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If you have sold or transferred all your shares in **Tong Ren Tang Technologies Co. Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



Tong Ren Tang Technologies Co. Ltd.
北京同仁堂科技發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1666)

**PROPOSED ADJUSTMENT TO REMUNERATION OF
THE INDEPENDENT NON-EXECUTIVE
DIRECTORS AND EXTERNAL SUPERVISOR;
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
GENERAL MANDATE TO ISSUE SHARES;
AND
NOTICE OF AGM**

A letter from the Board is set out on pages 3 to 44 of this circular. A notice convening the AGM to be held at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC at 9:30 a.m. on Thursday, 16 June 2022, is set out on pages 45 to 49 of this circular.

If you intend to appoint a proxy to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the AGM or the Class Meetings or any adjournment thereof, and deposit it with, (i) for holders of H Shares, Hong Kong Registrars Limited, the H Share register and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong; and (ii) for holders of Domestic Shares, the office of the Company, at No. 20, Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so desire.

23 May 2022

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DEFINITIONS

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

“AGM”	means the 2021 annual general meeting of the Company to be convened at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC at 9:30 a.m. on Thursday, 16 June 2022
“Articles of Association”	means the articles of association of the Company
“Board”	means the board of Directors
“Company”	means Tong Ren Tang Technologies Co. Ltd. (北京同仁堂科技發展股份有限公司), a joint stock limited company registered and established in the PRC, whose H Shares are listed and traded on the main board of the Hong Kong Stock Exchange
“Director(s)”	means the director(s) of the Company
“Domestic Share(s)”	means the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for in RMB
“General Mandate to Issue Shares”	means the general mandate to issue Shares to be granted to the Board at the AGM
“Group”	means the Company and its subsidiaries
“H Shares”	means the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the main board of the Hong Kong Stock Exchange and subscribed for in Hong Kong dollars
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	means the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (as amended from time to time)
“Hong Kong Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“PRC”	means the People’s Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Chinese Taiwan

DEFINITIONS

“Relevant Period”	means the period from the passing of this resolution until whichever is the earlier of: (i) the conclusion of the next annual general meeting of the Company; (ii) the revocation or variation of the authority given to the Board under relevant resolution by passing of a special resolution of the Company at a general meeting
“Rights Issue”	means an offer of shares open for a period fixed by the Board to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong) and an offer, allotment or issue of shares by way of rights shall be construed accordingly
“RMB”	means the lawful currency of the PRC, Renminbi
“SFO”	means the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	means the share(s) of the Company, including Domestic Shares and H Shares, unless specified otherwise
“Shareholder(s)”	means the shareholder(s) of the Company
“Supervisor(s)”	means the supervisor(s) of the Company
“Supervisory Committee”	means the supervisory committee of the Company



Tong Ren Tang Technologies Co. Ltd.
北京同仁堂科技发展股份有限公司

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

(Stock Code: 1666)

Executive Directors:

Mr. Gu Hai Ou (*Chairman*)
Mr. Wang Yu Wei
Ms. Feng Zhi Mei

Non-executive Directors:

Mr. Jin Tao
Mr. Ma Guan Yu
Ms. Guo Ya Qing

Independent Non-executive Directors:

Mr. Ting Leung Huel, Stephen
Ms. Chan Ching Har, Eliza
Mr. Zhan Yuan Jing

To the Shareholders

Dear Sir or Madam,

Registered Office:

No. 16 Tongji Beilu,
Beijing Economic and Technology
Development Zone,
Beijing, the PRC

Office and Mailing Address:

No. 20, Nansanhuan Zhonglu,
Fengtai District,
Beijing, the PRC

**PROPOSED ADJUSTMENT TO REMUNERATION OF
THE INDEPENDENT NON-EXECUTIVE
DIRECTORS AND EXTERNAL SUPERVISOR;
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
GENERAL MANDATE TO ISSUE SHARES;
AND
NOTICE OF AGM**

I. INTRODUCTION

Reference is made to the announcement of the Company dated 20 May 2022 in relation to the proposed amendments to the Articles of Association.

The purpose of this circular is to provide you with, among other things, (i) details of the proposed adjustment to remuneration of the independent non-executive Directors and external Supervisor; (ii) details of the proposed amendments to the Articles of Association; (iii) General Mandate to Issue Shares; and (iv) a notice convening the AGM.

LETTER FROM THE BOARD

II. PROPOSED ADJUSTMENT TO REMUNERATION OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS AND EXTERNAL SUPERVISOR

On 8 June 2021, the 2020 annual general meeting of the Company considered and approved the resolutions on Appointment of Members of the Eighth Session of the Board and the Eighth Session of the Supervisory Committee. Pursuant to the resolutions, the remuneration of each of Mr. Ting Leung Huel, Stephen, Ms. Chan Ching Har, Eliza and Mr. Zhan Yuan Jing as an independent non-executive Director of the Eighth Session of the Board is HKD240,000 (tax inclusive), HKD240,000 (tax inclusive) and RMB100,000 (tax inclusive) each year, respectively; the remuneration of Mr. Wu Yi Gang as a Supervisor of the Eighth Session of the Supervisory Committee is RMB100,000 (tax inclusive) each year. The remuneration received by the independent non-executive Directors and external Supervisor is disclosed accordingly in the Company's annual report.

In recent years, in order to meet the regulatory requirements at home and abroad and the development needs of the Company, the Board have convened more frequently with more proposals to consider, and the independent non-executive Directors and external Supervisor have taken increasing workload, time commitment, and responsibilities.

In order to further stimulate the independent non-executive Directors and external Supervisor to discharge their duties diligently, better protect the overall interests of the Company and safeguard the legitimate rights and interests of all shareholders, especially minority shareholders, the Board, with reference to the relevant remuneration, allowances and subsidies of other peer companies and the remuneration levels in Hong Kong and the PRC, proposes to adjust the remuneration of each independent non-executive Director and external Supervisor as follows:

Director/Supervisor Name	Title	Remuneration before Adjustment (Tax Inclusive)	Remuneration after Adjustment (Tax Inclusive)
Ting Leung Huel, Stephen	Independent non-executive Director	HKD240,000 per annum	HKD288,000 per annum
Chan Ching Har, Eliza	Independent non-executive Director	HKD240,000 per annum	HKD288,000 per annum
Zhan Yuan Jing	Independent non-executive Director	RMB100,000 per annum	RMB120,000 per annum
Wu Yi Gang	External Supervisor	RMB100,000 per annum	RMB120,000 per annum

Pursuant to the Articles of Association, the above proposed adjustment to remuneration of independent non-executive Directors and external Supervisor shall take effect only after being approved by the Shareholders at the general meeting of the Company. Relevant proposals will be submitted to the AGM for the Shareholders' consideration by way of ordinary resolutions.

LETTER FROM THE BOARD

III. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to pursue the *Administrative Measures for the Formulation of the Articles of Association of State-owned Enterprises* jointly issued by the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) and the Ministry of Finance of the PRC (中華人民共和國財政部) and thoroughly implement Xi Jinping's Thoughts on Socialism with Chinese Characteristics for a New Era, adhere to and strengthen the Party's overall leadership, build a modern enterprise system with Chinese characteristics, bring into full play the fundamental role of the Articles of Association in corporate governance, regulate the management behavior under of the Articles of Association, further improve the level of corporate governance, in accordance with the *Company Law of the People's Republic of China*, *Administrative Measures for the Formulation of the Articles of Association of State-owned Enterprises*, *Regulations of the Communist Party of China on the Work of Primary-level Organizations in State-owned Enterprises*, *Guidance on the Formulation of the Articles of Association of China Beijing Tong Tang (Group) Co., Ltd. and its Wholly-owned Subsidiaries and Holding Companies*, the Hong Kong Listing Rules and other relevant regulations, in light of the Company's actual conditions, the Board proposes amendments to the Articles of Association.

The details of the proposed amendments are as follows:

No.	Existing Articles	Amended Articles
1	Contents Chapter 13. Manager of the Company Chapter 14. Supervisory Committee Chapter 15. Qualifications and Obligations of Directors, Supervisors, Manager and Other Senior Management of the Company Chapter 16. Financial and Accounting Systems and Profit Distribution Chapter 17. Appointment of Accountant Firm Chapter 18. Merger and Division of the Company Chapter 19. Dissolution and Liquidation of the Company Chapter 20. Procedures for Amendments to the Articles of Association Chapter 21. Settlement of Disputes Chapter 22. Others	Contents Chapter 13. <u>General Manager and Other Senior Management</u> of the Company Chapter 14. Supervisory Committee Chapter 15. Qualifications and Obligations of Directors, Supervisors, <u>General</u> Manager and Other Senior Management of the Company Chapter 16. <u>Employee Democratic Management and Labor and Personnel System</u> Chapter 17. <u>General Legal Counsel System</u> Chapter 18. Financial and Accounting Systems <u>and</u> <u>Profit Distribution and Audit and Accountability of Non-compliance of Operation and Investment</u> Chapter 19. Appointment of Accountant Firm Chapter 20. Merger and Division of the Company Chapter 21. Dissolution and Liquidation of the Company Chapter 22. Procedures for Amendments to the Articles of Association <u>Chapter 23.</u> Settlement of Disputes <u>Chapter 24.</u> Others

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
2	New	<p>Article 1 <u>To protect the legitimate rights and interests of the Company, its shareholders and creditors thereof, and to regulate the organization and acts of the Company, the Articles of Association are formulated pursuant to the Constitution of the Communist Party of China (the “Party Constitution”), the Company Law of the People’s Republic of China (the “Company Law”), the Law of the People’s Republic of China on the State-owned Assets, the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), the Official Reply of the State Council on Adjusting the Provisions Governing Matters Including the Application of the Notice Period for the Convening of Shareholders’ General Meetings by Companies Listed Overseas, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), and other relevant provisions.</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
3	<p>Article 1 The Company was established as a joint stock limited company pursuant to the “Constitution of the Communist Party of China” (the “Party Constitution”) the “Company Law of the People’s Republic of China (“Company Law”), the “Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (the “Special Regulations”) and other related laws and administrative regulations of the PRC.</p> <p>The Company was established by Beijing Tong Ren Tang Co., Ltd. (北京同仁堂股份有限公司) as the primary promoter.</p>	<p>Article 2 The Company was established as a joint stock limited company pursuant to the “Constitution of the Communist Party of China” (the “Party Constitution”) the “Company Law of the People’s Republic of China (“Company Law”), the “Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (the “Special Regulations”) and other related laws and administrative regulations of the PRC.</p> <p><u>The Company was established by Beijing Tong Ren Tang Co., Ltd. (北京同仁堂股份有限公司) as the primary promoter. The Company was established by way of promotion with the approval of the People’s Government of Beijing Municipality. The primary promoter of the Company was Beijing Tong Ren Tang Co., Ltd. (北京同仁堂股份有限公司). The Company was registered with Beijing Municipal Administration for Industry and Commerce on 22 March 2000 and obtained the business license of enterprise legal person with the unified social credit code of 91110000722600841J.</u></p>
4	<p>Article 6 The Articles of Association were considered and approved by way of special resolution at a general meeting and became effective from the date on which the Company listed on the Main Board of the Hong Kong Stock Exchange. From the effective date onwards, the Articles of Association shall constitute a legally binding document governing the organization and activities of the Company, and the rights and obligations between the Company and its shareholders, and among the shareholders.</p>	<p>Article 7 The Articles of Association were considered and approved by way of special resolution at a general meeting and became effective <u>from the date of approval.</u> from the date on which the Company listed on the Main Board of the Hong Kong Stock Exchange. From the effective date onwards, the Articles of Association shall constitute a legally binding document governing the organization and activities of the Company, and the rights and obligations between the Company and its shareholders, and among the shareholders.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
5	<p>Article 7 The Articles of Association shall be binding on the Company and its shareholders, directors, supervisors, manager and other senior management. All the persons mentioned above may, pursuant to the Articles of Association, put forward claims concerning the affairs of the Company.</p> <p>In accordance with the Articles of Association, the shareholders may take legal actions against the Company; the Company may take legal actions against the shareholders; the shareholders may take legal actions against other shareholders; and the shareholders may take legal actions against the directors, supervisors, manager and other senior management of the Company.</p> <p>The term “legal actions” as mentioned in the preceding paragraph include lawsuits brought to courts or claims referred to arbitration in Article 168 of this Articles of Association.</p>	<p>Article 8 The Articles of Association shall be binding on the Company and its shareholders, directors, supervisors, <u>general</u> manager and other senior management. All the persons mentioned above may, pursuant to the Articles of Association, put forward claims concerning the affairs of the Company.</p> <p>In accordance with the Articles of Association, the shareholders may take legal actions against the Company; the Company may take legal actions against the shareholders; the shareholders may take legal actions against other shareholders; and the shareholders may take legal actions against the directors, supervisors, <u>general</u> manager and other senior management of the Company.</p> <p>The term “legal actions” as mentioned in the preceding paragraph include lawsuits brought to courts or claims referred to arbitration in Article 179¹⁶⁸ of this Articles of Association.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
6	<p>Article 9 The Company shall establish a modern state-owned enterprise system with Chinese characteristics. In accordance with the “Constitution of the Communist Party of China” (the “Party Constitution”), the Company shall establish a grassroots Party organization of the Communist Party of China (the “Party”); establish a working organization of the Party and Party affairs personnel. The organization and personnel of the Party shall be incorporated into the Company’s management system and staffing. The funding of the Party organization shall be included in the Company’s budget and recorded as administrative expenses. The Company shall adhere to the leadership of the Party, strengthen the development of the Party organization, and fully exert the functions of leading core and political core of the Party organization; and shall take the right direction, consider the overall situation and ensure effective implementation. The Party organization shall support the shareholders’ general meeting, the Board of Directors, the Supervisory Committee and the management to exercise their rights and perform their duties in accordance with the laws.</p>	<p>Article 10 The Company shall establish a modern state-owned enterprise system with Chinese characteristics. In accordance with the “Constitution of the Communist Party of China” (the “Party Constitution”), the Company shall establish a grassroots Party organization of the Communist Party of China (the “Party”); establish a working organization of the Party and Party affairs personnel. The organization and personnel of the Party shall be incorporated into the Company’s management system and staffing. The funding of the Party organization shall be included in the Company’s budget and recorded as administrative expenses. The Company shall adhere to the leadership of the Party, strengthen the development of the Party organization, and fully exert the functions of leading core and political core of the Party organization; and shall take the right direction, consider the overall situation and ensure effective implementation. The Party organization shall support the shareholders’ general meeting, the Board of Directors, the Supervisory Committee and the management to exercise their rights and perform their duties in accordance with the laws.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
7	New	Article 11 <u>The Company adheres to the rule of law for enterprises, abides by laws and regulations, complies with social morality and business ethics, behaves in an honest and trustworthy way, accepts supervision from the government and the public, and undertakes social responsibility. The legitimate rights and interests of the Company are protected by law and shall not be infringed.</u>
8	Article 11 The business scope of the Company shall be consistent with and subject to that as approved by the company registration authorities. ...import and export of other commodities approved by the Ministry of Foreign Trade and Economic Cooperation (save for the projects without specific license); ...	Article 13 The business scope of the Company shall be consistent with and subject to that as approved by the company registration authorities. ...import and export of other commodities approved by <u>relevant departments of the State</u> the Ministry of Foreign Trade and Economic Cooperation (save for the projects without specific license); ...
9	Article 13 The Company shall provide for ordinary shares at all times. It may, according to its requirements, create other classes of shares upon approval of the examination and approval departments of the Company authorized by the State Council.	Article 15 The Company shall provide for ordinary shares at all times. It may, according to its requirements, create other classes of shares upon approval of the examination and approval departments of the Company authorized by the State Council.
10	Article 17 Upon approval of the examination and approval department of the Company, the Company issued 110,000,000 shares to the Promoter upon its incorporation, representing 100% of the total number of issued ordinary shares of the Company during its incorporation.	Article 19 Upon approval of the examination and approval department of the Company , the Company issued 110,000,000 shares to the Promoter upon its incorporation, representing 100% of the total number of issued ordinary shares of the Company during its incorporation.

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
11	<p>Article 18 72,800,000 ordinary shares were issued by the Company after its establishment, all of which are foreign shares listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), representing 39.82% of the then total share capital of the Company.</p> <p>In May 2007, the Company issued 13,200,000 ordinary shares as foreign shares, meanwhile, China Beijing Tong Ren Tang Group Co., Ltd., the holder of the state-owned shares of the Company, reduced its shareholding and converted 1,320,000 domestic shares into foreign shares. Therefore all the aforesaid foreign shares, being 14,520,000 shares in total, are foreign shares listed on the Hong Kong Stock Exchange.</p> <p>In May 2011, the Company issued shares in the form of bonus shares to all shareholders on the basis of 1 bonus share for each share held out of its retained earnings, and also issued 1 bonus share for each share held by way of capitalization of its capital reserve. The total issued bonus shares as domestic shares and foreign shares were 217,360,000 shares and 174,640,000 shares, respectively.</p> <p>In September 2013, the Company issued 52,392,000 foreign shares. The total share capital of the Company is 640,392,000 shares, of which 326,040,000 shares are domestic shares while 314,352,000 shares are overseas listed foreign shares.</p> <p>In July 2014, the Company issued shares by way of capitalization of its capital reserve on the basis of one (1) capitalization share for every ordinary share held by the shareholders, and issued a total of 326,040,000 domestic shares and 314,352,000 foreign shares.</p> <p>Upon completion of the capitalization issue, the total share capital of the Company is 1,280,784,000 shares, of which 652,080,000 shares are domestic shares while 628,704,000 shares are overseas listed foreign shares.</p>	<p>Article 20 72,800,000 ordinary shares were issued by the Company after its establishment, all of which are foreign shares listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), representing 39.82% of the then total share capital of the Company.</p> <p>In May 2007, the Company issued 13,200,000 ordinary shares as foreign shares, meanwhile, China Beijing Tong Ren Tang Group Co., Ltd., the holder of the state owned shares of the Company, reduced its shareholding and converted 1,320,000 domestic shares into foreign shares. Therefore all the aforesaid foreign shares, being 14,520,000 shares in total, are foreign shares listed on the Hong Kong Stock Exchange.</p> <p>In May 2011, the Company issued shares in the form of bonus shares to all shareholders on the basis of 1 bonus share for each share held out of its retained earnings, and also issued 1 bonus share for each share held by way of capitalization of its capital reserve. The total issued bonus shares as domestic shares and foreign shares were 217,360,000 shares and 174,640,000 shares, respectively.</p> <p>In September 2013, the Company issued 52,392,000 foreign shares. The total share capital of the Company is 640,392,000 shares, of which 326,040,000 shares are domestic shares while 314,352,000 shares are overseas listed foreign shares.</p> <p>In July 2014, the Company issued shares by way of capitalization of its capital reserve on the basis of one (1) capitalization share for every ordinary share held by the shareholders, and issued a total of 326,040,000 domestic shares and 314,352,000 foreign shares.</p> <p>Upon completion of the capitalization issue, the total share capital of the Company is 1,280,784,000 shares, of which 652,080,000 shares are domestic shares while 628,704,000 shares are overseas listed foreign shares.</p> <p><u>The current structure of share capital of the Company is 1,280,784,000 shares, of which 652,080,000 shares are domestic shares while 628,704,000 shares are overseas listed foreign shares. The controlling shareholder of the Company, Beijing Tong Ren Tang Co., Ltd. (北京同仁堂股份有限公司), holds 600,000,000 domestic shares, representing 46.85% of the total share capital of the Company.</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
12	<p>Article 23 (1) Unless otherwise provided by laws and administrative regulations, fully-paid shares of the Company are freely transferable and are not subject to restrictions of any lien.</p> <p>(2) Under the circumstances in compliance with the Articles of Association, a shareholder shall transfer his shares, whether in whole or in part, in a common or ordinary format or any other transfer format that is considered acceptable to the Board of the Directors and shall be effective only upon the signature by hand. The adoption of the standard form of transfer specified by the Hong Kong Stock Exchange is not in compliance with the Articles of Association.</p> <p>(3) No shares shall transfer to minors or persons who are mentally deficient or legally disqualified.</p> <p>(4) The Board may refuse to recognize any instrument of transfer, except:</p> <p>(a) such transfer fee determined by the Hong Kong Stock Exchange or such lower amount as the Board of the Company may require in other time has been paid and such fees shall not be more than the maximum amount as set out in the Listing Rules of the Main Board (the “Listing Rules”) by the Hong Kong Stock Exchange from time to time;</p> <p>(b) the instrument of transfer involves only the overseas listed foreign shares;</p> <p>(c) the instrument of transfer has been chopped with the appropriate stamp; and</p> <p>(d) if the H shares of the Company are to be transferred to joint holders, the number of such joint holders shall not exceed four.</p>	<p>Article 25 (1) Unless otherwise provided by laws and administrative regulations, fully-paid shares of the Company are freely transferable and are not subject to restrictions of any lien.</p> <p>(2) (1) Under the circumstances in compliance with the Articles of Association, a shareholder shall transfer his shares, whether in whole or in part, in a common <u>way</u> or ordinary format or any other way transfer format that is considered acceptable to the Board of the Directors and shall be effective only upon the signature by hand. The adoption of the standard form of transfer specified by the Hong Kong Stock Exchange is not in compliance with the Articles of Association.</p> <p>(3) (2) No shares shall transfer to minors or persons who are mentally deficient or legally disqualified.</p> <p>(4) (3) The Board may refuse to recognize any instrument of transfer, except:</p> <p>(a) such transfer fee determined by the Hong Kong Stock Exchange or such lower amount as the Board of the Company may require in other time has been paid and such fees shall not be more than the maximum amount as set out in the Listing Rules of the Main Board (the “Listing Rules”) by the Hong Kong Stock Exchange from time to time;</p> <p>(b) the instrument of transfer involves only the overseas listed foreign shares;</p> <p>(c) the instrument of transfer has been chopped with the appropriate stamp; and</p> <p>(d) if the H shares of the Company are to be transferred to joint holders, the number of such joint holders shall not exceed four.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
13	<p>Article 27 The Company may, with the approval of the relevant governing authority of the State for repurchasing its shares, conduct the repurchase in one of the following manners:</p> <p>(1) to make an offer of repurchase to all of its shareholders at the same proportion;</p> <p>(2) to repurchase shares through public trading on a stock exchange;</p> <p>(3) to repurchase through an off-market agreement. Where the Company has the right to repurchase redeemable shares:</p> <p>(i) in case of a repurchase other than through the market or by tender, it shall not exceed a maximum price; and</p> <p>(ii) in case of a repurchase by tender, tenders shall be made available to all shareholders alike.</p>	<p>Article 29 The Company may, with the approval of the relevant governing authority of the State for repurchasing its shares, conduct the repurchase in one of the following manners:</p> <p>(1) to make an offer of repurchase to all of its shareholders at the same proportion;</p> <p>(2) to repurchase shares through public trading on a stock exchange;</p> <p>(3) to repurchase through an off-market agreement.</p> <p>Where the Company has the right to repurchase redeemable shares:</p> <p>(i) in case of a repurchase other than through the market or by tender, it shall not exceed a maximum price; and</p> <p>(ii) in case of a repurchase by tender, tenders shall be made available to all shareholders alike.</p>
14	<p>Article 31 ...</p> <p>This provision does not apply to the circumstances stated in Article 33.</p>	<p>Article 33 ...</p> <p>This provision does not apply to the circumstances stated in Article 3533.</p>
15	<p>Article 33 The following activities shall not be deemed to be activities as prohibited in Article 31...</p>	<p>Article 35 The following activities shall not be deemed to be activities as prohibited in Article 3331...</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
16	<p>Article 35 The share certificates shall be signed by the Chairman. The share certificates shall also be signed by other senior management if the stock exchange on which the shares of the Company are listed requires so. All share certificates shall be affixed with the seal of the Company and such share certificates shall only take effect after being affixed with the Company's seal under the authorization of the Board. The signatures of the Chairman or other relevant senior management of the Company on the share certificates may also be in printed form.</p>	<p>Article 37 The share certificates shall be signed by the Chairman. The share certificates shall also be signed by other senior management if the stock exchange on which the shares of the Company are listed requires so. All share certificates shall be affixed with the seal of the Company and such share certificates shall only take effect after being affixed with the Company's seal under the authorization of the Board. The signatures of the Chairman or other relevant senior management of the Company on the share certificates may also be in printed form.</p>
17	<p>Article 40 Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed stipulate the period of closure of the register of shareholders before the date of a shareholders' general meeting or before the record date for the Company's distribution of dividends, such provisions shall prevail.</p>	<p>Article 42 Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed stipulate the period of closure of the register of shareholders before the date of a shareholders' general meeting or before the record date for the Company's distribution of dividends, such provisions shall prevail. <u>In addition, subject to such regulations as may from time to time be in force under the laws of Hong Kong, the Hong Kong branch register of members may be closed for such period as the Board may determine.</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
18	<p>Article 47 ...</p> <p>(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including:</p> <p>1. to obtain a copy of the Articles of Association, subject to payment of the cost of such copy;</p> <p>2. to inspect and copy, subject to payment of a reasonable charge:</p> <p>(i) all parts of the register of members;</p> <p>(ii) personal particulars of each of the Company's Directors, supervisors, managers and other senior management, including:</p> <p>...</p> <p>(7) The Company may not exercise any power to freeze or otherwise infringe the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he/she has not disclosed his/her interests to the Company.</p> <p>(8) other rights conferred by laws, administrative regulations and the Articles of Association.</p>	<p>Article 49 ...</p> <p>(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including:</p> <p>1. to obtain a copy of the Articles of Association, subject to payment of the cost of such copy;</p> <p>2. to inspect and copy, subject to payment of a reasonable charge:</p> <p>(i) all parts of the register of members;</p> <p>(ii) personal particulars of each of the Company's Directors, supervisors, <u>general</u> managers and other senior management, including:</p> <p>...</p> <p>(7) The Company may not exercise any power to freeze or otherwise infringe the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he/she has not disclosed his/her interests to the Company.</p> <p>(8) (7) other rights conferred by laws, administrative regulations and the Articles of Association.</p>
19	<p>Article 52 The shareholders' general meeting may exercise the following duties and powers:</p> <p>...</p> <p>(11) to make resolutions on the appointment, dismissal or non-reappointment of external auditors by the Company; ...</p>	<p>Article 54 The shareholders' general meeting may exercise the following duties and powers:</p> <p>...</p> <p>(11) to make resolutions on the appointment, dismissal or non-reappointment of external auditors <u>and its remuneration</u> by the Company; ...</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
20	<p>Article 54 General meetings shall include annual general meetings and extraordinary general meetings. A general meeting shall be convened by the Board. The annual general meetings shall be held once every year within six months after the end of the previous fiscal year.</p> <p>...</p>	<p>Article 56 General meetings shall include annual general meetings and extraordinary general meetings. A general meeting shall be convened by the Board. The annual general meetings shall be held once every <u>financial</u> year within six months after the end of the previous fiscal year.</p> <p>...</p>
21	<p>Article 55 To convene an annual general meeting, the Company shall notify the shareholders of the time, venue and matters to be considered twenty (20) days prior to the meeting; and the Company shall notify the shareholders fifteen (15) days prior to an extraordinary general meeting. When calculating the period for issuing the notice, the date of the meeting shall be excluded. Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed otherwise stipulate, such provisions shall prevail.</p>	<p>Article 57 To convene an annual general meeting, the Company shall notify the shareholders of the time, venue and matters to be considered <u>twenty-one (21)</u>(20) days prior to the meeting; and the Company shall notify the shareholders fifteen (15) days prior to an extraordinary general meeting. When calculating the period for issuing the notice, the date of the meeting shall be excluded. Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed otherwise stipulate, such provisions shall prevail.</p>
22	<p>Article 57 Matters which are not included in the notices set out in Articles 55 and 56 of this Articles of Association shall not be resolved at the shareholders' general meeting.</p>	<p>Article 59 Matters which are not included in the notices set out in Articles 5755 and 5856 of this Articles of Association shall not be resolved at the shareholders' general meeting.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
23	<p>Article 59 ...</p> <p>The power to cease sending dividend warrants by post shall not, if such warrants have been left uncashed, be exercised until such warrants have been so left uncashed on two consecutive occasions. Such power, however, may be exercised after the first occasion when such warrant is returned undelivered.</p> <p>The power to dispose of the shares, which the shareholders thereof could not be contacted, shall not be exercised unless the following requirements are fulfilled:</p> <p>(1) Dividends of such shares have been declared for at least three times within a 12-year period and the dividends have not been claimed by anyone during such period; and</p> <p>(2) Upon expiry of the 12-year period, the Company publishes an announcement on the newspaper, stating its intention to dispose of the shares, and notifies the stock exchange.</p>	<p>Article 61 ...</p> <p>The power to cease sending dividend warrants by post shall not, if such warrants have been left uncashed, be exercised until such warrants have been so left uncashed on two consecutive occasions. Such power, however, may be exercised after the first occasion when such warrant is returned undelivered.</p> <p>The power to dispose of the shares, which the shareholders thereof could not be contacted, shall not be exercised unless the following requirements are fulfilled:</p> <p>(1) Dividends of such shares have been declared for at least three times within a 12-year period and the dividends have not been claimed by anyone during such period; and</p> <p>(2) Upon expiry of the 12-year period, the Company publishes an announcement on the newspaper, stating its intention to dispose of the shares, and notifies the stock exchange.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
24	<p>Article 61 Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:</p> <p>(1) the right which the shareholder has to speak at the general meeting;</p> <p>(2) The right to demand a poll alone or jointly with others;</p> <p>(3) the right to exercise voting rights on a show of hands or on a poll, provided that when more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.</p>	<p>Article 63 Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one or several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. A shareholder may appoint a proxy who need not be a shareholder of the Company. In the case of a corporation, a proxy may be appointed to attend and vote any general meeting of the Company, and such corporation shall be deemed to be present in person at any such meeting if a proxy so authorized is present thereat. A corporation may execute a form of proxy under the hand of a duly authorized officer. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:</p> <p>(1) the right which the shareholder has to speak at the general meeting;</p> <p>(2) The right to demand a poll alone or jointly with others;</p> <p>(3) the right to exercise voting rights on a show of hands or on a poll, <u>except when a shareholder is required by the Listing Rules to abstain from voting on a particular resolution.</u> provided that when more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
25	<p>Article 64 (1) Any form issued to a shareholder by the Board for use by him for appointing a proxy shall allow the shareholder to freely instruct the proxy to vote in favour of or against each resolution relating to each matter to be considered at the relevant meeting. Such form shall contain a statement that, in the absence of instructions by the shareholder, his proxy may vote as he thinks fit.</p> <p>(2) A shareholder of the Company may authorise such person as he/she may deem as fit to act as his/her proxy at any meeting of the Company or at any meeting of any class of shareholders of the Company. If more than one person is so authorised, the proxy form shall specify the class and number of shares in respect of which the authorisation is granted. The above authorised person is entitled to exercise power on behalf of the shareholder.</p> <p>If the shareholder is a recognised clearing house as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), such shareholder may authorise one or more person as it may think fit to act as its proxy at any general meeting or any meeting of any class of shareholders, provided that if more than one person is so authorised, the proxy form shall specify the number and class of shares in respect of which the authorisation is granted to each such person. The persons so authorised may exercise the rights of the recognised clearing house on behalf of the recognized clearing house (or its “agent”) as if such persons were individual shareholders of the Company.</p>	<p>Article 66 (1) Any form issued to a shareholder by the Board for use by him for appointing a proxy shall allow the shareholder to freely instruct the proxy to vote in favour of or against each resolution relating to each matter to be considered at the relevant meeting. Such form shall contain a statement that, in the absence of instructions by the shareholder, his proxy may vote as he thinks fit.</p> <p>(2) A shareholder of the Company may authorise such person as he/she may deem as fit to act as his/her proxy at any meeting of the Company or at any meeting of any class of shareholders of the Company. If more than one person is so authorised, the proxy form shall specify the class and number of shares in respect of which the authorisation is granted. The above authorised person is entitled to exercise power on behalf of the shareholder.</p> <p>If the shareholder is a recognised clearing house as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), such shareholder may authorise one or more person as it may think fit to act as its proxy at any general meeting or any meeting of any class of shareholders <u>and meeting of creditors</u>, provided that if more than one person is so authorised, the proxy form shall specify the number and class of shares in respect of which the authorisation is granted to each such person. The persons so authorised may exercise the rights of the recognised clearing house on behalf of the recognized clearing house (or its “agent”) as if such persons were individual shareholders of the Company.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
26	<p>Article 74 The extraordinary general meeting or class meetings shall be convened by the shareholders in accordance with the following procedures:</p> <p>(1) Two or more shareholders who in aggregate hold more than 10% (including 10%) of the shares with voting power at such meeting may sign one or more written request in the same format and content to the Board of Directors for the convening of the extraordinary general meeting or class meetings and clarify the agenda of such meeting. Upon the receipt of such request, the Board of Directors shall convene the extraordinary general meeting or class meetings as soon as possible. The number of shares held as mentioned above shall be based on the date of the submission of the request of the shareholders.</p> <p>...</p>	<p>Article 76 The extraordinary general meeting or class meetings shall be convened by the shareholders in accordance with the following procedures:</p> <p>(1) Two or more shareholders <u>Shareholder(s)</u> who in aggregate hold more than 10% (including 10%) of the shares with voting power at such meeting may sign one or more written request in the same format and content to the Board of Directors for the convening of the extraordinary general meeting or class meetings and clarify the agenda of such meeting. Upon the receipt of such request, the Board of Directors shall convene the extraordinary general meeting or class meetings as soon as possible. The number of shares held as mentioned above shall be based on the date of the submission of the request of the shareholders.</p> <p>...</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
27	<p>Article 75 The General Meeting shall be convened and presided by the chairman of the Board; where the chairman of the Board is unable to attend the meeting, it shall be convened and presided by the vice chairman of the Board; where both chairman and vice chairman of the Board are unable to attend the meeting, chairman of the Board may appoint a director to convene and preside the meeting; where chairman of the meeting is not appointed, the shareholders attend the meeting may elect one person to preside as chairman of the meeting; where the shareholders fail to elect chairman of the meeting for any reason, the shareholder (including the proxy) attending the meeting holding the largest number of shares carrying voting rights shall preside as chairman of the meeting.</p>	<p>Article 77 The General Meeting shall be convened and presided by the chairman of the Board; where the chairman of the Board is unable to attend the meeting, it shall be convened and presided by the vice chairman (<u>if any</u>) of the Board; where both chairman and vice chairman (<u>if any</u>) of the Board are unable to attend the meeting, chairman of the Board may appoint a director to convene and preside the meeting; where chairman of the meeting is not appointed, the shareholders attend the meeting may elect one person to preside as chairman of the meeting; where the shareholders fail to elect chairman of the meeting for any reason, the shareholder (including the proxy) attending the meeting holding the largest number of shares carrying voting rights shall preside as chairman of the meeting.</p>
28	<p>Article 81 Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected shareholders of that class at a shareholders' meeting held in accordance with Articles 83 to 87 of the Articles of Association respectively.</p> <p>...</p>	<p>Article 83 Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected shareholders of that class at a shareholders' meeting held in accordance with Articles <u>85 to 89</u>83 to 87 of the Articles of Association respectively.</p> <p>...</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
29	<p>Article 83 Shareholders of the affected share class, whether or not having the right to vote at the general meeting, shall nevertheless have the right to vote at class meetings on matters referred to in clause (2) to (8) and (11) to (12) of Article 82 of the Articles of Association, but interested shareholders shall not be entitled to vote at class meetings.</p> <p>The interested shareholders mentioned in the preceding paragraph shall have the following meanings:</p> <p>(1) in the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 27 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholders as defined in Article 50 of the Articles of Association;</p> <p>(2) in the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 27 of the Articles of Association, “interested shareholders” shall refer to the shareholders to which the proposed agreement relates;</p> <p>(3) in the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>	<p>Article 85 Shareholders of the affected share class, whether or not having the right to vote at the general meeting, shall nevertheless have the right to vote at class meetings on matters referred to in clause (2) to (8) and (11) to (12) of Article 8482 of the Articles of Association, but interested shareholders shall not be entitled to vote at class meetings.</p> <p>The interested shareholders mentioned in the preceding paragraph shall have the following meanings:</p> <p>(1) in the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 2927 of the Articles of Association, “interested shareholder” shall refer to the controlling shareholders as defined in Article 5250 of the Articles of Association;</p> <p>(2) in the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 2927 of the Articles of Association, “interested shareholders” shall refer to the shareholders to which the proposed agreement relates;</p> <p>(3) in the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
30	Article 84 A resolution of the class meeting shall be passed in accordance with Article 83 of the Articles of Association by shareholders present in the meeting representing not less than two-thirds of voting rights.	Article 86 A resolution of the class meeting shall be passed in accordance with Article 8583 of the Articles of Association by shareholders present in the meeting representing not less than two-thirds of voting rights.
31	Article 85 Written notice of a class meeting convened by the Company shall be dispatched according to the requirements of the Article 55 of this Articles of Association to all shareholders of such class whose names appear on the register of members, specifying the matters to be considered and the date and place of the meeting.	Article 87 Written notice of a class meeting convened by the Company shall be dispatched according to the requirements of the Article 5755 of this Articles of Association to all shareholders of such class whose names appear on the register of members, specifying the matters to be considered and the date and place of the meeting.
32	Article 89 The Party Committee of the Company generally consists of seven to nine members, including one secretary and two deputy secretaries (one of them is in charge of the Party development in the Company). Generally the Chairman shall also act as the Party Committee Secretary of the Company. Eligible Party committee members may take seats in the Board of Directors, the Board of Supervisors and the management through legal procedures. Eligible members of the Board of Directors, the Board of Supervisors and the management who are Party members may take seats in the Party committee in accordance with the relevant regulations and procedures. The Company's discipline committee is generally composed of three members, including a secretary.	Article 91 The Party Committee of the Company generally consists of seven to nine members, including one secretary and two deputy secretaries (one of them is in charge of the Party development in the Company). Generally the Chairman shall also act as the Party Committee Secretary of the Company, <u>and insist on "two-way entry, cross-service" leadership mechanism.</u> Eligible Party committee members may take seats in the Board of Directors, the Board of Supervisors and the management through legal procedures. Eligible members of the Board of Directors, the Board of Supervisors and the management who are Party members may take seats in the Party Committee <u>of the Company</u> in accordance with the relevant regulations and procedures. The Company's discipline committee is generally composed of three members, including a secretary. <u>The Party Committee of the Company implements a system integrating group leadership and division of labor, and the members of the leadership team of the Party organizations including the Board of Directors, the Supervisory Committee and the management must carry out the decision made by the Party organizations.</u>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
33	<p>Article 90 The Party Committee of the Company shall perform the following duties in accordance with the “Party Constitution” and other provisions:</p> <p>(1) to guarantee and supervise the implementation in the Company of policies and guidelines of the Party and the state as well as the decisions and deployments of Party organizations of higher levels;</p> <p>(2) to adhere to the principle of placing cadres under Party’s supervision while ensuring the lawful selection by the Board of Directors of the management and the lawful exercise of the power of the management in the employment of personnel;</p>	<p>Article 92 The Party Committee of the Company shall <u>exert its leadership to take the right direction, consider the overall situation and ensure effective implementation, and conduct discussion and decision-making on major corporate matters as required by regulations. Its primary responsibilities are as follows:</u>perform the following duties in accordance with the “Party Constitution” and other provisions:</p> <p><u>(1) to enhance the political building of the Party in the Company, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics, as well as educate and guide all Party members to closely align with the Party Central Committee with Comrade Xi Jinping at its core in terms of the political stance, direction, principles and path; to guarantee and supervise the implementation in the Company of policies and guidelines of the Party and the state as well as the decisions and deployments of Party organizations of higher levels;</u></p> <p><u>(2) to thoroughly study and implement Xi Jinping’s Thought on Socialism with Chinese Characteristics for a New Era, learn and propagate the Party’s theory, thoroughly implement the Party’s route, principles and policies, as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee and the resolutions of the Party organization at higher levels in the Company; to adhere to the principle of placing cadres under Party’s supervision while ensuring the lawful selection by the Board of Directors of the management and the lawful exercise of the power of the management in the employment of personnel;</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
	<p>(3) to research and discuss the matters in relation to the reform, development and stability of the Company, major operational and management issues as well as the major issues in relation to the vital interests of employees and give opinions and suggestions thereon; support the shareholders' general meeting, the Board of Directors, the Supervisory Committee and the management of the Company to exercise their rights and perform their duties in accordance with law; and support the Congress of Employees in carrying out its work;</p> <p>(4) to undertake responsibility of comprehensive and strict Party management. It shall take lead in the Company's ideological and political work, united front work, spiritual civilization construction, corporate culture construction and group work such as labor union and the Communist Youth League. It shall also take lead in the establishment of a clean and honest Party and support the Disciplinary Committee of the Company to perform its supervision duties;</p>	<p>(3) <u>to investigate and discuss the significant operation and management matters of the Company and support the general meetings, the Board of Directors, the Supervisory Committee and the management to exercise their rights and perform their duties in accordance with the laws;</u> to research and discuss the matters in relation to the reform, development and stability of the Company, major operational and management issues as well as the major issues in relation to the vital interests of employees and give opinions and suggestions thereon; support the shareholders' general meeting, the Board of Directors, the Supervisory Committee and the management of the Company to exercise their rights and perform their duties in accordance with law; and support the Congress of Employees in carrying out its work;</p> <p>(4) <u>to strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre and talents team of the Company;</u> to undertake responsibility of comprehensive and strict Party management. It shall take lead in the Company's ideological and political work, united front work, spiritual civilization construction, corporate culture construction and group work such as labor union and the Communist Youth League. It shall also take lead in the establishment of a clean and honest Party and support the Disciplinary Committee of the Company to perform its supervision duties;</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
	<p>(5) to strengthen the construction of the Company's Grassroots Party organizations and development of Party members; give full play to the role of the Party Committee as stronghold and the role of Party members as pioneers and fine examples; and unite and lead cadres and employees to devote themselves into the Company's reform and development;</p> <p>(6) other duties that should be performed by the Party Committee of the Company.</p>	<p><u>(5) to undertake the main responsibility of improving Party conduct and upholding integrity, lead and support the internal discipline inspection organization to fulfill its supervisory and disciplining responsibilities as well as exercise stringent administrative discipline and political rules, promote Party self-governance in every aspect and with rigor into the primary-level;</u> to strengthen the construction of the Company's Grassroots Party organizations and development of Party members; give full play to the role of the Party Committee as stronghold and the role of Party members as pioneers and fine examples; and unite and lead cadres and employees to devote themselves into the Company's reform and development;</p> <p><u>(6) to strengthen the building of primary-level Party organizations and of its contingent of Party members, give full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and unite and lead employees company-wide to devote themselves into the reform and development of the Company;</u> other duties that should be performed by the Party Committee of the Company.</p> <p><u>(7) to lead the Company's ideological and political work, the spirit and civilization progress, the United Front work and lead the Labor Union, Communist Youth League, Women's Organization and other mass organizations of the Company.</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
34	<p>Article 91 (1) The Company sets a Board, which shall comprise seven (7) to eleven (11) Directors, including one Chairman and may including vice chairman (chairmen).</p> <p>(2) Subject to the provisions of laws and without prejudice to any claim made under any contract, the Company is entitled to remove a Director (including managing Director or other executive Directors) by a special resolution at a general meeting before expiration of his/her term of office.</p> <p>(3) A notice of the intention to propose a candidate for election as a Director and a notice by that candidate stating his willingness to be elected shall be served on the Company at least seven (7) days before the date of the general meeting.</p> <p>(4) The timeframe for the delivery of the notices as stated in sub-clause (3) shall commence from the date when a notice of meeting in respect of such election is dispatched and end no later than seven (7) days prior to the date of such meeting.</p>	<p>Article 93 (1)–The Company sets a Board, which shall comprise seven (7) to eleven (11) Directors, including one Chairman and may including vice chairman (chairmen).</p> <p>(2) Subject to the provisions of laws and without prejudice to any claim made under any contract, the <u>shareholders are</u> Company is–entitled to remove a Director (including managing Director or other executive Directors) by an <u>ordinary</u> special–resolution at a general meeting before expiration of his/ her term of office.</p> <p>(3) A notice of the intention to propose a candidate for election as a Director and a notice by that candidate stating his willingness to be elected shall be served on the Company at least seven (7) days before the date of the general meeting.</p> <p>(4) The timeframe for the delivery of the notices as stated in sub-clause (3) shall commence from the date when a notice of meeting in respect of such election is dispatched and end no later than seven (7) days prior to the date of such meeting.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
35	<p>Article 92 Directors shall be elected at general meetings. The term of office of the Directors shall be three (3) years. Upon maturity of the current term of office, a Director shall be eligible to offer himself/herself for re-election and reappointment. Any person appointed by the Board to fill a casual vacancy on or as an addition to the Board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election and re-appointment.</p> <p>The Chairman and Vice Chairman of the Board shall be elected and removed by more than one-half of all Directors. The term of office of the Chairman and Vice Chairman shall be three (3) years, renewable upon re-election.</p> <p>...</p>	<p>Article 94 Directors shall be elected at general meetings. The term of office of the Directors shall be three (3) years. Upon maturity of the current term of office, a Director shall be eligible to offer himself/herself for re-election and reappointment. Any person appointed by the Board to fill a casual vacancy on or as an addition to the Board shall hold office only until the first<u>the next following</u> annual general meeting of the Company <u>after his appointment</u>, and shall then be eligible for re-election and re-appointment.</p> <p>The Chairman and Vice Chairman (<u>if any</u>) of the Board shall be elected and removed by more than one-half of all Directors. The term of office of the Chairman and Vice Chairman (<u>if any</u>) shall be three (3) years, renewable upon re-election.</p> <p>...</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
36	<p>Article 93 The Board shall report to the shareholders’ general meeting and exercises the following powers: (1) to convene general meetings and report its work to the general meeting; ... (9) to appoint or remove the manager of the Company and to appoint or remove the deputy manager and financial officer and chief quality officer of the Company based on the nomination by the manager and to decide on their remunerations; ... (12) to determine the establishment of specific committees and to appoint and remove the relevant persons in charge. ...</p>	<p>Article 95 The Board shall <u>perform the duties of developing strategies, making decisions and preventing risks, and</u> report to the shareholders’ general meeting and exercises the following powers: (1) to convene general meetings and report its work to the general meeting; ... (9) to appoint or remove the <u>general</u> manager of the Company and to appoint or remove the deputy <u>general</u> manager and financial officer and <u>general legal counsel and secretary of the Board</u> and chief quality officer and <u>company secretary</u> of the Company based on the nomination by the manager and to decide on their remunerations; ... (12) to determine the establishment of specific committees and to appoint and remove the relevant persons in charge;- (13) <u>to exercise other duties and powers provided by laws and regulations or these Articles of Association, as well as those conferred by the shareholders’ general meeting.</u> ...</p>
37	<p>Article 95 The Chairman of the Board is entitled to the following powers: ... If the Chairman is unable to perform his/her duties, the Vice Chairman designated by the Chairman shall perform the duties on his/her behalf;</p>	<p>Article 97 The Chairman of the Board is entitled to the following <u>duties and</u> powers: ... If the Chairman is unable to perform his/her duties <u>and powers</u>, the Vice Chairman, <u>if any, designated by the Chairman</u> shall perform the duties <u>and powers</u> on his/her behalf, <u>or, if there be no such vice chairman, the Chairman of the Board may designate a Director to exercise the duties and powers on his/her behalf, or the Board may elect a Director to exercise the duties and powers of the Chairman of the Board.</u></p>

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No.	Existing Articles	Amended Articles
38	<p>Article 96 Meetings of the Board shall be held at least twice every year and shall be convened by the Chairman of the Board. All of the Directors and supervisors shall be notified about the meeting ten (10) days beforehand. In case of emergency, an extraordinary Board meeting may be held if it is so requested by three (3) or more Directors or the manager of the Company.</p>	<p>Article 98 Meetings of the Board shall be held at least twice <u>four</u> times every year and shall be convened by the Chairman of the Board. All of the Directors and supervisors shall be notified about the meeting ten (10) <u>fourteen (14)</u> days beforehand. In case of emergency, an extraordinary Board meeting may be held <u>if it is so requested by more than one-third of the Directors, the Chairman of the Board, shareholders aggregately holding more than one-tenth of voting shares, the Supervisory Committee or the general manager of the Company. if it is so requested by three (3) or more Directors or the manager of the Company. Extraordinary Board meeting must be convened when the Party Committee of the Company considers it as necessary. All Directors shall be notified about the extraordinary Board meeting within a reasonable time before the meeting. In case of emergency which requires an extraordinary Board meeting to be held as soon as possible, notice of such meeting can be given by phone or any other verbal method, provided that the convener makes an explanation thereof at the meeting.</u></p>
39	<p>Article 97 1. Where the time and venue for regular Board meetings or extraordinary Board meetings have been predetermined by the Board, no notice of the meeting shall be required; 2. If the time and venue for regular Board meetings or extraordinary Board meetings have not been predetermined by the Board, the Chairman of the Board shall notify the Directors of the time and venue for Board meetings by way of telephone, cable, facsimile, express mail, registered post or courier at least ten (10) days in advance.</p>	<p>Delete, the content is incorporated into Article 98</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
40	<p>Article 98 The Board meeting may not be held unless not less than half of the Directors are present.</p> <p>Each Director shall have a ballot for voting. Resolutions of the Board shall be passed by more than half of all Directors.</p> <p>...</p>	<p>Article 99 The Board meeting may not be held unless not less <u>with more</u> than half of the Directors are present.</p> <p>Each Director shall have a ballot for voting. <u>Unless otherwise provided in the Articles of Association,</u> resolutions of the Board shall be passed by more than half of all Directors.</p> <p>...</p>
41	<p>Article 100 The Board shall keep minutes of resolutions passed at Board meetings. The minutes shall be signed by the Directors present at the meeting and the person who recorded the minutes. The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or the Articles of Association and the Company suffers serious losses as a result thereof, the Directors who participated in the passing of such resolution are liable to compensate the Company. However, if it can be proven that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director may be released from such liability.</p>	<p>Article 101 The Board shall keep minutes of resolutions passed at Board meetings. The minutes shall be signed by the Directors present at the meeting and the person who recorded the minutes. The Directors shall be liable for the resolutions of the Board. <u>The implementation of resolutions of the Board shall be organized by the general manager (or a person designated by the Board). The management regularly reports to the Board on the execution and implementation of previous resolutions of the Board. The Directors have the right to make enquiries on the implementation of previous resolutions of the Board.</u></p> <p><u>In the process of implementing the resolutions of the Board, the Board supervises and inspects the implementation of the relevant resolutions to ensure that the resolutions of the Board are properly and effectively implemented.</u></p> <p>If a resolution of the Board violates the laws, administrative regulations or the Articles of Association and the Company suffers serious losses as a result thereof, the Directors who participated in the passing of such resolution are liable to compensate the Company. However, if it can be proven that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director may be released from such liability.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
42	Chapter 13 Manager of the Company	Chapter 13 <u>General Manager and Other Senior Management of the Company</u>
43	Article 104 The Company shall have one manager, who shall be appointed and dismissed by the Board.	Article 105 The Company shall have one <u>general manager, as well as deputy general manager, financial officer, general legal counsel, secretary of the Board, company secretary and other senior management</u> , who shall be appointed and dismissed by the Board. <u>The general manager and other senior management shall perform the duties of operation planning, implementation monitoring and management strengthening.</u>
44	New	Article 106 <u>The senior management of the Company shall be appointed for a term of three years, renewable upon re-appointment.</u>
45	Article 105 The manager of the Company shall be accountable to the Board and exercise the following powers: (1) to lead the Company's production, operation and management, organize resources to carry out the Board's resolutions; ... (5) to formulate the basic rules and regulations of Company; (6) to propose the appointment or dismissal of the Company's deputy manager(s) and chief financial officer and chief quality officer; ...	Article 107 The <u>general</u> manager of the Company shall be accountable to the Board and exercise the following powers: (1) to lead the Company's production, operation and management, organize resources to carry out the Board's resolutions <u>and report to the Board;</u> ... (5) to formulate the <u>basic specific</u> rules and regulations of Company; (6) to propose the appointment or dismissal of the Company's deputy <u>general</u> manager(s) and chief financial officer <u>and general legal counsel</u> and chief quality officer; ...
46	Article 106 The manager of the Company shall attend Board meetings. The manager who is not a Director does not have any voting rights at Board meetings.	Article 108 The <u>general</u> manager of the Company shall attend Board meetings. The manager who is not a Director does not have any voting rights at Board meetings.

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
47	Article 107 The manager of the Company, in performing his/her functions, shall act honestly and diligently and in accordance with the laws, administrative regulations and the Articles of Association.	Article 109 The senior management manager of the Company, in performing his/her functions, shall act honestly and diligently and in accordance with <u>comply with</u> the laws, administrative regulations and the Articles of Association. <u>A senior management member shall be personally liable for any loss suffered by the Company as a result of a violation by him of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing his/her duties.</u>
48	Article 111 The Directors, manager and chief financial officers of the Company shall not assume the position of supervisors.	Article 113 The Directors, <u>general</u> manager and chief financial <u>other senior management</u> of the Company shall not assume the position of supervisors.
49	Article 112 Meetings of the Supervisory Committee shall be held at least twice a year and convened by the Chairman of the Supervisory Committee.	Article 114 Meetings of the Supervisory Committee shall be held at least <u>once every six months</u> twice a year and convened by the Chairman of the Supervisory Committee.
50	Article 114 Resolution at a Supervisory Committee meeting shall be approved by two-thirds (inclusive) of the supervisors by poll.	Article 116 <u>A meeting of the Supervisory Committee shall be held only when over half of the Supervisors are present.</u> Resolution at a Supervisory Committee meeting shall be approved by two-thirds (inclusive) of the supervisors by poll.
51	Article 124 Except as provided in Article 49 hereof, each director, supervisor, manager and any other senior management members of the Company may be relieved of liability for specific breaches of his duties by the consent of informed shareholders at a general meeting.	Article 126 Except as provided in Article 51 <u>49</u> hereof, each director, supervisor, <u>general</u> manager and any other senior management members of the Company may be relieved of liability for specific breaches of his duties by the consent of informed shareholders at a general meeting.

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
52	<p>Article 125...</p> <p>Subject to the exceptions specified below, a director shall not vote on any resolution approving the contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be countered in the quorum present at the meeting.</p> <p>The exceptions shall mean:</p> <p>(1)(a) the giving of any security or indemnity to the director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries; or</p> <p>(b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(2) any proposal concerning an offer of shares or debentures or other securities of or by any other person or company which the Company may promote or be interested in for subscription or purchase where the director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p>	<p>Article 127...</p> <p>Subject to the exceptions specified below, a director shall not vote on any resolution approving the contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be countered in the quorum present at the meeting.</p> <p>The exceptions shall mean:</p> <p>(1)(a) the giving of any security or indemnity to the director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries; or</p> <p>(b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;</p> <p>(2) any proposal concerning an offer of shares or debentures or other securities of or by any other person or company which the Company may promote or be interested in for subscription or purchase where the director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
	<p>(3) any proposal concerning any other companies in which the director, or his associates, directly or indirectly, has an interest, whether as an officer or executive or shareholder, or in which the director is beneficially interested in shares of that company, provided that he, together with any of his associates, is not beneficially interested in 5 per cent or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights;</p> <p>(4) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:</p> <p>(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which a director or his associate(s) may benefit; or</p> <p>(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both director, his associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any director (or his associate(s)) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and</p>	<p>(3) any proposal concerning any other companies in which the director, or his associates, directly or indirectly, has an interest, whether as an officer or executive or shareholder, or in which the director is beneficially interested in shares of that company, provided that he, together with any of his associates, is not beneficially interested in 5 per cent or more of the issued shares of any class of such company (or of any third company through which his interest is derived) or of the voting rights;</p> <p>(4) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:</p> <p>(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which a director or his associate(s) may benefit; or</p> <p>(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both director, his associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any director (or his associate(s)) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
	<p>(5) any contract or arrangement in which the director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his interest in shares or debentures or other securities of the Company.</p> <p>For the purpose of this Article, the definition of associate shall have the same meaning ascribed to it in the Listing Rules.</p>	<p>(5) any contract or arrangement in which the director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his interest in shares or debentures or other securities of the Company.</p> <p>For the purpose of this Article, the definition of associate shall have the same meaning ascribed to it in the Listing Rules.</p>
53	<p>Article 130 A guarantee for repayment of loan provided by the Company in breach of sub-clause 1 of Article 128 shall not be enforceable against the Company, unless:</p> <p>(1) the guarantee was provided in connection with a loan to an associate of any of the directors, supervisors, managers and other senior management members of the Company or of the Company's parent company and the lender were not aware of the relevant circumstances at the time the loan was advanced; or</p> <p>(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>	<p>Article 132 A guarantee for repayment of loan provided by the Company in breach of sub-clause 1 of Article 128-130 shall not be enforceable against the Company, unless:</p> <p>(1) the guarantee was provided in connection with a loan to an associate of any of the directors, supervisors, <u>general</u> managers and other senior management members of the Company or of the Company's parent company and the lender were not aware of the relevant circumstances at the time the loan was advanced; or</p> <p>(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>
54	<p>Article 134</p> <p>...</p> <p>(2) an offer made by any person with a view to have the offerer becoming a controlling shareholder within the same defined meaning as ascribed to it in Article 50 of the Articles of Association.</p> <p>...</p>	<p>Article 136</p> <p>...</p> <p>(2) an offer made by any person with a view to have the offerer becoming a controlling shareholder within the same defined meaning as ascribed to it in Article 50-52 of the Articles of Association.</p> <p>...</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
55	New	<p data-bbox="815 268 1393 374"><u>Chapter 16 Employee Democratic Management and Labor and Personnel System</u></p> <p data-bbox="815 380 1393 672"><u>Article 137 The Company establishes and improves the employee representatives' general meeting. The employee representatives' general meeting is the basic form of democratic management of the Company and the organ through which the employees exercise their democratic management rights.</u></p> <p data-bbox="815 678 1393 1008"><u>Article 138 Workers of the Company shall organize labor union, conduct trade union activities and safeguard the legal interests of workers in accordance with the PRC Trade Union Law. The Company shall provide conditions which are prerequisite for the activities of the trade union. The labor union is responsible for the daily work of the employee representative assembly.</u></p> <p data-bbox="815 1015 1393 1532"><u>Article 139 The Company shall comply with national laws and administrative regulations on labor employment, labor protection, safe production and social security, and implement the national labor protection, social insurance system and related policies, and is obliged to respect and protect the legitimate rights and interests of its employees. The Company shall formulate labor, personnel and wage system in accordance with the national laws, administrative regulations and policies on labor and personnel and the needs of production and operation.</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
56	New	<p>Chapter 17 General Legal Counsel System</p> <p>Article 140 <u>The Company adopts the general legal counsel system to further exert the function of general legal counsel of the Company in legal review and supervision of operation and management, thereby facilitating the legal operation and compliance management of the Company. The general legal counsel shall be nominated by the general manager, and shall be appointed by the Board.</u></p> <p>Article 141 <u>The general legal counsel is a senior management member appointed by the Board and is the specific leader of the Company's rule of law efforts. The general legal counsel shall be responsible for legal affairs of the Company by coordinating and handling legal affairs in decision-making, operation and management of the Company, as well as legal compliance review of major decisions. The general legal counsel reports directly to the general manager or Chairman of the Board and is accountable to the Board.</u></p>
57	Chapter 16 Financial and Accounting Systems and Profit Distribution	Chapter 16-18 Financial and Accounting Systems and, Profit Distribution and Audit and Accountability of Non-compliance of Operation and Investment

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
58	<p>Article 138 ...</p> <p>The aforesaid reports shall be delivered to the overseas holders of listed shares within 21 days before the aforesaid general meeting by any of the following means:</p> <p>(1) by personal delivery or by mail to the registered address of each of such overseas holders of listed shares;</p> <p>(2) posting on the Company's website or the website designated by the stock exchange where the Company's shares are listed according to applicable laws, administrative regulations and the relevant listing rules; or</p> <p>(3) any other means acceptable to stock exchange where the Company's shares are listed.</p>	<p>Article 145 ...</p> <p>The aforesaid reports shall be delivered to the overseas holders of listed shares within 21 days before the aforesaid general meeting by any of the following means:</p> <p>(1) by personal delivery or by mail to the registered address of each of such overseas holders of listed shares;</p> <p>(2) posting on the Company's website or the website designated by the stock exchange where the Company's shares are listed according to applicable laws, administrative regulations and the relevant listing rules; or</p> <p>(3) any other means acceptable to stock exchange where the Company's shares are listed.</p>
59	<p>Article 145 ...</p> <p>Any paid share capital before the notice of the collection of share capital can enjoy interest. However, the shareholder is not entitled to any dividends of such pre-paid share capital.</p> <p>The rights to expropriate unclaimed dividend shall not be exercised until the effective period since the announcement of dividend distribution date ends.</p>	<p>Article 152 ...</p> <p>Any paid share capital before the notice of the collection of share capital can enjoy interest. However, the shareholder is not entitled to any dividends of such pre-paid share capital.</p> <p>The rights to expropriate unclaimed dividend shall not be exercised until the effective period since the announcement of dividend distribution date ends.</p>
60	<p>New</p>	<p>Article 153 <u>The Company implement an internal audit system with dedicated audit persons to conduct internal audit and supervision of revenue and expenditures and economic activities of the Company. The internal audit system and duties of audit personnel of the Company shall be approved by Board before such system and duties are to be implemented. The audit department shall be accountable to, and report its work to, the Board.</u></p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
61	New	Article 154 <u>If any personnel of the Company violate the laws and regulations, the rules and regulations for the supervision of state-owned assets and the internal management system of the Company, fail to perform or fail to properly perform their duties, and cause losses of state-owned assets or other serious adverse consequences in the operation and investment, those responsible will be held accountable.</u>
62	New	Article 155 <u>Accountability for non-compliance of operation and investment includes but is not limited to the following areas: corporate control, risk management, project contracting, capital management, transfer of property rights (including the equity and assets of the respective company), fixed assets investment, investment mergers and acquisitions, reorganization and restructuring, overseas operation and investment, etc.</u>
63	New	Article 156 <u>Investigation and verification of non-compliance of operation and investment, confirmation of responsibility and consequential actions shall be carried out in accordance with the relevant laws and regulations and related rules and systems of the Company.</u>
64	<p>Article 146 ...</p> <p>The first accountant firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting. The accountant firm so appointed shall hold office until the close of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its powers under the preceding paragraph, those powers shall be exercised by the Board.</p>	<p>Article 157 ...</p> <p><u>The appointment, removal and compensation of accounting firm must be approved by a majority of the Company's shareholders or other body that is independent of the Board.</u></p> <p>The first accountant firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting. The accountant firm so appointed shall hold office until the close of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its powers under the preceding paragraph, those powers shall be exercised by the Board.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
65	<p>Article 149 (1) If there is a vacancy in the position of the auditor of the Company, the Board may appoint an accountant firm to fill such vacancy before the convening of the general meeting. Any other accountant firm which has been engaged by the Company may continue to act during the period of existence of such vacancy</p> <p>...</p>	<p>Article 160 (1) If there is a vacancy in the position of the auditor of the Company, the general meetingBoard may appoint an accountant firm to fill such vacancy before the convening of the general meeting. Any other accountant firm which has been engaged by the Company may continue to act during the period of existence of such vacancy</p> <p>...</p>
66	<p>Article 151 The remuneration of an accountant firm or the manner in which such firm is to be remunerated shall be determined by shareholders at a general meeting. The remuneration of an accountant firm appointed by the Board shall be determined by the Board.</p>	<p>Article 162 The remuneration of an accountant firm or the manner in which such firm is to be remunerated shall be determined by shareholders at a general meeting. The remuneration of an accountant firm appointed by the Board shall be determined by the Board.</p>
67	<p>Article 167 The amendment to the Company's Articles of Association involving the Mandatory Provisions for Overseas-listed Companies' Articles of Associations shall become effective upon receipt of approvals from the companies approving department authorised by the State Council and the China Securities Regulatory Commission. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes to the relevant commercial and industrial administrations in accordance with law.</p>	<p>Article 178 The amendment to the Company's Articles of Association involving the Mandatory Provisions for Overseas-listed Companies' Articles of Associations shall become effective upon receipt of approvals from the companies approving department authorised by the State Council and the China Securities Regulatory Commission. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes to the relevant commercial and industrial administrations in accordance with law.</p>

LETTER FROM THE BOARD

No.	Existing Articles	Amended Articles
68	New	Article 181 <u>“TONG REN TANG”</u> and <u>“Beijing Tong Ren Tang”</u> are brand name and trademark of China Beijing Tong Ren Tang (Group) Co., Ltd. The Company’s products or services involving the use of the <u>“TONG REN TANG”</u> brand and trademark shall be subject to the relevant regulations and agreements of China Beijing Tong Ren Tang (Group) Co., Ltd. Where a connected transaction is involved, such transaction shall subject to relevant approval procedures as required by the Listing Rules of the Stock Exchange.
69	Article 53, Article 58, Article 113, title of Chapter15, Article 117, Article 118, Article 119, Article 120, Article 121, Article 122, Article 123, Article 125, Article 126, Article 127, Article 128, Article 132, Article 168, manager	Article 55, Article 60, Article 115, title of Chapter15, Article 119, Article 120, Article 121, Article 122, Article 123, Article 124, Article 125, Article 127, Article 128, Article 129, Article 130, Article 134, Article 179, <u>general</u> manager
70	Article 15 securities regulatory authorities under the State Council Article 16 securities regulatory authorities of the State Council Article 87 securities regulatory authorities of the State Council Article 152 securities regulatory authorities of the State Council	Article 17, Article 18, Article 89, Article 163 <u>China Securities Regulatory Commission</u>

Apart from the amendments above, due to the new chapters and provisions, the numbers of subsequent chapters and provisions in the current Articles of Association will be postponed accordingly.

The proposed amendments to the Articles of Association shall be valid only after the approval of the Shareholders by way of special resolutions at the annual general meeting. Relevant proposals will be submitted to the AGM for the Shareholders’ consideration and approval.

LETTER FROM THE BOARD

IV. GENERAL MANDATE TO ISSUE SHARES

To ensure flexibility and discretion to the Board to issue Shares when it becomes desirable, the Company proposed to grant the General Mandate to Issue Shares to the Board to issue, allot and otherwise deal with (1) additional Domestic Shares up to the limit of 20% of the total number of the Domestic Shares; and (2) additional H Shares up to the limit of 20% of the total number of the H Shares, and authorized the Board to make corresponding amendments to the Articles of Association at its discretion, to reflect the new share capital structure after allotment and issuance of such Shares:

- (i) subject to the aforesaid and in accordance with the relevant requirements of the Hong Kong Listing Rules, the articles of Association and the applicable laws and regulations of the PRC, the exercise by the Board during the Relevant Period of all the powers of the Company to allot, issue and deal with, either separately or concurrently, additional Domestic Shares and H Shares and to make or grant offers, agreements, options and rights of exchange or conversion of shares which might require the exercise of such powers by hereby generally and unconditionally approved;
- (ii) the approval shall authorize the Board during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion of shares which might require the exercise of such powers after the end of the Relevant Period; and
- (iii) each of the aggregate amounts of the Domestic Shares and the H Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the aforesaid approval granted shall not exceed 20% of each of the aggregate amounts of the Domestic Shares and the H Shares of the Company, respectively, in issue at the date of passing this resolution, otherwise pursuant to (a) a Rights Issue; or (b) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on shares of the Company, in accordance with the relevant requirements of the Hong Kong Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC.

The Board was authorized to make corresponding amendments to the Articles of Association at its discretion, to reflect the new share capital structure after allotment and issuance of such Shares.

The General Mandate to Issue Shares shall be valid only after the approval of the Shareholders by way of a special resolution at the general meeting of the Company. Relevant proposals will be submitted to the AGM for Shareholders' consideration and approval.

LETTER FROM THE BOARD

V. AGM

A notice convening the AGM to be held at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC at 9:30 a.m. on Thursday, 16 June 2022, is set out on pages 45 to 49 of this circular.

The resolutions proposed at the AGM will be voted on by poll. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, none of the Company's connected persons, Shareholders and their respective associates have significant interests in the above-mentioned resolutions and is required to abstain from voting on the relevant resolutions at the AGM.

If you intend to appoint a proxy to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the AGM or any adjournment thereof, and deposit it with, (i) for holders of H Shares, Hong Kong Registrars Limited, the H Share registrar and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong; and (ii) for holders of Domestic Shares, the office of the Company, at No. 20, Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof should you so desire.

The register of members of Shares will be closed from Tuesday, 17 May 2022 to Thursday, 16 June 2022 (both days inclusive), during which time no transfer of Shares will be registered. In order to be qualified for attending and voting at the AGM, all transfer documents of the holders of H Share together with the relevant share certificates must be lodged with the Company's H Share registrar and transfer office, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 16 May 2022.

VI. RECOMMENDATION

The Directors believe that the resolutions in respect of (i) proposed adjustment to remuneration of the independent non-executive Directors and external Supervisor; (ii) proposed amendments to the Articles of Association; and (iii) proposed General Mandate to Issue Shares are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote for the relevant resolutions to be proposed at the AGM.

By order of the Board
Tong Ren Tang Technologies Co. Ltd.
Gu Hai Ou
Chairman

Beijing, the PRC

23 May 2022



Tong Ren Tang Technologies Co. Ltd.
北京同仁堂科技发展股份有限公司

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

(Stock Code: 1666)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting for the year 2021 (the “**AGM**”) of Tong Ren Tang Technologies Co. Ltd., (the “**Company**”) will be held at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the People's Republic of China (the “**PRC**”) at 9:30 a.m. on Thursday, 16 June 2022 for the purpose of considering and, if thought fit, approving the following resolutions:

As Ordinary Resolutions

1. To consider and, if thought fit, to approve the audited consolidated financial statements of the Company for the year ended 31 December 2021.
2. To consider and, if thought fit, to approve the report of the board of Directors of the Company (the “**Board**”) for the year ended 31 December 2021.
3. To consider and, if thought fit, to approve the report of the supervisory committee of the Company (the “**Supervisory Committee**”) for the year ended 31 December 2021.
4. To consider and, if thought fit, to approve the proposal of payment of a final dividend of RMB0.16 (tax inclusive) per share (the “**Final Dividend**”) for the year ended 31 December 2021.
5. To consider and if thought fit, to approve the re-appointment of PricewaterhouseCoopers as the overseas auditor of the Company for the year ending 31 December 2022 and to authorize the Board to fix its remuneration.
6. To consider and, if thought fit, to approve the re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the domestic auditor of the Company for the year ending 31 December 2022 and to authorize the Board to fix its remuneration.
7. To consider and, if thought fit, to approve the adjustment of remuneration of Mr. Ting Leung Huel, Stephen, an independent non-executive Director of the Company.

NOTICE OF AGM

8. To consider and, if thought fit, to approve the adjustment of remuneration of Ms. Chan Ching Har, Eliza, an independent non-executive Director of the Company.
9. To consider and, if thought fit, to approve the adjustment of remuneration of Mr. Zhan Yuan Jing, an independent non-executive Director of the Company.
10. To consider and, if thought fit, to approve the adjustment of remuneration of Mr. Wu Yi Gang, an external Supervisor of the Company.

As Special Resolutions

11. To consider and, if thought fit, to approve the amendments to the articles of association of the Company (the “**Articles of Association**”).
12. To consider and, if thought fit, to approve a general mandate to the Board to issue, allot and deal with (1) additional Domestic Shares not exceeding 20% of the Domestic Shares in issue; and (2) additional H Shares not exceeding 20% of the H Shares in issue, and to authorize the Board to make such corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment and issue of such shares:

“THAT:

- (A) (i) subject to paragraph 12(A)(iii) and in accordance with relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (the “**Hong Kong Listing Rules**”), the Articles of Association and the applicable laws and regulations of the PRC, the exercise by the Board during the Relevant Period of all the powers of the Company to allot, issue and deal with, either separately or concurrently, additional Domestic Shares and H Shares and to make or grant offers, agreements, options and rights of exchange or conversion of shares which might require the exercise of such powers be hereby generally and unconditionally approved;
- (ii) the approval in paragraph 12(A)(i) shall authorize the Board during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion of shares which might require the exercise of such powers after the Relevant Period;
- (iii) each of the aggregate number of the Domestic Shares and the H Shares allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the approval granted in paragraph 12(A)(i) shall not exceed 20% of each of the aggregate number of the Domestic Shares and the H Shares, respectively, in issue at the date of passing this resolution, otherwise pursuant to (a) a Rights Issue; or (b) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on shares of the Company, in accordance with the relevant requirements of the Hong Kong Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC; and

NOTICE OF AGM

(iv) for the purpose of this resolution:

“H Shares” means the overseas-listed foreign invested shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars.

“Domestic Shares” means the domestic invested ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for in Renminbi.

“Relevant Period” means the period from the approval of this resolution until whichever is the earlier of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the revocation or variation of the authority given to the Board under this resolution by approval of a special resolution of the Company in a general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Board to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong) and an offer, allotment or issue of shares by way of rights shall be construed accordingly.

- (B) The Board be authorized to make corresponding amendments to the Articles of Association as it thinks fit so as to reflect the new capital structure upon the allotment or issue of shares as provided in paragraph 12(A)(i) of this resolution.”

By order of the Board
Tong Ren Tang Technologies Co. Ltd.
Gu Hai Ou
Chairman

Beijing, the PRC

23 May 2022

As at the date of this notice, the Board comprises Mr. Gu Hai Ou, Mr. Wang Yu Wei and Ms. Feng Zhi Mei as executive Directors, Mr. Jin Tao, Mr. Ma Guan Yu and Ms. Guo Ya Qing as non-executive Directors, Mr. Ting Leung Huel, Stephen, Ms. Chan Ching Har, Eliza and Mr. Zhan Yuan Jing as independent non-executive Directors.

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Notes:

1. ELIGIBILITY FOR ATTENDING THE AGM

Holders of H Shares whose names appear on the register of the Company maintained by Hong Kong Registrars Limited, the H Share registrar and transfer office of the Company in Hong Kong, and holders of Domestic Shares whose names appear on the register of the Company on Tuesday, 17 May 2022 shall be entitled to attend the AGM.

2. PROXY

- (1) Shareholders entitled to attend and vote at the AGM may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. The proxy need not be a shareholder of the Company.
- (2) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its director(s) or duly authorized attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorization of such attorney shall be notarized.
- (3) To be valid, the notarized power of attorney or other document(s) of authorization (if any) and the form of proxy shall be delivered to (i) Hong Kong Registrars Limited, the H share registrar and transfer office of the Company in Hong Kong, for holders of H Shares; and (ii) the office address of the Company for holders of Domestic Shares, no less than 24 hours before the time fixed for convening the AGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so desires.
- (4) If a shareholder appoints more than one proxy, such proxies shall only exercise their voting rights by a poll.

3. REGISTRATION PROCEDURES FOR ATTENDING THE AGM

A shareholder or his proxy shall produce his identification document when attending the AGM. Where a shareholder is a legal person, the legal representative of that shareholder or the person authorized by its board of directors or other governing body shall produce a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

4. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the period as set out below, during which time no transfer of shares will be registered. In order to be qualified for attending and voting at the AGM, and be qualified for the Final Dividend, all transfer documents of the holders of H Shares must be lodged with the Company's H Share registrar and transfer office, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, no later than the deadline as set out below:

(i) To be qualified for attending and voting at the AGM

Deadline for lodging the transfer documents with Hong Kong Registrars Limited	4:30 p.m. on Monday, 16 May 2022
Book closure period	From Tuesday, 17 May 2022 to Thursday, 16 June 2022 (both days inclusive)
AGM record date	Tuesday, 17 May 2022

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(ii) To be qualified for the Final Dividend

Deadline for lodging the transfer documents with Hong Kong Registrars Limited	4:30 p.m. on Tuesday, 21 June 2022
Book closure period	From Wednesday, 22 June 2022 to Monday, 27 June 2022 (both days inclusive)
Final Dividend record date	Monday, 27 June 2022

5. METHOD OF VOTING AT THE AGM

Pursuant to Rule 13.39 (4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM.

6. MISCELLANEOUS

- (1) The AGM is expected to be held for less than half a day. Shareholders attending the AGM shall be responsible for their own travelling and accommodation expenses.
- (2) The address of Hong Kong Registrars Limited, the H Share registrar and transfer office of the Company in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- (3) The office and the contact details of the Company are:

No. 20, Nansanhuan Zhonglu,
Fengtai District,
Beijing, the PRC

Telephone: (+86) 10 87632179
E-mail : ir@tongrentangkj.com