected transactions.

(VI) Implications under the Hong Kong Listing Rules

Shanghai Guosheng Group constitutes a connected person of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules. Therefore, the transactions entered into between the Group and Shanghai Guosheng Group and its associates constitute continuing connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules. The Company has entered into the Continuing Connected Transactions Framework Agreement with Shanghai Guosheng Group on 6 August 2020, and complied with reporting, announcement and annual review requirements under the Hong Kong Listing Rules. For further details, please refer to the announcement of the Company date 6 August 2020 and the annual results announcement of the Company dated 29 March 2022, respectively.

The Company is required by the applicable PRC laws and regulations to seek the approval of its shareholders with respect to the above related party transactions. Relevant resolutions will be proposed to the shareholders for voting at the general meeting of the Company. A circular containing, among other things, details of the above resolution, together with the notice of the general meeting, will be despatched to the shareholders of the Company in due course.

If any of the above related party transactions constitute a connected transaction under Chapter 14A of the Hong Kong Listing Rules or no longer be exempted, the Company will strictly comply with the applicable requirements under Chapter 14A of the Hong Kong Listing Rules (including without limitation, reporting, announcement, annual review and independent shareholders' approval requirements).

III. PROVISION FOR IMPAIRMENT OF ASSETS

(I) Overview Of The Provision For Asset Impairment

According to relevant provisions under the Accounting Standards for Business Enterprises and the accounting policies of the Company, to truly and fairly reflect the financial position of the Company as of 31 December 2021 and the operating results for 2021, the Company and its subsidiaries made assessment and impairment test on the expected credit loss of various assets which required provision for impairment as of 31 December 2021. Based on the provision for asset impairment made from January to September 2021 (please refer to the Announcement in Relation to Provision for Impairment of Assets published by the Company on 28 October 2021 for details), from October to December 2021, the Company made provision for credit impairment losses of RMB1,833.1732 million and made provision for impairment losses on other assets of RMB449.5950 million. The Company made provision for impairment losses on assets of RMB2,282.7682 million, accounting for over 10% of the audited net profit of the Company for the year 2020, with details set out as follows:

Unit: RMB'0,000

Item	Provision amount from October to December 2021	Provision amount in 2021
I. Credit impairment loss	183,317.32	335,167.38
Of which: Financial assets held under resale agreements	83,378.79	78,195.57
Finance lease receivables	34,665.57	106,288.20
Other loans and receivables	32,604.65	51,258.00
Advances to customers on margin financing	17,069.23	48,526.18
Others	15,599.08	50,899.43
II. Impairment losses on other assets	44,959.50	49,916.80
Of which: Goodwill	41,464.50	41,464.50
Others	3,495.00	8,452.30

(II) Impact Of Provision for Impairment of Assets on the Company

From October to December 2021, the Company made a provision for asset impairment of RMB2,282.7682 million in total, as a result of which, the Company recorded a decrease of RMB2,282.7682 million and RMB1,859.1572 million in the total profit and net profit, respectively.

(III) Details of Provision for Impairment of Assets

(1) *Financial assets held under resale agreements*

The Company made a provision for impairment of financial assets held under resale agreements of approximately RMB830 million from October to December 2021.

For stock pledge and repo business, the Company calculated the related expected credit loss using Probability of Default (PD)/Loss Given Default (LGD) or an individual impairment assessment, comprehensively assessed the expected recoverable cash flow of the financing entities according to the expected disposed and realized values of collateralized securities and made the provision for impairment of the part expected to fail to cover the risk exposure after discount.

(2) *Finance lease receivables*

The Company made a provision for impairment of finance lease receivables of approximately RMB350 million from October to December 2021.

For financial leasing business, the Company assessed the related expected credit loss and determined the corresponding provision for credit loss according to the changes in credit risks of finance lease receivables and calculated the expected credit loss using Probability of Default (PD)/Loss Given Default (LGD) or an individual impairment assessment.

(3) *Other loans and receivables*

The Company made a provision for impairment of other loans and receivables of approximately RMB330 million from October to December 2021.

For other loans and receivables, the Company comprehensively assessed the recoverability of other loans and receivables according to the latest status of other loans and receivables, public or assessable information related to the borrowers, value of collaterals and pledges, latest financial position of the borrowers and guarantors and other factors of other loans and receivables, and made the provision for impairment according to the difference between the recoverable amount and the outstanding loan amount.

(4) *Advances to customers on margin financing*

The Company made a provision for impairment of advances to customers on margin financing of approximately RMB170 million from October to December 2021.

For the business of advances to customers on margin financing, the Company comprehensively assessed the expected recoverable cash flow of financing entities according to the characteristics of financing entities and changes in expected disposal and realization of collateralized securities, calculated the related expected credit loss using Probability of Default (PD)/Loss Given Default (LGD) or an individual impairment assessment, and made the provision for relevant impairment.

(5) *Goodwill*

The Company made a provision for impairment of goodwill of approximately RMB410 million from October to December 2021.

For goodwill, after comparing the net amount of the fair value less costs of disposal of relevant asset portfolios and the present value of the estimated future cash flows, the Company adopted the present value of estimated future cash flows in determining their recoverable amount and made the provision for impairment based on the difference of the recoverable amount lower than the carrying amount.

(6) *Others*

In addition to the asset impairment losses from the above financial assets held under resale agreements, finance lease receivables and other loans and receivables, the Company identified and assessed other various credit risks it faced and carried out impairment test on other assets in accordance with the nature of other various businesses. According to the Accounting Standards for Business Enterprises and the Company's relevant accounting policies and administrative measures, the Company made a provision for impairment of long-term receivables arising from sale and leaseback business and other items of approximately RMB0.19 billion in total from October to December 2021.

(IV) Opinions of Independent Non-Executive Directors on the Company's Provision for Asset Impairment

The independent non-executive directors of the Company believed that the provision made by the Company for asset impairment is in line with relevant provisions under the Accounting Standards for Business Enterprises and the Company's accounting policies, truly and fairly reflects the financial position of the Company on 31 December 2021 and operating results for 2021, which will provide investors with more authentic, reliable and accurate accounting information and is in line with the interests of the Company and minority shareholders. The Company's provision for asset impairment was approved.

(V) Opinions of the Audit Committee Under the Board on the Company's Provision for Asset Impairment

The Proposal on the Provision for Asset Impairment was considered and approved at the meeting of the audit committee of the seventh session of the Board of the Company (the “**Audited Committee**”) approving the annual report for 2021. The Audit Committee is of the view that the provision made by the Company for asset impairment is in line with relevant provisions under the Accounting Standards for Business Enterprises and the Company's accounting policies, truly and fairly reflects the financial position of the Company on 31 December 2021 and operating results for 2021 and could reflect the Company's actual assets and financial position in a fairer manner. The Company's provision for asset impairment was approved.

(VI) Opinions of the Board on the Company's Provision for Asset Impairment

The Proposal on the Provision for Asset Impairment was considered and approved at the 25th meeting of the seventh session of the Board. The Board is of the view that the provision made by the Company for asset impairment is in line with relevant provisions under the Accounting Standards for Business Enterprises and the Company's accounting policies and truly and fairly reflects the financial position of the Company on 31 December 2021 and operating results for 2021. Currently, the Company has stable businesses, sound asset structure and strong liquidity in a normal operating condition, with various risk control indicators conforming to regulatory requirements. The Board approved the Company's provision for asset impairment.

(VII) Opinions of the Supervisory Committee on the Company's Provision for Asset Impairment

The Proposal on the Provision for Asset Impairment was considered and approved at the 14th meeting of the seventh session of the supervisory committee of the Company (the “**Supervisory Committee**”). The Supervisory Committee is of the view that the provision made by the Company for asset impairment is in line with relevant provisions under the Accounting Standards for Business Enterprises and the Company's accounting policies, truly and fairly reflects the financial position of the Company on 31 December 2021 and operating results for 2021, which will provide investors with more authentic, reliable and accurate accounting information and is in line with the interests of the Company and minority shareholders. The Supervisory Committee approved the Company's provision for asset impairment.

(VIII) Documents Available For Inspection

1. Independent opinions of independent non-executive Directors on the Company's provision for asset impairment;
2. Resolutions of the 25th meeting of the seventh session of the Board; and
3. Resolutions of the 14th meeting of the seventh session of the Supervisory Committee.

IV. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND ITS APPENDIX

The Board has resolved to propose the resolution regarding the amendments to relevant articles in the Articles of Association, and its appendix including the Rules of Procedure For the Shareholders' General Meetings, the Rules of Procedure for the Board Meetings and the Rules of Procedure for the Supervisory Committee of the Company, for the shareholders' consideration and approval at the general meeting of the Company. The Supervisory Committee has resolved to propose the resolution regarding the amendments to relevant articles in the Rules of Procedure for the Supervisory Committee of the Company for the shareholders' consideration and approval at the general meeting of the Company. Details are set out in Appendix I, Appendix II, Appendix III and Appendix IV of this announcement.

The proposed amendments to the Articles of Association, the Rules of Procedure of Shareholders' General Meetings, the Rules of Procedure for Board Meetings and the Rules of Procedure for Supervisory Committee will come into effect from the date of approval by the shareholders at the general meeting of the Company. The Board has resolved to propose a resolution at the general meeting of the Company to authorise the Board in return to authorise the management of the Company to handle the filing procedures with relevant regulatory authorities involved in such amendments, and to make wording adjustments to such amendments according to opinions of regulatory authorities.

A circular containing, among other things, details of the above resolution, together with the notice of the general meeting, will be despatched to the shareholders of the Company in due course.

V. PROPOSED GENERAL MANDATE TO ISSUE ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

The Board has resolved to propose a resolution regard the grant of general mandate to issue onshore and offshore debt financing instruments at the shareholders' general meeting of the Company. Details of the resolution are as follows:

1. Issuer, Issue Method and Issue Size

The Company or its subsidiaries (including wholly-owned and controlled subsidiaries unless otherwise indicated) will act as the issuer of the onshore and offshore debt financing instruments. The onshore and offshore debt financing instruments shall be issued on a one-off or multiple issuances or multi-tranche issuances basis through public offering or private placement to investors onshore and offshore, upon approval by, filing with or recognition by relevant regulatory authorities in accordance with relevant rules. The aggregate issue size of the onshore and offshore debt financing instruments shall be no more than 400% of the audited net asset value of the Company as at the end of the latest period (based on the balance outstanding on the instruments issued and, in the case of an instrument denominated in foreign currency, based on the median exchange rate published by the People's Bank of China on the date of issuance), and shall be in compliance with the requirements prescribed in the relevant laws and regulations on the maximum amount of the specific debt financing instruments to be issued.

2. Type

Corporate bonds, short-term corporate bonds, financial bonds, subordinated bonds, short-term corporate bonds, short-term financing bonds, ultra-short-term financing bonds, asset-backed securities (notes), income certificate, transfer of income rights, loans (including but not limited to bank loans and syndicated loans, etc.) issued onshore and other onshore debt financing instruments as approved by, filed with or recognised by the regulatory authorities and other relevant departments in accordance with relevant rules; foreign currency or offshore RMB denominated bonds, subordinated bonds, and public offering bonds and private placement bonds issued under the medium-term note plans, notes (including but not limited to commercial notes), perpetual bonds, loans (including but not limited to bank loans and syndicated loans, etc.) issued overseas and other offshore debt financing instruments as approved by, filed with or recognised by the regulatory authorities and other relevant departments in accordance with relevant rules.

The onshore and offshore debt financing instruments in this resolution do not contain any provision for conversion into shares. The specific type and priorities for repayment are determined subject to relevant rules and the then prevailing market conditions at the time of issuance.

3. Term

The term of the fixed-term onshore and offshore debt financing instruments shall be no longer than 15 years (inclusive). It may have a single term or hybrid type with multiple maturities; the non-fixed-term onshore and offshore debt financing instruments are not subject to the aforementioned requirement on the term.

4. Interest Rate

The onshore and overseas debt financing instruments may be of fixed interest rate and/or floating interest rate, and the interest rate for the issuance of the onshore and offshore debt financing instruments as well as the method of calculation and payment thereof may be determined in accordance with the then prevailing market conditions at the time of such issuance and relevant rules.

5. Issue Price

The issue price of the onshore and offshore debt financing instruments shall be determined in accordance with the then prevailing market conditions at the time of issuance and relevant laws and regulations.

6. Security and Other Credit Enhancement Arrangements

According to the characteristics of the debt financing instruments issued and the needs of issuance, internal and external credit enhancement mechanisms may be adopted, including but not limited to third-party (counter) guarantee, commercial insurance, asset mortgage, pledge guarantee, support letter, etc. The specific security and other credit enhancement agreements may be determined based on the characteristics of the onshore and offshore debt financing instruments and the issuance needs in accordance with the laws.

7. Use of Proceeds

The proceeds raised from the issuance of onshore and offshore debt financing instruments shall be used for business operation of the Company, improvement its debt structure, repayment of its debts when due, replenishing working capital and/or project investment as permitted by the laws and/or regulations and regulatory authorities.

8. Target Subscribers and Arrangements on Placement to Shareholders of the Company

The target subscribers of the onshore and offshore debt financing instruments of the Company shall be the qualified investors. The debt financing instruments issued by the Company may be placed to the shareholders of the Company and the specific placement arrangements (including whether to make such placement and the proportion of placement, etc.) shall be determined in accordance with the then prevailing market conditions and other specific matters related to the issuance and applicable laws.

9. Guarantee Measures for Repayment

In the event they expect that the Company is unable to repay the principal and interests of the onshore and offshore debt financing instruments as scheduled, or the Company fails to repay the principal and interests of the onshore and offshore debt financing instruments when they become due, at least the following measures shall be adopted:

- i. no dividend shall 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 shall be adjusted, reduced or ceased;
- iv. key personnel accountable for such event shall not be allowed for re-designation.

10. Authorisation for Issuance of Onshore and Offshore Debt Financing Instruments

To ensure effective coordination of the issuance of onshore and offshore debt financing instruments and other matters in connection with the issuance, a resolution will be proposed at the general meeting to authorise the Board, and agree the Board in turn to further authorise the chairman and the general manager of the Company (the “**Authorised Representatives**”) to deal with, at its/their sole discretion, all matters in connection with the issuance of onshore and offshore debt financing instruments in accordance with the relevant laws and regulations as well as the advice and recommendations from regulatory authorities, within the framework and under the principles approved at the general meeting, in order to maximise the interest of the Company, including but not limited to:

- i. formulation and adjustment of the details of the proposal for issuance of onshore and offshore debt financing instruments in accordance with the applicable laws, regulations and relevant provisions from regulatory authorities as well as resolutions passed at the general meeting of the Company, and based on the actual conditions of the Company and the specific conditions of the relevant debt market, including but not limited to, the determination of the suitable issuer(s), timing of issue, details of issue size and method, terms of issue, target subscribers, maturity, whether to issue on a one-off, multiple issuances, multi-tranche issuances or multiple-category issuances basis and, if on multiple issuances, multi-tranche issuances or multiple-category issuances basis, the issue size and term of each issuance, tranche and category, the methods in which the nominal value and

interest rate are determined, currency (including offshore Renminbi), pricing method, issuance arrangements, credit enhancement arrangements including letter of guarantee, mortgage or pledge, rating arrangement, details of subscription method, whether to incorporate terms of repurchase or redemption, details of placement arrangements, use of proceeds, registration, listing of onshore and offshore debt financing instruments and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment (if applicable), etc. and all matters in connection with the issuance of onshore and offshore debt financing instruments;

- ii. determining and engaging intermediary agency, signing, implementing, amending and completing all agreements and documents relating to the issuance of onshore and offshore debt financing instruments, including but not limited to, the sponsor agreement, underwriting agreement, credit enhancement agreements such as guarantee agreement, mortgage or pledge agreements, bond indenture, engagement letter with intermediary agency, trust agreement, settlement management agreement, registration and custody agreement, listing agreement and other legal documents, etc., and disclosing the relevant information in accordance with the relevant laws, regulations and the listing rules of the stock exchanges on which the Company's securities are listed (including but not limited to, the preliminary and final offering memoranda of the debt financing instruments, and all announcements and circulars, etc. in relation to the issuance of onshore and offshore debt financing instruments);
- iii. selecting and engaging trustee manager(s) and settlement manager(s) for the issuance of onshore and offshore debt financing instruments, signing the trustee agreement(s) and settlement management agreement(s) and (if applicable), formulating rules for meetings of the holders of the debt financing instruments;
- iv. undertaking all applications and filings as well as listing matters (if applicable) in connection with the issuance of onshore and offshore debt financing instruments, including but not limited to, preparing, revising and submitting relevant application and filing materials relating to the issuance and listing of the onshore and offshore debt financing instruments and application and filing materials in respect of credit enhancement agreements such as (reverse) guarantee, mortgage or pledge, letter of support to be provided by the Company, the issuer(s) and/or third party(ies), and signing the relevant application and filing documents and other legal documents;

- v. making relevant adjustments to matters relating to the issuance of onshore and offshore debt financing instruments according to the advice of and changes in the policies of regulatory authorities or the changes in market conditions, or determining whether to continue with all or part of the work in respect of the issuance of onshore and offshore debt financing instruments in accordance with the actual conditions, unless re-approval by the shareholders at general meeting is otherwise required pursuant to the relevant laws, regulations and the articles of association of the Company;
- vi. dealing with other relevant matters in connection with the issuance of onshore and offshore debt financing instruments;
- vii. the term of the authorisation shall be valid for a period commencing from the date of passing of such resolution at the general meeting to the convening date of the annual general meeting for 2024. But where the Board and/or its Authorised Representatives have, during the term of the authorisation, decided the issuance or partial issuance of onshore and offshore debt financing instruments, and provided that the Company has also, during the term of the authorisation, obtained the approval or license from or completed filing or registration (if applicable) with regulatory authorities on the issuance, the Company may, during the validity period of such approval, license, filing or registration, complete the issuance or relevant partial issuance of debt financing instruments. For the matters in relation to the issuance or partial issuance, the abovementioned term of the authorization shall be extended to the date of completion of such issuance or partial issuance.

11. Validity Period of Resolution

The resolution shall be valid for a period commencing from the date of passing of such resolutions at the general meeting to the convening date of the annual general meeting for 2024.

The above resolution is subject to approval of shareholders at the general meeting of the Company. A circular containing, among other things, details of the above resolution, together with the notice of the general meeting, will be despatched to the shareholders of the Company in due course.

VI. PROPOSED ESTIMATED INVESTMENT AMOUNT FOR THE PROPRIETARY BUSINESS OF THE COMPANY FOR 2022

The Board has resolved to propose a resolution regarding the estimated investment amount for the proprietary business of the company for 2022 for the shareholders' consideration and approval at the general meeting of the Company. Details are set out as follows:

1. The limit for the proprietary investment business of the Company for the year 2022 is as follows:
 - (1) The investment amount for the proprietary equity securities and its derivatives shall not exceed 80% of the consolidated net capital of the previous year;
 - (2) The investment amount for the proprietary non-equity securities and its derivatives shall not exceed 400% of the consolidated net capital of the previous year.
2. The Company's management is authorized to determine and adjust the Company's annual assets and liabilities allocation plan within the aforesaid limit subject to the compliance with the relevant requirements of the CSRC on proprietary management and risk management based on market opportunities and the actual conditions of the Company.

The above resolution is subject to approval of shareholders at the general meeting of the Company. A circular containing, among other things, details of the above resolution, together with the notice of the general meeting, will be despatched to the shareholders of the Company in due course.

By order of the board of directors
Haitong Securities Co., Ltd.
ZHOU JIE
Chairman

Shanghai, the PRC
29 March 2022

As at the date of this announcement, the executive directors of the Company are Mr. ZHOU Jie, Mr. LI Jun and Mr. REN Peng; the non-executive directors of the Company are Mr. TU Xuanxuan, Mr. ZHOU Donghui, Ms. YU Liping and Mr. XU Jianguo; and the independent non-executive directors of the Company are Mr. ZHANG Ming, Mr. LAM Lee G., Mr. ZHU Hongchao and Mr. ZHOU Yu.

* For identification purpose only

APPENDIX I

Comparison Chart of Amendments to the Articles of Association

Original article	To be amended as	Basis
CHAPTER TWO OBJECTIVES AND SCOPE OF OPERATION		
<p>Article 12</p> <p>The objectives of the operation of the Company: to insist on the “practical, developing, sound, stable and outstanding” operation concepts, to serve national strategies with a global vision and Chinese wisdom, and to provide customers with global comprehensive financial solutions. With the mission of building a world-class investment bank, the Company builds itself into a first-class investment banking model in China with international influences.</p> <p>The Company implements the industrial culture of “compliance, integrity, professional and steadiness” in its operation and management, leads its development with correct views on values, risks and development and improves its services to help build a regulated, transparent, open, energetic and resilient capital market.</p>	<p>Article 12</p> <p>The objectives of the operation of the Company: to insist on the “practical, developing, sound, stable and outstanding” operation concepts, to serve national strategies with a global vision and Chinese wisdom, and to provide customers with global comprehensive financial solutions. With the mission of building a world-class investment bank, the Company builds itself into a first-class investment banking model in China with international influences.</p> <p>The Company <i>adheres to manage enterprises according to the law</i> and implements the industrial culture of “compliance, integrity, professional and steadiness” in its operation and management, leads its development with correct views on values, risks and development and improves its services to help build a regulated, transparent, open, energetic and resilient capital market.</p>	<p>Article 6 of the Notice on Issuing of requirement for the chief officer of Municipal State-Owned Assets Supervision and Administration Commission to perform the duties as principal responsible officer for promoting legal governance and general legal construction (Hu Guo Zi Dang Wei [2021] No. 121)</p>

Original article	To be amended as	Basis
<p>Article 13</p> <p>As registered according to the laws, the scope of operation of the Company shall be: securities brokerage; securities proprietary business; securities underwriting and sponsoring; securities investment advisory; consultation related to securities transactions and securities investment activities; direct investment business; securities investment fund consignment; provision of intermediary introduction business for the futures companies; securities lending and borrowing business; agency sales of financial products; stock options market making business; and other businesses approved by the CSRC.</p> <p>According to laws, administrative regulations and relevant regulatory requirements, the Company may set up private equity investment funds subsidiaries and alternative investment subsidiaries to engage in private equity investment funds and alternative investments.</p>	<p>Article 13</p> <p>As registered according to the laws, the scope of operation of the Company shall be: securities brokerage; securities proprietary business; securities underwriting and sponsoring; securities investment advisory; consultation related to securities transactions and securities investment activities; direct investment business; securities investment fund consignment; provision of intermediary introduction business for the futures companies; securities lending and borrowing business; agency sales of financial products; stock options market making business; <u>securities investment fund custody</u>; and other businesses approved by the CSRC.</p> <p>According to laws, administrative regulations and relevant regulatory requirements, the Company may set up private equity investment funds subsidiaries and alternative investment subsidiaries to engage in private equity investment funds and alternative investments.</p>	<p>Article 14 of the Measures for the Administration of Securities Investment Fund Custody Business and the actual situation of the Company</p>
<p>CHAPTER FOUR SHAREHOLDERS, EQUITY OWNERSHIP MANAGEMENT AND SHAREHOLDERS' GENERAL MEETING</p>		
<p>Article 66</p> <p>The controlling shareholders and beneficial controller of the Company shall not exploit their connected relationship with the Company to harm the interests of the Company. <u>In the case of</u> having violated such provision and caused damage to the company, they are liable for compensation.</p>	<p>Article 66</p> <p>The controlling shareholders and beneficial controller of the Company shall not exploit their connected relationship with the Company to harm the interests of the Company. In the case of having violated such provision <u>and caused</u> damage to the company, they are liable for compensation.</p>	<p>Article 40 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>Article 75</p> <p>The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law:</p> <p>(i) to decide on the operating policies and investment plans of the Company;</p> <p>(ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors;</p> <p>(iii) to examine and approve the reports of the Board;</p> <p>(iv) to examine and approve the reports of the Supervisory Committee;</p> <p>(v) to examine and approve the annual report of the Company;</p> <p>(vi) to examine and approve the proposed annual financial budgets and final accounts of the Company;</p> <p>(vii) to examine and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(viii) to adopt resolutions on any increment or reduction of registered capital of the Company and issue any type of shares, warrants and other similar securities;</p> <p>(ix) to adopt resolutions on any issuance of bonds of the Company;</p>	<p>Article 75</p> <p>The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law:</p> <p>(i) to decide on the operating policies and investment plans of the Company;</p> <p>(ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors;</p> <p>(iii) to examine and approve the reports of the Board;</p> <p>(iv) to examine and approve the reports of the Supervisory Committee;</p> <p>(v) to examine and approve the annual report of the Company;</p> <p>(vi) to examine and approve the proposed annual financial budgets and final accounts of the Company;</p> <p>(vii) to examine and approve the profit distribution plans and loss recovery plans of the Company;</p> <p>(viii) to adopt resolutions on any increment or reduction of registered capital of the Company and issue any type of shares, warrants and other similar securities;</p> <p>(ix) to adopt resolutions on any issuance of bonds of the Company;</p>	<p>Article 41 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>(x) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(xi) to amend the Articles of Association;</p> <p>(xii) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;</p> <p>(xiii) to examine and approve matters relating to security under Article 76;</p> <p>(xiv) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;</p> <p>(xv) to examine and approve the change of the purpose for raising funds;</p> <p>(xvi) to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;</p> <p>(xvii) According to Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million and the connected transactions taking more than 5% of the latest audited net assets of the Company;</p>	<p>(x) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(xi) to amend the Articles of Association;</p> <p>(xii) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;</p> <p>(xiii) to examine and approve matters relating to security under Article 76;</p> <p>(xiv) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;</p> <p>(xv) to examine and approve the change of the purpose for raising funds;</p> <p>(xvi) to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;</p> <p>(xvii) According to Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million and the connected transactions taking more than 5% of the latest audited net assets of the Company;</p>	

Original article	To be amended as	Basis
<p>(xviii) According to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million, (2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset</p>	<p>(xviii) According to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million, (2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset</p>	

Original article	To be amended as	Basis
<p>ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return ratio attributable to the connected transactions in the assets involved divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction. The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions.</p> <p>(xix) to examine the implementation schemes on the mechanism for long-term effective incentives;</p> <p>(xx) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p>(xxi) to resolve on the repurchase of the Company's shares as prescribed under items (I) and (II) of Article 28 of the Articles of Association;</p>	<p>ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return ratio attributable to the connected transactions in the assets involved divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction. The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions.</p> <p>(xix) to examine the implementation schemes on the mechanism for long-term effective incentives, <u>such as equity incentive scheme and employee shareholding plans</u>;</p> <p>(xx) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p>(xxi) to resolve on the repurchase of the Company's shares as prescribed under items (I) and (II) of Article 28 of the Articles of Association;</p>	

Original article	To be amended as	Basis
<p>(xxii)to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at shareholders' general meeting as prescribed by laws, administrative regulations and the Articles, such matters have to be reviewed at shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles.</p>	<p>(xxii)to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at shareholders' general meeting as prescribed by laws, administrative regulations and the Articles, such matters have to be reviewed at shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles.</p>	

Original article	To be amended as	Basis
<p>Article 76</p> <p>The Company shall not provide any finance or guarantee for the shareholders or related parties of the shareholders, except for securities lending and borrowing business provided by the Company to customers according to provisions. The provision of security to external parties by the Company in the following situations shall be subject to the review and approval at the shareholders' general meeting:</p> <p>(i) any security after the total amount of security to the external parties by the Company and its subsidiaries has reached or exceeded 50% of the Company's latest audited net assets;</p> <p>(ii) any security after the total amount of security to the external parties by the Company has reached or exceeded 30% of the Company's latest audited total assets;</p> <p>(iii) a security to be provided in favour of an object which has an asset-liability ratio in excess of 70%;</p> <p>(iv) a single security in excess of 10% of the Company's latest audited net assets.</p>	<p>Article 76</p> <p>The Company shall not provide any finance or guarantee for the shareholders or related parties of the shareholders, except for securities lending and borrowing business provided by the Company to customers according to provisions. The provision of security to external parties by the Company in the following situations shall be subject to the review and approval at the shareholders' general meeting:</p> <p>(i) any security after the total amount of security to the external parties by the Company and its subsidiaries has exceeded 50% of the Company's latest audited net assets;</p> <p>(ii) any security after the total amount of security to the external parties by the Company <u>and its subsidiaries have</u> exceeded 30% of the Company's latest audited total assets;</p> <p><u>(iii) any security after the total amount of security has exceeded 30% of the Company's latest audited total assets pursuant to the cumulative calculation principle of security amount within 12 consecutive months;</u></p> <p><u>(iv)</u> a security to be provided in favour of an object which has an asset-liability ratio in excess of 70%;</p>	<p>Article 42 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p> <p>Rule 6.1.1 of Rules Governing the Listing of Stocks on Shanghai Stock Exchange (Revised in January 2022)</p>

Original article	To be amended as	Basis
	<p>(v) a single security in excess of 10% of the Company's latest audited net assets.</p> <p>(vi) <u>other security provided by the laws and regulations or the Listing Rules.</u></p> <p><u>In the event of violation of the approval authorities or review procedures of the general meeting and the Board on providing external guarantees stipulated in these Articles of Association, the Company shall pursue legal actions against or seek monetary compensation from the relevant responsible person(s) depending on the materiality of such violation.</u></p>	
<p>Article 83</p> <p>Where the Supervisory Committee or shareholders decide(s) to convene the extraordinary general meeting by itself/ themselves, it/they shall send a written notice to the Board, and file the same with the local office of China Securities Regulatory Commission, and the stock exchange at the place where the Company is located for record.</p> <p>The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the shareholders' general meeting.</p> <p>The convening shareholders shall submit relevant evidence to the local office of China Securities Regulatory Commission and the stock exchange at the place where the Company is located upon the issuance of the notice of the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.</p>	<p>Article 83</p> <p>Where the Supervisory Committee or shareholders decide(s) to convene the extraordinary general meeting by itself/ themselves, it/they shall send a written notice to the Board, and file the same with the stock exchange for record.</p> <p>The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the shareholders' general meeting, <u>and it shall undertake that its shareholding will be no less than 10% during the period from the date of the proposal to convene the general meeting to the date of the meeting.</u></p> <p>The convening shareholders shall submit relevant evidence to the stock exchange upon the issuance of the notice of the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.</p>	<p>Article 50 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p> <p>Article 10 of the Rules for the Shareholders' Meetings of Listed Companies (2022 Revision)</p> <p>Rule 4.22 of Rules Governing the Listing of Stocks on Shanghai Stock Exchange (Revised in January 2022)</p>

Original article	To be amended as	Basis
<p>Article 84</p> <p>The Board and the secretary to the Board shall coordinate with respect to matters relating to a shareholders' general meeting convened by the Supervisory Committee or the shareholders by itself/themselves. The Board shall provide the register of shareholders on the record date of the equity.</p>	<p>Article 84</p> <p>The Board and the secretary to the Board shall coordinate with respect to matters relating to a shareholders' general meeting convened by the Supervisory Committee or the shareholders by itself/themselves. The Board <u>will</u> provide the register of shareholders on the record date of the equity.</p>	<p>Article 51 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>
<p>Article 87</p> <p>The Board, the Supervisory Committee, and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall have the right to submit proposed resolutions to the Company for a shareholders' general meeting of the Company.</p> <p>The shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit extra proposed resolutions in writing to the convener of a shareholders' general meeting in writing 10 days prior to the meeting. The convener shall issue a supplementary notice of the shareholders' general meeting and announce the contents of such extra proposed resolutions within 2 days after receipt thereof.</p> <p>Except as provided by the preceding paragraph, the convener of a shareholders' general meeting shall not amend the proposed resolutions set out in the notice of the meeting or add any new proposed resolutions subsequent to the issue of the notice of the shareholders' general meeting.</p> <p>Motions which are not specified in the notice of the shareholders' general meeting or which do not comply with Article 75 of the Articles of Association shall not be voted and resolved at the shareholders' general meeting and become resolutions.</p>	<p>Article 87</p> <p>The Board, the Supervisory Committee, and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall have the right to submit proposed resolutions to the Company for a shareholders' general meeting of the Company.</p> <p>The shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit extra proposed resolutions in writing to the convener of a shareholders' general meeting in writing 10 days prior to the meeting. The convener shall issue a supplementary notice of the shareholders' general meeting and announce the contents of such extra proposed resolutions within 2 days after receipt thereof. <u>Where qualified shareholders submit extra proposed resolutions, his/her shareholding ratio shall not be less than 3% during the period from the issuance of the notice of such extra proposed resolutions to the announcement of the resolutions of the meeting.</u></p> <p>Except as provided by the preceding paragraph, the convener of a shareholders' general meeting shall not amend the proposed resolutions set out in the notice of the meeting or add any new proposed resolutions subsequent to the issue of the notice of the shareholders' general meeting.</p> <p>Motions which are not specified in the notice of the shareholders' general meeting or which do not comply with Article 75 of the Articles of Association shall not be voted and resolved at the shareholders' general meeting and become resolutions.</p>	<p>Article 2.1.4 of the Guidelines No. 1 of the Shanghai Stock Exchange on the Application of Self-Regulation Rules for Listed Companies – Standardized Operation</p>

Original article	To be amended as	Basis
<p>Article 89</p> <p>The notice of the shareholders' general meeting shall be made in writing and include the following contents:</p> <p>(i) the time and place of the meeting and its duration.</p> <p>(ii) the matters and motions for consideration and examination at the meeting. The notice of the shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions. For those items proposed for discussion requiring the opinions of Independent Directors, the notice of shareholders' general meeting or the supplementary notice shall disclose both the opinions and the reasons of Independent Directors.</p> <p>(iii) to provide the shareholders with such information and explanation which are necessary for the shareholders to make an informed decision on the proposals put before them. This principle shall include (but not limited to), where a proposal is made by the Company for merger, repurchase of shares, restructure of share capital, or reorganisation of the Company in any other way, the specific terms of the proposed conditions and contract, if any, and its cause and effect shall be conscientiously explained.</p>	<p>Article 89</p> <p>The notice of the shareholders' general meeting shall be made in writing and include the following contents:</p> <p>(i) the time and place of the meeting and its duration.</p> <p>(ii) the matters and motions for consideration and examination at the meeting. The notice of the shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions. For those items proposed for discussion requiring the opinions of Independent Directors, the notice of shareholders' general meeting or the supplementary notice shall disclose both the opinions and the reasons of Independent Directors.</p> <p>(iii) to provide the shareholders with such information and explanation which are necessary for the shareholders to make an informed decision on the proposals put before them. This principle shall include (but not limited to), where a proposal is made by the Company for merger, repurchase of shares, restructure of share capital, or reorganisation of the Company in any other way, the specific terms of the proposed conditions and contract, if any, and its cause and effect shall be conscientiously explained.</p>	<p>Article 21 of the Rules for the Shareholders' Meetings of Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>(iv) to contain a disclosure of the nature and extent, if any, of the material interests if any Director, Supervisor, general manager and other senior management members are materially interested in the matters for discussion. If the effects of the matters for discussion on them in their respective capacity as shareholders are different from the effects on the effects of other shareholders of the same class, the difference shall be set out.</p> <p>(v) to contain the full text of any special resolution intended to be proposed at the meeting.</p> <p>(vi) to specify the time and venue for serving the proxy forms for the meeting.</p> <p>(vii) to contain a conspicuous statement that all shareholders are entitled to attend the shareholders' general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that a proxy need not be a shareholder of the Company.</p> <p>(viii) to specify the record date of equity of shareholders entitled to attend the shareholders' general meeting.</p> <p>(ix) to specify the name and telephone number of the standing contact person of the Meeting.</p>	<p>(iv) to contain a disclosure of the nature and extent, if any, of the material interests if any Director, Supervisor, general manager and other senior management members are materially interested in the matters for discussion. If the effects of the matters for discussion on them in their respective capacity as shareholders are different from the effects on the effects of other shareholders of the same class, the difference shall be set out.</p> <p>(v) to contain the full text of any special resolution intended to be proposed at the meeting.</p> <p>(vi) to specify the time and venue for serving the proxy forms for the meeting.</p> <p>(vii) to contain a conspicuous statement that all shareholders are entitled to attend the shareholders' general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that a proxy need not be a shareholder of the Company.</p> <p>(viii) to specify the record date of equity of shareholders entitled to attend the shareholders' general meeting.</p> <p>(ix) to specify the name and telephone number of the standing contact person of the Meeting.</p>	

Original article	To be amended as	Basis
<p>(x) to specify expressly in the notice of the shareholders' general meeting the time of online voting and the voting procedure if the shareholders' general meeting adopts the online voting or other means of voting.</p> <p>The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall not exceed 7 working days. Once the shareholding record date is confirmed, it shall not be altered.</p>	<p>(x) to specify expressly in the notice of the shareholders' general meeting the time of online voting and the voting procedure <u>by the Company.</u></p> <p>The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall not exceed 7 working days. Once the shareholding record date is confirmed, it shall not be altered.</p>	
<p>Article 94</p> <p>The Board and other convener shall take necessary measures to ensure the good order of the shareholders' general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles or infringing the lawful rights and interests of any shareholder, and shall report in a timely manner such act to the relevant department for investigation and punishment.</p>	<p>Article 94</p> <p><u>The shareholders' general meetings of the Company shall be held onsite at the location, and online voting shall be provided for its shareholders by the Company to conveniently participate in the shareholders' general meetings. Shareholders participating in the shareholders' general meetings by any aforesaid means shall be deemed as having attended the meetings.</u></p> <p>The Board and other convener shall take necessary measures to ensure the good order of the shareholders' general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles or infringing the lawful rights and interests of any shareholder, and shall report in a timely manner such act to the relevant department for investigation and punishment.</p>	<p>Article 45 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>Article 115</p> <p>The following matters shall be approved by special resolutions of a shareholders' general meeting:</p> <ul style="list-style-type: none"> (i) the increment or reduction of the Company registered capital and the issue of any class of shares, warrants and other similar securities of the Company; (ii) the issue of corporate bonds; (iii) any spin-off, merger, dissolution or liquidation; (iv) the amendments to the Articles of Association; (v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets; (vi) repurchase of the Company's shares under circumstances as prescribed under items (I), (II) of Article 28 in the Articles of Association; (vii) Implementation of the Scheme for long-term incentives mechanism; (viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions. 	<p>Article 115</p> <p>The following matters shall be approved by special resolutions of a shareholders' general meeting:</p> <ul style="list-style-type: none"> (i) the increment or reduction of the Company registered capital and the issue of any class of shares, warrants and other similar securities of the Company; (ii) the issue of corporate bonds; (iii) any spin-off, <u>division</u>, merger, dissolution or liquidation; (iv) the amendments to the Articles of Association; (v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets; (vi) repurchase of the Company's shares under circumstances as prescribed under items (I), (II) of Article 28 in the Articles of Association; (vii) Implementation of the Scheme for long-term incentives mechanism <u>such as share incentive plans and employee shareholding plans</u>; (viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions. 	<p>Articles 41 and 78 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>Article 116</p> <p>Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.</p> <p>Where material issues affecting the interests of small and medium investors are being considered in the shareholders' general meeting, the votes by small and medium investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p>	<p>Article 116</p> <p>Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.</p> <p>Where material issues affecting the interests of small and medium investors are being considered in the shareholders' general meeting, the votes by small and medium investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p><u>Shareholders purchase the voting shares of the Company in violation of Paragraph 1 and Paragraph 2 of Article 63 of the Securities Law, they shall not exercise the voting rights of the shares that exceed the prescribed ratio within 36 months after purchasing them, and such shares shall not be counted into the total number of voting shares present at the shareholders' general meeting.</u></p>	<p>Article 79 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p> <p>Article 31 of the Rules for the Shareholders' Meetings of Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>The Board, Independent Directors, shareholders holding more than 1% of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the securities regulatory authorities of the State Council may, as collectors, personally or authorize a securities company or securities service agency to publicly request the Company's shareholders to authorize them to attend the shareholders' general meeting and exercise the shareholders' rights such as right of making motions and voting right on their behalf. However, the collectors shall disclose the collection documents and the Company shall provide cooperation. While collecting votes of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being collected. No consideration or other form of de facto consideration shall be involved in the public collection of shareholders' rights from shareholders. The Company shall not impose any limitation related to minimum shareholdings on the collection of shareholders' rights. The collectors shall bear compensation liabilities according to law if the public collection of shareholders' rights violates laws, administrative regulations or relevant provisions of the securities regulatory authorities of the State Council, causing losses to the Company or the shareholders of the Company.</p>	<p>The Board, Independent Directors, shareholders holding more than 1% of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the securities regulatory authorities of the State Council may, as collectors, personally or authorize a securities company or securities service agency to publicly request the Company's shareholders to authorize them to attend the shareholders' general meeting and exercise the shareholders' rights such as right of making motions and voting right on their behalf. However, the collectors shall disclose the collection documents and the Company shall provide cooperation. While collecting votes of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being collected. No consideration or other form of de facto consideration shall be involved in the public collection of shareholders' rights from shareholders. <u>Except for the statutory requirements</u>, the Company shall not impose any limitation related to minimum shareholdings on the collection of shareholders' rights. The collectors shall bear compensation liabilities according to law if the public collection of shareholders' rights violates laws, administrative regulations or relevant provisions of the securities regulatory authorities of the State Council, causing losses to the Company or the shareholders of the Company.</p>	

Original article	To be amended as	Basis
<p>Article 124</p> <p>The same vote may only be cast once at the venue of a shareholders' general meeting, or by online voting or other means. In the event of multiple casting of the same vote, only the outcome of the first casting of such vote shall be counted.</p> <p><i>The Company shall, subject to the general meetings being legally and validly held, provide online voting through the platforms of stock exchanges to the extent technically feasible, and shall perform relevant notice and announcement obligations in connection with general meetings and perform relevant organisation and preparation work in connection with online voting. The specific operating procedures of online voting shall be conducted in accordance with relevant rules promulgated by stock exchanges.</i></p>	<p>Article 124</p> <p>The same vote may only be cast once at the venue of a shareholders' general meeting, or by online voting or other means. In the event of multiple casting of the same vote, only the outcome of the first casting of such vote shall be counted.</p>	<p>Article 85 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>Article 126</p> <p>Before the relevant proposed resolution is voted on at the shareholders' general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is interested in the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the conduct of the poll. When the relevant proposed resolution is being voted on at the shareholders' general meeting, lawyers, the shareholders' representatives and representatives of the Supervisors shall be jointly responsible for counting the votes and scrutinizing the conduct of the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting.</p> <p>Shareholders of the Company or their proxies, who have cast their votes by online voting or by other means, shall have the right to check the voting results in the way in which they have cast their votes.</p>	<p>Article 126</p> <p>Before the relevant proposed resolution is voted on at the shareholders' general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who <u>has connection with</u> the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.</p> <p>When the relevant proposed resolution is being voted on at the shareholders' general meeting, lawyers, the shareholders' representatives and representatives of the Supervisors shall be jointly responsible for counting the votes and scrutinizing the conduct of the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting.</p> <p>Shareholders of the Company or their proxies, who have cast their votes by online voting or by other means, shall have the right to check the voting results in the way in which they have cast their votes.</p>	<p>Article 87 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
CHAPTER FIVE DIRECTORS AND THE BOARD OF DIRECTORS		
Article 150 The Independent Director shall execute their duties in compliance with the relevant provisions of laws, administrative regulations, and department rules.	Article 150 The Independent Director shall execute their duties in compliance with the relevant provisions of laws, administrative regulations, <u>the CSRC and the stock exchange(s).</u>	Article 104 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)
Article 158 The Independent Director shall have the following powers in addition to having those powers granted to him by the Company Law and other relevant laws and administrative regulations: (i) to propose to the Board to convene extraordinary shareholders' general meetings. If the Board refuses to do so, he may propose to the Supervisor Committee to convene extraordinary shareholders' general meetings; (ii) to propose to convene Board meetings; (iii) to engage external auditing firms or consultancy firms necessary for performing duties; (iv) to offer independent opinions on matters related to the remuneration plans, incentive scheme and so forth for the Company's Directors and management members;	Article 158 The Independent Director shall have the following powers in addition to having those powers granted to him by the Company Law and other relevant laws and administrative regulations: (i) to propose to the Board to convene extraordinary shareholders' general meetings. If the Board refuses to do so, he may propose to the Supervisor Committee to convene extraordinary shareholders' general meetings; (ii) to propose to convene Board meetings; (iii) to engage external auditing firms or consultancy firms necessary for performing duties; (iv) to offer independent opinions on matters related to the remuneration plans, incentive scheme and so forth for the Company's Directors and management members;	Article 3.5.13 of the Guidelines No. 1 of the Shanghai Stock Exchange on the Application of Self-Regulation Rules for Listed Companies – Standardized Operation

Original article	To be amended as	Basis
<p>(v) to offer his independent opinions on the material connected transactions and where necessary report to the Shanghai Regulatory Bureau of the China Securities Regulatory Commission;</p> <p>(vi) in the event of any conflict between the shareholders or Directors of the listed Company and such conflict has a significant impact on the Company's operation and management, the independent Directors shall take the initiative to perform their obligations and safeguard the overall interests of the listed Company.</p> <p>The Independent Director shall submit his work report at the annual general meeting of shareholders.</p> <p>The Independent Director having failed to perform his duties diligently shall undertake the corresponding responsibilities.</p> <p>The Independent Director shall exercise his aforesaid powers only with the consent of more than half of all the Independent Directors.</p>	<p>(v) to offer his independent opinions on the material connected transactions and where necessary report to the Shanghai Regulatory Bureau of the China Securities Regulatory Commission;</p> <p>(vi) in the event of any conflict between the shareholders or Directors of the listed Company and such conflict has a significant impact on the Company's operation and management, the independent Directors shall take the initiative to perform their obligations and safeguard the overall interests of the listed Company.</p> <p>The Independent Director shall submit his work report at the annual general meeting of shareholders.</p> <p>The Independent Director having failed to perform his duties diligently shall undertake the corresponding responsibilities.</p> <p>The Independent Director shall exercise his aforesaid powers <u>other than those set out in item (iii)</u> only with the consent of more than half of all the Independent Directors; <u>the Independent Director shall exercise his aforesaid powers set out in item (iii) with the consent of all the Independent Directors.</u></p>	

Original article	To be amended as	Basis
<p>Article 162</p> <p>The Board exercises the following powers:</p> <ul style="list-style-type: none"> (i) to convene shareholders' general meetings and report its work to the shareholders' general meeting; (ii) to implement the resolutions of shareholders' general meetings; (iii) to decide on the Company's business plans and investment plans; (iv) to formulate the Company's plans on annual financial budgets and final accounts; (v) to formulate the Company's profit distribution plans and plans on making up losses; (vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company; (vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company under circumstances as prescribed under items (I), (II) of Article 28 of the Articles of Association; (viii) to adopt resolutions on repurchase of the Company's shares under circumstances as prescribed under items (III), (V) and (VI) of Article 28 of the Articles of Association; 	<p>Article 162</p> <p>The Board exercises the following powers:</p> <ul style="list-style-type: none"> (i) to convene shareholders' general meetings and report its work to the shareholders' general meeting; (ii) to implement the resolutions of shareholders' general meetings; (iii) to decide on the Company's business plans and investment plans; (iv) to formulate the Company's plans on annual financial budgets and final accounts; (v) to formulate the Company's profit distribution plans and plans on making up losses; (vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company; (vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company under circumstances as prescribed under items (I), (II) of Article 28 of the Articles of Association; (viii) to adopt resolutions on repurchase of the Company's shares under circumstances as prescribed under items (III), (V) and (VI) of Article 28 of the Articles of Association; 	<p>Article 107 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p> <p>Article 6 of the Notice on Issuing of requirement for the chief officer of Municipal State-Owned Assets Supervision and Administration Commission to perform the duties as principal responsible officer for promoting legal governance and general legal construction (Hu Guo Zi Dang Wei [2021] No. 121)</p>

Original article	To be amended as	Basis
<p>(ix) to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions of the Company within the authorisation of the shareholders' general meeting;</p> <p>(x) to formulate the implementation plan of the long-term incentives program for the management and employees;</p> <p>(xi) to determine the establishment of the Company's internal management structure;</p> <p>(xii) to appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to appoint or dismiss senior management members including deputy general manager, assistants of general manager and chief financial officer, chief information officer and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p> <p>(xiii) to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p>(xiv) to formulate proposals for amendment to the Articles of Association;</p> <p>(xv) to manage information disclosure of the Company;</p>	<p>(ix) to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions, <u>external donations</u> of the Company within the authorisation of the shareholders' general meeting;</p> <p>(x) to formulate the implementation plan of the long-term incentives program <u>such as share incentive plans and employee shareholding plans</u>;</p> <p>(xi) to determine the establishment of the Company's internal management structure;</p> <p>(xii) to <u>decide</u> on the appointment or dismissal of general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to <u>decide</u> on the appointment or dismissal of senior management members including deputy general manager, assistants of general manager and chief financial officer, chief information officer and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p> <p>(xiii) to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p>(xiv) to formulate proposals for amendment to the Articles of Association;</p> <p>(xv) to manage information disclosure of the Company;</p>	

Original article	To be amended as	Basis
<p>(xvi) to propose at shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p>(xvii) to hear the work report and inspect the work of the general manager;</p> <p>(xviii) to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p> <p>(xix) to undertake the ultimate responsibility of comprehensive risk management;</p> <p>(xx) to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p>	<p>(xvi) to propose at shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p>(xvii) to hear the work report and inspect the work of the general manager;</p> <p>(xviii) to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p> <p>(xix) to undertake the ultimate responsibility of comprehensive risk management;</p> <p><u>(xx) to promote the legal construction of the Company, improve the level of legal corporate governance of the Company, and authorize the Compliance and Risk Management Committee to perform specific duties in relation to the promotion of legal construction.</u></p> <p><u>(xxi)</u> to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p>	

Original article	To be amended as	Basis
<p>Article 166</p> <p>The Board shall determine the matters of external investment, acquisition and sale of assets, asset pledge, external guarantee, scope of powers for connected transactions, establish stringent examination and decision making procedures, organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the shareholders' general meeting for approval. The Board shall be entitled to determine the following matters:</p> <p>(i) the disposal of assets not within the approval authority of the shareholders' general meeting stipulated by Article 75 of the Articles of Association;</p> <p>(ii) the guarantee not within the approval authority of the shareholders' general meeting stipulated by Article 76 of the Articles of Association;</p> <p>(iii) to approve an application of funds for external investment, the value of which does not exceed 10% of the latest audited net assets of the Company;</p> <p>(iv) the connected transactions which shall be resolved by the Board according to the disclosure requirements of the local listing rules at the place where the Company is listed.</p>	<p>Article 166</p> <p>The Board shall determine the matters of external investment, acquisition and sale of assets, asset pledge, external guarantee, scope of powers for connected transactions, <u>external donations</u>, establish stringent examination and decision making procedures, organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the shareholders' general meeting for approval. The Board shall be entitled to determine the following matters:</p> <p>(i) the disposal of assets not within the approval authority of the shareholders' general meeting stipulated by Article 75 of the Articles of Association;</p> <p>(ii) the guarantee not within the approval authority of the shareholders' general meeting stipulated by Article 76 of the Articles of Association;</p> <p>(iii) to approve an application of funds for external investment, the value of which does not exceed 10% of the latest audited net assets of the Company;</p> <p>(iv) the connected transactions which shall be resolved by the Board according to the disclosure requirements of the local listing rules at the place where the Company is listed.</p> <p>(v) <u>to approve any external donation with a single amount or accumulated amount for 12 consecutive months not exceeding RMB100 million.</u></p>	<p>Article 107 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
CHAPTER SIX GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS		
<p>Article 193</p> <p>The general manager and other senior management members shall have the following qualifications on the job:</p> <p>(i) They shall not be prohibited by the laws and administrative regulations to assume office as the senior management member in securities companies;</p> <p>(ii) They shall pass the benchmark test approved by the China Securities Regulatory Commission;</p> <p>(iii) They shall be a university graduate above the first degree level, or obtain a bachelor degree or higher degree;</p> <p>(iv) They shall be of good character, faithful and honest;</p> <p>(v) They shall be familiar with the laws, administrative regulations, rules and other regulatory documents related to the operation and management of a securities company, and have the operation and management capacity necessary to perform the senior management members' duties;</p> <p>(vi) They shall be licensed to practice in the securities industry;</p> <p>(vii) They shall have three years of experience in the practice of securities operation or five years in the field of finance, law or accountancy;</p>	<p>Article 193</p> <p>The general manager and other senior management members shall have the following qualifications on the job:</p> <p>(i) They shall not be prohibited by the laws and administrative regulations to assume office as the senior management member in securities companies;</p> <p>(ii) They shall pass the benchmark test approved by the China Securities Regulatory Commission;</p> <p>(iii) They shall be a university graduate above the first degree level, or obtain a bachelor degree or higher degree;</p> <p>(iv) They shall be of good character, faithful and honest;</p> <p>(v) They shall be familiar with the laws, administrative regulations, rules and other regulatory documents related to the operation and management of a securities company, and have the operation and management capacity necessary to perform the senior management members' duties;</p> <p>(vi) They shall be licensed to practice in the securities industry;</p> <p>(vii) They shall have three years of experience in the practice of securities operation or five years in the field of finance, law or accountancy;</p>	<p>Article 135 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>(viii) They shall have at least two years of experience in charge of a department or even of a higher capacity in a securities company or no less than four years in charge of a department or even of a higher capacity in such financial institutions as funds management, futures, banking, insurance and so forth or of comparable management experience;</p> <p>(ix) Where the laws, regulations and regulatory documents have any other provisions in respect of the qualifications, such provisions shall prevail.</p> <p>The employment of the general manager and other senior management members shall be null and void if it has violated the provisions of this article. The Company shall remove the incumbent general manager and other senior management members from office if he or they have been found to have the situation under this article.</p> <p>What are stipulated in Article 132 related to the Director's faithful obligations and Article 133(iv)~(vi) related to the diligent obligations are applicable to the senior management members.</p>	<p>(viii) They shall have at least two years of experience in charge of a department or even of a higher capacity in a securities company or no less than four years in charge of a department or even of a higher capacity in such financial institutions as funds management, futures, banking, insurance and so forth or of comparable management experience;</p> <p>(ix) Where the laws, regulations and regulatory documents have any other provisions in respect of the qualifications, such provisions shall prevail.</p> <p>The employment of the general manager and other senior management members shall be null and void if it has violated the provisions of this article. The Company shall remove the incumbent general manager and other senior management members from office if he or they have been found to have the situation under this article.</p> <p>What are stipulated in Article 132 related to the Director's faithful obligations and Article 133(iv)~(vi) related to the diligent obligations are applicable to the senior management members.</p> <p><u><i>The senior management members of the Company shall carry out their duties honestly and faithfully, and protect the best interests of the Company and its shareholders as a whole. A senior management member of the Company shall be liable for compensation according to the law if he/she fails to perform his/her duties honestly and faithfully or in breach of his/her fiduciary duties, thereby causing damage to the interests of the Company and its public shareholders.</i></u></p>	

Original article	To be amended as	Basis
<p>Article 194</p> <p>The person who holds an office other than that of a Director or a Supervisor of the Company or a controlling shareholder or beneficial controller shall not become a senior management member of the Company.</p> <p>A senior management member of the Company may at most hold the office of Director or Supervisor concurrently in two companies where the Company has shareholding, but not an office other than those aforesaid. They shall not engage themselves concurrently in any other profit-making organizations or other operation activities.</p>	<p>Article 194</p> <p>The person who holds an office other than that of a Director or a Supervisor of the Company or a controlling shareholder or beneficial controller shall not become a senior management member of the Company.</p> <p>A senior management member of the Company may at most hold the office of Director or Supervisor concurrently in two companies where the Company has shareholding, but not an office other than those aforesaid. They shall not engage themselves concurrently in any other profit-making organizations or other operation activities.</p> <p><u><i>The senior management members only receive remuneration from the Company and are not paid by the Controlling Shareholders.</i></u></p>	<p>Article 126 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>
<p>Article 200</p> <p>The general manager's dismissal shall be resolved by the Board. He may resign anytime before the expiry of his tenure. The specific procedure and means concerning the general manager's resignation shall be clearly stipulated in his employment contract negotiated between the general manager and the Company. Where the general manager is unable to perform his obligations or during his absence, the Board shall designate another senior management member to exercise his obligations on his behalf within fifteen working days.</p>	<p>Article 200</p> <p>The general manager's dismissal shall be resolved by the Board. He may resign anytime before the expiry of his tenure. The specific procedure and means concerning the general manager's resignation shall be clearly stipulated in his employment contract negotiated between the general manager and the Company. Where the general manager is unable to perform his obligations or during his absence, the Board shall designate <u>the relevant personnel of the Company complying with the laws and regulations</u> to exercise his obligations on his behalf within fifteen working days.</p>	<p>To adjust according to the actual situation of the Company</p>

Original article	To be amended as	Basis
CHAPTER EIGHT THE QUALIFICATIONS AND OBLIGATIONS OF THE COMPANY DIRECTORS, SUPERVISORS AND OTHER SENIOR MANAGEMENT MEMBERS		
<p>Article 222</p> <p>Other than the conditions for the directorate position of Directors (including Independent Directors), Supervisors, senior management members as required under Article 130, Article 143, Article 144, Article 177, Article 183, Article 192, the following persons may not serve as Directors, Supervisors, general manager or other senior management members of the Company:</p> <p>(i) persons without civil capacity or with limited civil capacity;</p> <p>(ii) persons who have committed offences relating to corruption, bribery, conversion of property, misappropriation of property or disruption of social economic order, and have been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence, or who have been deprived of their political rights due to the commission of a criminal offence, where less than five years have elapsed since the date of restoring their political rights;</p> <p>(iii) persons who were former Directors, factory managers or managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p>	<p>Article 222</p> <p>Other than the conditions for the directorate position of Directors (including Independent Directors), Supervisors, senior management members as required under Article 130, Article 143, Article 144, Article 177, Article 183, Article 192, the following persons may not serve as Directors, Supervisors, general manager or other senior management members of the Company:</p> <p>(i) persons without civil capacity or with limited civil capacity;</p> <p>(ii) persons who have committed offences relating to corruption, bribery, conversion of property, misappropriation of property or disruption of social economic order, and have been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence, or who have been deprived of their political rights due to the commission of a criminal offence, where less than five years have elapsed since the date of restoring their political rights;</p> <p>(iii) persons who were former Directors, factory managers or managers of a company or enterprise which was declared bankrupt and was liquidated and who were personally liable for the bankruptcy of such company or enterprise, where less than three years have elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;</p>	<p>Article 95 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
(iv) persons who were legal representatives of a company or enterprise which had its business licence revoked due to violation of the law and who were personally liable, where less than three years have elapsed since the date of the revocation of the business licence;	(iv) persons who were legal representatives of a company or enterprise which had its business licence revoked due to violation of the law and who were personally liable, where less than three years have elapsed since the date of the revocation of the business licence;	
(v) persons who have a relatively substantial amount of debts due and outstanding;	(v) persons who have a relatively substantial amount of debts due and outstanding;	
(vi) persons who are subject to CSRC's <i>punishment</i> which prohibit them from entering into the securities market for a period which has not yet expired;	(vi) persons who are subject to CSRC's <i>measure</i> which prohibit them from entering into the securities market for a period which has not yet expired;	
(vii) persons in charge of stock exchange, the securities registration and clearing institutions or Directors, Supervisors, senior management members of securities companies, whose qualification was revoked due to illegal or disciplinary behavior, and it has not been five years since the date when the qualification was revoked;	(vii) persons in charge of stock exchange, the securities registration and clearing institutions or Directors, Supervisors, senior management members of securities companies, whose qualification was revoked due to illegal or disciplinary behavior, and it has not been five years since the date when the qualification was revoked;	
(viii) persons who has been convicted by the relevant competent authority for violation of relevant securities regulations, and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have elapsed from the date of such conviction;	(viii) persons who has been convicted by the relevant competent authority for violation of relevant securities regulations, and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have elapsed from the date of such conviction;	

Original article	To be amended as	Basis
<p>(ix) persons who are lawyers, certified public accountants or professionals of other securities service institutions, whose practising certificate or qualification was revoked due to illegal or disciplinary behavior, and it has not been five years since the date when the practising certificate or qualification was revoked;</p> <p>(x) Government office personnel and other personnel who are forbidden by law and administrative regulations to take up concurrent posts at companies;</p> <p>(xi) persons who were subject to administrative penalties by the financial regulatory department due to illegal or indisciplinary behavior where less than three years have elapsed since the date of completion of the penalties;</p> <p>(xii) persons other than a natural person;</p> <p>(xiii) persons who are under the period of investigation due to suspected illegal behaviors, or under the investigation of the legal authority in accordance with the criminal laws and the trials have not yet finished;</p> <p>(xiv) other contents required by the legal, administrative laws or authorities regulations.</p> <p>If an election or appointment of a Director is taken place in contravention of this Article, the said election, appointment or engagement shall be invalid. If a Director falls into any of the circumstances set forth in this Article during his term of office, the Company shall terminate his duties.</p>	<p>(ix) persons who are lawyers, certified public accountants or professionals of other securities service institutions, whose practising certificate or qualification was revoked due to illegal or disciplinary behavior, and it has not been five years since the date when the practising certificate or qualification was revoked;</p> <p>(x) Government office personnel and other personnel who are forbidden by law and administrative regulations to take up concurrent posts at companies;</p> <p>(xi) persons who were subject to administrative penalties by the financial regulatory department due to illegal or indisciplinary behavior where less than three years have elapsed since the date of completion of the penalties;</p> <p>(xii) persons other than a natural person;</p> <p>(xiii) persons who are under the period of investigation due to suspected illegal behaviors, or under the investigation of the legal authority in accordance with the criminal laws and the trials have not yet finished;</p> <p>(xiv) other contents required by the legal, administrative laws or authorities regulations.</p> <p>If an election or appointment of a Director is taken place in contravention of this Article, the said election, appointment or engagement shall be invalid. If a Director falls into any of the circumstances set forth in this Article during his term of office, the Company shall terminate his duties.</p>	

Original article	To be amended as	Basis
CHAPTER NINE FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING		
<p>Article 241</p> <p>The Company shall prepare its annual financial reports and submit to the CSRC and the stock exchange(s) within four months from the ending date of each fiscal year, the half-year financial reports it prepare and submit to the local office of the CSRC and the stock exchange(s) within two months from the ending date of the first six months of each fiscal year, and the quarterly reports it prepare and submit to the local office of the CSRC and the stock exchange(s) within one month from the ending dates of the first three and first nine months of each fiscal year respectively.</p> <p>The aforesaid financial report shall be drafted in accordance with the relevant laws, administrative rules and regulations, and announced according to the requirement of the securities regulatory authority of the place which the Company's shares listed.</p>	<p>Article 241</p> <p>The Company shall <u>submit and disclose its annual reports to the CSRC and the stock exchange(s) within four months</u> from the ending date of each fiscal year, <u>and the interim reports it submit and disclose to the local office of the CSRC and the stock exchange(s) within two months from the ending date of the first six months of each fiscal year.</u></p> <p>The aforesaid <u>annual and interim reports shall be drafted in accordance with the relevant laws, administrative rules the CSRC and the stock exchange(s).</u></p>	<p>Article 151 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>
<p>Article 258</p> <p>The Company shall appoint an independent accountant firm which is qualified under the relevant regulations of PRC to audit the Company's annual report, audit the financial statements, conduct verification of net assets, audit risk control indicator measures, carry out other relevant consultation services.</p> <p>The accountant firm appointed by the Company shall hold office for a period of one year, commencing from the conclusion of the annual general meeting until the conclusion of the next annual general meeting. The appointment may be renewed.</p>	<p>Article 258</p> <p>The Company shall appoint an independent accountant firm which is qualified under the relevant regulations of PRC <u>such as the Securities Law</u> to audit the Company's annual report, audit the financial statements, conduct verification of net assets, audit risk control indicator measures, carry out other relevant consultation services.</p> <p>The accountant firm appointed by the Company shall hold office for a period of one year, commencing from the conclusion of the annual general meeting until the conclusion of the next annual general meeting. The appointment may be renewed.</p>	<p>Article 159 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
CHAPTER ELEVEN NOTICE AND ANNOUNCEMENT		
<p>Article 271</p> <p>The Company shall issue notice and disclose information to domestic shareholders through newspapers and websites for information disclosure specified in the laws, administrative rules and regulations or the securities regulatory authority. For notice issued by the Company to the shareholders of overseas-listed foreign-invested Shares in accordance with the Articles of Association, the relevant notice shall be at the same time published by means specified in the Hong Kong Listing Rules.</p>	<p>Article 271</p> <p>The Company shall issue notice and disclose information to domestic shareholders through <u>the medias and the websites of the the stock exchange(s)</u> for information disclosure specified in the laws, administrative rules and regulations or <u>meeting the requirements specified by</u> the security's regulatory authority. For notice issued by the Company to the shareholders of overseas-listed foreign-invested Shares in accordance with the Articles of Association, the relevant notice shall be at the same time published by means specified in the Hong Kong Listing Rules.</p>	<p>Article 52 of the Rules for the Shareholders' Meetings of Listed Companies (2022 Revision)</p>

APPENDIX II

Comparison Chart Of Amendments To The Rules Of Procedure For Shareholders' General Meeting Of The Company

Original article	To be amended as	Basis
CHAPTER 1 GENERAL PROVISIONS		
Article 1 To regulate the conduct of Haitong Securities Co., Ltd. (the “Company”) and ensure that the shareholders’ general meeting exercises its functions and powers legally, Rules of Procedure for Shareholders’ General Meetings of Haitong Securities Co., Ltd. (the “Rules”) are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Measures on the Administration of Securities Companies, the Rules for Governance of Securities Companies (for trial implementation), the Listing Rules of Shanghai Stock Exchange and Rules for Shareholders’ General Meetings of Listed Companies (Zheng Jian Fa [2006] No. 21), the Mandatory Provisions for the Articles of Association of the Companies Listed Overseas, the Special Regulations of the State Council on the Overseas Offer and Listing of Shares by Joint Stock Limited Companies, the Official Reply of the State Council regarding Adjusting the Application of Provisions to Matters Including the Notice Period for Convention of Shareholders’ Meetings by Overseas Listed Companies, the Letter of Opinion on the Supplements and Amendments to the Articles of Association of the Companies Listed in Hong Kong, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, other laws, administrative regulations and regulatory documents, and the Articles of Association.	Article 1 To regulate the conduct of Haitong Securities Co., Ltd. (the “Company”) and ensure that the shareholders’ general meeting exercises its functions and powers legally, Rules of Procedure for Shareholders’ General Meetings of Haitong Securities Co., Ltd. (the “Rules”) are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), <u>the Securities Companies Supervision and Administration Regulations</u> , the Rules for Governance of Securities Companies, the Listing Rules of Shanghai Stock Exchange and Rules for Shareholders’ General Meetings of Listed Companies, the Mandatory Provisions for the Articles of Association of the Companies Listed Overseas, the Special Regulations of the State Council on the Overseas Offer and Listing of Shares by Joint Stock Limited Companies, the Official Reply of the State Council regarding Adjusting the Application of Provisions to Matters Including the Notice Period for Convention of Shareholders’ Meetings by Overseas Listed Companies, the Letter of Opinion on the Supplements and Amendments to the Articles of Association of the Companies Listed in Hong Kong, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, other laws, administrative regulations and regulatory documents, and the Articles of Association.	To adjust according to updates on laws and regulations

Original article	To be amended as	Basis
CHAPTER 2 GENERAL RULES OF SHAREHOLDERS' GENERAL MEETING		
Article 5 The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law: <ul style="list-style-type: none"> (i) to decide on the operating policies and investment plans of the Company; (ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors; (iii) to examine and approve the reports of the Board; (iv) to examine and approve the reports of the Supervisory Committee; (v) to examine and approve the annual reports of the Company; (vi) to examine and approve the proposed annual financial budgets and final accounts of the Company; (vii) to examine and approve the profit distribution plans and loss recovery plans of the Company; 	Article 5 The shareholders' general meeting is the organ of authority of the Company, and shall exercise the following functions and powers in accordance with law: <ul style="list-style-type: none"> (i) to decide on the operating policies and investment plans of the Company; (ii) to elect and remove Directors and Supervisors (not being staff representatives), and to fix the remuneration of the relevant Directors and Supervisors; (iii) to examine and approve the reports of the Board; (iv) to examine and approve the reports of the Supervisory Committee; (v) to examine and approve the annual reports of the Company; (vi) to examine and approve the proposed annual financial budgets and final accounts of the Company; (vii) to examine and approve the profit distribution plans and loss recovery plans of the Company; 	Article 41 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)

Original article	To be amended as	Basis
(viii) to adopt resolutions on any increment or reduction of registered capital of the Company and issue any type of shares, warrants and other similar securities;	(viii) to adopt resolutions on any increment or reduction of registered capital of the Company and issue any type of shares, warrants and other similar securities;	
(ix) to adopt resolutions on any issuance of bonds of the Company;	(ix) to adopt resolutions on any issuance of bonds of the Company;	
(x) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;	(x) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of corporate form of the Company;	
(xi) to amend the Articles of Association;	(xi) to amend the Articles of Association;	
(xii) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;	(xii) to adopt resolutions on the appointments, dismissals or non-reappointments of accounting firms;	
(xiii) to examine and approve matters relating to security under Article 6;	(xiii) to examine and approve matters relating to security under Article 6;	
(xiv) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;	(xiv) to examine matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 15% the Company's latest audited total assets;	
(xv) to examine and approve the change of the purpose for raising funds;	(xv) to examine and approve the change of the purpose for raising funds;	
(xvi) to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;	(xvi) to examine and approve an application of funds for external investment, the value of which reaches or exceeds 10% of the latest audited net assets of the Company;	

Original article	To be amended as	Basis
(xvii) According to Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million or the connected transactions taking more than 5% of the latest audited net assets of the Company;	(xvii) According to Listing rules of shares on the Shanghai Stock Exchange, to examine and approve the connected transactions which shall be examined by the shareholders' general meeting, that is, the total amount of the connected transactions between the Company and its connected parties exceeding 30 million or the connected transactions taking more than 5% of the latest audited net assets of the Company;	
(xviii) According to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million;	(xviii) According to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules"), to examine and approve the connected transactions which shall be approved by the independent shareholders (that is, those who are not interested in the relevant connection transactions). The connected transactions of the Company shall be conducted on normal commercial terms. The connected transactions are usually classified as the one-off connected transactions and the continuing connected transactions. Except when the relevant exemption provisions of the Hong Kong Listing Rules apply, such as, (1) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 5%, and the total consideration (in terms of the one-off connected transaction) or the annual connected transactions (in terms of the continuing connected transactions) reaches or exceeds HK\$10 million;	

Original article	To be amended as	Basis
<p>(2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries) issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return attributable to the assets involved in the connected transactions divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction. The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions.</p> <p>(xix) to examine the implementation schemes on the mechanism for long-term effective incentives;</p>	<p>(2) any of the asset ratio, the return ratio, the consideration ratio or the equity ratio of the connected transactions reaches or exceeds 25%; or (3) in the event that the Company (excluding its subsidiaries) issue new shares to the connected party, then the transaction shall be approved by the independent shareholders. In particular, the asset ratio refers to the total value of the assets involved in the connected transactions divided by the total value of the assets of the Company; the return ratio refers to the return attributable to the assets involved in the connected transactions divided by the return of the Company; the consideration ratio refers to the relevant consideration divided by the total market value of the Company; the equity ratio refers to par value of the share capital issued as the consideration divided by the par value of the share capital issued by the Company prior to the connected transaction. The foregoing statements are for reference only, and shall not replace or revise to any extent the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions. The Company shall comply with the specific stipulations of the Hong Kong Listing Rules (as amended at times) applicable to the connected transactions.</p> <p>(xix) to examine the implementation schemes on the mechanism for long-term effective incentives, <u>such as share incentive scheme and employee shareholding plan;</u></p>	

Original article	To be amended as	Basis
<p>(xx) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p>(xxi) to resolve on the repurchase of the Company's shares as prescribed under items (I) and (II) of Article 28 of the Articles of Association;</p> <p>(xxii) to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at shareholders' general meeting as prescribed by laws, administrative regulations and the Articles, such matters have to be reviewed at shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles.</p>	<p>(xx) to examine and approve the proposal submitted by the individual shareholder or the shareholders collectively holding more than 3% (including 3%) of the Company's voting shares;</p> <p>(xxi) to resolve on the repurchase of the Company's shares as prescribed under items (I) and (II) of Article 28 of the Articles of Association;</p> <p>(xxii) to examine other matters required by laws, administrative regulations, departmental rules or the Articles of Association to be resolved by the shareholders' general meeting.</p> <p>For matters to be decided at shareholders' general meeting as prescribed by laws, administrative regulations and the Articles, such matters have to be reviewed at shareholders' general meeting so as to ensure that the shareholders of the Company have a right to decide over those matters. When it is deemed necessary and reasonable, in relation to resolutions that have been made but their relevant specific matters cannot be decided upon during the shareholders' general meeting, the shareholders' general meeting may authorise the Board to decide upon such matters within the scope of authorisation of the shareholders' general meeting subject to the applicable laws, regulations and the Articles.</p>	

Original article	To be amended as	Basis
<p>Article 6</p> <p>The Company shall not provide any finance or guarantee for the shareholders or related parties of the shareholders, except for securities lending and borrowing business provided by the Company to customers according to provisions. The provision of security to external parties by the Company in the following situations shall be subject to the review and approval at the shareholders' general meeting:</p> <p>(i) any security after the total amount of security to the external parties by the Company and its subsidiaries has reached or exceeded 50% of the Company's latest audited net assets;</p> <p>(ii) any security after the total amount of security to the external parties by the Company has reached or exceeded 30% of the Company's latest audited total assets;</p> <p>(iii) a security to be provided in favour of an object which has an asset-liability ratio in excess of 70%;</p> <p>(iv) a single security in excess of 10% of the Company's latest audited net assets.</p>	<p>Article 6</p> <p>The Company shall not provide any finance or guarantee for the shareholders or related parties of the shareholders, except for securities lending and borrowing business provided by the Company to customers according to provisions. The provision of security to external parties by the Company in the following situations shall be subject to the review and approval at the shareholders' general meeting:</p> <p>(i) any security after the total amount of security to the external parties by the Company and its subsidiaries has exceeded 50% of the Company's latest audited net assets;</p> <p>(ii) any security after the total amount of security to the external parties by the Company <u>and its subsidiaries</u> has exceeded 30% of the Company's latest audited total assets;</p> <p><u>(iii) a security with its total amount over a period of twelve consecutive months exceeding 30% of the Company's latest audited total assets;</u></p> <p><u>(iv)</u> a security to be provided in favour of an object which has an asset-liability ratio in excess of 70%;</p>	<p>Article 42 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p> <p>Rule 6.1.10 of Rules Governing the Listing of Stocks on Shanghai Stock Exchange (Revised in January 2022)</p>

Original article	To be amended as	Basis
	<p><u>(v)</u> a single security in excess of 10% of the Company's latest audited net assets.</p> <p><u>(vi) other security provided by the laws and regulations or the Listing Rules.</u></p> <p><u>In the event of violation of the approval authorities or review procedures of the general meeting and the Board on providing external guarantees stipulated in these Articles of Association, the Company shall pursue legal actions against or seek monetary compensation from the relevant responsible person(s) depending on the materiality of such violation.</u></p>	

Original article	To be amended as	Basis
CHAPTER 3 THE CONVENING OF SHAREHOLDERS' GENERAL MEETING		
<p>Article 14</p> <p>Where the Supervisory Committee or shareholders decide(s) to convene the extraordinary shareholders' general meeting by itself/themselves, it/they shall send a written notice to the Board, and file the same with the local office of China Securities Regulatory Commission (the "CSRC"), and the stock exchange at the place where the Company is located for record.</p> <p>The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the shareholders' general meeting.</p> <p>The Supervisory Committee and the convening shareholders shall submit relevant evidence to the local office of CSRC and the stock exchange at the place where the Company is located upon the issuance of the notice of the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.</p>	<p>Article 14</p> <p>Where the Supervisory Committee or shareholders decide(s) to convene the extraordinary shareholders' general meeting by itself/themselves, it/they shall send a written notice to the Board, and file the same with the stock exchange for record.</p> <p>The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the shareholders' general meeting, <u>and the convening shareholders shall undertake to hold no lower than 10% of shares during the period from the date of the proposal to convene the shareholders' general meeting to the date of the shareholders' general meeting.</u></p> <p>The Supervisory Committee and the convening shareholders shall submit relevant evidence to the stock exchange upon the issuance of the notice of the shareholders' general meeting and the announcement of the resolutions of the shareholders' general meeting.</p>	<p>Rule 4.22 of Rules Governing the Listing of Stocks on Shanghai Stock Exchange (Revised in January 2022)</p> <p>Article 10 of the Rules for the Shareholders' Meetings of Listed Companies (2022 Revision)</p>
<p>Article 15</p> <p>The Board and the secretary to the Board shall coordinate with respect to matters relating to a shareholders' general meeting convened by the Supervisory Committee or the shareholders by itself/themselves. The Board shall provide the register of shareholders on the record date of the equity.</p>	<p>Article 15</p> <p>The Board and the secretary to the Board shall coordinate with respect to matters relating to a shareholders' general meeting convened by the Supervisory Committee or the shareholders by itself/themselves. The Board <u>will</u> provide the register of shareholders on the record date of the equity.</p>	<p>Article 51 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
CHAPTER 4 MOTIONS AND NOTICES OF SHAREHOLDERS' GENERAL MEETING		
<p>Article 18</p> <p>The Board, the Supervisory Committee, and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall have the right to submit proposed resolutions to the Company for a shareholders' general meeting of the Company.</p> <p>The shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit extra proposed resolutions in writing to the convener of a shareholders' general meeting in writing 10 days prior to the meeting. The convener shall issue a supplementary notice of the shareholders' general meeting and announce the contents of such extra proposed resolutions within 2 days after receipt thereof.</p> <p>Except as provided by the preceding paragraph, the convener of a shareholders' general meeting shall not amend the proposed resolutions set out in the notice of the meeting or add any new proposed resolutions subsequent to the issue of the notice of the shareholders' general meeting.</p> <p>Motions which are not specified in the notice of the shareholders' general meeting or which do not comply with the preceding article of the Rules shall not be voted and resolved at the shareholders' general meeting and become resolutions.</p>	<p>Article 18</p> <p>The Board, the Supervisory Committee, and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall have the right to submit proposed resolutions to the Company for a shareholders' general meeting of the Company.</p> <p>The shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit extra proposed resolutions in writing to the convener of a shareholders' general meeting in writing 10 days prior to the meeting. The convener shall issue a supplementary notice of the shareholders' general meeting and announce the contents of such extra proposed resolutions within 2 days after receipt thereof. <u>Qualified shareholders who submit extra proposed resolutions shall hold no lower than 3% of shares during the period from the issuance of the notice of resolutions to the announcement of the resolutions of the meeting.</u></p> <p>Except as provided by the preceding paragraph, the convener of a shareholders' general meeting shall not amend the proposed resolutions set out in the notice of the meeting or add any new proposed resolutions subsequent to the issue of the notice of the shareholders' general meeting.</p> <p>Motions which are not specified in the notice of the shareholders' general meeting or which do not comply with the preceding article of the Rules shall not be voted and resolved at the shareholders' general meeting and become resolutions.</p>	<p>2.1.4 of the Guidelines No. 1 of the Shanghai Stock Exchange on the Application of Self-Regulation Rules for Listed Companies – Standardized Operation</p>

Original article	To be amended as	Basis
<p>Article 20</p> <p>The notice of the shareholders' general meeting shall be made in writing and include the following contents:</p> <p>(i) the date and location of the meeting and its duration;</p> <p>(ii) the matters and motions for consideration and examination at the meeting. The notice of the shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions. For those items proposed for discussion requiring the opinions of Independent Directors, the notice of the shareholders' general meeting or the supplementary notice shall disclose both the opinions and the reasons of Independent Directors;</p> <p>(iii) to provide the shareholders with such information and explanation which are necessary for the shareholders to make an informed decision on the proposals put before them. This principle shall include (but not limited to), where a proposal is made by the Company for merger, repurchase of shares, restructure of share capital, or reorganisation of the Company in any other way, the specific terms of the proposed conditions and contract, if any, and its cause and effect shall be conscientiously explained;</p>	<p>Article 20</p> <p>The notice of the shareholders' general meeting shall be made in writing and include the following contents:</p> <p>(i) the date and location of the meeting and its duration;</p> <p>(ii) the matters and motions for consideration and examination at the meeting. The notice of the shareholders' general meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions. For those items proposed for discussion requiring the opinions of Independent Directors, the notice of the shareholders' general meeting or the supplementary notice shall disclose both the opinions and the reasons of Independent Directors;</p> <p>(iii) to provide the shareholders with such information and explanation which are necessary for the shareholders to make an informed decision on the proposals put before them. This principle shall include (but not limited to), where a proposal is made by the Company for merger, repurchase of shares, restructure of share capital, or reorganisation of the Company in any other way, the specific terms of the proposed conditions and contract, if any, and its cause and effect shall be conscientiously explained;</p>	<p>Article 21 of the Rules for the Shareholders' Meetings of Listed Companies (January 2022 Revision)</p>

Original article	To be amended as	Basis
(iv) to contain a disclosure of the nature and extent, if any, of the material interests if any Director, Supervisor, general manager and other senior management members are materially interested in the matters for discussion. If the effects of the matters for discussion on them in their respective capacity as shareholders are different from the effects on other shareholders of the same class, the difference shall be set out;	(iv) to contain a disclosure of the nature and extent, if any, of the material interests if any Director, Supervisor, general manager and other senior management members are materially interested in the matters for discussion. If the effects of the matters for discussion on them in their respective capacity as shareholders are different from the effects on other shareholders of the same class, the difference shall be set out;	
(v) to contain the full text of any special resolution intended to be proposed at the meeting;	(v) to contain the full text of any special resolution intended to be proposed at the meeting;	
(vi) to specify the date and location for serving the proxy forms for the meeting;	(vi) to specify the date and location for serving the proxy forms for the meeting;	
(vii) to contain a conspicuous statement that all shareholders are entitled to attend the shareholders' general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that proxy need not be a shareholder of the Company;	(vii) to contain a conspicuous statement that all shareholders are entitled to attend the shareholders' general meeting and vote, and the shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and that proxy need not be a shareholder of the Company;	
(viii) to specify the record date of equity of shareholders entitled to attend the shareholders' general meeting;	(viii) to specify the record date of equity of shareholders entitled to attend the shareholders' general meeting;	

Original article	To be amended as	Basis
<p>(ix) to specify the name and telephone number of the standing contact person of the Meeting; and</p> <p>(x) to specify expressly in the notice of the shareholders' general meeting the time of online voting and the voting procedure if the shareholders' general meeting adopts the online voting or other means of voting.</p> <p>The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall not exceed 7 working days. Once the shareholding record date is confirmed, it shall not be altered.</p> <p>The time to start voting at a shareholder's general meeting held over network or by other means shall not be earlier than 3:00 PM of the day preceding the date of the onsite shareholders' general meeting or later than 9:30 AM of the date of the onsite shareholders' general meeting, and shall not conclude earlier than 3:00 PM of the date of the onsite shareholders' general meeting.</p>	<p>(ix) to specify the name and telephone number of the standing contact person of the Meeting; and</p> <p>(x) to specify expressly in the notice of the shareholders' general meeting the time of voting and the voting procedure online or by other means.</p> <p>The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall not exceed 7 working days. Once the shareholding record date is confirmed, it shall not be altered.</p> <p>The time to start voting at a shareholder's general meeting held over network or by other means shall not be earlier than 3:00 PM of the day preceding the date of the onsite shareholders' general meeting or later than 9:30 AM of the date of the onsite shareholders' general meeting, and shall not conclude earlier than 3:00 PM of the date of the onsite shareholders' general meeting.</p>	

Original article	To be amended as	Basis
CHAPTER 6 VOTING AND RESOLUTIONS OF SHAREHOLDERS' GENERAL MEETING		
Article 48 The following matters shall be approved by special resolutions of a shareholders' general meeting: <ul style="list-style-type: none"> (i) the increment or reduction of the Company's registered capital and the issue of any class of shares, warrants and other similar securities of the Company; (ii) the issue of corporate bonds; (iii) any spin-off, merger, dissolution or liquidation; (iv) the amendments to the Articles of Association; (v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets; (vi) repurchase of the Company's shares under items (I) and (II) of Article 28 of the Articles of Association; (vii) implementation of the Scheme for long-term incentives mechanism; and (viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions. 	Article 48 The following matters shall be approved by special resolutions of a shareholders' general meeting: <ul style="list-style-type: none"> (i) the increment or reduction of the Company's registered capital and the issue of any class of shares, warrants and other similar securities of the Company; (ii) the issue of corporate bonds; (iii) any spin-off, <i>split</i>, merger, dissolution or liquidation; (iv) the amendments to the Articles of Association; (v) purchase or disposal of material assets or provision of security by the Company within 1 year which involves an amount exceeding 15% of the Company's latest audited total assets; (vi) repurchase of the Company's shares under items (I) and (II) of Article 28 of the Articles of Association; (vii) implementation of the Scheme for long-term incentives mechanism <u>such as share incentive scheme or employee incentive scheme</u>; and (viii) such other matters as may be required by laws, administrative regulations or the Articles of Association or which, pursuant to ordinary resolutions passed at the shareholders' general meeting, are considered to have material effects on the Company and require approval by special resolutions. 	Article 41 and Article 78 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)

Original article	To be amended as	Basis
<p>Article 49</p> <p>Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.</p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p>The Board of the Company, Independent Directors, shareholders holding more than 1% of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the securities regulatory authorities of the State Council may, as collectors, personally or authorize a securities company or securities service agency to publicly request the Company's shareholders to authorize them to attend the shareholders' general meeting and exercise the shareholders' rights such as right of making motions and voting right on their behalf. However, the collectors shall disclose the collection documents and the Company shall provide cooperation. While collecting votes of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being collected. No consideration or other form of de facto consideration shall be involved in the public collection of shareholders' rights from shareholders. The Company shall not impose any limitation related to minimum shareholdings on the collection of shareholders' rights.</p>	<p>Article 49</p> <p>Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.</p> <p><u>When material issues affecting the interests of small and medium investors are being considered at the shareholders' general meeting, the votes of such investors shall be counted separately. The separate counting results shall be promptly and publicly disclosed.</u></p> <p>Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</p> <p><u>Shareholders who purchase the shares with voting rights of the Company in violation of Clause 1 or 2 of Article 63 of the Securities Law shall not exercise the voting rights of the shares that exceed the prescribed proportion within 36 months after purchasing such shares, and such shares shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting.</u></p>	<p>Article 79 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>The collectors shall bear compensation liabilities according to law if the public collection of shareholders' rights violates laws, administrative regulations or relevant provisions of the securities regulatory authorities of the State Council, causing losses to the Company or the shareholders of the Company.</p>	<p>The Board of the Company, Independent Directors, shareholders holding more than 1% of voting shares, or investor protection institutions established according to laws, administrative regulations or provisions of the securities regulatory authorities of the State Council may, as collectors, personally or authorize a securities company or securities service agency to publicly request the Company's shareholders to authorize them to attend the shareholders' general meeting and exercise the shareholders' rights such as right of making motions and voting right on their behalf. However, the collectors shall disclose the collection documents and the Company shall provide cooperation. While collecting votes of shareholders, sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being collected. No consideration or other form of de facto consideration shall be involved in the public collection of shareholders' rights from shareholders. The Company shall not impose any limitation related to minimum shareholdings on the collection of shareholders' rights, <i>except for the statutory conditions</i>. The collectors shall bear compensation liabilities according to law if the public collection of shareholders' rights violates laws, administrative regulations or relevant provisions of the securities regulatory authorities of the State Council, causing losses to the Company or the shareholders of the Company.</p>	

Original article	To be amended as	Basis
<p>Article 64</p> <p>Before the relevant proposed resolution is voted on at the shareholders' general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is <i>interested</i> in the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.</p> <p>When the relevant proposed resolution is being voted on at the shareholders' general meeting, lawyers, the shareholders' representatives and representatives of the Supervisors shall be jointly responsible for counting the votes and scrutinizing the conduct of the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting.</p> <p>Shareholders of the Company or their proxies, who have cast their votes by online voting or by other means, shall have the right to check the voting results in the way in which they have cast their votes.</p>	<p>Article 64</p> <p>Before the relevant proposed resolution is voted on at the shareholders' general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is <u>connected with</u> the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.</p> <p>When the relevant proposed resolution is being voted on at the shareholders' general meeting, lawyers, the shareholders' representatives and representatives of the Supervisors shall be jointly responsible for counting the votes and scrutinizing the conduct of the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting.</p> <p>Shareholders of the Company or their proxies, who have cast their votes by online voting or by other means, shall have the right to check the voting results in the way in which they have cast their votes.</p>	<p>Article 87 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

APPENDIX III

Comparison Chart of Amendments to the Rules of Procedure for the Board of the Company

Original article	To be amended as	Basis
<p>Article 1</p> <p>Objectives</p> <p>To regulate the operational and decision making procedures of the Board of Directors (the “Board”) of Haitong Securities Co., Ltd. (the “Company”), to make the Directors and the Board effectively perform their duties, and to ensure the standard operation and scientific decision-making of the Board, Rules of Procedure of Board Meetings of Haitong Securities Co., Ltd. (the “Rules”) are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of People’s Republic of China (the “Securities Law”), the Measures on the Administration of Securities Companies, the Rules for Governance of Securities Companies (For Trial Implementation), the Stock Listing Rules of Shanghai Stock Exchange, the Letter of Opinion on the Supplements and Amendments to the Articles of Association of the Companies Listed in Hong Kong, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Articles of Association and other relevant provisions, and with reference to the Model Rules of Procedure for the Board of Directors of Listed Companies in Shanghai Stock Exchange.</p>	<p>Article 1</p> <p>Objectives</p> <p>To regulate the operational and decision making procedures of the Board of Directors (the “Board”) of Haitong Securities Co., Ltd. (the “Company”), to make the Directors and the Board effectively perform their duties, and to ensure the standard operation and scientific decision-making of the Board, Rules of Procedure of Board Meetings of Haitong Securities Co., Ltd. (the “Rules”) are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of People’s Republic of China (the “Securities Law”), <u>the Regulations on the Supervision and Administration of Securities Companies</u>, the Rules for Governance of Securities Companies the Stock Listing Rules of Shanghai Stock Exchange, the Letter of Opinion on the Supplements and Amendments to the Articles of Association of the Companies Listed in Hong Kong, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Articles of Association and other relevant provisions, and with reference to the Model Rules of Procedure for the Board of Directors of Listed Companies in Shanghai Stock Exchange.</p>	<p>To adjust according to updates on laws and regulations</p>

Original article	To be amended as	Basis
<p>Article 2</p> <p>Duties of the Board</p> <p>The Board exercises the following powers:</p> <ul style="list-style-type: none"> (i) to convene shareholders' general meetings and report its work to the shareholders' general meeting; (ii) to implement the resolutions of shareholders' general meetings; (iii) to decide on the Company's business plans and investment plans; (iv) to formulate the Company's plans on annual financial budgets and final accounts; (v) to formulate the Company's profit distribution plans and plans on making up losses; (vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company; (vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company under circumstances as prescribed under items (I) and (II) of Article 28 of the Articles of Association; 	<p>Article 2</p> <p>Duties of the Board</p> <p>The Board exercises the following powers:</p> <ul style="list-style-type: none"> (i) to convene shareholders' general meetings and report its work to the shareholders' general meeting; (ii) to implement the resolutions of shareholders' general meetings; (iii) to decide on the Company's business plans and investment plans; (iv) to formulate the Company's plans on annual financial budgets and final accounts; (v) to formulate the Company's profit distribution plans and plans on making up losses; (vi) to formulate the proposal for increase or decrease of the registered capital of the Company, issue and listing of bonds or other securities of the Company; (vii) to formulate plans for substantial acquisition, repurchase of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company under circumstances as prescribed under items (I) and (II) of Article 28 of the Articles of Association; 	<p>Article 107 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p> <p>To amend relevant articles in line with the Articles of Association</p>

Original article	To be amended as	Basis
<p>(viii) to resolve on the repurchase of the Company's shares under circumstances as prescribed under items (III), (V) and (VI) of Article 28 of the Articles of Association;</p> <p>(ix) to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters and connected transactions of the Company within the authorisation of the shareholders' general meeting;</p> <p>(x) to formulate the implementation plan of the long-term incentives program for the management and employees;</p> <p>(xi) to determine the establishment of the Company's internal management structure;</p> <p>(xii) to appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to appoint or dismiss senior management members including deputy general manager, assistants of general manager and chief financial officer, chief information officer, and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p>	<p>(viii) to resolve on the repurchase of the Company's shares under circumstances as prescribed under items (III), (V) and (VI) of Article 28 of the Articles of Association;</p> <p>(ix) to determine external investments, acquisition and disposal of assets, assets pledge, external guarantees matters, connected transactions and <u>donations</u> of the Company within the authorisation of the shareholders' general meeting;</p> <p>(x) to formulate the implementation plan of the long-term incentives program <u>including share option incentive scheme and employee stock ownership plan, etc.;</u></p> <p>(xi) to determine the establishment of the Company's internal management structure;</p> <p>(xii) to <u>decide to</u> appoint or dismiss general manager, the secretary to the Board, General Compliance Officer and, based on the nomination by the general manager, to <u>decide to</u> appoint or dismiss senior management members including deputy general manager, assistants of general manager and chief financial officer, chief information officer, and chief risk officer of the Company and to determine their remunerations, incentives and punishments;</p>	

Original article	To be amended as	Basis
<p>(xiii) to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p>(xiv) to formulate proposals for amendment to the Articles of Association;</p> <p>(xv) to manage information disclosure of the Company;</p> <p>(xvi) to propose at the shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p>(xvii) to hear the work report and inspect the work of the general manager;</p> <p>(xviii) to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management, including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p>	<p>(xiii) to formulate the basic management system of the Company; and based on the approved business scopes and the Company's own business managing characteristics to establish a clear and effective internal control mechanism, so as to formulate a comprehensive and practicable internal control system;</p> <p>(xiv) to formulate proposals for amendment to the Articles of Association;</p> <p>(xv) to manage information disclosure of the Company;</p> <p>(xvi) to propose at the shareholders' general meetings for the appointment or change of accountants' firm conducting auditing for the Company;</p> <p>(xvii) to hear the work report and inspect the work of the general manager;</p> <p>(xviii) to determine the compliance management objectives of the Company, and assume responsibility for the effectiveness of compliance management, including but not limited to, to consider and approve the fundamental system of compliance management and the annual compliance reports, to evaluate the effectiveness of compliance management, and to supervise the resolution of problems existing in compliance management;</p>	

Original article	To be amended as	Basis
<p>(xix) to undertake the ultimate responsibility of comprehensive risk management;</p> <p>(xx) to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p> <p>When the Board is not in session, the Chairman of the Board shall supervise and examine the execution of resolutions of the Board, and listen to the report of the general manager on the execution of the resolutions of the Board.</p>	<p>(xix) to undertake the ultimate responsibility of comprehensive risk management;</p> <p>(xx) to exercise any other powers specified in relevant laws, administrative regulations, departmental rules and conferred by the Articles of Association.</p> <p>The Board resolutions related to the increase or decrease of registered capital, bonds issue, merger, spin-off, dissolution and amendment to the Articles of Association, shall be passed by more than two-thirds of the Directors.</p> <p>When the Board is not in session, the Chairman of the Board shall supervise and examine the execution of resolutions of the Board, and listen to the report of the general manager on the execution of the resolutions of the Board.</p>	

Original article	To be amended as	Basis
<p>Article 3</p> <p>The Board shall determine the matters of external investment, acquisition and sale of assets, asset pledge, external guarantee, scope of powers for connected transactions, establish stringent examination and decision making procedures, organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the shareholders' general meeting for approval.</p> <p>The Board shall be entitled to determine the following matters:</p> <p>(i) the disposal of assets not within the approval authority of the shareholders' general meeting stipulated by Article 63 of the Articles of Association;</p> <p>(ii) the guarantee not within the approval authority of the shareholders' general meeting stipulated by Article 64 of the Articles of Association;</p> <p>(iii) to approve an application of funds for external investment, the value of which does not exceed 10% of the latest audited net assets of the Company; and</p> <p>(iv) the connected transactions which shall be resolved by the Board according to the disclosure requirements of the local listing rules at the place where the Company is listed.</p>	<p>Article 3</p> <p>The Board shall determine the matters of external investment, acquisition and sale of assets, asset pledge, external guarantee, scope of powers for connected transactions <u>and donations</u>, establish stringent examination and decision making procedures, organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the shareholders' general meeting for approval.</p> <p>The Board shall be entitled to determine the following matters:</p> <p>(i) the disposal of assets not within the approval authority of the shareholders' general meeting stipulated by Article 63 of the Articles of Association;</p> <p>(ii) the guarantee not within the approval authority of the shareholders' general meeting stipulated by Article 64 of the Articles of Association;</p> <p>(iii) to approve an application of funds for external investment, the value of which does not exceed 10% of the latest audited net assets of the Company; and</p> <p>(iv) the connected transactions which shall be resolved by the Board according to the disclosure requirements of the local listing rules at the place where the Company is listed.</p> <p>(v) <u>to approve donations with a single amount or the accumulative amount in 12 consecutive months of no more than RMB100 million.</u></p>	<p>Article 107 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
<p>Article 15</p> <p>Attendance in person or by proxy In principle, the Directors shall attend Board meetings in person. Where a Director is unable to attend a meeting for any reason, he shall peruse the meeting documents in advance, form definite opinions, and appoint another Director in writing to attend the meeting on his behalf. The Independent Director shall not entrust any non-independent Director to vote on his/her behalf.</p> <p>The power of attorney shall specify:</p> <ul style="list-style-type: none"> (i) the names and ID No. of the principal and proxy; (ii) reasons for the principal's failure to attend the meeting; (iii) outline opinions of the principal on respective proposals; (iv) the principal's range of authorization and instructions about voting intent in relation to respective proposals; and (v) signature of the principal and proxy, date, etc. <p>Where any Director signs the regular reports by proxy, the said Director shall specify such authorization in the power of attorney.</p> <p>The proxy Director shall present the written power of attorney to the Chairman of the meeting, and explain proxy attendance in the attendance book.</p>	<p>Article 15</p> <p>Attendance in person or by proxy In principle, the Directors shall attend Board meetings in person. Where a Director is unable to attend a meeting for any reason, he shall peruse the meeting documents in advance, form definite opinions, and appoint another Director in writing to attend the meeting on his behalf. The Independent Director shall not entrust any non-independent Director to vote on his/her behalf.</p> <p>The power of attorney shall specify:</p> <ul style="list-style-type: none"> (i) the names and ID No. of the principal and proxy; (ii) reasons for the principal's failure to attend the meeting; (iii) outline opinions of the principal on respective proposals; (iv) the principal's range of authorization and instructions about voting intent in relation to respective proposals; and (v) signature of the principal and proxy, date, etc. <p>The proxy Director shall present the written power of attorney to the Chairman of the meeting, and explain proxy attendance in the attendance book.</p>	<p>Article 3.3.5 of the Guidelines No. 1 of the Shanghai Stock Exchange on the Application of Self-Regulation Rules for Listed Companies – Standardized Operation</p>

APPENDIX IV

Comparison Chart Of Amendments To The Rules Of Procedure For The Supervisory Committee Of The Company

Original article	To be amended as	Basis
<p>Article 1</p> <p>Objectives</p> <p>To further regulate the rules of procedure and decision-making of the Supervisory Committee of Haitong Securities Co., Ltd. (the “Company”), make the Supervisors and the Supervisory Committee effectively perform their supervisory duties, and improve the governance structure of the Company, Rules of Procedure of the Supervisory Committee of Haitong Securities Co., Ltd. (the “Rules”) are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Measures on the Administration of Securities Companies, the Regulations on Supervision and Administration of Securities Companies (for Trial Implementation), the Listing Rules of Shanghai Stock Exchange, the Mandatory Provisions for the Articles of Association of the Companies Listed Overseas, the Letter of Opinion on the Supplements and Amendments to the Articles of Association of the Companies Listed in Hong Kong, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association, as well as the Model Rules of Procedure for the Supervisory Committee of Listed Companies in Shanghai Stock Exchange.</p>	<p>Article 1</p> <p>Objectives</p> <p>To further regulate the rules of procedure and decision-making of the Supervisory Committee of Haitong Securities Co., Ltd. (the “Company”), make the Supervisors and the Supervisory Committee effectively perform their supervisory duties, and improve the governance structure of the Company, Rules of Procedure of the Supervisory Committee of Haitong Securities Co., Ltd. (the “Rules”) are formulated pursuant to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), <u>the Regulations on the Supervision and Administration of Securities Companies</u>, the Regulations on Supervision and Administration of Securities Companies, the Listing Rules of Shanghai Stock Exchange, the Mandatory Provisions for the Articles of Association of the Companies Listed Overseas, the Letter of Opinion on the Supplements and Amendments to the Articles of Association of the Companies Listed in Hong Kong, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Articles of Association, as well as <u>the Guidelines No. 1 of the Shanghai Stock Exchange on the Application of Self-Regulation Rules for Listed Companies – Standardized Operation</u>.</p>	<p>To adjust according to updates on laws and regulations</p>

Original article	To be amended as	Basis
<p>Article 2</p> <p>Duties of the Supervisory Committee</p> <p>(i) to review the Company's securities issuance documents and periodical reports prepared by the Board and to express its comments in writing; Supervisors shall sign the written confirmation opinion;</p> <p>(ii) to inspect the Company's financial position. Chief Financial Officer of the Company shall regularly and truthfully report the analysis on financial statements to the Supervisory Committee;</p> <p>(iii) to supervise the establishment and implementation of internal control by the Board;</p> <p>(iv) to conduct supervision on comprehensive risk management of the Company and monitor the diligent performance of the Board and senior management in risk management and recommend their rectification;</p> <p>(v) to supervise the performance of compliance management duties performed by directors and senior management;</p> <p>(vi) to supervise the behaviours of the Directors and senior management members in performing their duties, and to advise on dismissal of any Directors and senior management members who are in breach of laws, administrative regulations, the Articles of Association or resolutions of the shareholders' general meetings, and assume the primary or leadership responsibility for the occurrence of major compliance risks;</p>	<p>Article 2</p> <p>Duties of the Supervisory Committee</p> <p>(i) to review the Company's securities issuance documents and periodical reports prepared by the Board and to express its comments in writing; Supervisors shall sign the written confirmation opinion;</p> <p>(ii) to inspect the Company's financial position. Chief Financial Officer of the Company shall regularly and truthfully report the analysis on financial statements to the Supervisory Committee;</p> <p>(iii) to supervise the establishment and implementation of internal control by the Board;</p> <p>(iv) to conduct supervision on comprehensive risk management of the Company and monitor the diligent performance of the Board and senior management in risk management and recommend their rectification;</p> <p>(v) to supervise the performance of compliance management duties performed by directors and senior management;</p> <p>(vi) to supervise the behaviours of the Directors and senior management members in performing their duties, and to advise on dismissal of any Directors and senior management members who are in breach of laws, administrative regulations, the Articles of Association or resolutions of the shareholders' general meetings, and assume the primary or leadership responsibility for the occurrence of major compliance risks;</p>	<p>Article 159 of the Guidelines for the Articles of Association of the Listed Companies (2022 Revision)</p>

Original article	To be amended as	Basis
(vii) to enquire on the conduct of Directors and senior management members;	(vii) to enquire on the conduct of Directors and senior management members;	
(viii) to demand the Directors and senior management members to rectify their errors if they have acted in a harmful manner to the Company's interest;	(viii) to demand the Directors and senior management members to rectify their errors if they have acted in a harmful manner to the Company's interest;	
(ix) to propose to convene an extraordinary shareholders' general meeting, and where the Board fails to perform the duties in relation to convening or presiding over a shareholders' general meeting as required by the Company Law, to convene and preside over the shareholders' general meeting;	(ix) to propose to convene an extraordinary shareholders' general meeting, and where the Board fails to perform the duties in relation to convening or presiding over a shareholders' general meeting as required by the Company Law, to convene and preside over the shareholders' general meeting;	
(x) to engage an accountant firm qualified for engaging securities related business to conduct the audits on retiring or resigning senior management members;	(x) to engage an accountant firm <u>meeting the requirements of the Securities Law</u> to conduct the audits on retiring or resigning senior management members;	
(xi) to propose motions in a shareholders' general meeting;	(xi) to propose motions in a shareholders' general meeting;	
(xii) to take legal actions against Directors and senior management members in accordance with Article 152 of the Company Law;	(xii) to take legal actions against Directors and senior management members in accordance with Article 152 of the Company Law;	
(xiii) to conduct investigations whenever unusual conditions of operation, financial conditions and compliance of the Company arise and if necessary, to engage professional institutions such as firms of accountants and lawyers to assist in the investigations. Any reasonable costs arising therefore shall be borne by the Company;	(xiii) to conduct investigations whenever unusual conditions of operation, financial conditions and compliance of the Company arise and if necessary, to engage professional institutions such as firms of accountants and lawyers to assist in the investigations. Any reasonable costs arising therefore shall be borne by the Company;	

Original article	To be amended as	Basis
<p>(xiv) to examine the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board to the shareholders' general meetings, and if there are any queries, to engage certified public accountants or practicing auditors in the name of the Company to assist in the examination; and</p> <p>(xv) to exercise other authorities as authorized by the Articles of Association or the shareholders' general meetings.</p> <p>The Supervisory Committee may require the Directors, personnel of manager level and other related personnel to attend meetings of the Supervisory Committee to answer any questions raised by the Supervisory Committee.</p> <p>When the Supervisory Committee investigate the conduct of Directors, personnel of manager level of the Company in the performance of their duties, it may understand the situation through the Directors, personnel of manager level and the other involved personnel of the Company, who should provide assistance.</p> <p>When the Supervisory Committee find any violations of laws, regulations or the Articles of Association by any Directors or senior management, it shall perform its supervisory duties, and report to the Board or general meetings or report directly to the CSRC and its local offices, stock exchanges or other departments.</p>	<p>(xiv) to examine the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board to the shareholders' general meetings, and if there are any queries, to engage certified public accountants or practicing auditors in the name of the Company to assist in the examination; and</p> <p>(xv) to exercise other authorities as authorized by the Articles of Association or the shareholders' general meetings.</p> <p>The Supervisory Committee may require the Directors, personnel of manager level and other related personnel to attend meetings of the Supervisory Committee to answer any questions raised by the Supervisory Committee.</p> <p>When the Supervisory Committee investigate the conduct of Directors, personnel of manager level of the Company in the performance of their duties, it may understand the situation through the Directors, personnel of manager level and the other involved personnel of the Company, who should provide assistance.</p> <p>When the Supervisory Committee find any violations of laws, regulations or the Articles of Association by any Directors or senior management, it shall perform its supervisory duties, and report to the Board or general meetings or report directly to the CSRC and its local offices, stock exchanges or other departments.</p>	