
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **CRRC Corporation Limited**, you should at once hand this circular and the enclosed form of proxy for attending the AGM to the purchaser or the transferee or to the bank, licensed dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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中國中車股份有限公司 CRRC CORPORATION LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 1766)

ANNUAL GENERAL MEETING

A notice convening the AGM of CRRC Corporation Limited to be held at Banquet Hall A, Four Points by Sheraton Beijing, Haidian Hotel, No. 25 Yuanda Road, Haidian District, Beijing, the PRC at 2:00 p.m. (registration will begin at 1:30 p.m.) on Thursday, 16 June 2022 is set out on pages 7 to 10 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM. If you intend to attend the AGM by proxy, you are required to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, in person or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof in any event. Completion and return of the form of proxy will not preclude you from attending, and voting at, the AGM or at any adjourned meeting if you so wish.

26 May 2022

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DEFINITIONS

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

“A Share(s)”	domestic share(s) with a nominal value of RMB 1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange (Stock Code: 601766)
“A Shareholder(s)”	holder(s) of A Share(s)
“AGM”	the annual general meeting of the Company to be held at Banquet Hall A, Four Points by Sheraton Beijing, Haidian Hotel, No. 25 Yuanda Road, Haidian District, Beijing, the PRC at 2:00 p.m. (registration will begin at 1:30 p.m.) on Thursday, 16 June 2022
“Articles of Association”	the Articles of Association of CRRC Corporation Limited, as amended from time to time
“Board”	the Board of Directors of the Company
“Company” or “CRRC”	CRRC Corporation Limited (中國中車股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H Shares and the A Shares of which are listed on the Hong Kong Stock Exchange and SSE, respectively
“Company Law”	the Company Law of the People’s Republic of China, as amended from time to time
“CSRC”	China Securities Regulatory Commission
“Debenture(s)”	one or a portfolio of debt financing instruments proposed to be issued by the Company, including corporate bonds, enterprise bonds, ultra-short-term debentures, short-term debentures, medium-term notes, perpetual bonds, assets-backed debentures (including but not limited to ABN, ABCP and ABS), overseas bonds denominated in RMB, bonds denominated in USD, A Share convertible bonds, H Share convertible bonds or other new types of bonds issued in the PRC in one or multiple tranches, with the total outstanding balance of all types of debentures in issue not exceeding the equivalent of RMB75 billion

DEFINITIONS

“Director(s)”	the director(s) of the Company
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in HK dollars (Stock Code: 1766)
“H Shareholder(s)”	holder(s) of H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive Director(s) of the Company
“Latest Practicable Date”	19 May 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure for General Meetings”	the Rules of Procedure for General Meetings of CRRC Corporation Limited, as amended from time to time
“Rules of Procedure for the Board”	the Rules of Procedure for the Board of Directors of CRRC Corporation Limited, as amended from time to time
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	A Shareholder(s) and H Shareholder(s)

DEFINITIONS

“SSE”	the Shanghai Stock Exchange
“Supervisory Committee”	the Supervisory Committee of the Company
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

Note: In this circular, the English names of the PRC entities are translations of their Chinese names and included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

LETTER FROM THE BOARD

中國中車股份有限公司 CRRC CORPORATION LIMITED

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

(Stock code: 1766)

Executive Directors:

Mr. Sun Yongcai
Mr. Lou Qiliang
Mr. Wang An

Registered Office:

No. 16, Central West Fourth Ring Road
Haidian District
Beijing, the PRC
Postal code: 100036

Non-executive Director:

Mr. Jiang Renfeng

Place of Business in Hong Kong:

Unit H, 41/F.,
Office Tower, Convention Plaza,
No. 1 Harbour Road,
Hong Kong

Independent Non-executive Directors:

Mr. Shi Jianzhong
Mr. Weng Yiran
Mr. Ngai Ming Tak

26 May 2022

To the H Shareholders

Dear Sir or Madam,

ANNUAL GENERAL MEETING

I. INTRODUCTION

On behalf of the Board, I hereby invite you to attend the AGM to be held at Banquet Hall A, Four Points by Sheraton Beijing, Haidian Hotel, No. 25 Yuanda Road, Haidian District, Beijing, the PRC at 2:00 p.m. (registration will begin at 1:30 p.m.) on Thursday, 16 June 2022.

The purpose of this circular is to provide you with the notice of the AGM and to provide you with all the information reasonably necessary to enable you to make informed decisions on whether to vote for or against the proposed resolutions at the AGM.

II. MATTERS TO BE CONSIDERED AT THE AGM

The matters to be considered at the AGM are described in detail in the notice of the AGM set out in pages 7 to 10 of this circular. At the AGM, the following will be proposed for approval as ordinary resolutions: (1) the resolution in relation to the 2021 final financial accounts report of the Company; (2) the resolution in relation to the 2021 Work Report of the Board of the Company; (3) the resolution in relation to the 2021 Work Report of the Supervisory Committee of the Company; (4) the resolution in relation to the 2021 profit distribution plan of the Company; (5) the resolution in relation to the arrangement of guarantees by the Company for 2022; (6) the resolution in relation to the remuneration of the Directors of the Company for 2021; (7) the resolution in relation to the remuneration of

LETTER FROM THE BOARD

the Supervisors of the Company for 2021; (8) the resolution in relation to the appointment of auditors of the Company for 2022, and special resolutions: (9) the resolution in relation to the proposed amendments to the Articles of Association; (10) the resolution in relation to the proposed amendments to the Rules of Procedure for General Meetings; (11) the resolution in relation to the proposed amendments to the Rules of Procedure for the Board; (12) the resolution to be proposed to the general meeting in relation to the grant of general mandate to the Board to issue additional A Shares and H Shares of the Company; and (13) the resolution in relation to the issuance of debt financing instruments by the Company for 2022.

In order to enable you to have a better understanding on the resolutions to be proposed at the AGM and to make informed decisions thereof with sufficient and necessary information, we have provided the Shareholders with detailed information in the appendices to this circular, including information and explanations of the resolutions to be proposed at the AGM for approval.

Pursuant to the requirements under the Rules for the Shareholders' Meetings of Listed Companies issued by the CSRC, each of the Independent Directors shall prepare a work report for the preceding year at the annual general meeting. Such report will be submitted to the Shareholders for consideration but not for approval at the AGM.

III. AGM

If you intend to attend the AGM by proxy, you are required to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, in person or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof in any event. The Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Telephone: (852) 2862 8555). Completion and return of the form of proxy will not preclude you from attending, and voting at, the AGM or any adjourned meeting if you so wish.

IV. VOTING BY WAY OF POLL

In accordance with the requirements of the Hong Kong Listing Rules, the resolutions set out in the notice of the AGM will be voted by way of poll. Voting results will be uploaded to the website of the Company at www.crrcgc.cc and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the AGM.

LETTER FROM THE BOARD

V. RECOMMENDATION

The Directors (including the Independent Non-executive Directors) consider that the resolutions as set out in the notice of the AGM are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the above proposed resolutions.

Yours faithfully,
By order of the Board
CRRC Corporation Limited
Sun Yongcai
Chairman

* *For identification purpose only*

NOTICE OF THE AGM

中國中車股份有限公司 CRRC CORPORATION LIMITED

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

(Stock code: 1766)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting for the financial year ended 31 December 2021 (the “**AGM**” or “**Annual General Meeting**”) of CRRC Corporation Limited (the “**Company**”) will be held at Banquet Hall A, Four Points by Sheraton Beijing, Haidian Hotel, No. 25 Yuanda Road, Haidian District, Beijing, the PRC at 2:00 p.m. (registration will begin at 1:30 p.m.) on Thursday, 16 June 2022 for the purpose of considering and approving, if appropriate, the following resolutions (unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 26 May 2022):

ORDINARY RESOLUTIONS

1. To consider and approve the resolution in relation to the 2021 final financial accounts report of the Company
2. To consider and approve the resolution in relation to the 2021 Work Report of the Board of the Company
3. To consider and approve the resolution in relation to the 2021 Work Report of the Supervisory Committee of the Company
4. To consider and approve the resolution in relation to the 2021 profit distribution plan of the Company
5. To consider and approve the resolution in relation to the arrangement of guarantees by the Company for 2022
6. To consider and approve the resolution in relation to the remuneration of the Directors of the Company for 2021
7. To consider and approve the resolution in relation to the remuneration of the Supervisors of the Company for 2021
8. To consider and approve the resolution in relation to the appointment of auditors of the Company for 2022

SPECIAL RESOLUTIONS

9. To consider and approve the resolution in relation to the proposed amendments to the Articles of Association

NOTICE OF THE AGM

10. To consider and approve the resolution in relation to the proposed amendments to the Rules of Procedure for General Meetings
11. To consider and approve the resolution in relation to the proposed amendments to the Rules of Procedure for the Board
12. To consider and approve the resolution to be proposed to the general meeting in relation to the grant of general mandate to the Board to issue additional A Shares and H Shares of the Company
13. To consider and approve the resolution in relation to the issuance of debt financing instruments by the Company for 2022

REPORTING MATTER

The Independent Directors of the Company will submit their 2021 work report to the Shareholders for consideration but not for approval at the AGM.

By order of the Board
CRRC Corporation Limited
Sun Yongcai
Chairman

26 May 2022

Notes:

1. Details of the above resolutions are set out in the appendices to this circular dated 26 May 2022 regarding the AGM of the Company.
2. Pursuant to the requirements under the Rules for the Shareholders' Meetings of Listed Companies issued by the CSRC, each of the Independent Directors shall prepare a work report for the preceding year at the annual general meeting. Such report will be submitted to the Shareholders for consideration but not for approval at the AGM.
3. The Board of the Company has recommended a final dividend of RMB0.18 per share (tax inclusive) for the year ended 31 December 2021. If such dividend is declared by the Shareholders upon passing the resolution No. 4, the final dividend is expected to be paid on a certain business day (excluding Saturday, Sunday or public holidays in Hong Kong and the PRC) on or before 12 August 2022 to those Shareholders whose names appear on the register of members of the Company on Wednesday, 29 June 2022.

Under relevant regulations of China Securities Depository and Clearing Corporation Limited Shanghai Branch and in line with the market practice regarding dividend distribution of A Shares, the Company will publish a separate announcement in respect of its final dividend distribution to holders of A Shares after the Company's AGM, which will set out the record date and ex-dividend date for final dividend distribution to holders of A Shares.

Timetable arrangements such as the record date, the ex-dividend date and the date of distribution of cash dividend for the investors of northbound trading under Shanghai-Hong Kong Stock Connect will be the same as those for holders of A Shares of the Company. Timetable arrangements such as the record date, the ex-dividend date and the date of distribution of cash dividend for the investors of southbound trading under Shanghai-Hong Kong Stock Connect will be the same as those for holders of H Shares of the Company.

NOTICE OF THE AGM

To determine the identity of the Shareholders entitled to receive the final dividend, the Company's register of members will be closed from Friday, 24 June 2022 to Wednesday, 29 June 2022 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to the final dividend, H Shareholders of the Company who have not registered the transfer documents are required to deposit the transfer documents together with the relevant share certificates with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Thursday, 23 June 2022.

According to the Law on Enterprise Income Tax of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementing rules which were amended and came into effect on 29 December 2018 and the Notice of the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the State Administration of Taxation (Guo Shui Han [2008] No. 897), the Company is required to withhold enterprise income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders as appearing on the H Share register of members of the Company. The enterprise income tax shall be withheld for the dividends of any H shares under the name of non-individual shareholders (any H shares of the Company registered in the name of HKSCC Nominees Limited, other nominees and trustees, or other organizations and institutions, shall be deemed as shares held by non-resident enterprise shareholders, hence enterprise income tax will be deducted from the amount of dividend payable).

According to the Notice on the Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 (《關於國稅發[1993]045號文件廢止後有關個人所得稅征管問題的通知》) (Guo Shui Han [2011] No. 348) issued by the State Administration of Taxation, the Company shall withhold and pay the individual income tax for the dividend payable to individual H Shareholders. At the same time, the individual H Shareholders are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements between the countries where they are residents and China or the tax arrangements between mainland China and Hong Kong (Macau). If the individual H Shareholders are Hong Kong or Macau residents or residents of the countries having an agreed dividend tax rate of 10% with China, the Company shall withhold and pay the individual income tax at a rate of 10%. If the individual H Shareholders are residents of the countries having an agreed dividend tax rate of less than 10% with China, the Company would apply for entitlement of the relevant agreed preferential tax treatment on their behalf in accordance with the Announcement on the Publication of the Measures for the Administration of Non-Resident Taxpayers' Enjoyment of Treaty Benefits (《關於發佈〈非居民納稅人享受協定待遇管理辦法〉的公告》) (SAT Announcement [2019] No. 35) by the State Administration of Taxation. If the individual H Shareholders are residents of the countries having an agreed dividend tax rate exceeding 10% but lower than 20% with China, the Company shall withhold and pay the individual income tax at the actual agreed rate. In case the individual H Shareholders are residents of the countries that have not entered into any tax agreement with China or otherwise, the Company shall withhold and pay the individual income tax at a rate of 20%.

According to the current practice of the Inland Revenue Department of Hong Kong, dividends paid by the Company in Hong Kong are not subject to taxation.

The Company shall take the registered address (hereinafter the "**Registered Address**") as recorded in the register of members of the Company on 29 June 2022 to determine the residence of the individual H Shareholders, and accordingly withhold and pay the individual income tax. If the residence of any individual H Shareholder is inconsistent with the Registered Address, he/she should notify the Company's H Share Registrar on or before 4:30 p.m. on 23 June 2022 and provide the relevant supporting documents, and the correspondence details are as follows: Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Tel: (852) 2862 8555). If such individual H Shareholder has failed to provide the relevant supporting documents to the Company's H Share Registrar within the time period as stated above, the Company will determine his/her residence according to the Registered Address as recorded in the register of members on 29 June 2022.

The Company assumes no responsibility and will not entertain any claims arising from any delay in the determination, or inaccurate determination, of the status of the Shareholders or any dispute over the arrangement of withholding and payment of tax.

NOTICE OF THE AGM

4. In accordance with the requirements of the Hong Kong Listing Rules, the resolutions set out in the notice of the AGM will be voted by way of poll. Voting results will be uploaded to the website of the Company at www.crrgc.cc and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the AGM.
5. Any Shareholder who is entitled to attend and vote at the AGM convened by the above notice shall be entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy needs not be a Shareholder of the Company.
6. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authorization document, if any, under which it is signed, or a notarially certified copy of such power of attorney or authorization document, should be completed and deposited at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited (for H Shareholders), at least 24 hours before the scheduled time to convene the AGM or any adjourned meeting thereof. Computershare Hong Kong Investor Services Limited is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the proxy form will not preclude a Shareholder from attending in person and voting at the AGM or any adjourned meeting thereof should he/she so wish.
7. For the purpose of determining H Shareholders' entitlement to attend the AGM, the H Share register of members of the Company will be closed from Monday, 13 June 2022 to Thursday, 16 June 2022 (both days inclusive), during which no transfer of H Shares will be registered. In order for H Shareholders to attend the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 10 June 2022. H Shareholders whose names appear on the register of members of the Company maintained by Computershare Hong Kong Investor Services Limited on or before the above date will be eligible to attend the AGM.
8. In the case of joint shareholding and more than one joint shareholder is attending the AGM in person or by proxy, the vote cast by the senior joint shareholder, whether in person or by proxy, will be accepted as the sole vote cast on behalf of all other joint shareholders. For this purpose, the order of seniority will be determined by the order in which the names of the joint shareholders appear in the register of members of the Company in respect of the joint shareholding.
9. The AGM is expected to last for about half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when they attend the AGM.
10. In the event that the containment of COVID-19 pandemic is still ongoing at the time of the AGM, in order to cooperate with the prevention and control of the pandemic so as to safeguard the health and safety of the Shareholders and the participants of the meeting, at the same time ensuring that the Shareholders may exercise their respective shareholders' rights, the Company recommends H Shareholders and their proxies intending to attend the AGM to vote by completing and submitting the proxy form, i.e. to indicate how you wish your votes to be casted in the proxy form, and appoint the chairman of the AGM as your proxy to vote on your behalf on site.

In the case where H Shareholders or their proxies choose to attend the meeting in person by then, they must comply with the policies and requirements of Beijing Municipality regarding the containment of COVID-19 pandemic. On the way to, from and at the venue of the AGM, please adopt proper personal preventive measures. Upon arrival at the venue of the AGM, please follow the arrangement and guidance of the staff and cooperate with the pandemic prevention and control requirements including, among others, attendee registration, temperature check and wearing of masks.

ORDINARY RESOLUTIONS:**1. The resolution in relation to the 2021 final financial accounts report of the Company**

The Company has prepared its financial statements and the notes thereto for the year 2021, and engaged KPMG Huazhen LLP Certified Public Accountants to audit the consolidated balance sheet and the balance sheet of the Company as at 31 December 2021, the consolidated income statement, the Company's income statement, the consolidated cash flow statement, the Company's cash flow statement, the consolidated statement of changes in owners' equity and the Company's statement of changes in owners' equity for the period from 1 January 2021 to 31 December 2021, and the notes of the financial statements. KPMG Huazhen LLP Certified Public Accountants is of the opinion that the financial statements are prepared in accordance with Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China in all material aspects, fairly reflecting the consolidated financial position and the financial position of the Company as at 31 December 2021, the consolidated operating results and the operating results of the Company, as well as the consolidated cash flow and the cash flow of the Company for the year 2021. For details of the above statements, please refer to the 2021 A shares annual report of the Company.

The abovementioned resolution in relation to the 2021 final financial accounts report was considered and approved by the Board on 30 March 2022 and is hereby submitted to the AGM for consideration and approval.

2. The resolution in relation to the 2021 Work Report of the Board of the Company

In accordance with the relevant provisions of the Articles of Association and the Rules of Procedure for the Board, the Board of the Company reported the working status of the Board for the year 2021, details of which are set out in Annex A to this circular.

3. The resolution in relation to the 2021 Work Report of the Supervisory Committee of the Company

In accordance with the relevant provisions of the Articles of Association, the Rules of Procedure for General Meetings and the Rules of Procedure for the Supervisory Committee, the Supervisory Committee of the Company reported the working status of the Supervisory Committee for the year 2021, details of which are set out in Annex B to this circular.

4. The resolution in relation to the 2021 profit distribution plan of the Company

According to the requirements from the relevant regulatory authorities, the Articles of Association and relevant laws and regulations, after fully taking into account the net profits for 2021, the financial affordability and the development needs of the Company, the Board proposed the 2021 profit distribution plan as follows:

- (1) The profit distribution of the Company for the year 2021 will be carried out by way of cash dividend.
- (2) As of 31 December 2021, the profit available for distribution at the end of the period of the Company is RMB5.874 billion. The Company will distribute cash dividends to all shareholders based on the total share capital registered on the registration date for dividend distribution (the specific date will be clarified in the announcement on the implementation of dividend distribution). As of 31 December 2021, the total share capital of the Company was 28,698,864,088 shares, based on which and calculating at cash dividend of RMB0.18 (tax inclusive) per share, the Company is proposed to distribute cash dividend of RMB5.166 billion (tax inclusive) in aggregate, and the remaining undistributed profit will be carried forward for next year's distribution. The Company's cash dividends for the year accounted for 50% of the Company's net profit attributable to shareholders of listed company in 2021. In the case where, from the date of disclosure of announcement on profit distribution plan to the date of registration date for dividend distribution, there are changes in the total share capital of the Company due to the conversion of convertible bonds, repurchase of shares, cancellation of repurchased shares granted under equity incentive schemes, cancellation of repurchased shares due to material asset restructuring, etc., the Company proposes to remain the total distribution amount unchanged, and to adjust the distribution proportion per share accordingly. If the total share capital of the Company changes subsequently, specific adjustments will be announced separately.
- (3) For holders of A Shares, the dividend will be denominated, declared and paid in Renminbi; for holders of H Shares, the dividend will be denominated and declared in Renminbi and paid in HK dollars. The actual amount distributed in HK dollars will be calculated based on the average benchmark exchange rate between Renminbi and HK dollar as published by the People's Bank of China for five working days prior to the date for convening the general meeting for considering the profit distribution plan.
- (4) For the profit distribution, the amount of cash dividends to be paid to Qualified Foreign Institutional Investors ("QFII") of A Shares, other institutional investors of A Shares (excluding the aforesaid QFII) and individual investors of A Shares is RMB0.18/share (tax inclusive, with appropriate income tax to be withheld and paid by the Company according to the applicable taxation laws and regulations of the PRC upon dividends distribution). The amount of cash dividends to be paid to non-resident

enterprise shareholders of H Shares and individual investors of H Shares is RMB0.18/Share (tax inclusive, with appropriate income tax to be withheld and paid by the Company according to the applicable taxation laws and regulations of the PRC upon dividends distribution).

- (5) Matters in relation to profit distribution to investors of Shanghai – Hong Kong Stock Connect:
- 1) Northbound Trading. For investors of The Stock Exchange of Hong Kong Limited (including corporates and individuals) investing in the A Shares of the Company through northbound trading, their dividends will be distributed in Renminbi by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. Taxes shall be withheld pursuant to the Notice of MOF, SAT and CSRC on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2014] No. 81). The Company shall withhold income tax at the rate of 10%, the actual cash dividends after tax to be distributed will be RMB0.162 per share. For investors of northbound trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authority of the Company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authority, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.
 - 2) Southbound Trading. For investors of the Shanghai Stock Exchange (including corporates and individuals) investing in the H Shares of the Company through southbound trading, the Company will sign the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (《港股通H股股票現金紅利派發協議》) with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, pursuant to which the Shanghai Branch of China Securities Depository and Clearing Corporation Limited will, as the nominee of the investors of southbound trading, receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of southbound trading through its depository and clearing system. The cash dividends for the investors of southbound trading will be paid in Renminbi. Taxes shall be withheld pursuant to the Notice of MOF, SAT and CSRC on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2014] No. 81). For dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the H-share company shall withhold individual income

tax at the rate of 20% on behalf of such investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The H-share company shall not withhold income tax on dividends for domestic corporate investors and those domestic corporate investors shall report and pay the relevant tax by themselves.

- (6) Matters in relation to profit distribution to investors of southbound trading under Shenzhen-Hong Kong Stock Connect:

For investors of the Shenzhen Stock Exchange (including corporates and individuals) investing in the H Shares of the Company through Southbound Trading, the Company will sign the Agreement on Distribution of Cash Dividends of H Shares for southbound trading (《港股通H股股票現金紅利派發協議》) with the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited, pursuant to which, the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited will, as the nominee of the investors of southbound trading, receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of southbound trading through its depository and clearing system. The cash dividends for the investors of southbound trading will be paid in Renminbi. Taxes shall be withheld pursuant to the Notice of MOF, SAT and CSRC on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《財政部、國家稅務總局、證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Cai Shui [2016] No. 127). For dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share company shall withhold individual income tax at the rate of 20% on behalf of such investors. For dividends received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The H-share company shall not withhold income tax on dividends for domestic corporate investors and those domestic corporate investors shall report and pay the relevant tax by themselves.

The above 2021 profit distribution plan was considered and approved by the Board on 30 March 2022 and is hereby submitted to the AGM for consideration and approval. Meanwhile, the Board proposes that the Board be generally and unconditionally authorized by the AGM to implement the relevant matters in respect of the distribution of the profit and the Board be asked to further delegate the above authorization to the Company's chairman and president to be responsible for specific implementation and to handle the withholding of tax and other matters according to applicable laws and regulations and the requirements of relevant regulatory authorities.

5. The resolution in relation to the arrangement of guarantees by the Company for 2022

Based on the daily production and operation needs of its subsidiaries, the Company and its direct wholly-owned subsidiaries propose to provide guarantees for subsidiaries of the Company in respect of their financing and credit business, such as bank credit facilities and letters of guarantee from insurance companies, for 2022 and provided parent guarantees to certain subsidiaries of the Company in respect of their business such as domestic and overseas bidding and contract performance, with a total guarantee amount of RMB133.640 billion (or foreign currency equivalent, hereinafter the same). The specific arrangement is as follows:

(1) Guarantee amount

- (i) The Company will provide guarantee of RMB23.450 billion to its wholly-owned subsidiaries in respect of their financing and credit business and will undertake joint liabilities for debts arising from the various businesses of the guaranteed parties involving the use of credit. The details of the guarantees are set out below:

Name of guaranteed party (on consolidated basis)	Guarantee amount (RMB'0,000)
CRRC Zhuzhou Locomotive Co., Ltd. (中車株洲電力機車有限公司)	100,000
CRRC Datong Co., Ltd. (中車大同電力機車有限公司)	60,000
CRRC Dalian Co., Ltd. (中車大連機車車輛有限公司)	100,000
CRRC Qishuyan Co., Ltd. (中車戚墅堰機車有限公司)	40,000
CRRC Tangshan Co., Ltd. (中車唐山機車車輛有限公司)	120,000
CRRC Nanjing Puzhen Co., Ltd. (中車南京浦鎮車輛有限公司)	200,000
Qingdao CRRC Sifang Rail Vehicle Co., Ltd. (青島中車四方軌道車輛有限公司)	50,000
CRRC Qiqihaer Co., Ltd. (中車齊齊哈爾車輛有限公司)	40,000
CRRC Shijiazhuang Co., Ltd. (中車石家莊車輛有限公司)	33,000
CRRC Shenyang Co., Ltd. (中車瀋陽機車車輛有限公司)	60,000
CRRC Shandong Co., Ltd. (中車山東機車車輛有限公司)	140,000
CRRC Yangtze Group Co., Ltd. (中車長江運輸設備集團有限公司)	66,000
CRRC Yangtze Co., Ltd. (中車長江車輛有限公司)	50,000
CRRC Xi'an Co., Ltd. (中車西安車輛有限公司)	40,000
CRRC Guiyang Co., Ltd. (中車貴陽車輛有限公司)	34,000
CRRC Taiyuan Co., Ltd. (中車太原機車車輛有限公司)	30,000
CRRC Meishan Co., Ltd. (中車眉山車輛有限公司)	60,000
CRRC Zhuzhou Institute Co., Ltd. (中車株洲電力機車研究所有限公司)	150,000
CRRC Sifang Institute Co., Ltd. (中車青島四方車輛研究所有限公司)	50,000
CRRC Yongji Motor Co., Ltd. (including Dalian DDC) (中車永濟電機有限公司 (含大連電牽))	150,000
CRRC Zhuzhou Motor Co., Ltd. (中車株洲電機有限公司)	90,000

Name of guaranteed party (on consolidated basis)	Guarantee amount (RMB'0,000)
CRRC Qishuyan Institute Co., Ltd. (中車戚墅堰機車車輛工藝研究所)	50,000
CRRC Dalian Institute Co., Ltd. (中車大連機車研究所有限公司)	20,000
CRRC Beijing Nankou Co., Ltd. (中車北京南口機械有限公司)	10,000
CRRC Information Technology Co., Ltd. (中車信息技術有限公司)	2,000
CRRC Hong Kong Capital Management Co., Ltd. (中國中車香港資本管理有限公司)	100,000
CRRC Hong Kong Co., Ltd. (中國中車(香港)有限公司)	50,000
CRRC Logistics Co., Ltd. (中車物流有限公司)	400,000
CRRC International Co., Ltd. (中車國際有限公司)	50,000
Total	<u>2,345,000</u>

The guarantee amounts mentioned above are based on the estimate of the current business conditions. Based on possible changes, the Company will provide guarantee of RMB23.450 billion to its wholly-owned subsidiaries in respect of their financing and credit business, which can be adjusted within the total guarantee amount.

- (ii) The Company will provide guarantee of RMB10.1 billion to its non-wholly-owned subsidiaries in respect of their financing and credit business and will undertake joint liabilities for debts arising from the various businesses of the guaranteed parties involving the use of credit. The details of the guarantees are set out below:

Name of guaranteed party (on consolidated basis)	Guarantee amount (RMB'0,000)
CRRC Ziyang Co., Ltd. (中車資陽機車有限公司)	60,000
CRRC Changchun Railway Vehicle Co., Ltd. (中車長春軌道客車股份有限公司)	200,000
CRRC Qingdao Sifang Co., Ltd. (中車青島四方機車車輛股份有限公司)	200,000
CRRC Construction Engineering Co., Ltd. (中車建設工程有限公司)	350,000
CRRC Finance Co., Ltd. (中車財務有限公司)	100,000
South Africa CRRC Co., Ltd. (南非中車車輛有限公司)	100,000
Total	<u>1,010,000</u>

The guarantee amounts mentioned above are based on the estimate of the current business conditions. Based on possible changes, the Company will provide guarantee of RMB10.1 billion to its non-wholly-owned subsidiaries in respect of their financing and credit business, which can be adjusted within the total guarantee amount.

- (iii) The direct wholly-owned subsidiaries of the Company, the listed company and CRRC Hong Kong Co., Ltd. (中國中車(香港)有限公司) will provide guarantee of RMB26.49 billion to subsidiaries in respect of their financing and credit business and will undertake joint guarantee liabilities for debts arising from the various businesses of the guaranteed parties involving the use of credit, the details of which are set out below:

Name of guarantor (consolidated)	Guarantee amount (RMB'0,000)
CRRC Zhuzhou Locomotive Co., Ltd. (中車株洲電力機車有限公司)	700,000
CRRC Datong Co., Ltd. (中車大同電力機車有限公司)	40,000
CRRC Dalian Co., Ltd. (中車大連機車車輛有限公司)	30,000
CRRC Qishuyan Co., Ltd. (中車戚墅堰機車有限公司)	5,000
CRRC Changchun Railway Vehicle Co., Ltd. (中車長春軌道客車股份有限公司)	300,000
CRRC Qingdao Sifang Co., Ltd. (中車青島四方機車車輛股份有限公司)	300,000
CRRC Tangshan Co., Ltd. (中車唐山機車車輛有限公司)	150,000
CRRC Nanjing Puzhen Co., Ltd. (中車南京浦鎮車輛有限公司)	78,000
CRRC Qiche Group Co., Ltd. (中車齊車集團有限公司)	25,000
CRRC Shijiazhuang Co., Ltd. (中車石家莊車輛有限公司)	30,000
CRRC Yangtze Group Co., Ltd. (中車長江運輸設備集團有限公司)	30,000
CRRC Yangtze Co., Ltd. (中車長江車輛有限公司)	20,000
CRRC Meishan Co., Ltd. (中車眉山車輛有限公司)	5,000
CRRC Zhuzhou Institute Co., Ltd. (中車株洲電力機車研究所有限公司)	423,000
Zhuzhou Times New Material Technology Co., Ltd. (株洲時代新材料 科技股份有限公司)	76,500
CRRC Sifang Institute Co., Ltd. (中車青島四方車輛研究所有限公司)	10,000
CRRC Yongji Motor Co., Ltd. (中車永濟電機有限公司)	30,000
CRRC Zhuzhou Motor Co., Ltd. (中車株洲電機有限公司)	60,000
CRRC Qishuyan Institute Co., Ltd. (中車戚墅堰機車車輛工藝研究所)	40,000
CRRC Construction Engineering Co., Ltd. (中車建設工程有限公司)	200,000
CRRC Hong Kong Capital Management Co., Ltd. (中國中車香港資本 管理有限公司)	20,000
CRRC Hong Kong Co., Ltd. (中國中車(香港)有限公司)	70,000
CRRC Logistics Co., Ltd. (中車物流有限公司)	6,000
Total	<u>2,649,000</u>

Guarantees provided to PPP project companies within the scope of consolidation should comply with relevant requirements on guarantee credit enhancement of the Notice on Strengthening the Control and Management of PPP Business Risk of Central Enterprises (Guo Zi Fa Cai Guan [2017] No. 192).

- (iv) CRRC Finance Co., Ltd. will provide financing guarantee of RMB3.2 billion for member enterprises, including domestic financing guarantee, delay payment guarantee, instalment payment guarantee and borrowing guarantee.
- (v) The Company will provide parent guarantee equivalent to RMB70.4 billion, among which RMB22.0 billion for wholly-owned subsidiaries and RMB48.4 billion for non-wholly-owned subsidiaries, to subsidiaries in respect of their domestic and overseas bidding and contract performance businesses and will undertake guarantee liability within the scope agreed under the guarantee contract. Depending on the equity level of the actual signing entity within the internal organization of the Company, part of the parent guarantee may be signed by the direct wholly-owned subsidiaries.
- (vi) The validity period of the guarantee amounts mentioned above will commence from the date of approval at the 2021 annual general meeting until the date on which the 2022 annual general meeting is convened.
- (vii) The guarantee amounts mentioned above are based on the estimate of the current business conditions. Based on possible changes, the guarantee provided between the wholly-owned subsidiaries or the non-wholly-owned subsidiaries under the abovementioned guarantee plan may be adjusted within the total guarantee amount.
- (viii) The Company and its subsidiaries plan to provide guarantees in respect of the financing and credit business in a total amount of RMB60.04 billion in 2022, among which, RMB13.64 billion for subsidiaries with gearing ratios of over 70%, and RMB46.40 billion for subsidiaries with gearing ratios of less than 70%.
- (ix) As the total amount of the abovementioned guarantee plan has reached the level that is required to be submitted to the general meeting of the Company for consideration according to the relevant laws, regulations and regulatory documents as well as the rules of the internal system of the Company, therefore, the abovementioned guarantee plan must be submitted to the general meeting for consideration.

APPENDIX I

MATTERS TO BE CONSIDERED AT THE AGM

(2) Basic status of the guaranteed party

Unit: RMB'O,000

Name of entity	As of 31 December 2021				Percentage of shareholding (%)	Gearing ratio (%)
	Balance of assets at the end of the period	Balance of liabilities at the end of the period	Balance of owners' equity at the end of the period	Balance of owners' equity attributable to the parent company at the end of the period		
CRRC Zhuzhou Locomotive Co., Ltd. (中車株洲電力機車有限公司)	3,451,076.13	2,182,147.46	1,268,928.67	1,117,347.34	100.00	63.23
CRRC Datong Co., Ltd. (中車大同電力機車有限公司)	681,272.08	461,562.36	219,709.71	187,041.30	100.00	67.75
CRRC Dalian Co., Ltd. (中車大連機車車輛有限公司)	2,638,752.93	1,901,797.38	736,955.55	733,160.53	100.00	72.07
CRRC Qishuyan Co., Ltd. (中車戚墅堰機車有限公司)	310,134.19	178,174.38	131,959.81	126,009.62	100.00	57.45
CRRC Ziyang Co., Ltd. (中車資陽機車有限公司)	377,432.93	338,776.53	38,656.39	44,747.93	99.60	89.76
CRRC Changchun Railway Vehicles Co., Ltd. (中車長春軌道客車股份有限公司)	6,069,959.44	3,856,658.10	2,213,301.34	2,111,930.34	93.54	63.54
CRRC Qingdao Sifang Co., Ltd. (中車青島四方機車車輛股份有限公司)	6,802,306.49	4,668,446.17	2,133,860.32	1,870,285.59	97.81	68.63
CRRC Tangshan Co., Ltd. (中車唐山機車車輛有限公司)	2,639,491.85	1,450,095.42	1,189,396.42	1,143,588.92	100.00	54.94
CRRC Nanjing Puzhen Co., Ltd. (中車南京浦鎮車輛有限公司)	2,603,445.06	1,893,225.39	710,219.67	598,644.03	100.00	72.72
Qingdao CRRC Sifang Rail Vehicle Co., Ltd. (青島中車四方軌道車輛有限公司)	384,531.71	225,875.20	158,656.51	163,863.49	100.00	58.74
CRRC Qiche Group Co., Ltd. (中車齊車集團有限公司)	2,353,074.40	1,485,749.75	867,324.65	791,470.01	100.00	63.14
CRRC Qiqihar Co., Ltd. (中車齊齊哈爾車輛有限公司)	663,106.36	308,977.58	354,128.78	353,791.83	100.00	46.60
CRRC Shandong Co., Ltd. (中車山東機車車輛有限公司)	1,097,088.04	815,524.22	281,563.82	270,239.85	100.00	74.34
CRRC Shijiazhuang Co., Ltd. (中車石家莊車輛有限公司)	328,291.09	207,926.25	120,364.84	56,171.12	100.00	63.34
CRRC Shenyang Co., Ltd. (中車瀋陽機車車輛有限公司)	216,961.35	143,874.30	73,087.05	73,087.05	100.00	66.31

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MATTERS TO BE CONSIDERED AT THE AGM

Name of entity	As of 31 December 2021				Percentage of shareholding (%)	Gearing ratio (%)
	Balance of assets at the end of the period	Balance of liabilities at the end of the period	Balance of owners' equity at the end of the period	Balance of owners' equity attributable to the parent company at the end of the period		
CRRC Yangtze Group Co., Ltd. (中車長江運輸設備集團有限公司)	1,795,297.64	1,084,130.44	711,167.19	702,510.92	100.00	60.39
CRRC Xi'an Co., Ltd. (中車西安車輛有限公司)	278,408.27	114,994.13	163,414.15	163,414.15	100.00	41.30
CRRC Guiyang Co., Ltd. (中車貴陽車輛有限公司)	221,696.43	104,714.47	116,981.97	115,808.45	100.00	47.23
CRRC Taiyuan Co., Ltd. (中車太原機車車輛有限公司)	394,008.14	281,705.87	112,302.26	112,302.26	100.00	71.50
CRRC Meishan Co., Ltd. (中車眉山車輛有限公司)	312,877.82	192,471.35	120,406.47	118,826.09	100.00	61.52
CRRC Yangtze Co., Ltd. (中車長江車輛有限公司)	449,113.77	383,726.72	65,387.04	59,484.66	100.00	85.44
CRRC Zhuzhou Institute Co., Ltd. (中車株洲電力機車研究所有限公司)	7,488,344.88	3,120,234.92	4,368,109.96	2,052,433.51	100.00	41.67
Zhuzhou Times New Material Technology Co., Ltd. (株洲時代新材料科技股份有限公司)	1,629,660.86	1,130,791.47	498,869.38	484,038.30	39.55	69.39
CRRC Sifang Institute Co., Ltd. (中車青島四方車輛研究所有限公司)	979,672.92	455,962.63	523,710.29	510,662.33	100.00	46.54
CRRC Yongji Motor Co., Ltd. (中車永濟電機有限公司)	925,620.29	480,259.30	445,360.99	352,338.68	100.00	51.89
CRRC Zhuzhou Motor Co., Ltd. (中車株洲電機有限公司)	961,856.22	572,815.98	389,040.24	348,780.30	100.00	59.55
CRRC Qishuyan Institute Co., Ltd. (中車戚墅堰機車車輛工藝研究所有限公司)	673,751.21	348,998.53	324,752.68	315,352.34	100.00	51.80
CRRC Dalian Institute Co., Ltd. (中車大連機車研究所有限公司)	204,884.32	124,462.47	80,421.85	79,380.26	100.00	60.75
CRRC Beijing Nankou Co., Ltd. (中車北京南口機械有限公司)	127,168.57	115,852.15	11,316.42	8,937.38	100.00	91.10
CRRC Construction Engineering Co., Ltd. (中車建設工程有限公司)	584,832.01	349,718.58	235,113.43	235,113.43	50.00	59.80
CRRC Information Technology Co., Ltd. (中車信息技術有限公司)	30,538.56	13,962.34	16,576.22	16,576.22	100.00	45.72
CRRC Finance Co., Ltd. (中車財務有限公司)	4,710,406.22	4,291,616.95	418,789.27	418,789.27	91.36	91.11

Name of entity	As of 31 December 2021				Percentage of shareholding (%)	Gearing ratio (%)
	Balance of assets at the end of the period	Balance of liabilities at the end of the period	Balance of owners' equity at the end of the period	Balance of owners' equity attributable to the parent company at the end of the period		
CRRC Hong Kong Co., Ltd. (中國中車(香港)有限公司)	515,313.38	381,256.83	134,056.55	134,056.55	-	73.99
CRRC Hong Kong Capital Management Co., Ltd. (中國中車香港資本管理有限公司)	645,652.74	302,809.93	342,842.81	342,842.81	100.00	46.90
CRRC Logistics Co., Ltd. (中車物流有限公司)	1,216,159.03	1,249,689.38	-33,530.35	-34,423.45	100.00	102.76
CRRC International Co., Ltd. (中車國際有限公司)	692,659.62	605,254.19	87,405.43	71,645.07	100.00	87.38
South Africa CRRC Co., Ltd. (南非中車車輛有限公司)	58,305.66	67,675.50	-9,369.84	-9,369.84	21.53	116.07
CRRC Industrial Institute Co., Ltd. (中車工業研究院有限公司)	75,860.12	35,288.31	40,571.81	24,366.21	100.00	46.52
CRRC Capital Management Co., Ltd. (中車資本管理有限公司)	301,241.22	17,368.63	283,872.59	283,872.59	100.00	5.77
CRRC Financial Leasing Co., Ltd. (中車金融租賃有限公司)	1,280,758.04	953,388.27	327,369.77	327,369.77	81.00	74.44

(3) Total amount of guarantees and amount of overdue guarantees

As of 31 December 2021, the Company provided RMB53.240 billion in total amount of external guarantees to its subsidiaries, representing 35.83% of the audited net assets of the Company as of 31 December 2021. As of 31 December 2021, the Company provided RMB49.513 billion in total amount of guarantees to its subsidiaries, representing 33.33% of the audited net assets of the Company as of 31 December 2021. The Company and its subsidiaries did not have overdue external guarantees.

The above resolution in relation to the arrangement of guarantees for 2022 has been considered and approved by the Board on 30 March 2022, and is hereby submitted to the AGM for consideration and approval.

6. The resolution in relation to the remuneration of the Directors of the Company for 2021

According to the relevant requirements of the SASAC and requirements of the Remuneration Plan of Directors and Supervisors of CRRC Corporation Limited, the remuneration of the Directors of the Company for 2021 is hereby submitted to the AGM for consideration.

(1) Remuneration of Independent Non-executive Directors

The annual remuneration of Independent Directors, comprising basic remuneration and meeting allowance, was based on the standards set out in the “Notice Regarding the Adjustment of Standards of Remuneration of Independent Directors” issued by SASAC (Guo Zi Ting Fen Pei [2009] No.328) (國資委《關於調整獨立董事報酬標準的通知》(國資廳分配[2009]328號)) and the “Notice on Relevant Issues Regarding the Adjustment of Work Subsidy of External Directors Who Resigned as Central Enterprise Principals” issued by SASAC (Guo Zi Ting Kao Fen [2020] No.187) (國資委《關於調整退出現職的中央企業負責人擔任外部董事發放工作補貼有關事項的通知》(國資廳考分[2020]187號)). The specific remuneration is shown in the table below:

Unit: RMB'0,000

Name	Title	Remuneration
Shi Jianzhong	Independent Director	7.67
Weng Yiran	Independent Director	0.50
Ngai Ming Tak	Independent Director	2.13
Li Guo'an	Former Independent Director	10.00
Sun Patrick	Former Independent Director	15.00
Zhu Yuanchao	Former Independent Director	7.67

Notes:

1. The work subsidy of four Independent Directors, namely Shi Jianzhong, Weng Yiran, Li Guo'an and Zhu Yuanchao, who resigned as central enterprise principals, will be dynamically adjusted annually according to the annual performance evaluation results, and will be paid at RMB5,000 per person per month in advance and will be redeemed according to the corresponding standard after the annual performance evaluation results are determined. The standard work subsidy for a result of excellent in the annual performance evaluation is RMB100,000; the standard work subsidy for a result of good in the annual performance evaluation is RMB80,000; the standard work subsidy for a result of basically competent or lower in the annual performance evaluation is RMB60,000.
2. Ngai Ming Tak and Sun Patrick is/was an Independent Director who is/was the chairman of a special committee and is/was not a director who resigned as central enterprise principals, and the standard annual basic compensation is/was RMB100,000/person/year. The standard allowance for Board meetings: RMB3,000/person/meeting; the standard allowance for special committee meetings: RMB2,000/person/meeting.
3. On 21 December 2021, the term of office of the second session of the Board expired, and Li Guo'an, Sun Patrick and Zhu Yuanchao ceased to serve as Independent Directors.

(2) Remuneration of Executive Directors

The Company's Chairman Sun Yongcai, executive Director Lou Qiliang, executive Director Wang An and former Chairman Liu Hualong are all persons in charge of central enterprises managed by SASAC, whose remuneration comprises 2021 annual basic remuneration and 2020 annual performance-based salary as verified by the SASAC.

The specific remuneration is shown in the table below:

Unit: RMB'0,000

Name	Title	Performance-based		Total
		Basic remuneration	salary for the year	
Sun Yongcai	Chairman	22.12	62.73	84.85
Lou Qiliang	Executive Director	19.91	56.46	76.37
Wang An	Executive Director	—	—	—
Liu Hualong	Former Chairman	—	—	—

Note:

1. Wang An was paid by CRRC GROUP, the parent company of the Company.
2. Liu Hualong was paid by CRRC GROUP, the parent company of the Company. In March 2021, Liu Hualong resigned from his position as Chairman and other positions of the Company due to work adjustment.

The abovementioned resolution in relation to the remuneration of the Directors of the Company for 2021 was considered and approved by the Board on 30 March 2022 and is hereby submitted to the AGM for consideration and approval.

7. The resolution in relation to the remuneration of the Supervisors of the Company for 2021

According to the relevant requirements of the SASAC and requirements of the Remuneration Plan of Directors and Supervisors of CRRC Corporation Limited, the remuneration of the Supervisors of the Company for 2021 is hereby submitted to the AGM for consideration.

The remuneration of Zhao Hu, the Company's current Chairman of the Supervisory Committee, and Chen Zhenhan and Chen Xiaoyi, the Supervisors, is managed according to the employee remuneration management system of the Company's head office, which implements the remuneration management system for the head office. The specific remuneration is set out in the table below:

Unit: RMB'0,000

Name	Title	Basic remuneration	Performance-based salary for the year	Total
Zhao Hu	Chairman of the Supervisory Committee	38.87	42.90	81.77
	Employee representative Supervisor			
Chen Zhenhan	Supervisor	30.22	35.90	66.12
Chen Xiaoyi	Supervisor	30.41	35.80	66.21

The abovementioned resolution in relation to the remuneration of the Supervisors of the Company for 2021 was considered and approved by the Supervisory Committee on 30 March 2022 and is hereby submitted to the AGM for consideration and approval.

8. The resolution in relation to the appointment of auditors of the Company for 2022

Pursuant to the requirements of the relevant laws and regulations and the Articles of Association, the Company is required to appoint an accounting firm to audit the annual financial statements of the Company in accordance with the applicable accounting standards as well as an accounting firm to audit the effectiveness of the internal control of the Company.

KPMG Huazhen LLP Certified Public Accountants, being the auditors of the Company for financial statements and the internal control of the Company in 2021, audited the financial statements of the Company for 2021 and the effectiveness of internal control of the Company.

The Company proposed to re-appoint KPMG Huazhen LLP Certified Public Accountants as the auditors of the Company for financial statements and the internal control of the Company in 2022. In addition, it is proposed to grant the Board at the AGM the authority to determine the relevant matters including its remuneration.

The abovementioned resolution in relation to the appointment of auditors of the Company for 2022 was considered and approved by the Audit and Risk Management Committee of the Board and the Board of the Company on 30 March 2022 and is hereby submitted to the AGM for consideration and approval.

SPECIAL RESOLUTIONS:

9. The resolution in relation to the proposed amendments to the Articles of Association

In order to further improve its level of corporate governance and meet the relevant regulatory requirements, pursuant to the prevailing laws, regulations and regulatory documents including the Guidelines for Articles of Association of Listed Companies (Revised 2022), the Rules for the Independent Directors of Listed Companies, the Rules Governing Shareholders' General Meetings of Listed Companies (Revised 2022), and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and combined with the company's actual production and operation needs, the Company proposed to amend the Articles of Association. Major amendments are set out below (details of the proposed amendments to the Articles of Association are set out in Appendix II to this circular):

(1) Refinement of the terms of reference of the general meeting and the Board

In accordance with the Guidelines for Articles of Association of Listed Companies (Revised 2022) and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised 2022), amendments were made to the relevant provisions of the Articles of Association relating to the powers and functions of the general meeting and the powers and functions of the Board. Major amendments include the refinement and clarification of the approval authority, consideration procedures and accountability system for external guarantees and financial assistance; and the clarification of the decision-making authority for external donations.

(2) Supplementary provisions in accordance with the new provisions of the superior law

In order to implement the new provisions of the superior law, some provisions have been supplemented, including the addition of regulation of "If the purchase of the Company's voting shares by the shareholders violates the provisions under Clauses 63(1) and (2) of the Securities Law of the People's Republic of China, the voting rights of such shares in excess of the prescribed proportion shall not be exercised within 36 months after the purchase, and shall not be counted in the total number of shares carrying voting rights represented by shareholders present at the general meeting"; and the addition of requirement for supervisors to sign written confirmation of periodic reports, etc.

(3) *Refinement of expressions of certain clauses*

In accordance with the Rules for Independent Directors of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised 2022) and other regulations, expressions of certain clauses have been refined, including adjustment of the regulatory basis for independent directors to perform their duties in accordance with the updated regulations; adjustment of the expression “fathers-in-law and mothers-in-law, daughters-in-law and sons-in-law” to “parents of spouses and spouses of children”, etc.

(4) *Refinement of provisions relating to shareholders’ rights*

In accordance with the relevant amendments to Appendix III “Core Shareholder Protection Standards” of the Hong Kong Listing Rules, certain provisions have been added or deleted, including the refinement of the arrangements relating to the closure of register of members, the provisions relating to the appointment of a proxy or corporate representative of a clearing house, the deletion of the requirement for a notice period for nomination of director candidates and the arrangements relating to unclaimed dividends, etc.

The above resolution in relation to the amendments to the Articles of Association was considered and approved by the Board on 30 March 2022 and is proposed for consideration and approval at the AGM. At the same time, it is proposed to the AGM of the Company to agree on the authorization of the Board to complete the procedures for the registration of changes/recordings in relation to the amendments of the Articles of Association, and to agree on the delegation of authority directly by the Board to the Chairman of the Board and the persons authorized by the Chairman of the Board, subject to such authorization.

10. The resolution in relation to the proposed amendments to the Rules of Procedure for General Meetings

In order to further improve the level of corporate governance and meet the relevant regulatory requirements, in accordance with the promulgation or amendment of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised 2022), the Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations, the Rules Governing General Meetings of Listed Companies (Revised 2022), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other laws and regulations and regulatory documents, it is proposed to amend the relevant provisions of the Rules of Procedure of the General Meetings on the basis of the amendments to the Articles of Association. Details of the proposed amendments to the Rules of Procedure for General Meetings are set out in Appendix III to this circular.

The above resolution in relation to the amendments to the Rules of Procedure for General Meetings was considered and approved by the Board on 30 March 2022 and is proposed for consideration and approval at the AGM.

11. The resolution in relation to the proposed amendments to the Rules of Procedure for the Board

In order to further improve the level of corporate governance and meet the relevant regulatory requirements, in accordance with the promulgation or amendment of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (Revised 2022), the Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations and other laws and regulations and regulatory documents, it is proposed to amend the relevant provisions of the Rules of Procedure of the Board on the basis of the amendments to the Articles of Association. Details of the proposed amendments to the Rules of Procedure for Board are set out in Appendix IV to this circular.

The above resolution in relation to the amendments to the Rules of Procedure for Board was considered and approved by the Board on 30 March 2022 and is proposed for consideration and approval at the AGM.

12. The resolution to be proposed to the general meeting in relation to the grant of general mandate to the Board to issue additional A Shares and H Shares of the Company

The Board hereby proposes to the general meeting for approval by way of a special resolution in relation to the grant of an unconditional general mandate to the Board to, subject to market condition and the requirements of the Company, separately or concurrently issue, allot and deal with, by share capital or equity-linked instruments (as defined below), new shares not exceeding 20% of each of the issued domestic shares (A Shares) and/or overseas listed foreign invested shares (H Shares) of the Company at the time of passing this resolution at the general meeting. According to requirements of relevant PRC laws and regulations and regulatory documents, the Board shall seek approval from the general meeting for each issuance of new A Shares even if the general mandate has been granted to the Board.

Details of the general mandate include but are not limited to the following matters:

- (1) to formulate and implement the detailed issue proposal which includes, without limitation, the class of new shares to be issued, the pricing mechanism and/or the issue price (including a price range), the number of shares to be issued, the target subscribers and the use of proceeds; to determine the timing of the issue and the period of the issue, and to decide whether to place to existing shareholders or not;
- (2) to consider, approve and execute, on behalf of the Company, agreements relating to the issue, including but not limited to placing and underwriting agreements, engagement agreements with intermediaries;

- (3) to consider, approve and execute, on behalf of the Company, legal documents relating to the issue which shall be submitted to the relevant regulatory authorities; to fulfill the relevant approval procedures in accordance with the requirements of the regulatory authorities and requirements at the places where the Company is listed;
- (4) to make necessary amendments to the relevant agreements and legal documents in items (2) and (3) above in accordance with the requirements of domestic and foreign regulatory authorities;
- (5) to affix the seal of the Company on the agreements and legal documents relating to the issue;
- (6) to engage intermediaries in connection with the issue and to approve and execute all actions, deeds, documents and such other matters that are necessary, appropriate, expedient or relevant to the issue;
- (7) to approve the increase of the registered capital of the Company, make relevant amendments to the Articles of Association relating to the total capital and shareholding structure, and fulfill the relevant registration and filing procedures pursuant to the domestic and overseas legal requirements, after the issue of the new shares.

Except that the Board may make or grant offers, agreements, or options during the Relevant Period in relation to the issue of A Shares and/or H Shares, which might require further promotion or implementation after the end of the Relevant Period, the period of the above mandate shall not exceed the Relevant Period. The Relevant Period means the period from the date of granting the mandate by a special resolution at the 2021 annual general meeting until whichever is the earliest of:

- (1) the conclusion of the 2022 annual general meeting of the Company;
- (2) the expiration of the 12-month period following the passing of this resolution by a special resolution at the 2021 annual general meeting;
- (3) the date on which the mandate under this resolution is revoked or varied by a special resolution at any general meeting of the Company.

For the purpose of this resolution, “equity-linked instruments” include bonds that may be converted or exchanged into A Share and/or H Share, options or other derivatives.

The abovementioned resolution to be proposed to the general meeting in relation to the grant of general mandate to the Board to issue additional A Shares and H Shares of the Company was considered and approved by the Board on 30 March 2022 and is hereby submitted to the AGM for consideration and approval.

13. The resolution in relation to the issuance of debt financing instruments by the Company for 2022

In order to satisfy the production and operation needs of the Company, to adjust the structure of liabilities, and to reduce the financing costs of the Company, according to the Company's financing plans for 2022, the Company intends to finance by debt instruments and issue one or a portfolio of debt financing instruments in one or multiple tranches. And it has been resolved that the resolution in relation to the proposed issue of debt financing instruments above will be proposed to the AGM for Shareholders' consideration and approval.

(1) Issue plan

The categories of the debt financing instruments proposed to be issued by the Company include corporate bonds, enterprise bonds, ultra-short-term debentures, short-term debentures, medium-term notes, perpetual bonds, asset-backed debentures (including but not limited to ABN, ABCP and ABS), overseas bonds denominated in RMB, bonds denominated in USD, A Share convertible bonds, H Share convertible bonds or other new types of bonds issued in the PRC ("**Debentures**") with the total outstanding balance of repayment amount of the Debentures not exceeding an aggregate of equivalent to RMB75 billion.

In respect of the convertible bonds proposed to be issued, the A Share or H Share so converted may be issued pursuant to the general mandate to additional issue considered and passed by the general meetings of the Company in response to the application for conversion by the holders of the convertible bonds.

(2) Principal terms of issue

- (i) Issuer: the Company, and for the issuance of overseas debt financing instruments, the Company or an overseas wholly-owned subsidiary of the Company will act as the issuer.
- (ii) Size of issue: the specific size of issue will be determined in line with the capital requirements and market conditions with the total outstanding repayment amount of the Debentures not exceeding an aggregate of equivalent to RMB75 billion, provided that requirements of relevant laws and regulations and regulatory documents are complied with.

- (iii) Term(s) and category(ies): the Debentures can take the form of single term debenture or a combination of multiple categories with different terms. The specific composition of such terms and the issue size of each category with a specific term will be determined in accordance with relevant requirements and the market conditions, and the issue size of each category of debentures shall not exceed the limit applicable to the issue of such category of Debentures by the Company in accordance with relevant requirements of the PRC.
- (iv) Use of proceeds: the proceeds to be raised from such issue will be used for satisfying the production and operation needs of the Company, the adjustment of the structure of liabilities, replenishment of working capital, project investments and/or purposes consistent with the relevant regulations of the issuance of the Debentures.
- (v) Validity term of the resolution: the validity term of the resolution in relation to the proposed issuance of the debt financing instruments means the period from the approval date of this resolution at the general meeting to the date for convening the 2022 annual general meeting of the Company. In the event that the Company has resolved to carry out such issuance within the validity term of the resolution and the Company has obtained the approval, permit or registration in relation to the issuance from the regulatory authorities within the validity term of the above resolution, the Company may complete such issuance within the validity term so far as such approval, permit or registration remains valid.

(3) *Authorization*

It is proposed to grant a general and unconditional mandate at the general meeting to the Board to deal with the following matters within the scope of the principal terms of the issue as set out in paragraph (2) above, pursuant to relevant laws and regulations, the opinions and advices of regulatory authorities, the operation needs of the Company as well as the then market conditions:

- (i) to determine the type(s), specific category(ies), specific terms and conditions as well as other matters of the Debentures, including but not limited to all the matters in relation to the issue such as the size of issue, actual total amount, currency, issue price, interest rate or the determination method thereof, applicable issuer, place of issue, timing of issue, term(s), whether to issue in tranches and the number of tranches, whether to adopt any terms for repurchase and redemption, rating arrangements, guarantee matters, term of repayment of the principal and interests, use of proceeds, as well as listing and underwriting arrangements;

- (ii) to carry out all necessary and incidental actions and procedures for the issue of Debentures, including but not limited to, engaging intermediary agencies to handle, on behalf of the Company, the approval, record, filing and registration procedures with relevant regulatory authorities relating to the application for the issue, executing all necessary legal documents relating to the issue and dealing with other matters relating to the issue and trading of the Debentures;
- (iii) to make relevant adjustments to the relevant matters of the issue of the Debentures and to determine whether to proceed with the issue with reference to the opinions from relevant domestic regulatory authorities and the changes in policies and market conditions, provided that such adjustments and decision shall be within the scope of the authorization of the general meeting and shall be subject to re-voting at a general meeting of the Company if otherwise required by the relevant laws and regulations and the Articles of Association of CRRC Corporation Limited;
- (iv) to deal with other specific matters in relation to the issue of the Debentures and to execute all the required documents;
- (v) to approve the Board's further delegation of the aforesaid authorization to the Chairman of the Board and the president of the Company for the implementation of the issue.

The abovementioned resolution in relation to the issuance of the debt financing instruments for 2022 was considered and approved by the Board on 30 March 2022 and is hereby submitted to the AGM for consideration and approval.

CRRC CORPORATION LIMITED
2021 WORK REPORT OF THE BOARD

In 2021, the Board the Company earnestly implemented the important exposition of Xi Jinping, the General Secretary, on “two persistence” and developing the state-owned economy and state-owned enterprises. It constantly regulated the construction of the Board and strived to improve the corporate governance structure. It earnestly fulfilled the duties ascribed by the Company Law of the People’s Republic of China and the Articles of Association, implemented the requirements of the Central Committee of the Communist Party of China and the State Council on pandemic prevention and control work, implemented the Opinions of the State Council on Further Improving the Quality of Listed Companies, gave full play to the functions in “formulating strategies, making decision and preventing risks”, and continued to enhance its own capacities so as to effectively safeguard the interests of the Company and the Shareholders. The relevant details are reported as follows:

I. ADHERING TO STRATEGIC ORIENTATION TO TAKE FORWARD THE COMPANY’S HIGH QUALITY DEVELOPMENT

1. Planning layout and driving the formulation of development strategy

In the onset year of the 14th Five-Year Plan, the Board of the Company actively planned the development strategy for kicking off a good start. It thoroughly implemented the spirit of the 19th National Congress of the Communist Party of China and the plenary sessions of the 19th Central Committee of the Communist Party of China, and comprehensively performed the requirements of the outline of the 14th Five-Year Plan, the planning of state-owned central enterprises and relevant industry planning. It took into accounts the volatile external environment and increasingly fierce market competition to organise relevant departments to prepare the CRRC’s 14th Five-Year Development Strategy Outline (hereinafter referred to as the “**Outline**”). After careful study at the fifth meeting of the second session of the strategy committee, the Outline was submitted to the Board for consideration and officially released on 15 April 2021. The release of the Outline laid a solid foundation for the good start of the 14th Five-Year Plan and driving high-quality development of the Company.

2. Major breakthroughs and continuously deepening reform

The Board of the Company has actively promoted the continuous deepening of various reform tasks, continuously improved the top-level reform design, implemented major measures. Firstly, we conducted various practice. In 2021, the Company was named as the project reform model state-owned enterprise in terms of “learning from the advanced, realizing the implementation and promoting the reform”, and listed one of the key publicity enterprises for the reform of state-owned enterprises by the Publicity Department. Secondly, the reorganization work was carried out in an orderly manner. CRRC Sifang Co., Ltd. implemented reorganization and separation, and the integration of braking and coupler and buffer business was officially launched. CRRC Times Electric has been successfully listed on the STAR Market and doubled its market value. Thirdly, the establishment of board of directors has been fully implemented. 136

subsidiaries have established the board of directors whenever possible, with the majority of the members being external directors. 26 full-time external directors have been sent to 26 first-level subsidiaries, which has significantly improved the governance level of these first-level subsidiaries.

3. Promoting implementation of social responsibility with a strong sense of responsibility

The Board of the Company continued to promote the integration of the concept of social responsibility into its operation and management, adhered to the mission of “connecting the world and benefiting mankind”, strived to set an example in fulfilling social responsibility and establish a good brand image. In 2021, the Company’s targeted assistance cases were selected into the Blue Paper of Central Enterprises’ Social Responsibility (2021), and were rated as excellent cases of “Rural Revitalization”. According to the overall arrangement for the preparation of the Company’s development strategy outline and the requirements of world-class demonstration enterprises, the preparation of the social responsibility management plan of the 14th Five-Year Plan has been completed. With the working principle of “fulfilling responsibilities, making progress while maintaining stability and being precise and pragmatic”, during the transition period from poverty alleviation to rural revitalization, we maintained the overall stability of working institutions, capital scale, assistance projects and cadre teams, effectively consolidated and expanded the achievements of poverty alleviation, and laid a solid foundation for comprehensively promoting rural revitalization.

4. Making progress while maintaining stability and promoting the realization of business objectives

According to the business plan determined by the Board at the beginning of the year, the management of the Company focused on achieving new breakthroughs in business layout, market expansion, scientific and technological innovation, reform and innovation, management improvement, integration of industry and finance and the party-building “golden card”, firmly grasped the general direction of seeking progress while maintaining stability, adhered to goal-orientation, strengthened operation control, overcame adverse factors, and achieved the business objectives of the whole year.

II. ADHERING TO COMPLIANCE AND EFFICIENCY TO STRENGTHEN THE ESTABLISHMENT OF THE BOARD

1. Strengthening learning to improve the ability to perform duties

The Board of the Company attached importance to organizing members to conduct political theory and business studies, and actively participate in various trainings to continuously improve their ability to perform their duties. Firstly, the Board members studied and implemented the important speech on 1 July of Xi Jinping, the General Secretary, and the spirit of the 6th Plenary Session of the 19th Central Committee of the Party, and deeply realized the definite meaning of the “two establishments”. Secondly, the Board members studied the ideas of the Central Economic Work

Conference, the working rules of board of directors of central enterprises, and the current key and difficult issues in the reform of state-owned enterprises. Thirdly, the Board members studied the 100-year history of the Party, so as to understand the truth, build confidence, uphold virtue and practice diligently. Fourthly, the Board members participated in the training course for external directors of central enterprises and the seminar on the establishment of board of directors organized by the SASAC, and studied the speech of Hao Peng, the Secretary, at the seminar, the policies and regulations on the establishment of board of directors of central enterprises, and the establishment of modern enterprise system with Chinese characteristics. Fifthly, members of the Board attended the training for directors organized by SSE, Beijing Securities Regulatory Bureau, the Council of the Listed Companies Association of Beijing and The Hong Kong Institute of Chartered Secretaries to learn the latest regulatory policies to ensure that the various work of the Board is in compliance with the laws and regulations.

2. Electing new session to improve the governance structure in a timely manner

The election of new session of the Board of the Company has been completed at the end of 2021. The third session of the Board is composed of seven Directors. The Board members have rich experience and the structure of the members is reasonable. Among them, there are three executive directors, namely Sun Yongcai, Lou Qiliang and Wang An; one non-executive director, Jiang Renfeng; and three independent non-executive Directors, namely Shi Jianzhong, Weng Yiran and Ngai Ming Tak. The Board has four committees, namely strategy committee, audit and risk management committee, remuneration and evaluation committee and nomination committee. Other than the strategy committee which is chaired by the Chairman of the Company, the other three committees are all chaired by independent non-executive Directors. The audit and risk management committee and the remuneration and evaluation committee are all composed of non-executive Directors. Non-executive Directors account for the majority of the nomination committee, which ensures that non-executive Directors could fully express their opinions and effectively participate in corporate governance, and guarantees the normative, scientific and effective operation of the Board.

3. Effective communicating and coordinating with governance bodies

The Board of the Company gives full play to its role as the core body of corporate governance, and effectively communicates and coordinates with other governance subjects. It also respects the statutory functions of various governance bodies, such as Shareholders, the Supervisory Committee, the management, the party committee and employee representative assembly. Firstly, the Board maintained communication with Shareholders. They visited the major Shareholders before the annual general meeting to communicate with them about the relevant resolutions. They also actively discussed with the Shareholders about the Company's strategies and operations at the general meeting. Secondly, the Board consciously accepted the supervision of the Supervisory Committee with all Supervisors present at Board meetings to supervise the compliance of the Board's operation. Thirdly, under the

leadership of the president, the management actively supported and cooperated in the work of the Board, reporting to the Board, accepting questions and enquiries from the Directors, and carrying out the daily production and operation according to the laws.

4. Making scientific decisions through compliant operation

The Board of the Company implemented the works precisely in every stage before and after decision-making to ensure the decision-making are regulated, efficient and scientific. Firstly, it planned the annual meeting and research plans. The Board members fully communicated with each other to prepare the annual board meeting and research plans for 2021, determine the specific time of four regular meetings, arrange the preliminary time and number of temporary meetings, to ensure that the Board members have sufficient time to perform their duties. Secondly, it considered board resolutions precisely. The Board communicated thoroughly by way of telephone, mail, written materials and other ways with the management or the secretary to the Board. Through a combination of on-site and video to participate in the meetings, they fully expressed their opinion and the decision-making and consideration were achieved with “communication, consultation and voting”. Thirdly, it supervised the implementation of the resolutions of the meeting, required the management to regularly report the implementation of the decision-making matters to the Board, and report every unfinished matters until they are completed. The Board members also implemented the promotion of relevant decision-making matters through on-site investigation. During the year, the Board convened 2 general meetings and considered and approved 17 resolutions. The Board also convened 14 Board meetings and considered and approved 55 resolutions in respect of election of new session of the Board, periodic reports, related party transactions, etc. The special committees of the Board convened 15 meetings.

5. External Directors giving full play to their role

The external Directors of the Company play an important role in the decision-making of the Board, actively participate in the discussion and consideration of the resolutions, express their personal opinions independently and objectively, and use their rich management experience, professional perspective and information to help the Board to make scientific decisions. External directors visited subsidiaries for on-site field study to have an in-depth understanding of their production and operation, the construction of investment projects and the formulation of the “14th Five-year Plan” strategic plan. In 2021, they visited three subsidiaries for field studies, and inspected the Company’s wind power projects and poverty alleviation projects. External Directors participated in the Company’s annual working meeting, operation and management seminar etc., communicated with the auditors on the audit of the annual report, grasped more information from a broader perspective and accumulated more information for decision-making. The convener of external directors organized and held a meeting, listened to the Company’s report on the preparation and implementation of the “14th Five-year Plan” strategic plan, the research on the macroeconomic situation and industry development trend, the development of strategic emerging industries, the establishment of risk management system and major risk management, and grasped more information on decision-making.

III. ADHERING TO TOP-LEVEL DESIGN TO EFFECTIVELY PREVENT AND RESOLVE RISKS

1. Improving risk management and control system

The Board of the Company attached importance to the construction of risk control system. In 2021, it issued the Management Measures for Risk Preference and its supporting guidelines Risk Management Guidelines No. 11 – Risk Preference. It prepared the 2021 Risk Preference Statements, defined the business bottom lines and selected two indicators related to risk resolution as monitoring indicators, thereby improved the risk control system. The system is divided into three levels: the first level is the basic system, namely the Comprehensive Risk Management System and the Internal Control Regulations, which is the top-level design of the risk control system. The second level is guidelines and guidance, which designs 25 risk guidelines, 11 risk guidance, 28 internal control guidelines and 4 internal control guidance. The third level is the Risk Internal Control Manual, which systematically arranged the basic concepts of risk management, the external requirements for risk management and internal control, the bottom lines of risk management and control in important areas, and the practical requirements of risk management.

2. Reforming risk control management system

On the basis of optimizing the risk control management structure, the Board of the Company advanced in the reform of management system, established the audit risk control sharing business centre, promoted the overall coordination and resource sharing of risk control efforts, and appointed 100 audit risk control staff, which effectively improved the overall ability of the Company's audit risk control. The Board formulated and issued the Implementation Plan for the Reform of Audit Management System (for Trial Implementation) to form a "1 + 1 + N" integrated audit supervision and management system for coordinating the audit supervision. The first "1" refers to the audit legal affairs centre, which directs the audit supervision of the Company. The second "1" refers to the audit sharing centre which carries out the audit supervision of the Company. The "N" refers to the audit and supervision departments of subsidiaries at all levels, which carry out work under the leadership of the Party committee and the Board of the Company, and accept the business guidance and performance evaluation of the audit and supervision department of the Company.

3. Promoting resolution of major risks

The Board of the Company earnestly implements the responsibilities of risk prevention and resolution, and promotes the effective implementation of major risk resolution according to the work requirements of SASAC. Firstly, it implemented the risk indicators with unyielding efforts in assessment and resolution. 7 subsidiaries and 12 risk project indicators were newly added. Secondly, it resolved financial business risks, deeply analyzed the difficulties and focus problems in the existing financial business risk management and control, drove the financial subsidiaries to "coordinate, remedy shortcomings and improve quality", effectively prevented and resolved relevant risks in a timely manner, and promoted the healthy development of financial

subsidiaries. Thirdly, it resolved overseas business risks, organized comprehensive risk investigation and assessment for 144 enterprises and institutions and 305 overseas projects in progress, put forward risk resolution plans, and effectively promoted risk prevention and control for overseas business.

IV. ADHERING TO MARKET VALUE MANAGEMENT TO IMPROVE THE QUALITY OF INFORMATION DISCLOSURE

1. Establishing a benchmarking system to improve the market value management

The Board of the Company constantly pays attention to market value management and established a market value management benchmarking company system. On the one hand, it formulated a list of multi-dimensional benchmarking companies. First, for the railway infrastructure sector, companies like China Railway and China Railway Construction are selected; Second, for the high-end equipment manufacturing sector, companies like Sany Heavy Industry, Weichai Power, CSSC Holdings are selected; Third, for the railway equipment sector, companies like CRSC, Kangni Electronic and Jinxi Axle are selected. On the other hand, it established the benchmarking index system, which established the benchmarking index system of capital market changes in various aspects, such as stock price fluctuation, trading volume fluctuation, operation performance, incentive measures and media coverage. It gave full play to the role of the regular market value management meeting system, focused on the quarterly market value management meeting, defined the focus of market value management in each stage, actively responded to the impact of the “post-epidemic era” and international policies, coordinated the major work such as results publication, information disclosure and investor communication, make full use of market value management tools to improve the market value management of the Company.

2. Focusing on regulatory requirements to improve the quality of information disclosure

The Board of the Company adheres to the principle of “authenticity, accuracy, integrity, timeliness and fairness”, carefully reviews the disclosed information through e-mail, meetings and other means, focuses on regulatory requirements, performs the obligation of information disclosure in accordance with the laws and regulations, so as to continuously improve the quality of information disclosure. Taking the performance of information disclosure obligations of listed companies as the starting point, the Board organized and held special meetings on the thresholds of entering into strategic cooperation agreements and the management matters of non-consolidated enterprises with 50% or more equity, traced the origin, identified risks and management weaknesses in advance to help improve the management of the Company. During the year, the Company published 106 interim publications on the SSE; published 125 announcements in traditional Chinese, 78 announcements in English, i.e., 203 announcements in aggregation, on the Hong Kong Stock Exchange. The Company published 5 announcements in relation to signing contracts, disclosing a contract amount of RMB137.8 billion in total, which accounted for approximately 61% of the

audited operating revenue of the Company in 2020. The Company has obtained Grade A rating in the evaluation of information disclosure of listed companies on the SSE for six consecutive years.

3. Building a communication platform to deepen investor relationship management

The Board of the Company is committed to protecting the interests of all Shareholders and building an investor management platform which covers all aspects. Firstly, it held annual, interim and third quarter performance presentation telephone conferences, which connected nearly 100 analysts and investors to communicate on the Company's operation, orders and overseas markets. Secondly, it held annual and interim performance illustration meetings, participated in the group reception day for investors of listed companies in Beijing to answer in detail the problems concerned by the capital market and investors. Thirdly, it coordinated and planned special communication with key shareholders to communicate the Company's development strategy, operating situation and resolutions at general meetings. Fourthly, it strengthened communication with major financial media, gave full play to the role of the media and reasonably guided public opinion and investor expectations. Fifthly, it arranged specific staff to answer investors' calls, receive investors' emails, and patiently and carefully record and answer investors' questions. During the year, the Company organized in total 3 roadshows, received in total 10 visits (approximately 60 persons came to the Company for inspection), convened 90 conference calls, participated in 9 strategy events organized by securities institutions.

In the past year, all the Directors put forward ideas and plans for the Company with due diligence, considered every resolution and gave careful, objective and fair advice. The Board members paid on-site visits to thoroughly understand the production and operation of the Company and took forward the decision-making of the Board, by which the interests of the Company and the shareholders have been safeguarded. As the level of corporate governance of CRRC has constantly enhanced, the Company has been awarded with various honors in the capital market. The Company was awarded 10 important awards, including but not limited to China Top 100 Award of the 21st China Top 100 Listed Companies Summit Forum (第二十一屆中國上市公司百強高峰論壇之中國百強企業獎), Best Listed Company in Investor Relationship of 2021 China Securities Golden Bauhinia Awards (2021中國證券金紫荊獎之最佳投資者關係上市公司獎), the Excellent Example Award of 2020 Annual Results Presentation (2020年報業績說明會“優秀實踐案例”獎), the Company's 2020 Annual Report was awarded Silver Winner for Equipment, Machinery & Instruments Industry (裝備機械儀器行業銀獎) in the 2020 Vision Awards from the League of American Communications Professionals.

2022 is a crucial year for taking forward the high-quality development, an essential year for driving the implementation of the 14th Five-Year Plan strategy, and the closing year of the three-year action of state-owned enterprises reform. While focusing on “formulating strategies, making decision and preventing risks” and continuously strengthening its own construction, the Board of the Company will drive the implementation of the 14th Five-Year Plan strategy and strengthen investigation and research to ensure scientific decision-making, further optimize the risk management and control system, strive to improve the Company’s image in the capital market, and repay the society, Shareholders and investors with a better performance.

The Board of CRRC Corporation Limited

Note: All the financial data provided in this report were prepared under the PRC Accounting Standards; and unless stated otherwise, the currency used for book-keeping was Renminbi.

CRRC CORPORATION LIMITED
2021 WORK REPORT OF THE SUPERVISORY COMMITTEE

In 2021, strictly in accordance with the relevant provisions of the Company Law of the PRC and other laws and regulations and the Articles of Association and the Rules of Procedure for the Supervisory Committee of the Company, and for protection of the interests of all Shareholders, all members of the Supervisory Committee of Company conducted supervision and examination on the legal compliance of the Company's financial affairs, the implementation of the resolutions of the general meeting, the major decision-making procedures of the Board and the operation and management activities of the Company, and the performance of the duties of Directors and senior management, promoting the Company's sustainable and healthy development.

I. WORK OF THE SUPERVISORY COMMITTEE IN 2021

In 2021, the Company's supervisors strengthened their study and diligently performed their duties, supervising the Company's financial status, the use of proceeds, the implementation of decisions by the Board of Directors, the operation of the risk control system and major operation and management, as well as supervising the performance of duties of the Company's Directors and senior management. The specific work is as follows:

1. Election of the new session of the Supervisory Committee

In 2021, the term of the second session of the Supervisory Committee of the Company expired. The Company organized the election of the new session of the Supervisory Committee. On 25 November, the 23rd meeting of the second session of the Supervisory Committee was convened, at which candidates for shareholder representative Supervisors for the third session of the Supervisory Committee were nominated. On 22 December, the Company held the 2021 first extraordinary general meeting, at which Mr. Chen Zhenhan and Mr. Chen Xiaoyi were elected as shareholder representative Supervisors of the third session of the Supervisory Committee to constitute the third session of the Supervisory Committee with Mr. Zhao Hu, the employee representative Supervisor. Mr. Zhao Hu serves as the chairman of the Supervisory Committee.

2. Meetings of the Supervisory Committee in 2021

During the Reporting Period, the Supervisory Committee held 7 meetings to consider 18 resolutions. The meetings were convened in strict accordance with the relevant provisions of the Company Law of the PRC, the Articles of Association and the Rules of Procedure for the Supervisory Committee. Details of the meetings are as follows:

On 30 March, the 18th meeting of the second session of the Supervisory Committee was convened in the form of on-site meeting, at which 12 resolutions, including the Resolution in Relation to the 2020 Annual Report of CRRC Corporation Limited, were considered and approved.

On 29 April, the 19th meeting of the second session of the Supervisory Committee was convened in the form of on-site meeting, at which the Resolution in Relation to the 2021 First Quarterly Report of CRRC Corporation Limited was considered and approved.

On 18 July, the 20th meeting of the second session of the Supervisory Committee was convened in the form of on-site meeting, at which the Resolution in Relation to the Matters Relating to Entrusted Management of Assets and Connected Transactions was considered and approved.

On 27 August, the 21st meeting of the second session of the Supervisory Committee was convened in the form of on-site meeting, at which the Resolution in Relation to the 2021 Interim Report of CRRC Corporation Limited was considered and approved.

On 29 October, the 22nd meeting of the second session of the Supervisory Committee was convened in the form of on-site meeting, at which the Resolution in Relation to the 2021 Third Quarterly Report of CRRC Corporation Limited was considered and approved.

On 25 November, the 23rd meeting of the second session of the Supervisory Committee was convened in the form of on-site meeting, at which the Resolution in Relation to the Nomination of Candidates for Shareholder Representative Supervisors for the Third Session of the Supervisory Committee of CRRC Corporation Limited was considered and approved.

On 22 December, the 1st meeting of the third session of the Supervisory Committee was convened in the form of on-site meeting, at which the Resolution in Relation to the Election of Chairman of the Third Session of the Supervisory Committee of CRRC Corporation Limited was considered and approved.

3. Attendance of Members of the Supervisory Committee at the Company's Other Meetings

In 2021, members of the Supervisory Committee attended the 2020 annual general meeting and the first extraordinary general meeting of 2021, presented as non-voting attendees at 10 Board meetings and 33 office meetings of president convened by the Company in 2021, and attended the Company's annual work meeting and operational management meeting.

In accordance with the Articles of Association, the Supervisory Committee conducted effective supervision on, among others, the convening procedures, resolutions and voting procedures of the Company's general meetings and the Board meetings and a Supervisor was sent to supervise the voting. The Supervisory Committee also supervised the implementation of the resolutions of the general meeting by Directors and senior management.

During their participation in the aforesaid meetings, members of the Supervisory Committee communicated with the relevant departments when necessary, investigated and made enquiries on key proposals and offered opinions and recommendations on key issues to ensure that the various tasks are in compliance with the relevant laws and regulations.

4. The Supervisory Committee continuing to conduct in-depth research

During the reporting period, the Supervisory Committee of the Company continued to deepen its investigation and research work to continuously improve the effectiveness of supervision. The members of the Supervisory Committee fully integrated with their own work and made use of the opportunities of audit and supervision, compliance review and other work to carry out investigation and research, so as to provide a basis for objective evaluation of the Company's operation and management.

5. The Supervisory Committee collaborating in supervising risk prevention

During the reporting period, the Supervisory Committee of the Company continued to strengthen risk prevention and risk mitigation by building a "large supervision" structure with the Company's functional departments including internal audit, risk, legal, compliance and disciplinary to oversee the implementation of the 2021 major risk mitigation targets, continuously improved the risk prevention mechanism, carried out pandemic prevention and control audits, provided strong support for the battle against pandemic, and consciously accepted the supervision and guidance of the CSRC, the Securities Regulatory Bureau, the stock exchanges, the Council of the Listed Companies Association and the SASAC, effectively realizing the supervision and coordination of risk prevention.

II. OPINION OF THE SUPERVISORY COMMITTEE REGARDING COMPLIANCE OF THE COMPANY'S OPERATIONS

The Supervisory Committee supervised over and checked on the legal performance of duties of the Directors and senior management of the Company, establishment of the internal control system of the Company as well as its sound and consistent implementation during the reporting period.

The Supervisory Committee is of the following opinion: the Board and the senior management of the Company were able to conduct its operations legally and strictly in compliance with the requirements of the Company Law of the PRC and the Articles of Association as well as other relevant laws, regulations and rules. The Board and the senior management performed their own duties in a faithful and diligent manner and implemented the resolutions and mandates of the general meetings and the Board earnestly. The major decisions for the operation of the Company were made in a reasonable, legitimate and effective way. Information disclosure was in line with norms, and the management system of registration for informed persons of inside information had been implemented well. None of

them was found to have engaged in any act undermining the interests of the Company or Shareholders, or breaching the laws and regulations, the Articles of Association and other rules and systems.

III. OPINION OF THE SUPERVISORY COMMITTEE REGARDING INSPECTION ON THE COMPANY'S FINANCIAL CONDITIONS

Through attending presentations by the Company's financial representative, reviewing the Company's financial statements, and deliberating on the Company's regular reports and the auditor's audit report as well as conducting field trips for the major investment projects undertaken by the Board during the reporting period, members of the Supervisory Committee conducted inspection and supervision on the Company's financial operations.

The Supervisory Committee is of the following opinion: the Company's financial system is comprehensive and the financial system is sound. The financial report of the Company gave a true, fair and full picture of the financial position and operating results of the Company and its various expenses and disbursements were reasonable. KPMG LLP (Special General Partnership) performed an audit on the Company's financial report for 2020 and issued a standard unqualified opinion in its audit report. It was of the opinion that the Company's financial statements were prepared in all material respects in accordance with the requirements of the corporate accounting principles promulgated by the Ministry of Finance of the PRC and presented a fair view of the Company's financial position and cash flow as of 31 December 2020. The Supervisory Committee has reviewed the report.

IV. OPINION OF THE SUPERVISORY COMMITTEE REGARDING THE MANAGEMENT AND USE OF THE FUNDS RAISED BY THE COMPANY

During the reporting period, there is no A share fund raised by the Company that was available for management and use. The Supervisory Committee will pay attention to the Company's subsequent fund raising.

V. OPINION OF THE SUPERVISORY COMMITTEE REGARDING THE ACQUISITION AND DISPOSAL OF ASSETS BY THE COMPANY

During the reporting period, the Company made reasonable pricing decisions and followed procedures in compliance in its asset acquisition or disposal transactions, and there were no circumstances in which the Company's assets were lost or the interests of its Shareholders were undermined.

VI. OPINION OF THE SUPERVISORY COMMITTEE REGARDING THE STATUS OF THE COMPANY'S RELATED PARTY TRANSACTIONS

The Supervisory Committee conducted supervision over the Company's related party transactions which occurred during the reporting period, and is of the following opinion: in relation to all of the Company's related party transactions, the Company strictly followed the laws and regulations such as the Company Law of the PRC, the Securities Law of the PRC, the listing rules of the places where the Company's shares are listed as well as stipulations in the Articles of Association and Management Measures on Related Party Transactions of

CRRC Corporation Limited, and such related party transactions were entered into upon sufficient discussion and investigation and prudent decision-making by the Board and management of the Company, where pricing was determined in accordance with principles such as government pricing and fair market pricing, did not violate the principles of openness, fairness and impartiality, and there were no circumstances in which the interests of the Company or the interests of its minority Shareholders were undermined.

VII. OPINION OF THE SUPERVISORY COMMITTEE REGARDING EVALUATION OF THE INTERNAL CONTROL OF THE COMPANY

During the reporting period, upon review of the Assessment Report on Internal Control of CRRC Corporation Limited for 2020, the Supervisory Committee has no objections to the report. KPMG LLP (Special General Partnership) audited the internal control of the Company for 2020, and issued an audit report on the internal control of CRRC Corporation Limited for 2020, which believed that the Company maintained effective internal control of financial report in all material respects in accordance with the Basic Practices of Internal Control of Enterprises and the relevant requirements as at 31 December 2020. In 2021, the Company's key internal control activities were regulated, conducted in compliance with the law and were valid without any instance of breaching the relevant requirements of the securities regulatory authorities and the Company's internal control system.

In 2022, the Supervisory Committee will continue to diligently perform its duties strictly in accordance with the Company Law of the PRC, the Articles of Association and other relevant requirements, adequately express its opinion, and carefully and independently consider resolutions and cast its vote in order to facilitate the sound and sustainable development of the Company.

The Supervisory Committee of CRRC Corporation Limited

Details of the proposed amendments to the Articles of Association* are set out below:

Before amendment	After amendment
<p>Article 1 CRRC Corporation Limited (the “Company”) is a joint stock limited Company jointly established by the former CSR Corporation Limited (the “Former CSR”) and the former CNR Corporation Limited (the “Former CNR”) with the approval of the State-owned Assets Supervision and Administration Commission of the State Council (the “SASAC of the State Council”), and shares of which were listed on the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).</p> <p>To safeguard the legitimate rights and interest of the Company, its shareholders and creditors, and to regulate the organization and activities of the Company, the Articles of Association are hereby formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Special Regulations of the State Council in Relation to the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”), the Guidelines on Articles of Association of Listed Companies, the Letter of Opinions on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities of The Hong Kong Stock Exchange Limited (the “Hong Kong Listing Rules”) and other relevant laws, regulations and departmental rules.</p>	<p>Article 1 CRRC Corporation Limited (the “Company”) is a joint stock limited Company jointly established by the former CSR Corporation Limited (the “Former CSR”) and the former CNR Corporation Limited (the “Former CNR”) with the approval of the State-owned Assets Supervision and Administration Commission of the State Council (the “SASAC of the State Council”), and shares of which were listed on the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).</p> <p>To safeguard the legitimate rights and interest of the Company, its shareholders and creditors, and to regulate the organization and activities of the Company, the Articles of Association are hereby formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (<u>the “Securities Law”</u>), the Special Regulations of the State Council in Relation to the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”), the Guidelines on Articles of Association of Listed Companies, the Letter of Opinions on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities of The Hong Kong Stock Exchange Limited (the “Hong Kong Listing Rules”) and other relevant laws, regulations and departmental rules.</p>

Before amendment	After amendment
<p>Article 2 The Company is a joint stock limited company incorporated in the People's Republic of China (the "PRC") pursuant to the Company Law, the Special Regulations and other relevant laws and regulations.</p> <p>Guided by the principles of "a merger of equals, focusing on the future, seeking joint development and adhering to well-designed plan, steady progress in compliance with regulations", the Former CSR merged with the Former CNR by way of absorption and a share for share exchange. The Company completed its business registration update with the Beijing Administration for Industry and Commerce and obtained the business license on 1 June 2015.</p> <p>The Former CSR was established by way of promotion with the approval of the SASAC of the State Council on 28 December 2007. It was registered with the State Administration for Industry and Commerce and obtained the business license on 28 December 2007. Since the establishment of the Former CSR, as approved by China Securities Regulatory Commission (the "CSRC"), it first issued 3,000,000,000 ordinary shares dominated in RMB to the public and was listed on the Shanghai Stock Exchange on 18 August 2008 and issued 1,840,000,000 overseas listed foreign shares (including 240,000,000 over-allotment shares) to overseas investors and was listed on the Hong Kong Stock Exchange on 21 August 2008.</p>	<p>Article 2 The Company is a joint stock limited company incorporated in the People's Republic of China (the "PRC") pursuant to the Company Law, the Special Regulations and other relevant laws and regulations.</p> <p>Guided by the principles of "a merger of equals, focusing on the future, seeking joint development and adhering to well-designed plan, steady progress in compliance with regulations", the Former CSR merged with the Former CNR by way of absorption and a share for share exchange. The Company completed its business registration update with the former Beijing Administration for Industry and Commerce (<u>now Beijing Administration for Market Regulation</u>) and obtained the business license on 1 June 2015.</p> <p>The Former CSR was established by way of promotion with the approval of the SASAC of the State Council on 28 December 2007. It was registered with the former State Administration for Industry and Commerce (<u>now State Administration for Market Regulation</u>) and obtained the business license on 28 December 2007. Since the establishment of the Former CSR, as approved by China Securities Regulatory Commission (the "CSRC"), it first issued 3,000,000,000 ordinary shares dominated in RMB to the public and was listed on the Shanghai Stock Exchange on 18 August 2008 and issued 1,840,000,000 overseas listed foreign shares (including 240,000,000 over-allotment shares) to overseas investors and was listed on the Hong Kong Stock Exchange on 21 August 2008.</p>

Before amendment	After amendment
<p>The Former CNR was established by way of promotion with the approval of the SASAC of the State Council on 26 June 2008. It was registered with the State Administration for Industry and Commerce and obtained the business license on 26 June 2008. Since the establishment of the Former CNR, as approved by the CSRC, it first issued 2,500,000,000 ordinary shares dominated in RMB to the public and was listed on the Shanghai Stock Exchange on 29 December 2009 and issued 2,094,380,000 overseas listed foreign shares (including 273,180,000 over-allotment shares) to overseas investors and was listed on the Hong Kong Stock Exchange on 22 May 2014.</p>	<p>The Former CNR was established by way of promotion with the approval of the SASAC of the State Council on 26 June 2008. It was registered with the former State Administration for Industry and Commerce (now State Administration for Market Regulation) and obtained the business license on 26 June 2008. Since the establishment of the Former CNR, as approved by the CSRC, it first issued 2,500,000,000 ordinary shares dominated in RMB to the public and was listed on the Shanghai Stock Exchange on 29 December 2009 and issued 2,094,380,000 overseas listed foreign shares (including 273,180,000 over-allotment shares) to overseas investors and was listed on the Hong Kong Stock Exchange on 22 May 2014.</p>
<p>Article 31 The Company may, <u>according to the procedures provided for in the Articles of Association, and subject to the approval of the relevant governing authority of the State</u>, repurchase its issued shares pursuant to requirements under laws, regulations, departmental rules and the Articles of Association under the following circumstances:</p> <ol style="list-style-type: none"> (1) to reduce the registered capital of the Company; (2) to merge with another company that holds shares in the Company; (3) to utilize its shares in the employee share ownership plan or for share incentive; (4) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any general meeting on the merger or division of the Company; (5) to utilize the shares for conversion of corporate bonds which are convertible into shares issued by the <u>listed</u> Company; (6) where it is necessary for the <u>listed</u> Company to safeguard the value of the Company and the interests of its shareholders. 	<p>Article 31 The Company may repurchase its issued shares pursuant to requirements under laws, regulations, departmental rules and the Articles of Association under the following circumstances:</p> <ol style="list-style-type: none"> (1) to reduce the registered capital of the Company; (2) to merge with another company that holds shares in the Company; (3) to utilize its shares in the employee share ownership plan or for share incentive; (4) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any general meeting on the merger or division of the Company; (5) to utilize the shares for conversion of corporate bonds which are convertible into shares issued by the Company; (6) where it is necessary for the Company to safeguard the value of the Company and the interests of its shareholders.

Before amendment	After amendment
<p>Save as aforementioned, the Company shall not purchase or sell the shares of the Company.</p> <p>Any repurchase of shares by the Company for the purpose of clause (1) and clause (2) of the foregoing paragraph shall be resolved at the general meeting. In the event that the Company repurchases its shares in accordance with the circumstance set out in clause (3), clause (5) and clause (6), such repurchase shall be resolved at the Board meeting with the attendance of two thirds or more of all Directors.</p> <p>In the event that the Company has acquired its shares in accordance with the first paragraph and under the circumstance set out in clause (1), such shares shall be cancelled within ten (10) days from the date of acquisition, for circumstances set out in clauses (2) and clause (4), such shares shall be transferred or cancelled within six (6) months from the date of acquisition, and for circumstances set out in clause (3), clause (5) and clause (6), the total number of shares so acquired by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within three (3) years from the date of acquisition.</p> <p>If relevant matters involved in the repurchase of shares are otherwise required by the laws, regulations, departmental rules and the securities regulatory authority of the place where the Company's shares are listed, such requirements and regulations shall prevail.</p>	<p>Save as aforementioned, the Company shall not purchase or sell the shares of the Company.</p> <p>Any repurchase of shares by the Company for the purpose of clause (1) and clause (2) of the foregoing paragraph shall be resolved at the general meeting. In the event that the Company repurchases its shares in accordance with the circumstance set out in clause (3), clause (5) and clause (6), such repurchase shall be resolved at the Board meeting with the attendance of two thirds <u>(2/3)</u> or more of all Directors.</p> <p>In the event that the Company has acquired its shares in accordance with the first paragraph and under the circumstance set out in clause (1), such shares shall be cancelled within ten (10) days from the date of acquisition, for circumstances set out in clauses (2) and clause (4), such shares shall be transferred or cancelled within six (6) months from the date of acquisition, and for circumstances set out in clause (3), clause (5) and clause (6), the total number of shares so acquired by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled within three (3) years from the date of acquisition.</p> <p>If relevant matters involved in the repurchase of shares are otherwise required by the laws, regulations, departmental rules and the securities regulatory authority of the place where the Company's shares are listed, such requirements and regulations shall prevail.</p>
<p>Article 34 <u>In the event that the Company has the rights to repurchase the redeemable shares:</u></p> <p>(1) <u>where repurchases are not made through the market or by tender, the cost of such repurchase shall not exceed a certain price limit; and</u></p> <p>(2) <u>where repurchases are made by tender, such tenders shall be made available to all shareholders under the same conditions.</u></p>	<p>Deleted</p>

Before amendment	After amendment
<p>Article 35 Shares shall be cancelled after the repurchase of such shares in accordance with the law by the Company within the period prescribed by laws and administrative regulations, <u>and</u> the Company shall apply to the original company registration authority for registration of the change in its registered capital.</p> <p>The aggregate par value of those cancelled shares shall be reduced from the amount of the Company's registered capital.</p>	<p>Article 34 Shares shall be <u>transferred or</u> cancelled after the repurchase of such shares in accordance with the law by the Company within the period prescribed by laws and administrative regulations, <u>and for cancellation of shares</u>, the Company shall apply to the original company registration authority for registration of the change in its registered capital.</p> <p>The aggregate par value of those cancelled shares shall be reduced from the amount of the Company's registered capital.</p>
<p>Article 42 Directors, Supervisors and senior management members of the Company shall report to the Company their shareholdings and changes therein and shall not transfer more than 25% per year of the total number of shares held by them during their terms of office. The shares held by them shall not be transferred within one (1) year from the date the shares of the Company being listed and traded on the stock exchange(s). The aforesaid person(s) shall not transfer the shares of the Company held by them within six months commencing from the termination of their service.</p> <p>Any gains from sale of shares or other equity securities in the Company by any Directors, Supervisors and senior management members or shareholders holding 5% or more of the domestic shares in the Company within six (6) months after their purchase of the same, and any gains from purchase of shares in the Company by any of the aforesaid parties within six (6) months after sale of the same shall belong to the Company. The Board of the Company shall forfeit such gains from the abovementioned parties. However, if a securities company holds 5% or more shares by <u>buying</u> the remaining shares <u>pursuant to an underwriting arrangement</u>, the six (6) month limitation for selling the said shares shall not apply.</p>	<p>Article 41 Directors, Supervisors and senior management members of the Company shall report to the Company their shareholdings and changes therein and shall not transfer more than 25% per year of the total number of shares held by them during their terms of office. The shares held by them shall not be transferred within one (1) year from the date the shares of the Company being listed and traded on the stock exchange(s). The aforesaid person(s) shall not transfer the shares of the Company held by them within six months commencing from the termination of their service.</p> <p>Any gains from sale of shares or other equity securities in the Company by any Directors, Supervisors and senior management members or shareholders holding 5% or more of the domestic shares in the Company within six (6) months after their purchase of the same, and any gains from purchase of shares in the Company by any of the aforesaid parties within six months after sale of the same shall belong to the Company. The Board of the Company shall forfeit such gains from the abovementioned parties. However, if a securities company holds 5% or more shares by <u>buying</u> the remaining shares <u>from underwriting</u> the six (6) month limitation for selling the said shares shall not apply.</p>

Before amendment	After amendment
<p>The shares or other equity securities held by Directors, Supervisors, senior management members, and natural person shareholders referred to in the preceding paragraph include the shares or other equity securities held by their spouses, parents, children and those held by using others' accounts.</p> <p>If the Board does not act in accordance with the provisions of the first paragraph, shareholders shall be entitled to request the Board to effect the same within thirty (30) days. If the Board fails to do so within the aforesaid period, the shareholders are entitled to commence proceedings with a people's court directly in their own names for the interests of the Company.</p> <p>Where the Board does not act in accordance with the provisions of the first paragraph, the responsible Directors shall assume joint liability.</p>	<p>The shares or other equity securities held by Directors, Supervisors, senior management members, and natural person shareholders referred to in the preceding paragraph include the shares or other equity securities held by their spouses, parents, children and those held by using others' accounts.</p> <p>If the Board does not act in accordance with the provisions of the first paragraph, shareholders shall be entitled to request the Board to effect the same within thirty (30) days. If the Board fails to do so within the aforesaid period, the shareholders are entitled to commence proceedings with a people's court directly in their own names for the interests of the Company.</p> <p>Where the Board does not act in accordance with the provisions of the first paragraph, the responsible Directors shall assume joint liability.</p>
<p>Article 52 Where laws, regulations, departmental rules, regulatory documents and the securities regulatory authority of the place where the Company's shares are listed contain regulations which stipulate the period of closure of the register of shareholders prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such regulations shall prevail.</p>	<p>Article 51 Where laws, regulations, departmental rules, regulatory documents and the securities regulatory authority of the place where the Company's shares are listed contain regulations which stipulate the period of closure of the register of shareholders prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such regulations shall prevail.</p> <p><u>The period of closure of register of holders of overseas listed foreign shares listed in Hong Kong shall not in aggregate exceed 30 days in one year, and can be extended for a further 30 days upon consideration and approval at the general meeting. If the Company received application for inspection of the register of shareholders during the aforesaid period of closure of register of shareholders, upon request of the applicant, it shall provide the applicant with document of proof signed by the Company Secretary stating the approving authority for the closure of register of shareholders and the period of such closure.</u></p>

Before amendment	After amendment
<p>Article 60 The ordinary shareholders of the Company shall be entitled to the following rights:</p> <ol style="list-style-type: none"> (1) the right to dividends and other distributions in proportion to the number of shares held; (2) the right to request, convene, chair, attend or appoint a proxy to attend general meetings and to exercise the voting right thereat in accordance with the laws and the Articles of Association; (3) the right to supervise and manage the business activities of the Company and to put forward proposals and raise inquiries; (4) the right to transfer, give or pledge shares held in accordance with the laws, regulations and provisions of the Articles of Association; (5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including: <ol style="list-style-type: none"> (i) the right to obtain a copy of the Articles of Association, subject to payment of the cost of such copy; (ii) the right to inspect and copy, subject to payment of a reasonable charge: <ol style="list-style-type: none"> 1. the register of all shareholders; 2. personal particulars of each of the Company's Directors, Supervisors, President and other senior management members, including: <ol style="list-style-type: none"> (a) present name and alias and any former name and alias; 	<p>Article 59 The ordinary shareholders of the Company shall be entitled to the following rights:</p> <ol style="list-style-type: none"> (1) the right to dividends and other distributions in proportion to the number of shares held; (2) the right to request, convene, chair, attend or appoint a proxy to attend general meetings and to exercise the voting right thereat in accordance with the laws and the Articles of Association; (3) the right to supervise and manage the business activities of the Company and to put forward proposals and raise inquiries; (4) the right to transfer, give or pledge shares held in accordance with the laws, regulations and provisions of the Articles of Association; (5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including: <ol style="list-style-type: none"> (i) the right to obtain a copy of the Articles of Association, subject to payment of the cost of such copy; (ii) the right to inspect and copy, subject to payment of a reasonable charge: <ol style="list-style-type: none"> 1. the register of all shareholders; (2) personal particulars of each of the Company's Directors, Supervisors, President and other senior management members, including: <ol style="list-style-type: none"> (a) present name and alias and any former name and alias;

Before amendment	After amendment
<p>(b) principal address (residence);</p> <p>(c) nationality;</p> <p>(d) primary and all other part-time occupations and respective positions;</p> <p>(e) identification document and its number.</p>	<p>(b) principal address (residence);</p> <p>(c) nationality;</p> <p>(d) primary and all other part-time occupations and respective positions;</p> <p>(e) identification document and its number.</p>
<p>3. the state of the Company's share capital;</p>	<p>3. the state of the Company's share capital;</p>
<p>4. reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;</p>	<p>4. reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;</p>
<p>5. minutes of general meetings;</p>	<p>5. minutes of general meetings;</p>
<p>6. the financial statements, report of the Board and report of the Supervisory Committee of the Company of the latest period;</p>	<p>6. the financial statements, report of the Board and report of the Supervisory Committee of the Company of the latest period;</p>
<p>7. the copy of the annual return delivered to the PRC Administration for Industry and Commerce or other regulatory authorities for record for the latest period.</p>	<p>7. the copy of the annual return delivered to the PRC Administration for Industry and Commerce or other regulatory authorities for record for the latest period.</p>

Before amendment	After amendment
<p>(6) to inspect the register of shareholders, stud of the Company's debentures and minutes of general meetings; resolutions of Board meetings, resolutions of meetings of the Supervisory Committee and the financial and accounting report;</p> <p>(7) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in proportion to the number of shares held;</p> <p>(8) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any general meeting on the merger or division of the Company;</p> <p>(9) other rights conferred by laws, regulations, departmental rules and the Articles of Association.</p>	<p>(6) to inspect the register of shareholders, stud of the Company's debentures and minutes of general meetings; resolutions of Board meetings, resolutions of meetings of the Supervisory Committee and the financial and accounting report;</p> <p>(7) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in proportion to the number of shares held;</p> <p>(8) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any general meeting on the merger or division of the Company;</p> <p>(9) other rights conferred by laws, regulations, departmental rules and the Articles of Association.</p>
<p>Shareholders have the right to obtain copies of the documents 1 to 7 under subsection (5) (ii) of the Article, subject to payment of the reasonable costs. Shareholders demanding copies of the relevant documents shall give prior written notice to the Company and provide to the Company written documents evidencing the class and number of the Company' shares held by them. Upon verification of the shareholder's identity, the Company shall provide such information at the shareholder's request.</p>	<p>Shareholders have the right to obtain copies of the documents 1 to 7 under subsection (5) (ii) of the Article, subject to payment of the reasonable costs. Shareholders demanding copies of the relevant documents shall give prior written notice to the Company and provide to the Company written documents evidencing the class and number of the Company' shares held by them. Upon verification of the shareholder's identity, the Company shall provide such information at the shareholder's request.</p>
<p><u>The Company shall not exercise any of its rights to freeze or otherwise impair any of the rights attached to any shares of the Company by reason only that a person who is interested directly or indirectly therein has failed to disclose his interests to the Company.</u></p>	

Before amendment	After amendment
<p>Article 64 The ordinary shareholders of the Company shall assume the following obligations:</p> <ol style="list-style-type: none"> (1) to abide by the laws, regulations and the Articles of Association; (2) to pay subscription monies according to the number of shares subscribed and the method of subscription; (3) not to divest the shares unless required by the laws and regulations; (4) not to abuse the shareholders' rights to impair the interests of the Company or other shareholders; and not to abuse the independent legal person position of the Company and the limited liability of shareholders to impair the interests of any creditor of the Company; shareholders of the Company who abuse their shareholder's rights and thereby cause losses to the Company or other shareholders shall be liable for indemnity according to the law; where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly liable for the debts owed by the Company; <p>(5) <u>other obligations imposed by laws, administrative regulations and the Articles of Association.</u></p> <p>Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.</p>	<p>Article 63 The ordinary shareholders of the Company shall assume the following obligations:</p> <ol style="list-style-type: none"> (1) to abide by the laws, regulations and the Articles of Association; (2) to pay subscription monies according to the number of shares subscribed and the method of subscription; (3) not to divest the shares unless required by the laws and regulations; (4) not to abuse the shareholders' rights to impair the interests of the Company or other shareholders; and not to abuse the independent legal person position of the Company and the limited liability of shareholders to impair the interests of any creditor of the Company; (5) <u>other obligations imposed by laws, administrative regulations and the Articles of Association.</u> <p>Shareholders of the Company who abuse their shareholder's rights and thereby cause losses to the Company or other shareholders shall be liable for indemnity according to the law.</p> <p>Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly liable for the debts owed by the Company.</p> <p>Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.</p>

Before amendment	After amendment
<p>Article 69 The general meeting may exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the operating policies and investment plans of the Company; (2) to elect and replace Directors and to determine the remuneration of the relevant Directors; (3) to elect and replace Supervisors not appointed from staff representatives, and to determine the remuneration of the relevant Supervisors; (4) to consider and approve the reports of the Board; (5) to consider and approve the reports of the Supervisory Committee; (6) to consider and approve the proposed annual financial budgets and final accounts of the Company; (7) to consider and approve the profit distribution policy, profit distribution plans and loss recovery plans of the Company; (8) to resolve on any increase or reduction of registered capital of the Company; (9) to resolve on matters such as merger, division, dissolution, liquidation or conversion of corporate form of the Company; (10) to resolve on the issue of bonds or other marketable securities and listing plans of the Company; 	<p>Article 68 The general meeting may exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the operating policies and investment plans of the Company; (2) to elect and replace Directors and to determine the remuneration of the relevant Directors; (3) to elect and replace Supervisors not appointed from staff representatives, and to determine the remuneration of the relevant Supervisors; (4) to consider and approve the reports of the Board; (5) to consider and approve the reports of the Supervisory Committee; (6) to consider and approve the proposed annual financial budgets and final accounts of the Company; (7) to consider and approve the profit distribution policy, profit distribution plans and loss recovery plans of the Company; (8) to resolve on any increase or reduction of registered capital of the Company; (9) to resolve on matters such as merger, division, dissolution, liquidation or conversion of corporate form of the Company; (10) to resolve on the issue of bonds or other marketable securities and listing plans of the Company;

Before amendment	After amendment
(11) to resolve on the appointments, dismissals or non-renewal of accounting firms and determine their remuneration and the method thereof;	(11) to resolve on the appointments, dismissals or non-renewal of accounting firms and determine their remuneration and the method thereof;
(12) to amend the Articles of Association;	(12) to amend the Articles of Association;
(13) to consider and approve proposals submitted by shareholders individually or jointly holding not less than 3% of the shares carrying voting rights of the Company;	(13) to consider and approve proposals submitted by shareholders individually or jointly holding not less than 3% of the shares carrying voting rights of the Company;
(14) to consider and approve matters relating to external guarantees under <u>Article 71</u> ;	(14) to consider and approve matters relating to external guarantees under <u>Article 70</u> ;
(15) to consider and approve matters relating to the purchases and disposals of the Company's assets within one year which exceed 30% of the latest audited total assets of the Company;	(15) <u>to consider and approve matters relating to financial assistance under Article 71</u> ;
(16) to consider and approve matters relating to external investment, asset pledge, <u>entrusted wealth management and entrusted loans</u> of the Company within one year which exceed 30% of the latest audited total assets of the Company;	(16) to consider and approve matters relating to the purchases and disposals of the Company's assets within one year which exceed 30% of the latest audited total assets of the Company;
(17) to consider and approve matters relating to leasing, renting, entrusted management, being entrusted to manage or joint management with others within one year which exceed 30% of the latest audited total assets of the Company;	(17) to consider and approve matters relating to external investment (<u>including entrusted wealth management</u>), asset pledge <u>and external donations</u> of the Company within one year which exceed 30% of the latest audited total assets of the Company;
	(18) to consider and approve matters relating to leasing, renting, entrusted management, being entrusted to manage or joint management with others within one year which exceed 30% of the latest audited total assets of the Company;

Before amendment	After amendment
(18) to consider and approve connected transactions amounting to over RMB30 million or above and exceeding 5% of the absolute value of audited net assets of the Company for the latest period (excluding the provision of guarantees by the Company and the receipt of endowment in cash assets); for connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under relevant provisions of laws, regulations, departmental rules and the listing rules of the place(s) where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;	(19) to consider and approve connected transactions amounting to over RMB30 million or above and exceeding 5% of the absolute value of audited net assets of the Company for the latest period (excluding the provision of guarantees by the Company and the receipt of endowment in cash assets); for connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under relevant provisions of laws, regulations, departmental rules and the listing rules of the place(s) where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;
(19) to consider and approve matters relating to change of the use of proceeds;	(20) to consider and approve matters relating to change of the use of proceeds;
(20) to consider and approve the share incentive plan(s);	(21) to consider and approve the share incentive plan(s);
(21) to consider and approve other matters as required by laws, regulations, departmental rules, the listing rules of the place(s) where the Company's shares are listed and the Articles of Association to be resolved at the general meeting.	(22) to consider and approve other matters as required by laws, regulations, departmental rules, the listing rules of the place(s) where the Company's shares are listed and the Articles of Association to be resolved at the general meeting.

Before amendment	After amendment
<p>Article 71 The following external guarantees provided by the Company are subject to the consideration and approval of the general meeting.</p> <p>(1) any guarantees provided after <u>the total amount of</u> external guarantees of the Company and <u>the Company's</u> non-wholly-owned subsidiaries <u>has reached or</u> exceeded 50% of the latest audited net assets of the Company;</p> <p>(2) any guarantees provided after the total amount of external guarantees of the Company <u>has reached or</u> exceeded 30% of the latest audited total assets of the Company;</p> <p>(3) a guarantee provided for other parties with an asset-liability ratio in excess of 70%;</p> <p>(4) a single guarantee with the amount exceeding 10% of the latest audited net assets;</p> <p>(5) a guarantee to be provided in favor of shareholders, de facto controllers and their related parties.</p>	<p>Article 70 The following external guarantees provided by the Company are subject to the consideration and approval of the general meeting.</p> <p>(1) any guarantees provided after the external guarantees of the Company and <u>its</u> non-wholly-owned subsidiaries has exceeded 50% of the latest audited net assets of the Company;</p> <p>(2) any guarantees provided after the total amount of external guarantees of the Company <u>and its non-wholly-owned subsidiaries</u> exceeded 30% of the latest audited total assets of the Company;</p> <p>(3) <u>according to the principle of cumulative amount for twelve consecutive months, any guarantees that has exceeded 30% of the latest audited total assets of the Company;</u></p> <p>(4) a guarantee provided for other parties with an asset-liability ratio in excess of 70%;</p> <p>(5) a single guarantee with the amount exceeding 10% of the latest audited net assets <u>of the Company;</u></p> <p>(6) a guarantee to be provided in favor of shareholders, de facto controllers and their related parties.</p>

Before amendment	After amendment
<p>“External guarantees” as mentioned in the Articles of Association shall refer to guarantees provided by the Company for others, including those provided by the Company for its non- wholly-owned subsidiaries. “Total amount of external guarantees of the Company and its non- wholly-owned subsidiaries” shall refer to the sum of the Company’s total external guarantees including the guarantees provided by the Company for its non-wholly-owned subsidiaries plus the total external guarantees provided by the non-wholly-owned subsidiaries of the Company.</p>	<p>“External guarantees” as mentioned in the Articles of Association shall refer to guarantees provided by the Company for others, including those provided by the Company for its non-wholly-owned subsidiaries. “Total amount of external guarantees of the Company and its non-wholly-owned subsidiaries” shall refer to the sum of the Company’s total external guarantees including the guarantees provided by the Company for its non-wholly-owned subsidiaries plus the total external guarantees provided by the non-wholly-owned subsidiaries of the Company.</p> <p><u>If the external guarantee violates the relevant laws and regulations, the approval authority under the Articles of Association or consideration procedures, the Company shall take reasonable and effective measures to release itself from the obligation under or rectify the guarantee in violation to reduce losses sustained by the Company, protect the interest of the Company and minority shareholders and look into the accountability of the relevant personnel.</u></p>
<p>Adding a new article</p>	<p><u>Article 71 The following financial assistance (including interest-bearing or non-interest bearing loans, entrusted loans, etc.) provided by the Company are subject to the consideration and approval of the general meeting.</u></p> <p>(1) <u>a single financial assistance with the amount exceeding 10% of the latest audited net assets of the Company;</u></p> <p>(2) <u>the asset-liability ratio in the latest financial statement of the party receiving such assistance in excess of 70%;</u></p> <p>(3) <u>the cumulative amount of financial assistance for the past twelve months exceeding 10% of the latest audited net assets of the Company.</u></p>

Before amendment	After amendment
	<p><u>If the target for assistance is a non-wholly-owned subsidiary within the scope of consolidated financial statements of the Company and other shareholders of such non-wholly-owned subsidiary are not the Company's controlling shareholder, de facto controller and the related party, the above provisions shall not apply.</u></p> <p><u>The Company shall not provide financial assistance to its related parties, unless the financial assistance is provided to a related investee company not controlled by the controlling shareholder or de facto controller of the Company and that other shareholders of the investee company also provide such financial assistance under the same conditions in proportion to their capital contribution. For the provision of financial assistance to such related investee company, it shall be submitted to the general meeting for consideration.</u></p> <p><u>If the financial assistance violates the relevant laws and regulations, the approval authority under the Articles of Association or consideration procedures, the Company shall take reasonable and effective measures to release itself from the obligation under or rectify the assistance in violation to reduce losses sustained by the Company, protect the interest of the Company and minority shareholders and look into the accountability of the relevant personnel.</u></p>
<p>Article 74 In the event the Company convenes an annual general meeting, the Board, the Supervisory Committee or shareholders individually or jointly holding an aggregate of 3% or more of the Company's shares with voting rights are entitled to submit proposals in writing to the Company.</p>	<p>Article 74 In the event the Company convenes an annual general meeting, the Board, the Supervisory Committee or shareholders individually or jointly holding an aggregate of 3% or more of the Company's shares with voting rights are entitled to submit proposals in writing to the Company.</p>

Before amendment	After amendment
<p>The contents of a proposal shall be within the scope of the functions and powers of the general meeting, have definite topics and specific matters for resolution, as well as be in compliance with the laws, regulations and the Articles of Association.</p> <p>Shareholders individually or jointly holding 3% or more of the Company's shares may submit ad hoc proposals to the convener of a general meeting in writing ten (10) days prior to the meeting. The convener shall issue a supplementary notice of the general meeting, announce the contents of such ad hoc proposals and submit such ad hoc proposals to the general meeting within 2 days after receipt thereof. If the supplementary notice of the general meeting fails to meet requirements in relation to issue of the supplementary notice under the listing rules of the place(s) where the Company's shares are listed, the Company shall postpone the general meeting as appropriate. The contents of ad hoc proposals shall fall within the scope of the functions and powers of the general meeting and have definite topics and specific matters for resolutions.</p> <p>Except as provided for by the preceding paragraph, the convener of a general meeting shall not amend the proposals set out in the notice of the general meeting or add any new proposals subsequent to the issue of the notice of the general meeting.</p> <p>In the notice of the general meeting, the general meeting shall not carry out voting and resolve on the proposals that are not stated or fail to meet the requirements under paragraph 2 and paragraph 3 of this article.</p>	<p>The contents of a proposal shall be within the scope of the functions and powers of the general meeting, have definite topics and specific matters for resolution, as well as be in compliance with the laws, regulations and the Articles of Association.</p> <p><u>The convener shall disclose information required for the shareholders to make reasonable decision on the proposed issue five (5) days prior to the meeting. Any supplemental information needed for the general meeting shall be provided by the convener prior to the date of the meeting.</u></p> <p>Shareholders individually or jointly holding 3% or more of the Company's shares may submit ad hoc proposals to the convener of a general meeting in writing ten (10) days prior to the meeting. The convener shall issue a supplementary notice of the general meeting, announce the contents of such ad hoc proposals and submit such ad hoc proposals to the general meeting within 2 days after receipt thereof. If the supplementary notice of the general meeting fails to meet requirements in relation to issue of the supplementary notice under the listing rules of the place(s) where the Company's shares are listed, the Company shall postpone the general meeting as appropriate. The contents of ad hoc proposals shall fall within the scope of the functions and powers of the general meeting and have definite topics and specific matters for resolutions.</p> <p>Except as provided for by the preceding paragraph, the convener of a general meeting shall not amend the proposals set out in the notice of the general meeting or add any new proposals subsequent to the issue of the notice of the general meeting.</p> <p>In the notice of the general meeting, the general meeting shall not carry out voting and resolve on the proposals that are not stated or fail to meet the requirements under paragraph 2 and paragraph 3 of this article.</p>

Before amendment	After amendment
<p>Article 77 Unless otherwise required by relevant laws, regulations, listing rules of the place(s) where the Company's shares are listed and the Articles of Association, a notice of general meeting shall be published on the Company's website or dispatched to shareholders (regardless of their voting rights at the general meeting) by hand or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For holders of domestic shares, a notice of general meeting may also be made by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in accordance with the laws, regulations, and listing rules of the place(s) where the Company's shares are listed <u>in one or more newspapers and journals designated by</u> securities regulatory authorities of the State Council <u>and the regulatory authorities of the place where the Company's shares are listed, as well as the websites of the Company and the stock exchange</u>. Once an announcement is made, all holders of the domestic shares are deemed to have received the relevant notice of the general meeting.</p>	<p>Article 77 Unless otherwise required by relevant laws, regulations, listing rules of the place(s) where the Company's shares are listed and the Articles of Association, a notice of general meeting shall be published on the Company's website or dispatched to shareholders (regardless of their voting rights at the general meeting) by hand or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For holders of domestic shares, a notice of general meeting may also be made by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in accordance with the laws, regulations, and listing rules of the place(s) where the Company's shares are listed <u>on the media that meet the conditions prescribed by</u> securities regulatory authorities of the State Council <u>as well as the website of the stock exchange</u>. Once an announcement is made, all holders of the domestic shares are deemed to have received the relevant notice of the general meeting.</p>

Before amendment	After amendment
<p>Article 85 The letter of attorney shall be lodged with the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the letter of attorney, or 24 hours before the designated time of voting; where the letter of attorney is signed by a person under a letter of attorney on behalf of the appointer, the letter of attorney or other authorisation documents authorised to be signed shall be notarized. A notarially certified copy of that letter of attorney or other authorisation documents, together with the letter of attorney, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.</p> <p>Where the appointer is a legal person, its legal representative or other persons authorised by the resolutions of the Board or other decision-making organ to act as its representatives may attend the general meeting of the Company as a representative of the appointer.</p> <p>Where such shareholder is a recognised clearing house (as defined in the Hong Kong Securities and Futures Ordinance) or its nominee, such shareholder is entitled to appoint one (1) or more persons as it thinks fit to act on its behalf at any general meetings or any other class meetings; where not less than one (1) person is authorised, the letter of attorney shall specify the number and class of shares involving each person so authorised. Such persons so authorised shall be entitled to exercise their rights on behalf of the recognised clearing house (or its nominee) as if they were individual shareholders of the Company.</p>	<p>Article 85 The letter of attorney shall be lodged with the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the letter of attorney, or 24 hours before the designated time of voting; where the letter of attorney is signed by a person under a letter of attorney on behalf of the appointer, the letter of attorney or other authorisation documents authorised to be signed shall be notarized. A notarially certified copy of that letter of attorney or other authorisation documents, together with the letter of attorney, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.</p> <p>Where the appointer is a legal person, its legal representative or other persons authorised by the resolutions of the Board or other decision-making organ to act as its representatives may attend the general meeting of the Company as a representative of the appointer.</p> <p>Where such shareholder is a recognised clearing house (as defined in the Hong Kong Securities and Futures Ordinance) or its nominee, such shareholder is entitled to appoint <u>its corporate representative or</u> one or more persons as it thinks fit to act on its behalf at any general meetings or any other class meetings <u>or creditors' meeting, and these representatives shall be entitled to the legal rights equivalent to the rights of other shareholders, including the right to speak and vote;</u> where not less than one (1) person is authorised, the letter of attorney shall specify the number and class of shares involving each person so authorised. Such persons so authorised shall be entitled to exercise their rights on behalf of the recognised clearing house (or its nominee) as if they were individual shareholders of the Company.</p>

Before amendment	After amendment
<p>Article 91 When the shareholder(s) request(s) for the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) Shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the forthcoming meeting shall sign one (1) or more written requests of the same form stating the object of the meeting and demanding that the Board convene an extraordinary general meeting or a class meeting thereof. The Board shall, within ten (10) days upon the receipt of such written requests, reply in writing on whether or not the Board approves convening an extraordinary general meeting or a class meeting;</p> <p>If the Board agrees to convene an extraordinary general meeting or a class meeting, it will issue a notice of meeting within five (5) days after the resolution is made by the Board. Any change to the original request in the notice shall be subject to the agreement of relevant shareholders.</p> <p>(2) If the Board does not agree to convene the extraordinary general meeting or the class meeting, or does not reply within ten (10) days upon the receipt of the request, shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the forthcoming meeting shall have the right to propose to the Supervisory Committee on convening the extraordinary general meeting or the class meeting and submit the written request to the Supervisory Committee;</p> <p>(3) If the Supervisory Committee agrees to convene an extraordinary meeting or a class meeting, it shall issue a notice of meeting within five (5) days upon the receipt of the request. Any change to the original proposal in the notice shall be subject to the agreement of relevant shareholders.</p>	<p>Article 91 When the shareholder(s) request(s) for the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) Shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the forthcoming meeting shall sign one (1) or more written requests of the same form stating the object of the meeting and demanding that the Board convene an extraordinary general meeting or a class meeting thereof. The Board shall, within ten (10) days upon the receipt of such written requests, reply in writing on whether or not the Board approves convening an extraordinary general meeting or a class meeting;</p> <p>If the Board agrees to convene an extraordinary general meeting or a class meeting, it will issue a notice of meeting within five (5) days after the resolution is made by the Board. Any change to the original request in the notice shall be subject to the agreement of relevant shareholders.</p> <p>(2) If the Board does not agree to convene the extraordinary general meeting or the class meeting, or does not reply within ten (10) days upon the receipt of the request, shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the forthcoming meeting shall have the right to propose to the Supervisory Committee on convening the extraordinary general meeting or the class meeting and submit the written request to the Supervisory Committee;</p> <p>(3) If the Supervisory Committee agrees to convene an extraordinary meeting or a class meeting, it shall issue a notice of meeting within five (5) days upon the receipt of the request. Any change to the original request in the notice shall be subject to the agreement of relevant shareholders.</p>

Before amendment	After amendment
<p>The Supervisory Committee's failure to issue the notice of meeting within the prescribed period shall be deemed as the Supervisory Committee not convening and not presiding over the meeting. As such, shareholders individually or jointly holding more than 10% of the shares of the Company for more than ninety (90) consecutive days can convene and hold the meeting by themselves.</p>	<p>The Supervisory Committee's failure to issue the notice of meeting within the prescribed period shall be deemed as the Supervisory Committee not convening and not presiding over the meeting. As such, shareholders individually or jointly holding more than 10% of the shares of the Company for more than ninety (90) consecutive days can convene and hold the meeting by themselves.</p>
<p>Article 96 In the event that the Supervisory Committee or the aforesaid shareholder(s) decide to convene the general meeting on their own, the Supervisory Committee or the shareholder(s) shall notify the Board in writing and file with <u>the relevant branch office of the CSRC of the place where the Company is located and</u> the stock exchange.</p> <p>The shareholding in the Company of the shareholder(s) who convene(s) the general meeting shall not be less than 10% prior to the <u>announcement of</u> resolutions of the general meeting.</p> <p>The Supervisory Committee or the shareholder(s) who convene(s) the general meeting shall submit relevant supporting documents to <u>the relevant branch office of the CSRC of the place where the Company is located as well as</u> the stock exchange upon the issuance of notice of the general meeting and announcement of resolutions of the general meeting.</p>	<p>Article 96 In the event that the Supervisory Committee or the aforesaid shareholder(s) decide to convene the general meeting on their own, the Supervisory Committee or the shareholder(s) shall notify the Board in writing and file with the stock exchange.</p> <p>The shareholding in the Company of the shareholder(s) who convene(s) the general meeting shall not be less than 10% prior to the <u>disclosure of resolutions of the general meeting. The announcement shall be made by the convening shareholder(s) not later than the issue of notice of general meeting, and the convening shareholder(s) shall warrant that from the date of proposal to hold the general meeting to the date of holding the meeting, its (their) shareholding shall not be less than 10% of the Company's total share capital.</u></p> <p>The Supervisory Committee or the shareholder(s) who convene(s) the general meeting shall submit relevant supporting documents to the stock exchange upon the issuance of notice of the general meeting and announcement of resolutions of the general meeting.</p>

Before amendment	After amendment
<p>Article 110 Shareholders (including proxies) shall exercise their voting rights at a general meeting according to the number of shares carrying voting rights they represent, with one vote for each share.</p> <p>Where any shareholder under the Hong Kong Listing Rules is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by such shareholders or their proxies in contravention of such requirement or restriction shall not be counted.</p> <p>Shares of the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders present at a general meeting.</p> <p>The Board, independent Directors, shareholders with more than 1% of the voting shares of the Company or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authorities of the State Council may act as the soliciting party, either on their own or by commissioning securities companies and securities service agencies, to publicly request shareholders of listed companies to appoint them to attend general meetings on their behalf, and exercise shareholders' rights such as proposal rights and voting rights on their behalf.</p> <p>If the shareholders' rights are solicited in accordance with the provisions of the preceding paragraph, the soliciting party shall disclose the solicitation documents. The solicitation of voting rights shall be conducted on a nil consideration basis <u>and</u> no minimum shareholding limitation shall be imposed for soliciting voting rights.</p>	<p>Article 110 Shareholders (including proxies) shall exercise their voting rights at a general meeting according to the number of shares carrying voting rights they represent, with one vote for each share.</p> <p>Where any shareholder under the Hong Kong Listing Rules is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by such shareholders or their proxies in contravention of such requirement or restriction shall not be counted.</p> <p>Shares of the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders present at a general meeting. <u>If the purchase of the Company's voting shares by the shareholders violates the provisions under Clauses 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised within 36 months after the purchase, and shall not be counted in the total number of shares carrying voting rights represented by shareholders present at the general meeting.</u></p> <p>The Board, independent Directors, shareholders with more than 1% of the voting shares of the Company or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authorities of the State Council may act as the soliciting party, either on their own or by commissioning securities companies and securities service agencies, to publicly request shareholders of listed companies to appoint them to attend general meetings on their behalf, and exercise shareholders' rights such as proposal rights and voting rights on their behalf.</p> <p>If the shareholders' rights are solicited in accordance with the provisions of the preceding paragraph, the soliciting party shall disclose the solicitation documents. The solicitation of voting rights shall be conducted on a nil consideration basis and no minimum shareholding limitation shall be imposed for soliciting voting rights <u>by the Company except under statutory conditions.</u></p>

Before amendment	After amendment
<p>Article 120 Before the relevant proposed resolution is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is interested in the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.</p> <p>When the relevant proposed resolution is being voted on at the general meeting, lawyers, the shareholders' representatives and representatives of the Supervisors shall be jointly responsible for counting the votes and scrutinizing the conduct of the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting.</p> <p>Where significant matters affecting the interests of minority investors are considered at the general meeting, the votes cast by minority investors shall be counted separately.</p> <p>Shareholders of the listed Company or their proxies, who have cast their votes by online voting or by other means, shall have the right to check the voting results through the respective voting system.</p>	<p>Article 120 Before the relevant proposed resolution is voted on at the general meeting, two representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. Any shareholder who is interested in the matter under consideration and his proxy shall not take part in counting the votes or scrutinizing the conduct of the poll.</p> <p>When the relevant proposed resolution is being voted on at the general meeting, lawyers, the shareholders' representatives and representatives of the Supervisors shall be jointly responsible for counting the votes and scrutinizing the conduct of the poll, and the voting result shall be announced at the meeting. The voting results relating to such proposed resolution shall be recorded in the minutes of meeting.</p> <p>Where significant matters affecting the interests of minority investors are considered at the general meeting, the votes cast by minority investors shall be counted separately.</p> <p>Shareholders of the Company or their proxies, who have cast their votes by online voting or by other means, shall have the right to check the voting results through the respective voting system.</p>

Before amendment	After amendment
<p>Article 140 Directors shall be nominated in the following manner and in compliance with the following procedures:</p> <p>(1) the Board or the shareholders who individually or jointly hold more than 3% of the shares carrying voting rights of the Company shall have the right to nominate candidates for election as Directors at general meetings (excluding independent directors). The nomination of an independent Director shall be in compliance with the provisions under Article 153 of the Articles of Association.</p> <p>(2) prior to the convening of the general meeting, the candidates for Directors shall provide an undertaking in writing to accept the nomination, warrant that the information disclosed is true and complete and undertake that they will fulfill their obligations as Directors upon election.</p> <p>(3) <u>a written notice stating the intention to nominate a candidate for Directors and the nominee's acceptance of such nomination, together with relevant written materials of the nominee, shall be delivered to the Company no less than seven (7) days prior to the date of convening the general meeting. The nominator shall provide the biographies and basis information of the candidate for Directors to shareholders.</u></p> <p>(4) <u>the period given by the Company to the relevant nominators and nominees for providing the aforesaid notice and documents shall be no less than seven (7) days (such period shall commence from the day following the date of dispatching the notice of the general meeting).</u></p>	<p>Article 140 Directors shall be nominated in the following manner and in compliance with the following procedures:</p> <p>(1) the Board or the shareholders who individually or jointly hold more than 3% of the shares carrying voting rights of the Company shall have the right to nominate candidates for election as Directors at general meetings (excluding independent directors). The nomination of an independent Director shall be in compliance with the provisions under Article 152 of the Articles of Association.</p> <p>(2) prior to the convening of the general meeting, the candidates for Directors shall provide an undertaking in writing to accept the nomination, warrant that the information disclosed is true and complete and undertake that they will fulfill their obligations as Directors upon election.</p>

Before amendment	After amendment
<p>Article 148 Independent Directors shall bear a fiduciary obligation and an obligation of diligence towards the Company and all of its shareholders.</p> <p>Independent Directors shall, pursuant to the requirements of the relevant laws and regulations, <u>the Guiding Opinions on Establishing the System of Independent Directors in Listed Companies</u> and the Articles of Association, conscientiously perform their duties and responsibilities, safeguard the Company's interests as a whole and, in particular, ensure that the lawful rights and interests of small and medium shareholders are not impaired. Independent Directors shall <u>report to the general meeting each year.</u></p> <p>Independent Directors shall perform their duties independently, without being influenced by the substantial shareholders and de facto controllers of the Company, or other entities or individuals who may be interested in the Company. Independent Directors shall ensure that he has sufficient time and energy to effectively perform his duties as an independent Director.</p> <p>In the event of conflicts between shareholders or Directors which have significant impact on the operation and management of the Company, Independent Directors shall actively perform their duties and responsibilities to safeguard the Company's interests as a whole.</p> <p>Unless otherwise required in this section, the provisions regarding the qualifications and obligations of Directors, Supervisors, Presidents and other senior management members under Chapter 11 of the Articles of Association are also applicable to the independent Directors.</p>	<p>Article 148 Independent Directors shall bear a fiduciary obligation and an obligation of diligence towards the Company and all of its shareholders.</p> <p>Independent Directors shall, pursuant to the requirements of the relevant laws and regulations, <u>Rules of Independent Directors in Listed Companies</u> and the Articles of Association, conscientiously perform their duties and responsibilities, safeguard the Company's interests as a whole and, in particular, ensure that the lawful rights and interests of small and medium shareholders are not impaired.</p> <p><u>Independent Directors shall attend Board meetings on time, acquire knowledge of the Company's production and operation, initiate investigations, understand the situation and obtain information needed for decision-making.</u> Independent Directors shall <u>submit to the general meeting of the Company their annual work report to brief the general meeting their performance of duties.</u></p> <p>Independent Directors shall perform their duties independently, without being influenced by the substantial shareholders and de facto controllers of the Company, or other entities or individuals who may be interested in the Company. Independent Directors shall ensure that he has sufficient time and energy to effectively perform his duties as an independent Director.</p> <p>In the event of conflicts between shareholders or Directors which have significant impact on the operation and management of the Company, Independent Directors shall actively perform their duties and responsibilities to safeguard the Company's interests as a whole.</p> <p>Unless otherwise required in this section, the provisions regarding the qualifications and obligations of Directors, Supervisors, Presidents and other senior management members under Chapter 11 of the Articles of Association are also applicable to the independent Directors.</p>

Before amendment	After amendment
<p>Article 149 Independent Directors are Directors who do not hold any positions in the Company other than as a member of the Board's special committees and do not maintain with the Company and its substantial shareholders a connection which may possibly compromise their independent and objective judgments. An independent Director shall meet the following basic conditions:</p> <ol style="list-style-type: none"> (1) qualified as independent Director of a listed company pursuant to relevant laws, regulations and other relevant requirements; (2) performing duties independently, not being affected by the substantial shareholders and de facto controllers of the Company, or other entities or individuals who may be interested in the Company; (3) having the basic knowledge about operations of listed companies, and proficient in relevant laws, regulations and rules; (4) having more than five (5) years' experience in legal and economic work or other work required for fulfilling duties as an independent Director; (5) in compliance with the requirements regarding the qualifications for serving as independent non-executive Directors under the Hong Kong Listing Rules; (6) other conditions specified in the Articles of Association. 	<p>Article 149 Independent Directors are Directors who do not hold any positions in the Company other than as a member of the Board's special committees and do not maintain with the Company and its substantial shareholders a connection which may possibly compromise their independent and objective judgments. An independent Director shall meet the following basic conditions:</p> <ol style="list-style-type: none"> (1) qualified as independent Director of a listed company pursuant to relevant laws, regulations and other relevant requirements; (2) performing duties independently, not being affected by the substantial shareholders and de facto controllers of the Company, or other entities or individuals who may be interested in the Company; (3) having the basic knowledge about operations of listed companies, and proficient in relevant laws, regulations and rules; (4) having more than five (5) years' experience in legal and economic work or other work required for fulfilling duties as an independent Director; (5) in compliance with the requirements regarding the qualifications for serving as independent non-executive Directors under the Hong Kong Listing Rules; (6) other conditions specified in the <u>laws and regulations and</u> Articles of Association. <p><u>Independent Directors and persons intended to serve as Independent Directors shall attend trainings organized by CSRC and its authorized institutions as required.</u></p>

Before amendment	After amendment
<p>Article 150 The following persons shall not serve as an independent Director of the Company:</p> <p>(1) the persons who are employed by the Company or its subsidiaries, or direct relatives and major social relationships thereof (direct relatives shall refer to spouses, parents, and children; and major social relationships shall include siblings, fathers-in-law and mothers-in-law, daughters-in-law and sons-in-law, brothers-in-law and sisters-in-law, and the siblings of the spouses);</p> <p>(2) the shareholders of natural persons who directly or indirectly hold not less than 1% of the issued shares of the Company, or who are among the top ten (10) shareholders of the Company, and the direct relatives thereof;</p> <p>(3) the persons employed by corporate shareholders which directly or indirectly hold not less than 5% of the issued shares of the Company or are among the top five (5) shareholders of the Company, and the direct relatives thereof;</p> <p>(4) the persons who fell under the category described in any of the above three (3) sub- clauses in the past one year;</p> <p>(5) the persons who provide financial, legal or consultation services to the Company or any of its subsidiaries;</p> <p>(6) such other persons specified in the Articles of Association;</p> <p>(7) such other persons who shall not serve as independent Directors as determined by the securities regulatory authorities of the State Council and required by the securities laws and regulations of the place where the Company's shares are listed.</p>	<p>Article 150 The following persons shall not serve as an independent Director of the Company:</p> <p>(1) the persons who are employed by the Company or its subsidiaries, or direct relatives and major social relationships thereof (direct relatives shall refer to spouses, parents, and children; and major social relationships shall include siblings, parents of spouses, spouses of children, brothers-in-law and sisters-in-law, and the siblings of the spouses);</p> <p>(2) the shareholders of natural persons who directly or indirectly hold not less than 1% of the issued shares of the Company, or who are among the top ten (10) shareholders of the Company, and the direct relatives thereof;</p> <p>(3) the persons employed by corporate shareholders which directly or indirectly hold not less than 5% of the issued shares of the Company or are among the top five (5) shareholders of the Company, and the direct relatives thereof;</p> <p>(4) the persons who fell under the category described in any of the above three (3) sub-clauses in the past one year;</p> <p>(5) the persons who provide financial, legal or consultation services to the Company or any of its subsidiaries;</p> <p>(6) <u>other persons as required by laws, administrative regulations and departmental rules;</u></p> <p>(7) such other persons specified in the Articles of Association;</p> <p>(8) such other persons who shall not serve as independent Directors as determined by the securities regulatory authorities of the State Council and required by the securities laws and regulations of the place where the Company's shares are listed.</p>

Before amendment	After amendment
<p>Article 152 The nomination, election and replacement of independent Directors shall be subject to the following procedures:</p> <p>(1) The Board, Supervisory Committee, or shareholders individually or jointly holding not less than 1% of the issued shares of the Company are entitled to nominate candidates for independent Directors to be elected at the general meetings.</p> <p>(2) The nominator of an independent Director shall have the prior approval of the proposed candidate before making a nomination. The nominator shall have adequate knowledge of the profession, education, job titles and detailed working experience of the candidate as well as the status of all his part-time jobs, and give an opinion on his qualifications and independence in relation to the position of an independent Director. The nominee shall make a public declaration disclaiming any relationship between himself and the Company that will affect his independent judgment. Prior to the general meeting held for the election of independent Directors, the Board of the Company shall announce the above information in accordance with the relevant provisions.</p> <p>(3) Before convening a general meeting for the election of independent Directors, the Company shall submit the relevant materials of all nominees to <u>the securities regulatory authorities under of State Council and their local agencies of the place where the Company is located as well as</u> the stock exchange <u>on which the Company's shares are listed</u>. Where there is any dissent of the Board of the Company with regard to the relevant information of any nominee, such dissent shall also be submitted in written form at the same time.</p>	<p>Article 152 The nomination, election and replacement of independent Directors shall be subject to the following procedures:</p> <p>(1) The Board, Supervisory Committee, or shareholders individually or jointly holding not less than 1% of the issued shares of the Company are entitled to nominate candidates for independent Directors to be elected at the general meetings.</p> <p>(2) The nominator of an independent Director shall have the prior approval of the proposed candidate before making a nomination. The nominator shall have adequate knowledge of the profession, education, job titles and detailed working experience of the candidate as well as the status of all his part-time jobs, and give an opinion on his qualifications and independence in relation to the position of an independent Director. The nominee shall make a public declaration disclaiming any relationship between himself and the Company that will affect his independent judgment. Prior to the general meeting held for the election of independent Directors, the Board of the Company shall announce the above information in accordance with the relevant provisions.</p> <p>(3) Before convening a general meeting for the election of independent Directors, the Company shall submit the relevant materials of all nominees to the stock exchange. Where there is any dissent of the Board of the Company with regard to the relevant information of any nominee, such dissent shall also be submitted in written form at the same time.</p>

Before amendment	After amendment
<p><u>Upon reviewing the qualifications and independence of independent Directors by CSRC, nominees of independent Directors objected by CSRC may then become candidates for the Directors of the Company but cannot be proposed as candidates for independent Directors of the Company.</u></p>	<p>(4) The term of office of an independent Director shall be identical to that of the other Directors of the Company. After the expiration of term, an independent Director is eligible for election for successive terms, which may not exceed six (6) years.</p>
<p><u>At the general meetings for the election of independent Directors, the Board shall give details as to whether the candidates for independent Directors have been objected by the securities regulatory authorities of the State Council.</u></p>	<p>(5) An independent Director who fails to attend three (3) consecutive Board meetings in person shall be dismissed by a resolution to be presented by the Board to the general meeting. An independent Director <u>may be removed by the Company in accordance with legal procedures</u> prior to the expiry of his term of office. When an independent Director <u>is removed</u> prior to the expiry of his term of office, the Company shall disclose the dismissal as a special discloseable matter. The dismissed independent Director may make a public statement if he considers that his dismissal by the Company is unjustifiable.</p>
<p>(4) The term of office of an independent Director shall be identical to that of the other Directors of the Company. After the expiration of term, an independent Director is eligible for election for successive terms, which may not exceed six (6) years.</p>	
<p>(5) An independent Director who fails to attend three (3) consecutive Board meetings in person shall be dismissed by a resolution to be presented by the Board to the general meeting. <u>Save for the occurrence of the above circumstances or any of the situations in respect of the disqualification of a Director under the Company Law, an independent Director shall not be dismissed without cause</u> prior to the expiry of his term of office. When an independent Director <u>is dismissed</u> prior to the expiry of his term of office, the Company shall disclose the dismissal as a special discloseable matter. The dismissed independent Director may make a public statement if he considers that his dismissal by the Company is unjustifiable.</p>	<p>(6) An independent Director may tender resignation prior to the expiry of his term of office. A resigning independent Director shall submit to the Board a written resignation report, which shall contain explanations on matters relating to his resignation or any other matters that he may consider necessary to be brought to the attention of the shareholders and creditors of the Company. Where the resignation of an independent Director will result in the percentage of independent Directors in the Board of the Company falling below the prescribed minimum requirement of the Articles of Association, the resignation report of such independent Director shall become effective only when his vacancy has been filled by a new independent Director.</p>

Before amendment	After amendment
<p>(6) An independent Director may tender resignation prior to the expiry of his term of office. A resigning independent Director shall submit to the Board a written resignation report, which shall contain explanations on matters relating to his resignation or any other matters that he may consider necessary to be brought to the attention of the shareholders and creditors of the Company. Where the resignation of an independent Director will result in the percentage of independent Directors in the Board of the Company falling below the prescribed minimum requirement of the Articles of Association, the resignation report of such independent Director shall become effective only when his vacancy has been filled by a new independent Director.</p>	
<p>Article 154 In addition to those powers and functions of Directors of the Company, independent Directors shall have the following special functions and powers:</p> <p>(1) major connected transactions (as determined by the standards promulgated by governing regulatory authorities from time to time) <u>shall be approved by independent Directors before being submitted to the Board for discussion;</u> independent Directors may engage intermediaries to issue an independent financial advisor's report before making a judgment;</p> <p>(2) proposing to the Board with respect to the engagement or dismissal of accounting firms;</p> <p>(3) proposing to the Board with respect to the holding of extraordinary general meetings;</p> <p>(4) proposing the holding of Board meetings;</p> <p>(5) <u>independently engaging external auditing or consultancy firms;</u></p>	<p>Article 154 In addition to those powers and functions of Directors of the Company, independent Directors shall have the following special functions and powers:</p> <p>(1) major connected transactions (as determined by the standards promulgated by governing regulatory authorities from time to time); independent Directors may engage intermediaries to issue an independent financial advisor's report before making a judgment;</p> <p>(2) proposing to the Board with respect to the engagement or dismissal of accounting firms;</p> <p>(3) proposing to the Board with respect to the holding of extraordinary general meetings;</p> <p>(4) proposing the holding of Board meetings;</p> <p>(5) <u>openly soliciting voting rights prior to shareholders' meetings;</u></p>

Before amendment	After amendment
<p>(6) <u>openly soliciting voting rights prior to shareholders' meetings;</u></p> <p>(7) <u>other duties and powers under the provisions of the laws, regulations, rules, listing rules of the place(s) where the shares of the Company are listed and the Articles of Association.</u></p>	<p>(6) <u>independently engaging external auditing or consultancy firms to audit and make consultation on specific issues of the Company.</u></p>
<p>Article 155 Independent Directors shall obtain the unanimous consents of not less than one half of all independent Directors before exercising the special powers as referred to in Article 155.</p> <p>If any of the aforesaid proposals are not adopted or any of the aforesaid powers could not be exercised properly, the Company shall disclose the details thereof.</p>	<p>Article 155 Independent Directors shall obtain the unanimous consents of not less than one half of all independent Directors before exercising the special powers as referred to in <u>items (1) to (5) of Article 154, and for exercising the special powers as referred to in item (6) of Article 154, unanimous consents of all independent Directors shall be obtained.</u></p> <p><u>Issues of items (1) and (2) shall obtain consent from not less than one half of all independent Directors before being submitted to the Board for discussion.</u></p> <p>If any of the aforesaid proposals are not adopted or any of the aforesaid powers could not be exercised properly, the Company shall disclose the details thereof.</p> <p><u>When laws, regulations and CSRC otherwise require, such regulations shall prevail.</u></p>

Before amendment	After amendment
<p>Article 156 Independent Directors shall express their independent opinions on significant events of the Company.</p> <p>(1) In addition to exercising the duties provided in the Articles of Association, independent Directors shall also express their independent opinions to the Board or the general meetings on the following matters:</p> <ol style="list-style-type: none"> 1. the nomination, appointment or dismissal of Directors; 2. the engagement or dismissal of president and other senior management members; 3. the remuneration of the Company's Directors, President and other senior management members; 4. material connected transactions (as determined by the standards promulgated by governing regulatory authorities from time to time); 5. matters with detriment to the rights and interests of the medium and small shareholders; 6. such other matters required by the Articles of Association. <p>(2) Independent Directors shall express one of the following categories of opinions in respect of the aforesaid matters: consent opinion; qualified opinion and the reasons thereof; objection opinion and the reasons thereof; unable to express an opinion and the reasons thereof.</p> <p>(3) If the relevant matters are subject to disclosure, the Company shall make an announcement of the opinions of independent Directors. If independent Directors fail to reach a consensus, the Board shall disclose the opinion of each independent Director.</p>	<p>Article 156 Independent Directors shall express their independent opinions on significant events of the Company.</p> <p>(1) In addition to exercising the duties provided in the Articles of Association, independent Directors shall also express their independent opinions to the Board or the general meetings on the following matters:</p> <ol style="list-style-type: none"> 1. the nomination, appointment or dismissal of Directors; 2. the engagement or dismissal of president and other senior management members; 3. the remuneration of the Company's Directors, President and other senior management members; 4. material connected transactions (as determined by the standards promulgated by governing regulatory authorities from time to time); 5. matters with detriment to the rights and interests of the medium and small shareholders; 6. such other matters required by the <u>laws, regulations, CSRC and</u> the Articles of Association. <p>(2) Independent Directors shall express one of the following categories of opinions in respect of the aforesaid matters: consent opinion; qualified opinion and the reasons thereof; objection opinion and the reasons thereof; unable to express an opinion and the reasons thereof.</p> <p>(3) If the relevant matters are subject to disclosure, the Company shall make an announcement of the opinions of independent Directors. If independent Directors fail to reach a consensus, the Board shall disclose the opinion of each independent Director.</p>

Before amendment	After amendment
<p>Article 157 For the purpose of effective execution of the duties of the independent Directors, the Company shall facilitate the independent Directors with the following:</p> <p>(1) The Company shall ensure that independent Directors have the same right of access to information as its other Directors. For any matters that are subject to the Board's decision, the Company shall serve notice on independent Directors in advance within the prescribed period of time and provide sufficient information. If independent Directors are of the view that the information provided is insufficient, they may request for supplementary information. When two (2) or more independent Directors consider the information provided as insufficient or inadequately explained, they may propose to the Board in writing for a postponement of the Board meeting or for a postponement of examination and discussion of the matters concerned. Such proposal shall be adopted by the Board.</p> <p>Materials provided by the Company to independent Directors shall be kept by the Company and the independent Directors respectively for at least five (5) years;</p> <p>(2) The Company shall provide necessary working conditions to independent Directors for the performance of their duties. The Secretary to the Board shall actively offer assistance to independent Directors to facilitate their work, such as providing information and materials. With regard to independent opinions, proposals and written statements made by independent Directors which shall be announced, the Secretary to the Board shall make timely arrangement with the relevant stock exchange for such announcement;</p>	<p>Article 157 For the purpose of effective execution of the duties of the independent Directors, the Company shall facilitate the independent Directors with the following:</p> <p>(1) The Company shall ensure that independent Directors have the same right of access to information as its other Directors. For any matters that are subject to the Board's decision, the Company shall serve notice on independent Directors in advance within the prescribed period of time and provide sufficient information. If independent Directors are of the view that the information provided is insufficient, they may request for supplementary information. When two (2) or more independent Directors consider the information provided as insufficient or inadequately explained, they may propose to the Board in writing for a postponement of the Board meeting or for a postponement of examination and discussion of the matters concerned. Such proposal shall be adopted by the Board.</p> <p>Materials provided by the Company to independent Directors shall be kept by the Company and the independent Directors respectively for at least five (5) years;</p> <p>(2) The Company shall provide necessary working conditions to independent Directors for the performance of their duties. The Secretary to the Board shall actively offer assistance to independent Directors to facilitate their work, such as providing information and materials, <u>regularly report on the Company's operation, and organize site visits for the independent Directors if necessary.</u> With regard to independent opinions, proposals and written statements made by independent Directors which shall be announced, the Secretary to the Board shall make timely arrangement with the relevant stock exchange for such announcement;</p>

Before amendment	After amendment
<p>Article 160 The Board shall report to the general meeting and exercises the following powers:</p> <p>(1) to be responsible for the convening of general meetings and report its work to the general meeting;</p> <p>(2) to implement the resolutions of general meetings;</p> <p>(3) to decide on the Company's business plans, investment plans and annual financing plans;</p> <p>(4) to formulate the Company's plans on annual financial budgets and final accounts;</p> <p>(5) to formulate the Company's profit distribution plans and plans on making up losses;</p> <p>(6) to formulate the proposal for increase or decrease of the registered capital of the Company and issue and listing of bonds or other securities of the Company and listing thereof;</p> <p>(7) to formulate plans for substantial acquisition, acquisition of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;</p> <p>(8) to decide on the Company's investment, asset acquisition or disposal, assets pledge, external guarantee, <u>entrusted wealth management, entrusted loans</u> and connected transactions within the scope authorized by the shareholders' general meeting;</p>	<p>Article 160 The Board shall report to the general meeting and exercises the following powers:</p> <p>(1) to be responsible for the convening of general meetings and report its work to the general meeting;</p> <p>(2) to implement the resolutions of general meetings;</p> <p>(3) to decide on the Company's business plans, investment plans and annual financing plans;</p> <p>(4) to formulate the Company's plans on annual financial budgets and final accounts;</p> <p>(5) to formulate the Company's profit distribution plans and plans on making up losses;</p> <p>(6) to formulate the proposal for increase or decrease of the registered capital of the Company and issue and listing of bonds or other securities of the Company and listing thereof;</p> <p>(7) to formulate plans for substantial acquisition, acquisition of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;</p> <p>(8) to decide on the Company's <u>external</u> investment <u>(including entrusted wealth management)</u>, asset acquisition or disposal, assets pledge, external guarantee, <u>financial assistance</u>, connected transactions <u>and external donations</u> within the scope authorized by the shareholders' general meeting;</p>

Before amendment	After amendment
(9) to appoint or dismiss President and the Secretary to the Board and, based on the nomination by the President, to appoint or dismiss senior management members including Vice Presidents, Chief Financial Officer and Chief Economist of the Company and to determine <u>senior management members'</u> remunerations, incentives and punishments;	(9) <u>to decide on</u> the appointment or dismissal of the President, the Secretary to the Board and other senior management members and to determine their remuneration, incentives and punishment and, based on the nomination by the President, <u>to decide on</u> the appointment or dismissal of the senior management members including Vice Presidents, Chief Financial Officer and Chief Economist of the Company and to determine <u>their</u> remunerations, incentives and punishments;
(10) to formulate the basic management system of the Company;	(10) to formulate the basic management system of the Company;
(11) to formulate proposals for amendment to the Articles of Association;	(10) to formulate the basic management system of the Company;
(12) to decide on the establishment of an internal management organization of the Company;	(11) to formulate proposals for amendment to the Articles of Association;
(13) to decide on the establishment of special committees under the Board;	(12) to decide on the establishment of an internal management organization of the Company;
(14) to manage information disclosure of the Company;	(13) to decide on the establishment of special committees under the Board;
(15) to propose to the general meeting to appoint or change accounting firm in charge of the audition of the Company;	(14) to manage information disclosure of the Company;
(16) to listen to the work report and inspect the work of the President;	(15) to propose to the general meeting to appoint or change accounting firm in charge of the audition of the Company;
(17) to formulate the share option scheme of the Company;	(16) to listen to the work report and inspect the work of the President;
(18) other functions and powers provided by laws, regulations, departmental rules and the Articles of Association.	(17) to formulate the share option scheme of the Company;
	(18) other functions and powers provided by laws, regulations, departmental rules and the Articles of Association.

Before amendment	After amendment
<p>Except for the Board resolutions in respect of the matters specified in sub-clauses (6), (7) and (11) of the preceding subsection which shall be passed by not less than two-thirds of the Directors, the Board resolutions in respect of all other matters may be passed by more than one half of the Directors.</p> <p>When making decisions on significant matters such as direction of reform and development, key objectives, and priority operational arrangements of the Company, the Board should seek advice from the Party organization. When the Board appoints the management personnel of the Company, the Party organization shall consider and provide comments on the candidates for management positions nominated by the Board or the president, or recommend candidates to the Board and/or the president.</p>	<p>Except for the Board resolutions in respect of the matters specified in sub-clauses (6), (7) and (11) of the preceding subsection which shall be passed by not less than two-thirds of the Directors <u>and matters concerning “financial assistance” and “external guarantee” in sub-clause (8) which shall be passed by a majority of all Directors and not less than two-thirds of the Directors present at the Board meeting,</u> the Board resolutions in respect of all other matters may be passed by more than one half of the Directors.</p> <p>When making decisions on significant matters such as direction of reform and development, key objectives, and priority operational arrangements of the Company, the Board should seek advice from the Party organization. When the Board appoints the management personnel of the Company, the Party organization shall consider and provide comments on the candidates for management positions nominated by the Board or the president, or recommend candidates to the Board and/or the president.</p>

Before amendment	After amendment
<p>Article 163 The Board is entitled to make decision on the following matters of the Company (including subsidiaries):</p>	<p>Article 163 The Board is entitled to make decision on the following matters of the Company (including subsidiaries):</p>
<p>(1) Acquisition and disposal of assets, which is not more than 30% of the latest audited total assets of the Company;</p>	<p>(1) Acquisition and disposal of assets, which is not more than 30% of the latest audited total assets of the Company;</p>
<p>(2) Entrusted wealth management, entrusted loans, external investment and pledge of assets, which is not more than 30% of the latest audited total assets of the Company;</p>	<p>(2) External investment (<u>including entrusted wealth management</u>), pledge of assets and <u>external donations, etc.,</u> which is not more than 30% of the latest audited total assets of the Company;</p>
<p>(3) Leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets, which is not more than 30% of the latest audited total assets of the Company;</p>	<p>(3) Leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets, which is not more than 30% of the latest audited total assets of the Company;</p>
<p>(4) Connected transactions (excluding provision of guarantees and the receipt of endowment in cash assets) whose transaction amount is not more than 5% of the absolute value of the latest audited net assets of the Company. For connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under relevant provisions of laws, regulations, departmental rules and the listing rules of the place(s) where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;</p>	<p>(4) Connected transactions (excluding provision of guarantees and the receipt of endowment in cash assets) whose transaction amount is not more than 5% of the absolute value of the latest audited net assets of the Company. For connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under relevant provisions of laws, regulations, departmental rules and the listing rules of the place(s) where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;</p>
<p>(5) External guarantees other than that stipulated in <u>Article 71</u> in the Articles of Association;</p>	<p>(5) External guarantees other than that stipulated in <u>Article 70</u> in the Articles of Association;</p>

Before amendment	After amendment
<p>(6) Other matters as required by laws, regulations, departmental rules, the listing rules of the place(s) where the Company's shares are listed and the Articles of Association to be decided by the Board.</p> <p>The Board will authorize the president within the abovementioned authorisation to exercise the rights as follows:</p> <p>(1) Deciding on the matters of acquisition or disposal of assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(2) Deciding on the matters of external investment, pledge of asset, entrusted wealth management and entrusted loans with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(3) Deciding on the matters of leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(4) Deciding on the connected transactions with the amount of not more than 0.1% of the latest audited net assets of the Company (excluding the provision guarantees and the receipt of endowment in cash assets);</p> <p>(5) Other duties and powers authorized by the Board and stipulated by the Articles of Association.</p>	<p>(6) <u>Financial assistance other than that stipulated in Article 71 in the Articles of Association (if the target for assistance is a non-wholly-owned subsidiary within the scope of consolidated financial statements of the Company and other shareholders of such non-wholly-owned subsidiary are not the Company's controlling shareholder, de facto controller and the related party, no submission to the Board for consideration is required);</u></p> <p>(7) Other matters as required by laws, regulations, departmental rules, the listing rules of the place(s) where the Company's shares are listed and the Articles of Association to be decided by the Board.</p> <p>The Board will authorize the president within the abovementioned authorisation to exercise the rights as follows:</p> <p>(1) Deciding on the matters of acquisition or disposal of assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(2) Deciding on the matters of external investment <u>(including entrusted wealth management)</u>, pledge of asset <u>and external donations</u> with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(3) Deciding on the matters of leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p>

Before amendment	After amendment
	<p>(4) Deciding on the connected transactions with the amount of not more than 0.1% of the latest audited net assets of the Company (excluding the provision guarantees and the receipt of endowment in cash assets);</p> <p>(5) Other duties and powers authorized by the Board and stipulated by the Articles of Association.</p>
<p>Article 206 In the event that the terms of office of supervisors fall upon maturity whereas new members of the Supervisory Committee are not re-elected in time, or the resignation of any supervisor during his term of office results in the number of members of the Supervisory Committee falling below the statutory minimum requirement, the said supervisors shall continue to perform their duties in accordance with the laws, the administrative regulations and the Articles of Association until the re-elected supervisors assume their office.</p>	<p>Article 206 In the event that the terms of office of supervisors fall upon maturity whereas new members of the Supervisory Committee are not re-elected in time, or the resignation of any supervisor during his term of office results in the number of members of the Supervisory Committee falling below the statutory minimum requirement, <u>or the resignation of any staff representative supervisor which results in the number of staff representative supervisors falling below one third of the supervisors</u>, the said supervisors shall continue to perform their duties in accordance with the laws, the administrative regulations and the Articles of Association until the re-elected supervisors assume their office.</p>
<p>Article 207 The supervisors shall ensure the truthfulness, accuracy and completeness of the information disclosed by the Company.</p>	<p>Article 207 The supervisors shall ensure the truthfulness, accuracy and completeness of the information disclosed by the Company, <u>with their signature in written form on periodic reports for confirmation of their opinion.</u></p>

Before amendment	After amendment
<p>Article 221 A person may not serve as a Director, supervisor, general manager or any other senior management members of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal or with restricted legal capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five (5) years have elapsed since the date of the completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is a former director, factory manager or president of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(4) a person who is a former legal representative of a company or enterprise which had its business license revoked due to a violation of the law and who incurred personal liability, where less than three (3) years has elapsed since the date of the revocation of the business license;</p> <p>(5) a person who has a relatively large amount of debts due and outstanding;</p>	<p>Article 221 A person may not serve as a Director, supervisor, general manager or any other senior management members of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal or with restricted legal capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five (5) years have elapsed since the date of the completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is a former director, factory manager or president of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(4) a person who is a former legal representative of a company or enterprise which had its business license revoked due to a violation of the law and who incurred personal liability, where less than three (3) years has elapsed since the date of the revocation of the business license;</p> <p>(5) a person who has a relatively large amount of debts due and outstanding;</p>

Before amendment	After amendment
<p>(6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where said investigation or prosecution is not yet concluded;</p> <p>(7) a person who has been <u>prohibited from entering the securities market by the China Securities Regulatory Commission</u>, where such prohibition has not been removed;</p> <p>(8) a person who is not eligible for enterprise leadership according to laws and administrative regulations;</p> <p>(9) a non-natural person;</p> <p>(10) a person convicted of the contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five (5) years has elapsed since the date of the conviction.</p>	<p>(6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where said investigation or prosecution is not yet concluded;</p> <p>(7) a person who has been <u>prohibited from entering the securities market by the CSRC</u>, where such prohibition has not been removed;</p> <p>(8) a person who is not eligible for enterprise leadership according to laws and administrative regulations;</p> <p>(9) a non-natural person;</p> <p>(10) a person convicted of the contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five (5) years has elapsed since the date of the conviction.</p>
<p>Article 241 The Company shall submit its annual <u>financial</u> reports to the CSRC and the Stock Exchange within four (4) months from the ending date of each fiscal year, its <u>half year financial</u> reports to the CSRC and the Shanghai Stock Exchange within two (2) months from the ending date of the <u>first six (6) months</u> of each fiscal year, and the quarterly reports to the CSRC and the Stock Exchange within one (1) month from the ending dates of the first three (3) and first nine (9) months of each fiscal year respectively.</p> <p>The above <u>financial</u> reports shall be prepared in accordance with requirements under the relevant laws, regulations <u>and departmental rules</u> and published in accordance with the relevant requirements of the securities regulatory authority of the place where the Company's shares are listed.</p>	<p>Article 241 The Company shall submit <u>and disclose</u> its annual reports to the CSRC and the Stock Exchange within four (4) months from the ending date of each fiscal year, its <u>interim</u> reports to the CSRC and the Shanghai Stock Exchange within two (2) months from the ending date of the <u>first half</u> of each fiscal year, and the quarterly reports to the CSRC and the Stock Exchange within one (1) month from the ending dates of the first three (3) and first nine (9) months of each fiscal year respectively.</p> <p>The above <u>periodic</u> reports shall be prepared in accordance with requirements under the relevant laws, <u>administrative</u> regulations and rules <u>stipulated by the CSRC and stock exchange</u> and published in accordance with the relevant requirements of the securities regulatory authority of the place where the Company's shares are listed.</p>

Before amendment	After amendment
<p>Article 248 <u>Any amount paid up by shareholders in advance of calls by them on any shares may carry interest but the holder of such shares shall not be entitled to participate in respect thereof in a dividend subsequently declared.</u></p> <p><u>Provided that this is in compliance with the law of the PRC, the Company is entitled to exercise the power to forfeit the unclaimed dividends, but such power shall not be exercised unless the applicable time limit to exercise such power has been reached.</u></p>	Deleted
<p>Article 259 The Company shall appoint receiving agents on behalf of the holders of overseas listed foreign-invested shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of such shares.</p> <p>The receiving agents appointed by the Company shall satisfy the relevant requirements of the laws of the place and relevant regulations of the stock exchange where the Company's shares are listed.</p> <p>The receiving agents appointed for the holders of overseas listed foreign-invested shares shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p> <p><u>For dividend warrants sent to shareholders by mail, should the shareholder fails to cash in the warrant after the warrant is mailed twice to them, the Company reserves the right to stop mailing the abovementioned dividend warrant. Should a single mailing to the shareholder fails and is returned to the Company, the Company can exercise the abovementioned rights.</u></p>	<p>Article 258 The Company shall appoint receiving agents on behalf of the holders of overseas listed foreign-invested shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of such shares.</p> <p>The receiving agents appointed by the Company shall satisfy the relevant requirements of the laws of the place and relevant regulations of the stock exchange where the Company's shares are listed.</p> <p>The receiving agents appointed for the holders of overseas listed foreign-invested shares shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>

Before amendment	After amendment
<p><u>The Company shall not exercise such powers to sell the shares of holders of overseas listed foreign-invested shares whom the Company has failed to contact, unless the following provisions are met: (i) dividends on the related shares have been delivered at least three (3) times within twelve (12) years and have not been claimed; and (ii) the Company place announcement in newspapers after the twelve (12) years have elapsed, stating its intention to sell the shares and informing the Hong Kong Stock Exchange of such intention.</u></p>	
<p>Article 262 The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the annual financial statements and other financial reports of the Company.</p> <p>The Company engages accountants with <u>“the qualifications for engaging in business related to securities”</u> to provide the accountants’ report, the verification of the net assets and other related enquiry services, etc. The engagement lasts one (1) year and is renewable.</p> <p>The appointment of the accounting firm of the Company shall be decided at general meeting, the Board shall not appoint the Company’s accounting firm prior to obtaining approval at general meeting.</p>	<p>Article 261 The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the annual financial statements and other financial reports of the Company.</p> <p>The Company engages accountants which <u>comply with the provisions of the Securities Law</u> to provide the accountants’ report, the verification of the net assets and other related enquiry services, etc. The engagement lasts one (1) year and is renewable.</p> <p>The appointment of the accounting firm of the Company shall be decided at general meeting, the Board shall not appoint the Company’s accounting firm prior to obtaining approval at general meeting.</p>
<p>Article 268 The remuneration of a certified public accounting firm or the manner in which such firm is to be remunerated shall be determined by a general meeting. <u>The remuneration of a certified public accounting firm appointed by the Board shall be determined by the Board.</u></p>	<p>Article 267 The remuneration of a certified public accounting firm or the manner in which such firm is to be remunerated shall be determined by a general meeting.</p>

Note: Due to addition and removal of articles, the serial number of relevant articles and cross references of the Articles of Association have been adjusted accordingly without separate explanation.

- * The Articles of Association and its proposed amendments were written in Chinese, without formal English version. As such, any English translation shall be for reference only. In the case of any discrepancies, the Chinese version shall prevail.

Details of the proposed amendments to the Rules of Procedure for General Meetings* are set out as follows:

Before amendment	After amendment
<p>Article 1 In order to regulate the organization and operation of the general meeting, protect the lawful rights and interests of shareholders, improve the efficiency of resolution at general meetings, guarantee general meeting to perform authorities lawfully, and ensure the legality of procedures and resolutions of the general meeting, the Rules of Procedure (the “Rules”) are formulated according to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), Rules of General Meetings for Listed Companies (the “Meeting Rules”), Corporate Governance Guidelines for Listed Companies, Mandatory Provisions for the Articles of Association of Companies Listed Overseas, the Listing Rules of Shanghai Stock Exchange (the “Shanghai Stock Exchange Listing Rules”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange Listing Rules”) (collectively, the “Listing Rules of Listing Places”), the Articles of Association of CRRC Corporation Limited (the “Articles of Association”), and other relevant laws, regulations and normative documents.</p>	<p>Article 1 In order to regulate the organization and operation of the general meeting <u>of CRRC Corporation Limited (the “Company”)</u>, protect the lawful rights and interests of shareholders, improve the efficiency of resolution at general meetings, guarantee general meeting to perform authorities lawfully, and ensure the legality of procedures and resolutions of the general meeting, the Rules of Procedure (the “Rules”) are formulated according to the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), Rules of General Meetings for Listed Companies (the “Meeting Rules”), Corporate Governance Guidelines for Listed Companies, Mandatory Provisions for the Articles of Association of Companies Listed Overseas, the Listing Rules of Shanghai Stock Exchange (the “Shanghai Stock Exchange Listing Rules”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange Listing Rules”) (collectively, the “Listing Rules of Listing Places”), the Articles of Association of CRRC Corporation Limited (the “Articles of Association”), and other relevant laws, regulations and normative documents.</p>
<p>Article 8 The general meeting may exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the operating policies and investment plans of the Company; (2) to elect and replace Directors and to fix the remuneration of the relevant Directors; (3) to elect and replace Supervisors who are not employee representatives, and to fix the remuneration of the relevant Supervisors; (4) to consider and approve the reports of the Board; 	<p>Article 8 The general meeting may exercise the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the operating policies and investment plans of the Company; (2) to elect and replace Directors and to fix the remuneration of the relevant Directors; (3) to elect and replace Supervisors who are not employee representatives, and to fix the remuneration of the relevant Supervisors; (4) to consider and approve the reports of the Board;

Before amendment	After amendment
(5) to consider and approve the reports of the Supervisory Committee;	(5) to consider and approve the reports of the Supervisory Committee;
(6) to consider and approve the proposed annual financial budgets and final accounts of the Company;	(6) to consider and approve the proposed annual financial budgets and final accounts of the Company;
(7) to consider and approve the profit distribution policy, profit distribution plans and loss recovery plans of the Company;	(7) to consider and approve the profit distribution policy, profit distribution plans and loss recovery plans of the Company;
(8) to adopt resolutions on any increase or reduction of registered capital of the Company;	(8) to adopt resolutions on any increase or reduction of registered capital of the Company;
(9) to adopt resolutions on matters such as merger, division, dissolution, liquidation or conversion of corporate form of the Company;	(9) to adopt resolutions on matters such as merger, division, dissolution, liquidation or conversion of corporate form of the Company;
(10) to adopt resolutions on the issue of bonds or other marketable securities and listing plans of the Company;	(10) to adopt resolutions on the issue of bonds or other marketable securities and listing plans of the Company;
(11) to adopt resolutions on the appointments, dismissals or non-re-appointments of accounting firms and the method in determining their compensations and remunerations;	(11) to adopt resolutions on the appointments, dismissals or non-re-appointments of accounting firms and the method in determining their compensations and remunerations;
(12) to amend the Articles of Association;	(12) to amend the Articles of Association;
(13) to consider and approve proposals submitted by shareholders individually or jointly holding not less than 3% of the shares carrying voting rights of the Company;	(13) to consider and approve proposals submitted by shareholders individually or jointly holding not less than 3% of the shares carrying voting rights of the Company;
(14) to consider and approve matters relating to external guarantees under Article 71 of the Articles of Association;	(14) to consider and approve matters relating to external guarantees under Article 70 of the Articles of Association;
	(15) <u>to consider and approve matters relating to financial assistance under Article 71;</u>

Before amendment	After amendment
(15) to consider and approve matters relating to the purchases and disposals of the Company's assets which exceed 30% of the latest audited total assets of the Company;	(16) to consider and approve matters relating to the purchases and disposals of the Company's assets which exceed 30% of the latest audited total assets of the Company;
(16) to consider and approve matters relating to external investment, asset pledge, <u>entrusted wealth management and entrusted loans</u> of the Company within one year which exceed 30% of the latest audited total assets of the Company;	(17) to consider and approve matters relating to external investment <u>(including entrusted wealth management)</u> , asset pledge, <u>and external donations</u> of the Company within one year which exceed 30% of the latest audited total assets of the Company;
(17) to consider and approve matters relating to leasing, renting, entrusted management, being entrusted to manage or joint management with others within one year which exceed 30% of the latest audited total assets of the Company;	(18) to consider and approve matters relating to leasing, renting, entrusted management, being entrusted to manage or joint management with others within one year which exceed 30% of the latest audited total assets of the Company;
(18) to consider and approve the connected transactions amounting to RMB30 million or above and exceeding 5% of the absolute value of the latest audited net assets of the Company (excluding the provisions of guarantees by the Company and the receipt of the endowment in cash assets) latest audited absolute net assets value; for connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under relevant provisions of laws, regulations, departmental rules and the Listing Rules of Listing Places where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;	(19) to consider and approve the connected transactions amounting to RMB30 million or above and exceeding 5% of the absolute value of the latest audited net assets of the Company (excluding the provisions of guarantees by the Company and the receipt of the endowment in cash assets) latest audited absolute net assets value; for connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under relevant provisions of laws, regulations, departmental rules and the Listing Rules of Listing Places where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;
(19) to consider and approve matters relating to change of the use of proceeds;	(20) to consider and approve matters relating to change of the use of proceeds;
(20) to consider and approve the share incentive plan(s);	(21) to consider and approve the share incentive plan(s);

Before amendment	After amendment
(21) to consider and approve other matters as required by laws, regulations, departmental rules, the listing rules of the place(s) where the Company's shares are listed and the Articles of Association to be resolved at the general meeting.	(22) to consider and approve other matters as required by laws, regulations, departmental rules, the listing rules of the place(s) where the Company's shares are listed and the Articles of Association to be resolved at the general meeting.
<p>Article 14 When the shareholder(s) request(s) to convene an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the proposed meeting may sign one (1) or more written requests in the same form stating the topics of the meeting and demand the Board to convene an extraordinary general meeting or a class meeting. The Board shall, within ten (10) days upon the receipt of such written requests, reply in writing on whether or not the Board agrees to convene an extraordinary general meeting or a class meeting in accordance with the provisions of laws and regulations and the Articles of Association.</p> <p>If the Board agrees to convene an extraordinary general meeting or a class meeting, it will issue a notice of meeting within five (5) days after the resolution is made by the Board. Any change to the original request in the notice shall be subject to the consent from relevant shareholders.</p> <p>(2) if the Board does not agree to convene an extraordinary general meeting or a class meeting, or does not reply within ten (10) days upon the receipt of the request, shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the proposed meeting shall have the right to propose to the Supervisory Committee on convening an extraordinary general meeting or a class meeting and such proposal shall be made in the form of written request to the Supervisory Committee.</p>	<p>Article 14 When the shareholder(s) request(s) to convene an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the proposed meeting may sign one (1) or more written requests in the same form stating the topics of the meeting and demand the Board to convene an extraordinary general meeting or a class meeting. The Board shall, within ten (10) days upon the receipt of such written requests, reply in writing on whether or not the Board agrees to convene an extraordinary general meeting or a class meeting in accordance with the provisions of laws and regulations and the Articles of Association.</p> <p>If the Board agrees to convene an extraordinary general meeting or a class meeting, it will issue a notice of meeting within five (5) days after the resolution is made by the Board. Any change to the original request in the notice shall be subject to the consent from relevant shareholders.</p> <p>(2) if the Board does not agree to convene an extraordinary general meeting or a class meeting, or does not reply within ten (10) days upon the receipt of the request, shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the proposed meeting shall have the right to propose to the Supervisory Committee on convening an extraordinary general meeting or a class meeting and such proposal shall be made in the form of written request to the Supervisory Committee.</p>

Before amendment	After amendment
<p>(3) if the Supervisory Committee agrees to convene an extraordinary meeting or a class meeting, it shall issue a notice of meeting within five (5) days upon the receipt of the request. Any change to the original proposal in the notice shall be subject to the consent from relevant shareholders.</p> <p>The Supervisory Committee's failure to issue the notice of meeting within the prescribed period shall be deemed as the Supervisory Committee not convening and not presiding over the meeting. As such, shareholders individually or jointly holding more than 10% of the shares of the Company for more than ninety (90) consecutive days can convene and hold the meeting by themselves.</p>	<p>(3) if the Supervisory Committee agrees to convene an extraordinary meeting or a class meeting, it shall issue a notice of meeting within five (5) days upon the receipt of the request. Any change to the original request in the notice shall be subject to the consent from relevant shareholders.</p> <p>The Supervisory Committee's failure to issue the notice of meeting within the prescribed period shall be deemed as the Supervisory Committee not convening and not presiding over the meeting. As such, shareholders individually or jointly holding more than 10% of the shares of the Company for more than ninety (90) consecutive days can convene and hold the meeting by themselves.</p>
<p>Article 15 In the event that the Supervisory Committee or the shareholder(s) decide(s) to convene the general meeting on its or their own, the Supervisory Committee or the shareholder(s) shall notify the Board in writing and file with <u>the branch office of securities regulatory authority under the State Council where the Company resides and</u> the stock exchange. The shareholding in the Company of the shareholder(s) who convene(s) an general meeting shall be not less than 10% prior to the announcement of resolutions of the general meeting.</p> <p>Such Supervisory Committee or the shareholder(s) shall submit relevant evidencing documents to <u>the branch office of securities regulatory authority under the State Council where the Company resides as well as</u> the stock exchange upon the issuance of notice for the general meeting and announcement of resolutions of the general meeting.</p>	<p>Article 15 In the event that the Supervisory Committee or the shareholder(s) decide(s) to convene the general meeting on its or their own, the Supervisory Committee or the shareholder(s) shall notify the Board in writing and file with the stock exchange. The shareholding in the Company of the shareholder(s) who convene(s) an general meeting shall be not less than 10% prior to the announcement of resolutions of the general meeting. <u>The announcement shall be made by the convening shareholder(s) not later than the issue of notice of general meeting, and the convening shareholder(s) shall warrant that from the date of proposal to hold the general meeting to the date of holding the meeting, its (their) shareholding shall not be less than 10% of the Company's total share capital.</u></p> <p>Such Supervisory Committee or the shareholder(s) shall submit relevant evidencing documents to the stock exchange upon the issuance of notice for the general meeting and announcement of resolutions of the general meeting.</p>

Before amendment	After amendment
<p>Article 24 Unless otherwise required by relevant laws, regulations, the Listing Rules of Listing Places for shares of the Company and the Articles of Association, a notice of general meeting shall be published on the Company's website or dispatched to shareholders (regardless of whether they have voting rights at the general meeting) by hand or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For holders of domestic shares, a notice of general meeting may also be made by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in accordance with the laws, regulations, and listing rules of the place(s) where the Company's shares are listed in one or more newspapers and journals designated by securities regulatory authorities under the State Council. Once an announcement is made, all holders of the domestic shares are deemed to have received the relevant notice of the general meeting.</p>	<p>Article 24 Unless otherwise required by relevant laws, regulations, the Listing Rules of Listing Places for shares of the Company and the Articles of Association, a notice of general meeting shall be published on the Company's website or dispatched to shareholders (regardless of whether they have voting rights at the general meeting) by hand or by prepaid mail. The addresses of the recipients shall be such addresses as shown in the register of shareholders. For holders of domestic shares, a notice of general meeting may also be made by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in accordance with the laws, regulations, and listing rules of the place(s) where the Company's shares are listed <u>on the media that meet the conditions prescribed by</u> securities regulatory authorities under the State Council <u>and the stock exchange</u>. Once an announcement is made, all holders of the domestic shares are deemed to have received the relevant notice of the general meeting.</p>
<p>Article 25 A notice of general meeting shall meet the following requirements:</p> <p>(1) it shall be in written form;</p> <p>(2) it shall specify the place, date and time of the meeting;</p> <p>(3) it shall state the matters to be discussed at the meeting;</p>	<p>Article 25 A notice of general meeting shall meet the following requirements:</p> <p>(1) it shall be in written form;</p> <p>(2) it shall specify the place, date and time of the meeting;</p> <p>(3) it shall state the matters to be discussed at the meeting;</p>

Before amendment	After amendment
(4) it shall provide shareholders with such information and explanation as are necessary for them to make informed decisions on the matters to be discussed. This principle shall include (but not be limited to) where the Company proposes to merge, repurchase its shares, restructure share capital or undergo other reorganization, the specific conditions and contracts (if any) of the proposed transactions must be provided and the reasons and results of the same must be properly explained;	(4) it shall provide shareholders with such information and explanation as are necessary for them to make informed decisions on the matters to be discussed. This principle shall include (but not be limited to) where the Company proposes to merge, repurchase its shares, restructure share capital or undergo other reorganization, the specific conditions and contracts (if any) of the proposed transactions must be provided and the reasons and results of the same must be properly explained;
(5) if any Directors, Supervisors, Presidents and other senior management members have material interests in the matters subject to discussion, the nature and extent of such material interests shall be disclosed, and if the effect of the proposed matters on such Directors, Supervisors, Presidents and other senior management members in their capacity as shareholders is different from that of other shareholders of the same class, the differences shall also be specified;	(5) if any Directors, Supervisors, Presidents and other senior management members have material interests in the matters subject to discussion, the nature and extent of such material interests shall be disclosed, and if the effect of the proposed matters on such Directors, Supervisors, Presidents and other senior management members in their capacity as shareholders is different from that of other shareholders of the same class, the differences shall also be specified;
(6) it shall set out the full text of the special resolutions proposed for approval at the meeting;	(6) it shall set out the full text of the special resolutions proposed for approval at the meeting;
(7) it shall contain a clear statement that a shareholder who is entitled to attend and vote at the meeting shall have the right to appoint one or more proxies to attend and vote at the meeting on his/her behalf and such proxy or proxies need not be shareholder(s);	(7) it shall contain a clear statement that a shareholder who is entitled to attend and vote at the meeting shall have the right to appoint one or more proxies to attend and vote at the meeting on his/her behalf and such proxy or proxies need not be shareholder(s);
(8) it shall state the date and place for serving the letter of proxy for the meeting;	(8) it shall state the date and place for serving the letter of proxy for the meeting;
(9) it shall state the record date of the shareholders who are entitled to attend the general meeting;	(9) it shall state the record date of the shareholders who are entitled to attend the general meeting;
(10) it shall state the names and contact telephone numbers of the contact persons in connection with the meeting.	(10) it shall state the names and contact telephone numbers of the contact persons in connection with the meeting.

Before amendment	After amendment
<p>The time gap between the record date and the date of the meeting shall be not more than seven (7) working days. Once the record date is settled, it cannot be changed.</p> <p>Where laws, regulations, departmental rules, regulatory documents and the securities regulatory authority of the place where the Company's shares are listed contain regulations which stipulate the period of closure of the register of shareholders prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such regulations shall prevail.</p>	<p>The time gap between the record date and the date of the meeting shall be not more than seven (7) working days. Once the record date is settled, it cannot be changed.</p> <p>Where laws, regulations, departmental rules, regulatory documents and the securities regulatory authority of the place where the Company's shares are listed contain regulations which stipulate the period of closure of the register of shareholders prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such regulations shall prevail. <u>The period of closure of register of holders of overseas listed foreign shares listed in Hong Kong shall not in aggregate exceed 30 days in one year, and can be extended for a further 30 days upon consideration and approval at the general meeting. If the Company received application for inspection of the register of shareholders during the aforesaid period of closure of register of shareholders, upon request of the applicant, it shall provide the applicant with document of proof signed by the Company Secretary stating the approving authority for the closure of register of shareholders and the period of such closure.</u></p>
<p>Article 33 <u>Where the general meeting is to be held online or by other means</u>, the time and procedure of such online voting or other means of voting shall be clearly stated in the notice of general meeting.</p>	<p>Article 33 The time and procedure of such online voting or other means of voting shall be clearly stated in the notice of general meeting <u>by the Company</u>.</p>

Before amendment	After amendment
<p>Article 40 Letter of proxy shall be lodged with the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the letter of attorney, or 24 hours before the designated time of voting.</p> <p>Where the letter of attorney is signed by a person under a letter of attorney on behalf of the appointer, the letter of attorney or other authorisation documents authorised to be signed shall be notarized. A notorially certified copy of that letter of attorney or other authorisation documents, together with the letter of attorney, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.</p> <p>Where the appointer is a legal person, its legal representative or other persons authorised by the resolutions of the Board or other decision-making organ to act as its representatives may attend the general meeting of the Company as a representative of the appointer.</p> <p>Where such shareholder is a recognised clearing house (as defined in the Hong Kong Securities and Futures Ordinance) or its nominee, such shareholder is entitled to appoint one (1) or more persons as it thinks fit to act on its behalf at any general meetings or any other class meetings; where not less than one (1) person is authorised, the letter of attorney shall specify the number and class of shares involving each person so authorised. Such persons so authorised shall be entitled to exercise their rights on behalf of the recognised clearing house (or its nominee) as if they were individual shareholders of the Company.</p>	<p>Article 40 Letter of proxy shall be lodged with the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the letter of attorney, or 24 hours before the designated time of voting.</p> <p>Where the letter of attorney is signed by a person under a letter of attorney on behalf of the appointer, the letter of attorney or other authorisation documents authorised to be signed shall be notarized. A notorially certified copy of that letter of attorney or other authorisation documents, together with the letter of attorney, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.</p> <p>Where the appointer is a legal person, its legal representative or other persons authorised by the resolutions of the Board or other decision-making organ to act as its representatives may attend the general meeting of the Company as a representative of the appointer.</p> <p>Where such shareholder is a recognised clearing house (as defined in the Hong Kong Securities and Futures Ordinance) or its nominee, such shareholder is entitled to appoint <u>its corporate representative or</u> one (1) or more persons as it thinks fit to act on its behalf at any general meetings or any other class meetings <u>or creditors' meeting, and these representatives shall be entitled to the legal rights equivalent to the rights of other shareholders, including the right to speak and vote;</u> where not less than one (1) person is authorised, the letter of attorney shall specify the number and class of shares involving each person so authorised. Such persons so authorised shall be entitled to exercise their rights on behalf of the recognised clearing house (or its nominee) as if they were individual shareholders of the Company.</p>

Before amendment	After amendment
<p>Article 57 The items not listed in the meeting notice shall not be voted in the general meeting.</p> <p>Shareholders (including proxies) shall exercise their voting rights at a general meeting according to the number of shares carrying voting rights they represent, with one (1) vote for each share.</p> <p>Shares of the Company held by the Company itself do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a general meeting.</p> <p>Where any shareholder under the Listing Rules of Hong Kong Stock Exchange is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by such shareholders or their proxies in contravention of such requirement or restriction shall not be counted.</p>	<p>Article 57 The items not listed in the meeting notice shall not be voted in the general meeting.</p> <p>Shareholders (including proxies) shall exercise their voting rights at a general meeting according to the number of shares carrying voting rights they represent, with one (1) vote for each share.</p> <p>Shares of the Company held by the Company itself do not carry any voting rights, and shall not be counted in the total number of shares carrying voting rights represented by shareholders attending a general meeting. <u>If the purchase of the Company's voting shares by the shareholders violates the provisions under Clauses 63(1) and (2) of the Securities Law, the voting rights of such shares in excess of the prescribed proportion shall not be exercised within 36 months after the purchase, and shall not be counted in the total number of shares carrying voting rights represented by shareholders present at the general meeting.</u></p> <p>Where any shareholder under the Listing Rules of Hong Kong Stock Exchange is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by such shareholders or their proxies in contravention of such requirement or restriction shall not be counted.</p>

Before amendment	After amendment
<p>Article 59 The Board, independent Directors and shareholders with more than 1% of the voting shares of the Company or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authorities of the State Council may act as the soliciting party, either on their own or by commissioning securities companies and securities service agencies, to publicly request shareholders of listed companies to appoint them to attend general meetings on their behalf, and exercise shareholders' rights such as proposal rights and voting rights on their behalf.</p> <p>If the shareholders' rights are solicited in accordance with the provisions of the preceding paragraph, the soliciting party shall disclose the solicitation documents. The solicitation of voting rights shall be conducted on a nil consideration basis, and no minimum shareholding limitation shall be imposed for soliciting voting rights.</p>	<p>Article 59 The Board, independent Directors and shareholders with more than 1% of the voting shares of the Company or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authorities of the State Council may act as the soliciting party, either on their own or by commissioning securities companies and securities service agencies, to publicly request shareholders of listed companies to appoint them to attend general meetings on their behalf, and exercise shareholders' rights such as proposal rights and voting rights on their behalf.</p> <p>If the shareholders' rights are solicited in accordance with the provisions of the preceding paragraph, the soliciting party shall disclose the solicitation documents. The solicitation of voting rights shall be conducted on a nil consideration basis, and no minimum shareholding limitation shall be imposed for soliciting voting rights <u>by the Company except under statutory conditions.</u></p>

Before amendment	After amendment
<p>Article 77 Minutes of general meetings shall be recorded by the Secretary to the Board and include the following:</p> <ol style="list-style-type: none"> (1) time, venue, agenda of the meeting and the name of the convener; (2) names of the chairman of the meeting and Directors, Supervisors, Secretary to the Board, Presidents and other senior management members attending or present at the meeting; (3) number of shareholders and proxies attending the meeting, total number of the shares carrying voting rights held by them, and the percentage of such shares carrying voting rights held by them on the total number of shares of the Company; (4) process of consideration for each proposal, the highlights of the speech and the voting results; (5) shareholders' enquiries or recommendations and the correspondent statements or explanations; 	<p>Article 77 Minutes of general meetings shall be recorded by the Secretary to the Board and include the following:</p> <ol style="list-style-type: none"> (1) time, venue, agenda of the meeting and the name of the convener; (2) names of the chairman of the meeting and Directors, Supervisors, Secretary to the Board, Presidents and other senior management members attending or present at the meeting; (3) number of shareholders and proxies attending the meeting, total number of the shares carrying voting rights held by them, and the percentage of such shares carrying voting rights held by them on the total number of shares of the Company; (4) process of consideration for each proposal, the highlights of the speech and the voting results; (5) shareholders' enquiries or recommendations and the correspondent statements or explanations;

Before amendment	After amendment
<p>(6) Voting results of each of the resolutions;</p> <p>(7) names of the lawyer, vote counter and the scrutineer;</p> <p>(8) other contents that shall be recorded into the minutes according to the Articles of Association.</p> <p>The convener of the meeting shall ensure the trueness, accuracy and completeness of the meeting minutes. Directors, the Secretary to the Board, the convener of the meeting or his representative and the chairman of the meeting shall sign on the meeting minutes. The meeting minutes should be maintained with the signature book of attending shareholders and letters of proxy of their proxies and valid information on voting via internet and by other means for a period not less than ten (10) years.</p>	<p>(6) Voting results of each of the resolutions;</p> <p>(7) names of the lawyer, vote counter and the scrutineer;</p> <p>(8) other contents that shall be recorded into the minutes according to the Articles of Association.</p> <p>The convener of the meeting shall ensure the trueness, accuracy and completeness of the meeting minutes. Directors, <u>Supervisors</u>, the Secretary to the Board, the convener of the meeting or his representative and the chairman of the meeting shall sign on the meeting minutes. The meeting minutes should be maintained with the signature book of attending shareholders and letters of proxy of their proxies and valid information on voting via internet and by other means for a period not less than ten (10) years.</p>

* Rules of Procedure for General Meetings and its proposed amendments were written in Chinese, without formal English version. As such, any English translation shall be for reference only. In the case of any discrepancies, the Chinese version shall prevail.

Details of the proposed amendments to the Rules of Procedure for the Board* are set out below:

Before amendment	After amendment
<p>Article 5 The Board is responsible to the general meeting and exercises the following functions and powers:</p> <p>(1) to be responsible for convening the general meeting and report its work to the general meeting;</p> <p>(2) to implement the resolutions of general meetings;</p> <p>(3) to decide on the Company's annual business plans, annual investment plans and the annual fundraising plan;</p> <p>(4) to formulate the Company's plans on annual financial budgets and final accounts;</p> <p>(5) to formulate the Company's profit distribution plans and plans on making up losses;</p> <p>(6) to formulate the proposal of increase or decrease in the registered capital of the Company, and issue and listing of bonds or other securities of the Company;</p> <p>(7) to formulate plans for substantial acquisition, acquisition of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;</p> <p>(8) to decide on the Company's investment, asset acquisition or disposal, assets pledge, external guarantees, entrusted wealth management, entrusted loans and connected transactions within the scope authorized by the shareholders' general meeting;</p>	<p>Article 5 The Board is responsible to the general meeting and exercises the following functions and powers:</p> <p>(1) to be responsible for convening the general meeting and report its work to the general meeting;</p> <p>(2) to implement the resolutions of general meetings;</p> <p>(3) to decide on the Company's annual business plans, annual investment plans and the annual fundraising plan;</p> <p>(4) to formulate the Company's plans on annual financial budgets and final accounts;</p> <p>(5) to formulate the Company's profit distribution plans and plans on making up losses;</p> <p>(6) to formulate the proposal of increase or decrease in the registered capital of the Company, and issue and listing of bonds or other securities of the Company;</p> <p>(7) to formulate plans for substantial acquisition, acquisition of shares of the Company or merger, division, dissolution and alteration of corporate form of the Company;</p> <p>(8) to decide on the Company's external investment (including entrusted wealth management), asset acquisition or disposal, assets pledge, external guarantees, financial assistance, connected transactions and external donations within the scope authorized by the shareholders' general meeting;</p>

Before amendment	After amendment
(9) to appoint or dismiss President and the Secretary to the Board and, based on the nomination by the President, to appoint or dismiss senior management members including Vice Presidents, Chief Financial Officer of the Company and to determine <u>senior management members'</u> remunerations, incentives and punishments;	(9) to <u>decide on</u> the appointment or dismissal of President and the Secretary to the Board <u>and other senior management members and to determine their remuneration, incentives and punishment</u> and, based on the nomination by the President, to <u>decide on</u> the appointment or dismissal of senior management members including Vice Presidents, Chief Financial Officer of the Company and to determine <u>their</u> remunerations, incentives and punishments;
(10) to formulate the basic management system of the Company;	(10) to formulate the basic management system of the Company;
(11) to formulate proposals for amending the Articles of Association;	(11) to formulate proposals for amending the Articles of Association;
(12) to decide on the establishment of internal management organizations of the Company; to decide on the establishment or the cancellation of branches of the Company;	(12) to decide on the establishment of internal management organizations of the Company; to decide on the establishment or the cancellation of branches of the Company;
(13) to decide on the establishment, merger, division, reorganization or dissolution of the directly held subsidiaries of the Company;	(13) to decide on the establishment, merger, division, reorganization or dissolution of the directly held subsidiaries of the Company;
(14) to decide on the establishment of special committees under the Board;	(14) to decide on the establishment of special committees under the Board;
(15) to manage information disclosure of the Company;	(15) to manage information disclosure of the Company;
(16) to propose to the general meeting to appoint or replace accounting firm in charge of the audit of the Company;	(16) to propose to the general meeting to appoint or replace accounting firm in charge of the audit of the Company;
(17) to listen to the work report by and inspect the work of the Presidents;	(17) to listen to the work report by and inspect the work of the Presidents;
(18) to formulate the share option schemes of the Company;	(18) to formulate the share option schemes of the Company;

Before amendment	After amendment
<p>(19) other functions and powers provided by laws, regulations, department rules and the Articles of Association.</p> <p>Except that Board resolutions in respect of the matters specified in clauses (6), (7) and (11) of the preceding paragraph shall be passed by not less than two-thirds of the Directors, Board resolutions in respect of the other matters may be passed by one half or more of the Directors.</p> <p>The Board shall seek advice from the Party organization before deciding on significant issues of the Company including, among others, the reform and development direction, primary objectives and targets and key work arrangements. For the appointment of management of the Company by the Board, the Party organization shall consider and provide advice and suggestion on the candidates proposed by the Board or the president, or recommend candidates to the Board or the president.</p>	<p>(19) other functions and powers provided by laws, regulations, department rules and the Articles of Association.</p> <p>Except that Board resolutions in respect of the matters specified in clauses (6), (7) and (11) of the preceding paragraph shall be passed by not less than two-thirds of the Directors <u>and matters concerning “financial assistance” and “external guarantee” in sub-clause (8) which shall be passed by a majority of all Directors and not less than two-thirds of the Directors present at the Board meeting,</u> the Board resolutions in respect of the other matters may be passed by one half or more of the Directors.</p> <p>The Board shall seek advice from the Party organization before deciding on significant issues of the Company including, among others, the reform and development direction, primary objectives and targets and key work arrangements. For the appointment of management of the Company by the Board, the Party organization shall consider and provide advice and suggestion on the candidates proposed by the Board or the president, or recommend candidates to the Board or the president.</p>

Before amendment	After amendment
<p>Article 8 The Board is entitled to make decision on the following matters of the Company (including those of the subsidiaries) within the scope authorized by the general meeting:</p> <p>(1) Acquisition and disposal of assets, which is not more than 30% of the latest audited total assets of the Company;</p> <p>(2) Entrusted wealth management, entrusted loans, external investment and pledge of assets, which shall be not more than 30% of the latest audited total assets of the Company;</p> <p>(3) Leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets, which is not more than 30% of the latest audited total assets of the Company;</p> <p>(4) Connected transactions (excluding provision of guarantees and the receipt of endowment in cash assets) whose transaction amount is not more than 5% of the absolute value of the latest audited net assets of the Company. For connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under the laws, regulations, departmental rules and the Listing Rules of Listing Places where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;</p> <p>(5) External guarantees other than that stipulated in Article 71 in the Articles of Association;</p>	<p>Article 8 The Board is entitled to make decision on the following matters of the Company (including those of the subsidiaries) within the scope authorized by the general meeting:</p> <p>(1) Acquisition and disposal of assets, which is not more than 30% of the latest audited total assets of the Company;</p> <p>(2) External investment (including entrusted wealth management), pledge of assets and external donations, which shall be not more than 30% of the latest audited total assets of the Company;</p> <p>(3) Leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets, which is not more than 30% of the latest audited total assets of the Company;</p> <p>(4) Connected transactions (excluding provision of guarantees and the receipt of endowment in cash assets) whose transaction amount is not more than 5% of the absolute value of the latest audited net assets of the Company. For connected transaction matters which can be exempted from or waived for consideration and disclosure as connected transactions under the laws, regulations, departmental rules and the Listing Rules of Listing Places where the Company's shares are listed, the Company may be exempted from or apply for a waiver for being exempted from consideration and disclosure of such matters as connected transactions under relevant provisions;</p> <p>(5) External guarantees other than that stipulated in Article 70 in the Articles of Association;</p>

Before amendment	After amendment
<p>(6) Other matters as required by laws, regulations, departmental rules, the Listing Rules of Listing Places where the Company's shares are listed and the Articles of Association to be decided by the Board.</p>	<p>(6) <u>Financial assistance other than that stipulated in Article 71 in the Articles of Association (if the target for assistance is a non-wholly-owned subsidiary within the scope of consolidated financial statements of the Company and other shareholders of such non-wholly-owned subsidiary are not the Company's controlling shareholder, de facto controller and the related party, no submission to the Board for consideration is required);</u></p> <p>(7) Other matters as required by laws, regulations, departmental rules, the Listing Rules of Listing Places where the Company's shares are listed and the Articles of Association to be decided by the Board.</p>
<p>Article 9 The Board shall authorize the president to exercise the following functions within the scope authorized in the Article 8 of the Rules:</p> <p>(1) Deciding on the matters of acquisition or disposal of assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(2) Deciding on the matters of external investment, pledge of assets, <u>entrusted wealth management and entrusted loans</u> with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(3) Deciding on the matters of leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p>	<p>Article 9 The Board shall authorize the president to exercise the following functions within the scope authorized in the Article 8 of the Rules:</p> <p>(1) Deciding on the matters of acquisition or disposal of assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(2) Deciding on the matters of external investment <u>(including entrusted wealth management)</u>, pledge of assets, and <u>external donations</u> with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p> <p>(3) Deciding on the matters of leasing, renting, entrusted management, being entrusted to manage or joint management with others of the Company's assets with a single transaction amount of not more than 0.5% of the latest audited net assets of the Company;</p>

Before amendment	After amendment
<p>(4) Deciding on the connected transactions with the amount of not more than 0.1% of the latest audited net assets of the Company (excluding the provision of guarantees and the receipt of endowment in cash assets);</p> <p>(5) Other duties and powers authorized by the Board and stipulated by the Articles of Association.</p>	<p>(4) Deciding on the connected transactions with the amount of not more than 0.1% of the latest audited net assets of the Company (excluding the provision of guarantees and the receipt of endowment in cash assets);</p> <p>(5) Other duties and powers authorized by the Board and stipulated by the Articles of Association.</p>
<p>Article 39 The meeting shall proceed under the instruction of the chairman of the meeting. Firstly an explanation to the proposal shall be made to the Board by <u>the proposer or related persons</u>.</p> <p>Directors shall carefully read the relevant meeting materials, and independently and prudently express their well informed views.</p> <p>Directors may, before the meeting, seek information necessary for the decision making from relevant persons from the Board office, the convener, senior management members, the special committees, public accounting firms and law firms, and also, during the meeting, make recommendations to the chairman of the meeting to invite the aforesaid persons and persons in charge of the aforementioned institutions to explain relevant situations at the meeting.</p> <p>The chairman of the meeting shall advise the Directors attending the meeting to express clear opinions on each proposal.</p> <p>If a proposal is required to be approved by independent Directors according to relevant regulations, the chairman of the meeting shall, before the discussion of such proposal, designate an independent Director to read out the written approval opinions reached by the independent Directors.</p>	<p>Article 39 The meeting shall proceed under the instruction of the chairman of the meeting. Firstly an explanation to the proposal shall be made to the Board by <u>the management and persons in charge of relevant departments</u>.</p> <p>Directors shall carefully read the relevant meeting materials, and independently and prudently express their well informed views.</p> <p>Directors may, before the meeting, seek information necessary for the decision making from relevant persons from the Board office, the convener, senior management members, the special committees, public accounting firms and law firms, and also, during the meeting, make recommendations to the chairman of the meeting to invite the aforesaid persons and persons in charge of the aforementioned institutions to explain relevant situations at the meeting.</p> <p>The chairman of the meeting shall advise the Directors attending the meeting to express clear opinions on each proposal.</p> <p>If a proposal is required to be approved by independent Directors according to relevant regulations, the chairman of the meeting shall, before the discussion of such proposal, designate an independent Director to read out the written approval opinions reached by the independent Directors.</p>

Before amendment	After amendment
<p>A Director who hinders the normal process of the meeting or affects the speech by other Directors shall be promptly stopped by the chairman of the meeting.</p> <p>Unless the unanimous consent of all Directors attending the meeting is obtained, the meeting of the Board shall not vote on proposals not included in the notice of the meeting. The Directors who are entrusted by other Directors to attend the meeting on their behalf shall not vote on proposals not included in the notice of the meeting on behalf of such other Directors.</p>	<p>A Director who hinders the normal process of the meeting or affects the speech by other Directors shall be promptly stopped by the chairman of the meeting.</p> <p>Unless the unanimous consent of all Directors attending the meeting is obtained, the meeting of the Board shall not vote on proposals not included in the notice of the meeting. The Directors who are entrusted by other Directors to attend the meeting on their behalf shall not vote on proposals not included in the notice of the meeting on behalf of such other Directors.</p>
<p>Article 40 Independent Directors shall express their independent opinions to the Board on the following significant matters:</p> <p>(1) the nomination, appointment and removal of Directors;</p> <p>(2) the appointment or dismissal of the President and other senior management members;</p> <p>(3) the remuneration of Directors, the President and other senior management members;</p> <p>(4) significant connected transactions (as determined according to the standards promulgated by the governing regulatory authorities from time to time);</p> <p>(5) matters that independent Directors believe may damage the medium and small shareholders' rights and interests;</p> <p>(6) other matters stipulated in the Articles of Association of the Company.</p>	<p>Article 40 Independent Directors shall express their independent opinions to the Board on the following significant matters:</p> <p>(1) the nomination, appointment and removal of Directors;</p> <p>(2) the appointment or dismissal of the President and other senior management members;</p> <p>(3) the remuneration of Directors, the President and other senior management members;</p> <p>(4) significant connected transactions (as determined according to the standards promulgated by the governing regulatory authorities from time to time);</p> <p>(5) matters that independent Directors believe may damage the medium and small shareholders' rights and interests;</p> <p>(6) other matters <u>required by the laws, regulations, CSRC and</u> the Articles of Association of the Company.</p>

* The Rules of Procedure for the Board and its proposed amendments were written in Chinese, without formal English version. As such, any English translation shall be for reference only. In the case of any discrepancies, the Chinese version shall prevail.