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

If you have sold or transferred all your shares in **Beijing North Star Company Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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北京北辰實業股份有限公司
BEIJING NORTH STAR COMPANY LIMITED

(A sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 588)

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
THE RULES OF PROCEDURES OF THE GENERAL MEETINGS AND
THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS,**
- (2) PROPOSED ESTIMATION OF GUARANTEE LIMIT
FOR THE YEAR OF 2023,**
- (3) PROPOSED GRANT OF GENERAL MANDATE
FOR ISSUANCE OF SHARES,**
- (4) PROPOSED GRANT OF GENERAL MANDATE
FOR ISSUANCE OF DEBT FINANCING INSTRUMENTS,**
- (5) PROPOSED PROVISION OF FINANCIAL ASSISTANCE
FOR THE YEAR OF 2023,**
- (6) PROPOSED REMUNERATION OF DIRECTORS
AND SUPERVISORS,**
- (7) DUTY REPORT OF THE INDEPENDENT DIRECTORS FOR 2022,
AND**
- (8) NOTICE OF 2022 ANNUAL GENERAL MEETING**

Beijing North Star Company Limited (the “**Company**”) will convene the 2022 AGM at the Meeting Room One at 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on Thursday, 11 May 2023 at 9:00 a.m. The notice convening the meeting is set out on pages 63 to 65 of this circular. Whether or not you are able to attend the 2022 AGM, you are requested to complete and return the enclosed proxy form for holders of H Shares in accordance with the instructions printed thereon. The proxy form for holders of H Shares should be returned to the H Share Registrar of the Company, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time fixed for holding the 2022 AGM (i.e. not later than 10 May 2023 at 9:00 a.m. (Hong Kong time)). Completion and return of the proxy form will not preclude you from attending and voting at the meeting.

4 April 2023

CONTENTS

	<i>Page</i>
Definitions	ii
Letter from the Board	1
1. Introduction	1
2. Proposed Amendments to the Articles of Association, the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors	2
3. Proposed Estimation of Guarantee Limit for the Year of 2023	2
4. Proposed Grant of General Mandate for Issuance of Shares	8
5. Proposed Grant of General Mandate for Issuance of Debt Financing Instruments	9
6. Proposed Provision of Financial Assistance for the Year of 2023	12
7. Proposed Remuneration of Directors and Supervisors	14
8. Duty Report of the Independent Directors for 2022	15
9. 2022 AGM.	15
10. Voting by Way of Poll	16
11. Recommendation	16
12. General Information	16
Appendix I	17
Appendix II	38
Appendix III	56
Notice of 2022 Annual General Meeting	63

DEFINITIONS

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

“2022 AGM”	the 2022 annual general meeting of the Company to be held at the Meeting Room One at 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on 11 May 2023 at 9:00 a.m.
“2022 AGM Notice”	the notice dated 4 April 2023 in relation to the convening of the 2022 AGM as set out on pages 63 to 65 of this circular
“A Share(s)”	domestic ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each which are listed on the Shanghai Stock Exchange (Stock Code: 601588)
“Articles of Association”	the existing articles of association of the Company
“Board”	the board of Directors of the Company
“Company”	Beijing North Star Company Limited (北京北辰實業股份有限公司), a sino-foreign joint venture joint stock limited company incorporated in the PRC, whose shares are listed on the Stock Exchange and the Shanghai Stock Exchange
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries at the relevant time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	the overseas listed Share(s) in the share capital of the Company with a nominal value of RMB1.00 each which are listed on the Stock Exchange (Stock Code: 588)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“PRC” or “China”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Stock Exchange”	the Shanghai Stock Exchange
“Share(s)”	share(s) of nominal value of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the member(s) of the Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company

LETTER FROM THE BOARD



北京北辰實業股份有限公司
BEIJING NORTH STAR COMPANY LIMITED

(A sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 588)

The Board

Executive Directors

Mr. LI Wei-Dong
Ms. LI Yun
Mr. YANG Hua-Sen
Ms. ZHANG Wen-Lei
Mr. GUO Chuan

Independent non-executive Directors

Dr. CHOW Wing-Kin, Anthony
Mr. GAN Pei-Zhong
Mr. CHEN De-Qiu

Legal address:

No. 8 Bei Chen Dong Road
Chao Yang District
Beijing
The PRC

*Principal place of business
in Hong Kong:*

26th Floor, Jardine House
1 Connaught Place
Central
Hong Kong

4 April 2023

Dear Sir or Madam,

- (1) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
THE RULES OF PROCEDURES OF THE GENERAL MEETINGS AND
THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS,
(2) PROPOSED ESTIMATION OF GUARANTEE LIMIT
FOR THE YEAR OF 2023,
(3) PROPOSED GRANT OF GENERAL MANDATE
FOR ISSUANCE OF SHARES,
(4) PROPOSED GRANT OF GENERAL MANDATE
FOR ISSUANCE OF DEBT FINANCING INSTRUMENTS,
(5) PROPOSED PROVISION OF FINANCIAL ASSISTANCE
FOR THE YEAR OF 2023,
(6) PROPOSED REMUNERATION OF DIRECTORS
AND SUPERVISORS,
(7) DUTY REPORT OF THE INDEPENDENT DIRECTORS FOR 2022,
AND
(8) NOTICE OF 2022 ANNUAL GENERAL MEETING**

1. INTRODUCTION

The main purpose of this circular is to provide you with information on matters in relation to (1) proposed amendments to the Articles of Association, the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors, (2) proposed estimation of guarantee limit for the year of 2023, (3) proposed grant of general mandate for issuance of Shares, (4) proposed grant of general mandate for issuance of debt financing instruments, (5) proposed provision of financial assistance for the year of 2023, (6) proposed remuneration of Directors and Supervisors, (7) duty report of the independent Directors for 2022; and to seek your approval of the special/ordinary resolutions in relation to these matters at the 2022 AGM.

LETTER FROM THE BOARD

2. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES OF THE GENERAL MEETINGS AND THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS

Reference is made to the announcement of the Company dated 23 March 2023 in relation to the proposed amendments to the Articles of Association, the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors.

In accordance with the requirements of the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the “Guidelines on Articles of Association of Listed Companies” (revised in 2022) of the CSRC (中國證監會《上市公司章程指引》(2022年修訂)), the “Rules of General Meetings of Listed Companies” (revised in 2022) of the CSRC (中國證監會《上市公司股東大會規則》(2022年修訂)), the “Code of Governance for Listed Companies” of the CSRC (CSRC Announcement [2018] No. 29) (中國證監會《上市公司治理準則》(證監會公告[2018]29號)), the “Guidelines for Self-Regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulated Operations” (《上海證券交易所上市公司自律監管指引第1號-規範運作》) and other relevant documents, and Core Shareholder Protection Standards of Appendix III of the Listing Rules (revised on 1 January 2022) and taking into account the actual situation of the Company, the Board proposes to make corresponding amendments to the Articles of Association, the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors. Such amendments shall be subject to consideration and approval of the Shareholders at the 2022 AGM by way of special resolution.

Relevant amendments to the Articles of Association, the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors are set out in Appendices I, II and III to this circular.

3. PROPOSED ESTIMATION OF GUARANTEE LIMIT FOR THE YEAR OF 2023

In order to satisfy the demand of financing and operation of the Company and its subsidiaries and to enhance management efficiency, it is proposed to estimate the additional guarantees to be provided by the Company and its subsidiaries for the year of 2023, as follows:

1. Targets of guarantees and amount of guarantees

The targets of the guarantees include guarantees provided by the Company and its subsidiaries (i.e. the wholly-owned or non-wholly owned companies whose results are incorporated into the consolidated statements of the Company, the same below) to its subsidiaries and investees, and guarantees provided by subsidiaries to the Company, with the total amount of guarantees not exceeding RMB40 billion (excluding the guarantees provided in phases by the Company and its subsidiaries to property purchasers).

2. Methods of guarantee

The methods of guarantee provided by the Company and its subsidiaries include but are not limited to guarantee, pledge and mortgage, etc.

LETTER FROM THE BOARD

3. Allocation of amounts

- (1) The total amount of guarantees provided by the Company and its subsidiaries for wholly-owned companies shall not exceed RMB19 billion, of which the total amount of guarantees provided for guaranteed parties with a gearing ratio below 70% shall not exceed RMB8 billion, and the total amount of guarantees provided for guaranteed parties with a gearing ratio above 70% shall not exceed RMB11 billion;
- (2) The total amount of guarantees provided by the Company and its subsidiaries for the non-wholly owned companies shall not exceed RMB8 billion, of which the total amount of guarantees provided for guaranteed parties with a gearing ratio below 70% shall not exceed RMB2 billion, and the total amount of guarantees provided for the guaranteed parties with a gearing ratio above 70% shall not exceed RMB6 billion;
- (3) The total amount of guarantees provided by the Company and its subsidiaries for the investees shall not exceed RMB1.5 billion, and the targets of the guarantees shall be the investees with a gearing ratio of more than 70%, and shall not be related parties of the Directors, Supervisors, senior management, Shareholders holding more than 5% of the Shares, controlling Shareholders or de facto controllers; and
- (4) The total amount of guarantees provided by the subsidiaries for the Company shall not exceed RMB11.5 billion.

LETTER FROM THE BOARD

4. Basic information on the guaranteed parties

(1) Basic information on the proposed targets of the guarantee business as at 31 December 2022:

Currency: RMB

No.	Company name	Legal representative	Registered capital ('0,000)	Nature of business	Total assets ('00 million)	Net assets ('00 million)	Net profit ('00 million)	Shareholding percentage of the Company (%)	Allocation of
									guarantee amount provided by the Company and subsidiaries to its subordinate companies ('00 million)
1	Changsha North Star Real Estate Development Co., Limited (長沙北辰房地產開發有限公司)	HUO Bin-Feng	120,000	Real estate development and management	139.59	48.70	-1.18	100%	40
2	Wuhan North Star Chenzhi Real Estate Development Co., Limited (武漢北辰智房地產開發有限公司)	CENG Ya-Li	73,000	Real estate development and management	16.07	6.60	-0.88	100%	20
3	Wuhan North Star Chenhui Real Estate Development Co., Limited (武漢北辰慧房地產開發有限公司)	CENG Ya-Li	133,000	Real estate development and management	16.40	11.17	-0.78	100%	20
Sub-total of wholly-owned companies with gearing ratio below 70%					172.06	66.47	-2.84	-	80

LETTER FROM THE BOARD

No.	Company name	Legal representative	Registered capital ('0,000)	Nature of business	Total assets	Net assets	Net profit	Shareholding percentage of the Company (%)	Allocation of guarantee amount provided by the Company and its subsidiaries to its subordinate companies ('00 million)
					('00 million)	('00 million)	('00 million)		
4	Beijing North Star Real Estate Group Limited (北京北辰地產集團有限公司)	HU Hao	885,909	Development of real estates	525.51	154.26	-10.76	100%	70
5	Chongqing North Star Liangjiang Investment Co., Limited (重慶北辰兩江置業有限公司)	XIE Xiong	10,000	Development of real estates	45.70	3.94	1.87	100%	30
6	Chongqing Beichen Heyue Real Estate Co., Limited (重慶北辰合悅置業有限公司)	XIE Xiong	5,000	Development of real estates	20.43	-2.09	-1.32	100%	10
Sub-total of wholly-owned companies with gearing ratio over 70%					591.64	156.11	-10.21	-	110
Total of wholly-owned companies					763.70	222.58	-13.05	-	190
7	Changsha Central Garden Real Estate Co., Limited (長沙世紀御景房地產有限公司)	HUO Bin-Feng	2,041	Development of real estates	8.93	2.87	1.94	51%	20
Sub-total of non-wholly owned companies with gearing ratio below 70%					8.93	2.87	1.94	-	20

LETTER FROM THE BOARD

No.	Company name	Legal representative	Registered capital ('0,000)	Nature of business	Total assets	Net assets	Net profit	Shareholding percentage of the Company (%)	Allocation of guarantee amount provided by the Company and its subsidiaries to its subordinate companies ('00 million)
					('00 million)	('00 million)	('00 million)		
8	Wuhan Guanggu Creative Culture Science & Technology Park Co., Limited (武漢光谷創意文化科技園有限公司)	ZHANG Ji	4,082	Real estate development and management	24.12	0.48	0.02	51%	30
9	Chengdu North Star Tianchen Real Estate Co., Limited (成都北辰天辰置業有限公司)	LIU Jian	6,250	Development of real estates	12.66	0.75	0.41	80%	10
10	Guangzhou Chenxu Real Estate Co., Limited (廣州辰旭置業有限公司)	CHI Song	9,804	Real estate development and management	13.40	0.76	-0.07	51%	20
Sub-total of non-wholly owned companies with gearing ratio over 70%					50.18	1.99	0.36	-	60
Total of non-wholly owned companies					59.11	4.86	2.30	-	80
11	Wuhan Jincheng Yingchuang Real Estate Co., Limited (武漢金辰盈創置業有限公司)	SHI Xing-Hua	5,000	Development of real estates	7.73	-1.11	-1.40	49%	5
12	Guangzhou Guangyue Real Estate Co., Limited (廣州廣悅置業有限公司)	WU Hao	9,804	Real estate development and management	16.14	0.62	-0.13	49%	10
Sub-total of investees					23.87	-0.49	-1.53	-	15
Total					846.68	226.95	-12.28	-	285

LETTER FROM THE BOARD

- (2) As the above allocation of guarantee amount is based on the Company's current business and the forecast on the specific guaranteed parties and the corresponding new guarantee amount to be provided within the next 12 months. In order to improve the efficiency and optimize the processing process, the Board is authorized to adjusted within the corresponding estimated amount among the above-mentioned types of guaranteed entities in accordance with the business needs and the guarantee limit approved in the annual general meeting, make the following adjustments within the above-mentioned guarantee amount during the term of authorization.

The guarantee amount provided by the Company and its subsidiaries to the wholly-owned/non-wholly owned company may be adjusted within the corresponding estimated amount of the wholly-owned/non-wholly owned company. At the time of adjustment, a guaranteed party with a gearing ratio over 70% can only obtain guarantee amount from a guaranteed party with a gearing ratio over 70%.

The guarantee amount provided by the Company and its subsidiaries for the investees may be adjusted within the estimated amount. When the adjustment takes place, the adjustment amount shall not exceed 10% of the latest audited net assets of the Company; a guaranteed party with gearing ratio over 70% can only obtain guarantee amount adjustment from a guaranteed party with a gearing ratio over 70%, and there is no overdue and outstanding liabilities.

- (3) The aforesaid guarantee situations include guarantees to be provided by the Company and its subsidiaries (i.e. the wholly-owned or non-wholly owned companies whose results are incorporated into the consolidated statements of the Company) to its subsidiaries or investees, at the same time, covering any of the following situations:
- (1) the amount of a single guarantee exceeding 10% of the audited net assets of the Company for the latest period;
 - (2) provision of guarantee to a guaranteed party with a gearing ratio exceeding 70%;
 - (3) any provision of guarantee after the total external guarantee amount of the Company and its non-wholly owned subsidiaries reaching or exceeding 50% of the audited net assets of the Company for the latest period;
 - (4) any provision of guarantee after the total external guarantee amount of the Company and its non-wholly owned subsidiaries reaching or exceeding 30% of the audited net assets of the Company for the latest period;
 - (5) guarantee reaching or exceeding 30% of the audited net assets of the Company for the latest period based on the principle of the cumulative calculation of the guarantee amount for twelve consecutive months.

LETTER FROM THE BOARD

5. Validity period of the guarantee amount

From the date of approval at the 2022 AGM to the date of the 2023 annual general meeting of the Company.

6. The Company will require the guaranteed party to provide corresponding counter-guarantee based on its status.
7. If it is beyond the scope of the guaranteed party and this authorisation of guarantee, the Company will strictly comply with the relevant regulatory requirements and decision-making procedure for listed companies.
8. If each guarantee provided between the Company and its subordinate companies constitutes a transaction under the Listing Rules, the Company shall seek approval from the Shareholders (if applicable) in compliance with the applicable requirements under the Listing Rules.

4. PROPOSED GRANT OF GENERAL MANDATE FOR ISSUANCE OF SHARES

According to the relevant requirements under the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Listing Rules and Articles of Association, it is proposed to the 2022 AGM to grant general mandate to the Board to issue Shares. Details are as follows:

- (1) to unconditionally approve the Board to, within the Relevant Period (as defined below), exercise all powers to issue and deal with, either separately or concurrently, the additional A Shares and H Shares, of which the respective amount was not more than 20% of the A Shares and H Shares as at the date of approval of such general mandate at the 2022 AGM (collectively, the “**New Shares**”);
- (2) to authorise the Board to execute or issue offers, agreements and/or options within the Relevant Period according to the approval of the paragraph (1) above, where such offers, agreements and options will require, or might require the New Shares to be allotted within or after the Relevant Period, and to authorise the Board to issue and deal with the New Shares which is required to, or might be required to, be allotted according to such offers, agreements and options;
- (3) to authorise the Board to, after issuing New Shares of the Company according to paragraph (1) of this resolution, increase the Company's registered capital, to make appropriate and necessary adjustments to the relevant contents of the Articles of Association in relation to the total amount of share capital, share capital structure, registered capital and so on, to carry out statutory approval, registrations and fillings within and outside the PRC, and to take all other necessary actions and execute all necessary procedures to realize the issuance of Shares and increase in the Company's registered capital under paragraph (1) of this resolution. It is proposed

LETTER FROM THE BOARD

to the 2022 AGM to agree that, under the condition which the above authorisation has been granted, to re-delegate the above authorisation herein to the persons delegated by the Board to sign, execute, modify, complete, submit all agreements, contracts and documents in relation to the allotment and issuance of and dealing with the Shares under the general mandate, unless otherwise stipulated by laws or regulations;

(4) for the purpose of this special resolution:

“Relevant Period” means the period from the date of approval of this special resolution until the earliest of the following:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the twelve months after the date of passing this special resolution; or
- (iii) the date on which the authorisation granted to the Board in this special resolution being revoked or varied by a special resolution of the Shareholders at the 2022 AGM.

5. PROPOSED GRANT OF GENERAL MANDATE FOR ISSUANCE OF DEBT FINANCING INSTRUMENTS

In order to promote the debt financing of the Company and all of its non-wholly owned subsidiaries in an efficient and orderly way and meet the capital demands in the production and operation of the Company, it is proposed to the 2022 AGM to authorize the Board and all of its non-wholly owned subsidiaries, and agree the Board to further authorize the chairman of the Board and the general manager of the Company and agree when each non-wholly owned subsidiary is the issuer to further authorize its company management to exercise with full power and authority to deal with the matters in connection with the issuance of debt financing instruments. Details are as follows:

I. Type and principal terms of the issuance

1. Type of the issuance

The type of securities to be issued is debt financing instruments, which include but not limited to medium term notes, super short-term commercial paper, short-term commercial paper, privately placed debt financing instruments, corporate bonds, enterprise bonds, perpetual bonds, asset-backed securities, debt financing plans and other types of debt financing instruments as well as other onshore and offshore debt financing instruments denominated in RMB or foreign currencies as permitted to be issued by the regulatory authorities.

LETTER FROM THE BOARD

2. *Issuers, size and method of issuance*

The Company or its non-wholly owned subsidiaries will be the issuer(s) of the debt financing instruments. The debt financing instruments to be issued shall not exceed an aggregate of RMB10 billion (inclusive) and shall be issued either in a single or multiple tranches through public offering or private placement. Among them, the issuance of corporate bonds on the Shanghai Stock Exchange shall not exceed RMB3 billion; the issuance of medium-term notes on the Interbank Market Dealers Association shall not exceed RMB3 billion; the issuance of debentures on the Beijing Financial Assets Exchange shall not exceed RMB2 billion; and the issuance of asset-backed securities/notes on the Shanghai Stock Exchange, Shenzhen Stock Exchange or the Interbank Market Dealers Association shall not exceed RMB2 billion.

3. *Issue price*

The Company shall determine the pricing method and issue price of the debt financing instruments in accordance with market practices, based on the market conditions at the time of issuance and relevant laws and regulations.

4. *Target subscribers*

The target subscribers of the debt financing instruments shall be investors who meet the conditions for subscription. The specific target subscribers will be determined according to relevant laws and regulations, market conditions and other specific matters related to the issuance.

5. *Term and type*

The debt financing instruments to be issued may be one single-term instrument or a portfolio of instruments with various terms. The specific maturity term will be determined by the Board or its authorized persons, or by each of the Company's non-wholly owned subsidiaries as the issuing entity, under the authorization granted at the 2022 AGM by each non-wholly owned subsidiaries and its authorized corporate management.

6. *Use of proceeds*

The Company intends to use the proceeds to be raised from the issuance of debt financing instruments to satisfy the demand of its production and operations, repay the interest-bearing liabilities of the Company and its subsidiaries, replenish its working capital or to finance project investment and construction as well as other uses in compliance with national laws and regulations and permitted by policies.

7. *Guarantee and other credit enhancement arrangements*

Guarantee and other credit enhancement arrangements shall be determined according to the characteristics of the debt financing instruments and issuance needs.

LETTER FROM THE BOARD

II. Authorization

- (I) The Board intends to propose at the 2022 AGM to generally and unconditionally authorize the Board and its non-wholly owned subsidiaries, and agree the Board to further authorize the chairman of the Board and the general manager of the Company, agree each of the Company's non-wholly owned subsidiaries as the issuing entity to further authorize the operating management of the Company to exercise full power to deal with matters; relating to the issuance of debt financing instruments based on the specific needs of the Company and other market conditions, including but not limited to:
1. to decide whether to issue, when to issue and to determine, modify and adjust the issuer, the entity, type, method, size, interest rate of issuance, specific term, instrument and size of issuance, specific arrangements for the use of proceeds, credit enhancement mechanism, debt repayment guarantee measures and other specific terms and conditions and other matters relating to the issuance (including but not limited to all matters in relation to the specific size of the issuance, the currency, the issuance price, the interest rate and its method for determination, whether there are adjustments to the rate of the bonds during the duration of the bonds, the issuance place, the target subscribers, the issuance time and term, whether they are issued in tranche and the number of tranches, whether there are resale and redemption terms, the compensation order, the rating arrangement, credit enhancement mechanism, debt repayment guarantee measures, the term and method of repayment of principle and interest, the proportions of online and offline issuance, the specific subscription method, whether it will be listed or not or be transferred, the use of the proceeds, the specific placing and underwriting arrangement and the listing or being listed of the bonds) based on the specific condition of the Company and the relevant debt market to the extent as permitted by laws and regulations;
 2. to engage, based on actual demands of the issuance of debt financing instruments, intermediaries, including but not limited to lead underwriter, trustee, debt agency, duration management institution, plan administrator, rating agency, law firm and accountants, and to negotiate, execute and revise relevant contracts or agreements, execute all necessary legal documents relevant to the issuance and handle, on behalf of the Company, all necessary procedures for application, registration or filing with the relevant regulatory authorities for each issuance of debt financing instruments as well as information disclosure conducted in accordance with relevant laws and regulations, the formulation of rules on the meetings of bonds holders and other matters in relation to the issuance and trading of debt financing instruments;
 3. to approve, confirm and ratify aforesaid actions and steps undertaken by the Board, each of the non-wholly owned subsidiaries of the Company or its authorized persons in relation to the issuance of debt financing instruments;

LETTER FROM THE BOARD

4. to deal with any information disclosure matters related to the issuance of debt financing instruments in accordance with the applicable laws and regulations and requirements by regulatory authorities, and fulfill the information disclosure obligations in a timely manner;
 5. in case of issuance of corporate bonds, during the duration of such corporate bonds, to determine the protection measures to safeguard repayment of debts, including not to distribute any profit to the Shareholders, as required under the relevant laws and regulations in the event that the Company expects to, or does fail to pay the principal and coupon interests of such bonds as they fall due;
 6. to deal with other matters relating to the issuance of debt financing instruments which are not mentioned above.
- (II) Subject to the approval of the above matters at the 2022 AGM, to agree the Board to further authorize the chairman of the Board and the general manager of the Company or each of the Company's non-wholly owned subsidiaries as the issuing entity to further authorize the operating management of the Company to implement specific matters related to the issuance of debt financing instruments based on the needs of the Company and other market conditions, and to approve, sign and publish relevant documents, announcements and circulars, etc., in accordance with the applicable regulatory rules of the place where the Company's Shares are listed.

III. Validity of the authorization

The authorization referred to in this resolution will be valid from the date of approval at the 2022 AGM until the date of holding the 2023 annual general meeting of the Company.

If the Board, its authorized persons or each of the non-wholly owned subsidiaries of the Company or its authorized persons have decided on issuance within the validity period of the previous and current authorization and the Company and its non-wholly owned subsidiaries have obtained approval and permission from and completed registration procedures with competent regulatory authorities in relation to such issuance, the Company and its non-wholly owned subsidiaries may proceed with and complete the relevant issuance within the validity period of such approval, permission or registration.

6. PROPOSED PROVISION OF FINANCIAL ASSISTANCE FOR THE YEAR OF 2023

In the early stage of real estate project development, the project company usually does not have sufficient fund to cover operating expenses such as land payment and project payment, and shareholders of the project company need to provide shareholder loans in proportion to the capital contribution. After the project company has obtained the pre-sale funds, in order to improve the efficiency of the use of funds, the shareholders of the project company usually, based on the progress of the project and the overall capital arrangement, temporarily deploy the idle surplus funds of the project company in proportion to the capital contribution, on the basis of fully protecting the funds required for the subsequent operation and construction of the project.

LETTER FROM THE BOARD

In order to continue to address the funds required for the operation and development of the project company and to effectively revitalize the idle surplus funds and improve the efficiency of decision-making, under the premise of fully considering the Company's business development needs in the future, the Company has made the following arrangements for the expected new provision of financial assistance:

(1) *Objects of financial assistance*

- (i) to provide financial assistance to other shareholders of the non-wholly owned subsidiaries within the scope of consolidated statements, which is engaged in a single main business and is a real estate development business, and the audited gearing ratio of the target may exceed 70% in the latest period.
- (ii) to provide financial assistance to investees, the non-wholly owned subsidiaries of the Company formed through the joint investment by the Company with related parties that are not within the scope of consolidated statements, which is engaged in a single main business and is a real estate development business, and the subsidized funds are only used for the main business, and its audited gearing ratio for the most recent period may exceed 70%. The Company shall provide financial assistance in proportion to its shareholding, and other Shareholders or other partners of the sponsored company shall provide financial assistance under the same conditions in proportion to their shareholding, including the amount of financial assistance, term, interest rate, default obligations, guarantee measures, etc.

(2) *Amount of financial assistance*

The total amount of financial assistance provided by the Company is RMB3 billion, which shall not exceed 50% of the latest audited net assets of the Company attributable to the parent; the amount of financial assistance to a single target shall not exceed 10% of the latest audited net assets of the Company attributable to the parent. Among them, the financial assistance provided by the Company to other Shareholders (excluding related parties of the Company) of its non-wholly owned subsidiaries within the scope of consolidated statements is RMB1.5 billion, and the financial assistance provided to investees (that are not within the scope of the consolidated statements) and the non-wholly owned subsidiaries of the Company formed through joint investments by the Company with related parties is RMB1.5 billion. Within the aforementioned amount, the funds may be used on a rollover basis, and the balance of the financial assistance at any point in time shall not exceed the amount of financial assistance approved by the 2022 AGM.

(3) *Validity period of the financial assistance*

The estimated total amount of the new financial assistance shall be valid from the date of consideration and approval at the 2022 AGM to the date of the 2023 annual general meeting of the Company.

LETTER FROM THE BOARD

(4) *Authorization of the financial assistance*

Upon consideration and approval of the resolution at the 2022 AGM of the Company, the management of the Company is authorized to consider specific financial assistance within the above-mentioned limits in accordance with the relevant systems of the Company and the actual operational needs.

If the financial assistance matter of the Company constitutes a transaction or a connected transaction under the Listing Rules, the Company will promptly comply with the relevant provisions.

7. PROPOSED REMUNERATION OF DIRECTORS AND SUPERVISORS

The remunerations of the Directors paid by the Company in 2022 were as follows:

Unit: RMB ('0,000)

No.	Name	Position	Total pre-tax remuneration received from the Company during the reporting period
1	LI Wei-Dong	Executive Director	67.45
2	LI Yun	Executive Director	68.32
3	YANG Hua-Sen	Executive Director	34.52
4	ZHANG Wen-Lei	Executive Director	59.50
5	GUO Chuan	Executive Director	55.60
6	CHOW Wing-Kin, Anthony	Independent non-executive Directors	15.00
7	GAN Pei-Zhong	Independent non-executive Directors	15.00
8	CHEN De-Qiu	Independent non-executive Directors	0

The remuneration of the Directors in 2023 shall be determined with reference to the standard of the remuneration of Directors in 2022. Among them to the standard of the remuneration of independent non-executive Director of the Company, CHEN De-Qiu, shall be determined with reference to the standard of the remuneration of other independent non-executive Directors in 2022.

LETTER FROM THE BOARD

The remuneration of Supervisors paid by the Company in 2022 were as follows:

Unit: RMB ('0,000)

No.	Name	Position	Total pre-tax remuneration received from the Company during the reporting period
1	LI Xue-Mei	Supervisor representing the Shareholders	79.52
2	MO Fei	Supervisor representing the Shareholders	46.04
3	DU Yan	Supervisor representing the Shareholders	60.11
4	TIAN Zhen-Hua	Supervisor representing staff and workers	44.68
5	LV Yi-Hong	Supervisor representing staff and workers	55.63

The remuneration of the Supervisors in 2023 shall be determined with reference to the standard of the remuneration of Supervisors in 2022.

8. DUTY REPORT OF THE INDEPENDENT DIRECTORS FOR 2022

According to the relevant laws and regulations of the Company Law, the Securities Law, the Rules for Independent Directors of Listed Companies, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Listing Rules and the regulations and requirements of the Articles of Association, the duty report of the independent Directors for 2022 shall be subject to approval at the 2022 AGM by way of ordinary resolution.

The full text of the duty report of the independent Directors for 2022 was published on the website of the Stock Exchange (www.hkexnews.hk) in the form of an overseas regulatory announcement and the Company's website (<https://www.beijingnorthstar.com/>) on 23 March 2023.

9. 2022 AGM

The 2022 AGM Notice is set out on pages 63 to 65 of this circular for consideration of the resolutions relating to, inter alia, (1) proposed amendments to the Articles of Association, the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors, (2) proposed estimation of guarantee limit for the year of 2023, (3) proposed grant of general mandate for issuance of Shares, (4) proposed grant of general mandate for issuance of debt financing instruments, (5) proposed provision of financial assistance for the year of 2023, (6) proposed remuneration of Directors and Supervisors and (7) duty report of the independent Directors for 2022, etc.

LETTER FROM THE BOARD

The Company will convene the 2022 AGM at the Meeting Room One at 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on Thursday, 11 May 2023 at 9:00 a.m. Proxy forms for use at the 2022 AGM are enclosed with this circular.

Shareholders whose names appear in the register of Shareholders after the close of the office hours, i.e. 4:30 p.m. on Friday, 5 May 2023 are entitled to attend and vote at the 2022 AGM. The register of Shareholders of the Company will be closed from Friday, 5 May 2023 to Thursday, 11 May 2023 (both days inclusive), during which no transfer of the Shares will be registered. In order to determine the holders of H Shares entitled to attend and vote at the meeting, the holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the Company's H Share Registrar, Hong Kong Registrars Limited at Rooms 1712–16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 4 May 2023.

Whether or not you intend to attend the 2022 AGM, you are requested to complete and return the proxy forms to the Company's H Share registrar, Hong Kong Registrars Limited at 17M Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the 2022 AGM (i.e. not later than 10 May 2023 at 9:00 a.m. (Hong Kong time)).

10. VOTING BY WAY OF POLL

Pursuant to Article 86 of the Articles of Association, voting in the Shareholders' general meeting shall be conducted by way of poll in registered form.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Shareholders' general meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

11. RECOMMENDATION

The Board believes that the resolutions set out in the 2022 AGM Notice are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all the Shareholders to vote in favour of the relevant resolutions set out in the 2022 AGM Notice.

12. GENERAL INFORMATION

Should there be any discrepancies between the Chinese and English versions of this circular, the Chinese version shall prevail.

Yours faithfully,
By order of the Board
BEIJING NORTH STAR COMPANY LIMITED
LI Wei-Dong
Chairman

APPENDIX I

BEIJING NORTH STAR COMPANY LIMITED AMENDMENT OF ARTICLES OF ASSOCIATION

Prior to the amendments	After the amendments
<p>Article 1</p> <p>Beijing North Star Company Limited (or the “Company”) is a joint stock limited company established in accordance with the “Company Law of the People’s Republic of China” (the “Company Law”), “the State Council’s Special Regulations on Overseas Offering and Listing of shares by Joint Stock Limited Companies” (the “Special Regulations”), and other relevant legislations and administrative regulations of the PRC. The Company was registered on 2nd April, 1997 with the Municipal Administration Bureau for Industry and Commerce in Beijing, the People’s Republic of China.</p> <p>The Company is established by way of promotion under the approval given under the State Council Committee for the Restructuring of Economic Systems Document Ti Gai Sheng No.[1997]32. It has been registered on 2nd April, 1997 with the Beijing Administration Bureau of Industry and Commerce of the People’s Republic of China and the business licence thereof has been obtained. The unified social credit code of the Company is 91110000633791930G.</p> <p>The name of the promoter is: Beijing North Star Industrial Group Limited Liabilities Company.</p>	<p>Article 1</p> <p>Beijing North Star Company Limited (or the “Company”) is a joint stock limited company established in accordance with the “Company Law of the People’s Republic of China” (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), and other relevant legislations and administrative regulations of the PRC.</p> <p>The Company is established by way of promotion under the approval given under the State Council Committee for the Restructuring of Economic Systems Document Ti Gai Sheng No.[1997]32. It has been registered on 2nd April, 1997 with the Beijing Administration Bureau of Industry and Commerce of the People’s Republic of China (now Beijing Municipal Bureau for Market Supervision) and the business licence thereof has been obtained.</p> <p>The unified social credit code of the Company is 91110000633791930G. The name of the promoter is: Beijing North Star Industrial Group Limited Liabilities Company.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 25</p> <p>The Company may, based on its operation and business requirements, approve an increase in its capital in accordance with the relevant provisions of the Articles of Association. The manners in which the capital of the Company may be increased are as follows:</p> <p>.....</p> <p>(5) other methods as permitted by the laws and administrative regulations.</p> <p>.....</p>	<p>Article 25</p> <p>The Company may, based on its operation and business requirements, approve an increase in its capital in accordance with the relevant provisions of the Articles of Association. The manners in which the capital of the Company may be increased are as follows:</p> <p>.....</p> <p>(5) other methods as permitted by the laws, administrative regulations and the China Securities Regulatory Commission (hereinafter referred to as CSRC).</p> <p>.....</p>
<p>Article 49</p> <p>Where PRC laws and regulations and the laws and regulations of the place where the company is listed contain provisions which stipulate on the period of closure of the register of shareholders prior to a shareholders' general meeting or on the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.</p>	<p>Article 49</p> <p>Where PRC laws and regulations and the laws and regulations of the place where the company is listed contain provisions which stipulate on the period of closure of the register of shareholders, such provisions shall prevail. However, the shareholders may still inspect the register of shareholders in accordance with law.</p>
<p>Article 50</p> <p>In the event the Company decides to convene a shareholders' general meeting, distribute dividends, liquidate or engage in activities which require determining shareholdings, the board of directors shall fix a date as the record date for determining the shareholdings. The shareholders of the Company shall be those shareholders registered on the register at the end of the record date.</p>	<p>Article 50</p> <p>In the event the Company decides to convene a shareholders' general meeting, distribute dividends, liquidate or engage in activities which require determining shareholdings, the board of directors or the convener of the shareholders' meeting shall determine the share registration date in accordance with the requirements of relevant laws and regulations, and the shareholders registered after the close of business on the share registration date shall be the shareholders entitled to the relevant rights and interests.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 61</p> <p>A controlling shareholder referred to in the preceding article means a person who satisfies any one of the following conditions:</p> <p>(1) he may alone or acting in concert with others has the power to elect more than half of the directors;</p> <p>(2) he may alone or acting in concert with others has the power to exercise 30% or more of the voting rights in the Company or control the exercise of 30% or more of the voting rights in the Company;</p> <p>(3) he may alone or acting in concert with others holds 30% or more of the issued shares of the Company;</p> <p>(4) he may alone or acting in concert with others has de facto control of the Company in any other manner.</p>	<p>Article 61</p> <p>A controlling shareholder referred to in the preceding article means the shareholder whose ordinary shares (including the preferred shares with restored voting rights) account for more than fifty percent of the total share capital of the company; the shareholder who holds less than fifty percent of the shares, but whose voting rights are sufficient to have a significant impact on the resolution of the shareholders' meeting according to the shares he holds.</p>
<p>Article 63</p> <p>The shareholders' general meeting shall have the following powers:</p> <p>.....</p> <p>(2) to elect and replace directors and to determine the remuneration of the directors;</p> <p>(3) to elect and replace supervisors who are representatives of the shareholders and to determine the remuneration of such supervisors;</p> <p>.....</p> <p>(9) to pass resolutions on the consolidation, split, dissolution, liquidation or change of form of the Company;</p> <p>.....</p> <p>(16) to review the share incentive scheme;</p> <p>.....</p>	<p>Article 63</p> <p>The shareholders' general meeting shall have the following powers:</p> <p>.....</p> <p>(2) to elect and replace directors who are not employee representatives and to decide on matters relating to the remuneration of directors;</p> <p>(3) to elect and replace supervisors who are not representatives of employees and deciding on matters relating to the remuneration of supervisors;</p> <p>.....</p> <p>(9) to pass resolutions on the consolidation, split, spin-off, dissolution, liquidation or change of form of the Company;</p> <p>.....</p> <p>(16) to review the share incentive scheme and employee stock ownership plans;</p> <p>.....</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 64</p> <p>The following guarantees shall be approved at the shareholders' general meetings:</p> <p>.....</p> <p>(3) any guarantee provided to any guaranteed party with assets-liabilities ratio exceeding 70%;</p> <p>(4) any single guarantee exceeding 10% of the latest audited net assets;</p> <p>(5) any guarantee to be provided to shareholders, de facto controller and their associates;</p> <p>(6) any matters relating to guarantees that shall be submitted to the shareholders' general meetings for review and approval as prescribed by other laws, regulations and the Articles of Association.</p> <p>.....</p>	<p>Article 64</p> <p>The following guarantees shall be approved at the shareholders' general meetings:</p> <p>.....</p> <p>(3) any guarantee provided by the Company amount reaches or exceeds 30% of the Company's latest audited total assets within one year;</p> <p>(4) any guarantee provided to any guaranteed party with assets-liabilities ratio exceeding 70%;</p> <p>(5) any single guarantee exceeding 10% of the latest audited net assets;</p> <p>(6) any guarantee to be provided to shareholders, de facto controller and their associates;</p> <p>(7) any matters relating to guarantees that shall be submitted to the shareholders' general meetings for review and approval as prescribed by other laws, regulations and the Articles of Association.</p> <p>.....</p>
<p>Article 66</p> <p>Unless approved at the shareholders' general meeting, the Company shall not enter into contract with any person other than a director, supervisor, manager or other senior management member of the Company whereby such person undertakes the management and administration of the whole or any substantial part of the business of the Company.</p>	<p>Article 66</p> <p>Except in special circumstances such as a crisis, unless approved at the shareholders' general meeting, the Company shall not enter into contract with any person other than a director, supervisor, manager or other senior management member of the Company whereby such person undertakes the management and administration of the whole or any substantial part of the business of the Company.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 69</p> <p>Voting at annual general meetings and other shareholders' general meetings convened upon requisitions of shareholders and the supervisory committee may not be conducted via any means of communications. Neither may voting at extraordinary general meetings convened for the purpose of considering the following matters be conducted via any means of communication:</p> <p>(1) the increase in and reduction of the registered capital of the Company;</p> <p>(2) the issue of bonds of the Company;</p> <p>(3) the demerger, amalgamation, dissolution and liquidation of the Company;</p> <p>(4) amendments to the Articles of Association;</p> <p>(5) matters in relation to the plan for distribution of profits and plans for recovery of losses;</p> <p>(6) the appointment and removal of the members of the board of directors and the supervisory committee;</p> <p>(7) the change of use of proceeds from the issue of shares;</p> <p>(8) connected transactions required to be approved at the shareholders' general meeting;</p> <p>(9) the acquisition or disposal of assets which are required to be approved at the shareholders' general meeting;</p> <p>(10) the change of appointment of the accounting firm.</p>	Deleted

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 70</p> <p>When the Company convenes an annual general meeting, it shall inform all shareholders of the matters to be considered at the meeting and the date and venue of the meeting twenty (20) business days before the date of meeting; When the Company convenes an extraordinary general meeting, a notice shall be given to all shareholders fifteen (15) days or ten (10) business days (whichever is earlier) before the date of meeting.</p>	<p>Article 69</p> <p>When the Company convenes an annual general meeting, it shall inform all shareholders of the matters to be considered at the meeting and the date and venue of the meeting twenty (20) days before the date of meeting; When the Company convenes an extraordinary general meeting, a notice shall be given to all shareholders fifteen (15) days before the date of meeting.</p>
<p>Article 74</p> <p>Notice of shareholders' general meetings shall satisfy the following requirements:</p> <p>.....</p> <p>(10) the name and contact number of the general contact person for meetings;</p> <p>.....</p>	<p>Article 73</p> <p>Notice of shareholders' general meetings shall satisfy the following requirements:</p> <p>.....</p> <p>(10) the name and contact number of the general contact person for meetings;</p> <p>(11) the time and procedures of the voting online or by any other means.</p> <p>.....</p>
<p>Article 78</p> <p>.....</p> <p>Where a shareholder is a recognised clearing house (or its nominee(s)) as defined in the Securities and Futures Ordinance of Hong Kong, it may authorise such person or persons as it thinks fit to act as its representative(s) at any shareholders' meeting of the Company or at any meeting of any class of Members but if more than one person is authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Such authorised person shall be entitled to exercise the same rights and power on behalf of the recognised clearing house (or its nominee(s)) which he or they represent as if such person is an individual shareholder of the Company.</p>	<p>Article 77</p> <p>.....</p> <p>Where a shareholder is a recognised clearing house (or its nominee(s)) as defined in the Securities and Futures Ordinance of Hong Kong, it may authorise such person or persons as it thinks fit to act as its representative(s) at any shareholders' meeting and creditors' meeting of the Company or at any meeting of any class of Members but if more than one person is authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Such authorised person shall be entitled to exercise the same rights and power on behalf of the recognised clearing house (or its nominee(s)) which he or they represent as if such person is an individual shareholder of the Company.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 85</p> <p>.....</p> <p>When the shareholders’ general meeting considers matters that could materially affect the interests of minority investors, the votes by minority investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.</p> <p>The board of directors, independent directors, shareholders holding more than 1% of voting shares or investor protection agencies established in accordance with laws, administrative regulations or provisions of the securities regulatory authority under the State Council may collect voting rights from other shareholders. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected. Consideration or de facto consideration for collecting shareholders’ voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for collecting voting rights.</p>	<p>Article 84</p> <p>.....</p> <p>When the shareholders’ general meeting considers matters that could materially affect the interests of minority investors, the votes by minority investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.</p> <p>If a shareholder buys voting shares of the Company in violation of the provisions of Article 63(1) and (2) of the Securities Law, such shares in excess of the prescribed proportion shall not be allowed to exercise voting rights for thirty-six months after the purchase and shall not be counted as part of the total number of voting shares present at the shareholders’ meeting.</p> <p>The board of directors, independent directors, shareholders holding more than 1% of voting shares or investor protection agencies established in accordance with laws, administrative regulations or provisions of the securities regulatory authority under the State Council may collect voting rights from other shareholders. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected. Consideration or de facto consideration for collecting shareholders’ voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for collecting voting rights.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 91</p> <p>The following matters shall require the sanction of an ordinary resolution at a shareholders' general meeting:</p> <p>(1) the working reports of the board of directors and the supervisory committee;</p> <p>(2) profit distribution plan and plan for making up losses prepared by the board of directors;</p> <p>(3) the appointment and removal of the members of the board of directors and the supervisory committee as well as their remuneration and method of payment;</p> <p>(4) annual financial budgets and statements of final accounts, balance sheets, profit statements and other financial statements of the Company;</p> <p>(5) annual reports of the Company;</p> <p>.....</p>	<p>Article 90</p> <p>The following matters shall require the sanction of an ordinary resolution at a shareholders' general meeting:</p> <p>(1) the working reports of the board of directors and the supervisory committee;</p> <p>(2) profit distribution plan and plan for making up losses prepared by the board of directors;</p> <p>(3) the appointment and removal of the members of the board of directors and the supervisory committee as well as their remuneration and method of payment;</p> <p>(4) annual financial budgets and statements of final accounts of the Company;</p> <p>(5) annual reports of the Company;</p> <p>.....</p>
<p>Article 92</p> <p>The following matters shall require the sanction of a special resolution at shareholders' general meetings:</p> <p>.....</p> <p>(3) the demerger, amalgamation, dissolution and liquidation of the Company and major acquisitions and disposals;</p> <p>(6) the share incentive schemes;</p> <p>.....</p>	<p>Article 91</p> <p>The following matters shall require the sanction of a special resolution at shareholders' general meetings:</p> <p>.....</p> <p>(3) the demerger, spin-off, amalgamation, dissolution and liquidation of the Company and major acquisitions and disposals;</p> <p>(6) the share incentive schemes and employee stock ownership plans;</p> <p>.....</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 98</p> <p>When the supervisory committee or shareholders have decided to convene the shareholders' general meeting on its/their own, they shall inform the board of directors in writing, and file a case to the local authorities of the China Securities Regulatory Commission (CSRC) and the stock exchange. Before the announcement of the resolutions at the extraordinary general meeting, the convening shareholders shall have a shareholding proportion of no less than 10%. The convening shareholders shall, before publishing the notice of the extraordinary general meeting and the announcement of the resolutions of the extraordinary general meeting, submit the certificate proof concerned to the local authorities of the CSRC and the stock exchange.</p> <p>.....</p>	<p>Article 97</p> <p>When the supervisory committee or shareholders have decided to convene the shareholders' general meeting on its/their own, they shall inform the board of directors in writing, and file a case to the stock exchange. Before the announcement of the resolutions at the extraordinary general meeting, the convening shareholders shall have a shareholding proportion of no less than 10%. The supervisory committee or the convening shareholders shall, before publishing the notice of the extraordinary general meeting and the announcement of the resolutions of the extraordinary general meeting, submit the certificate proof concerned to the stock exchange.</p> <p>.....</p>
<p>Article 109</p> <p>A shareholder shall be entitled to inspect copies of minutes of any shareholders' general meeting free of charge during the business hours of the Company. If the shareholder demands from the Company a copy of such minutes, the Company shall send him the copy within seven (7) days after having received reasonable charges.</p>	<p>Deleted</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 122</p> <p>.....</p> <p>Written notice of the intention to nominate a candidate for election as a director and the written notice by such candidate of his/her willingness to accept the nomination shall be sent to the Company at least seven (7) days before the date of the shareholder's general meeting for election of directors. The period for lodging the aforesaid notice will commence no earlier than the day after the dispatch of the notice of the shareholders' meeting for the election of directors and ends no later than seven (7) days prior to the date of such shareholders' meeting. The lodgement period shall not be less than seven (7) days.</p> <p>Any person appointed by the board of directors to fill a casual vacancy of the board of directors or to add an additional member of the board of directors, his/her term of office shall expire on the next annual general meeting, and he/she shall be eligible for re-election.</p>	<p>Article 120</p> <p>.....</p> <p>Written notice of the intention to nominate a candidate for election as a director and the written notice by such candidate of his/her willingness to accept the nomination shall allow sufficient time for the Company to give reasonable notice to shareholders in accordance with the laws and regulations of the PRC and the laws and regulations of the place where the Company is listed.</p>
<p>Article 139</p> <p>The board of directors shall be responsible to the shareholders' general meeting and shall have the following powers and duties:</p> <p>.....</p> <p>(7) to formulate proposals on amalgamation, demerger, dissolution, acquisition of shares of the Company or change of form of the Company;</p>	<p>Article 137</p> <p>The board of directors shall be responsible to the shareholders' general meeting and shall have the following powers and duties:</p> <p>.....</p> <p>(7) to formulate proposals on major acquisitions, acquisition of the Company's shares or amalgamation, demergers, spin-offs, dissolutions and change of form of the Company;</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>(8) to decide on the issues including foreign investments, risk investment, acquisitions or disposals of assets, pledge of assets, external warranty, entrusted financial management and connected transactions of the Company in accordance with the relevant laws, rules, regulations, provisions of the supervisory rules on listed company or the authorization by the shareholders' general meeting;</p> <p>.....</p> <p>(11) to appoint or dismiss the company manager and the secretary to the board of directors; to appoint or dismiss senior management including the company deputy manager, the general counsel and financial officer-in-charge based on the nomination by the company manager, as well as to determine their remuneration and award/punishment issues;</p> <p>.....</p>	<p>(8) to decide on the issues including foreign investments, risk investment, acquisitions or disposals of assets, pledge of assets, external warranty, entrusted financial management, connected transactions and external donation of the Company in accordance with the relevant laws, rules, regulations, provisions of the supervisory rules on listed company or the authorization by the shareholders' general meeting;</p> <p>.....</p> <p>(11) to decide on the establishment of special committees of the Board of Directors;</p> <p>(12) to appoint or dismiss the company manager and the secretary to the board of directors; to appoint or dismiss senior management including the company deputy manager, the general counsel and financial officer-in-charge based on the nomination by the company manager, as well as to determine their remuneration and award/punishment issues;</p> <p>.....</p>
<p>Article 141</p> <p>Where the board of directors proposes to dispose of the Company's fixed assets, if any fixed assets of the Company have been disposed of in the period of four (4) months immediately preceding the proposed disposal, the aggregate of the amount or value of the consideration for the proposed disposal and the amount or value of the consideration for any such disposal in that period exceeds 33% of the value of the fixed assets as shown in the latest balance sheet laid before the shareholders' general meeting, the board of directors shall not dispose of or agree to dispose of the said fixed assets without the prior approval at the shareholders' general meeting.</p> <p>The "proposed disposal of fixed assets" referred to in this article shall include the acts of transferring certain interests in that assets but exclude the acts of charging that fixed assets by way of security.</p> <p>The validity of the transaction on the disposal of fixed assets by the Company shall not be affected by the breach of this article.</p>	<p>Deleted</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 144</p> <p>Meetings of the board of directors shall be held at least twice every year and shall be convened by the chairman. The notice for such meeting shall be given to all directors and supervisors fourteen (14) days in advance. An ad hoc board of directors meeting shall be convened within ten (10) days under any one of the following circumstances without any restriction on the period of signing the meeting notice:</p> <p>(1) upon the proposal by shareholders holding 10% of the voting rights;</p> <p>(2) when the chairman considers it necessary;</p> <p>(3) upon joint request by more than four directors;</p> <p>(4) upon request by the supervisory committee;</p> <p>(5) upon request by the manager;</p> <p>(6) upon request by more than two independent directors.</p> <p>.....</p>	<p>Article 141</p> <p>Meetings of the board of directors shall be held at least twice every year and shall be convened by the chairman. The notice for such meeting shall be given to all directors and supervisors fourteen (14) days in advance. An ad hoc board of directors meeting shall be convened within ten (10) days under any one of the following circumstances without any restriction on the period of signing the meeting notice:</p> <p>(1) upon the proposal by shareholders holding 10% of the voting rights;</p> <p>(2) when the chairman considers it necessary;</p> <p>(3) upon joint request by more than one-third of the directors;</p> <p>(4) upon request by the supervisory committee;</p> <p>(5) upon request by the manager;</p> <p>(6) upon request by more than two independent directors.</p> <p>.....</p>
<p>Article 152</p> <p>Unless otherwise specified by the applicable laws, regulations, stipulations and listing rules, the board of directors shall establish stringent review and decision making procedures. The board of directors of the Company is entitled to make decisions on the investment (including risk investment) or acquisition projects within the scope authorized by the shareholders' general meetings. As to substantial investments and major business strategies that lie beyond the board of directors' authorized scope, experts or professionals shall be engaged for review purpose which shall be reported to the shareholders' general meeting for approval.</p>	<p>Article 149</p> <p>The board of directors shall determine the authority of foreign investment, acquisition and sale of assets, asset pledge, external guarantee matters, entrusted financial management, related transactions, external donations, etc., and establish strict review and decision-making procedures; As to substantial investments and major business strategies that are beyond the board of directors' authorized scope, experts or professionals shall be engaged for evaluation and consideration and shall be reported to the shareholders' general meeting for approval.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 155</p> <p>The Company shall establish the strategic committee, the audit committee, the remuneration and evaluation committee, the nomination committee and the legal compliance committee by resolutions of shareholders' general meeting. Their duties and respective rules and procedures of such committees shall be individually formulated by the board of directors of the Company;</p> <p>The special committee shall comprise members of the board of directors. Election, appointment and removal of committee members shall be determined by the board of directors;</p> <p>Each special committee shall have a convener who is responsible for the day to day administration of the committee. The convener shall convene and chair meetings of the special committee;</p> <p>Each member of a committee shall have one vote. Resolution of a special committee shall be passed by way of show of hands.</p>	<p>Article 152</p> <p>The Board of Directors shall establish an audit committee and, as needed, relevant special committees for strategy, nomination, remuneration and assessment, legal compliance, etc.</p> <p>The Special Committee shall be responsible to the Board of Directors and shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and their proposals shall be submitted to the Board of Directors for consideration and decision. All the member of the Special committee shall comprise members of the Board of Directors. The Board of Directors is responsible for the election, appointment and removal of the members of the specialized committees, of which the majority of independent directors shall be the convenors of the Audit Committee, the Nomination Committee and the Compensation and Evaluation Committee, and the convener of the Audit Committee shall be an accounting professional. The Board of Directors is responsible for formulating the working procedures of the Special Committee and regulating the operation of the Specialized Committees.</p>
<p>Article 162</p> <p>The Company shall have one manager who is nominated, hired or dismissed by the board of directors.</p> <p>The term of office of the manager shall be three years, renewable upon re-appointment.</p> <p>Any person who holds an executive position in the controlling shareholder of the Company other than as a director or supervisor shall not be appointed as a senior management member of the Company.</p>	<p>Article 159</p> <p>The Company shall have one manager who is nominated, hired or dismissed by the board of directors.</p> <p>The term of office of the manager shall be three years, renewable upon re-appointment.</p> <p>The manager may resign before the expiration of his term of office.</p>

APPENDIX I

Prior to the amendments	After the amendments
	<p>Any person who holds an executive position in the controlling shareholder of the Company other than as a director or supervisor shall not be appointed as a senior management member of the Company.</p> <p>The senior management of the Company is paid only by the Company and is not paid by the controlling shareholder on behalf of the Company.</p>
<p>Article 168</p> <p>The manager shall propose the terms of reference of the manager to the board of directors for approval before execution.</p>	<p>Article 165</p> <p>The manager shall propose the rules of procedure of the general manager’s office to the board of directors for approval before execution.</p>
<p>Article 169</p> <p>The terms of reference of the manager cover the following:</p> <p>(1) The conditions, procedures and participants of the meetings convened by the manager;</p> <p>(2) The respective duties and responsibilities of the manager, deputy manager and other senior management;</p> <p>(3) the approval authorities on the utilization of funds and assets of the Company and the signing of major contracts, as well as the reporting system to the board of directors and the supervisory committee;</p> <p>(4) Any other matters deemed as necessary by the board of directors.</p>	<p>Article 166</p> <p>The rules of procedure of the general manager’s office shall include the following:</p> <p>(1) the powers and scope of proceedings of the general manager’s office;</p> <p>(2) the participants of the general manager’s office;</p> <p>(3) the convening procedures of the general manager’s office;</p> <p>(4) any other matters deemed as necessary by the Board of Directors.</p>
<p>Article 171</p> <p>The managers of the Company and other senior management shall give three (3) months prior written notice of resignation to the board of directors.</p>	<p>Deleted</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 179</p> <p>The supervisory committee shall be held accountable to the shareholders' general meetings and shall preform the following duties and authorities in accordance with the laws:</p> <p>.....</p> <p>(7) To file lawsuit against the directors or senior management of the Company in accordance with Article 152 of the Company Law;</p> <p>.....</p> <p>Supervisors may attend meetings of the board of directors as observers, and may question or make recommendations on the resolutions to be passed by the board of directors.</p>	<p>Article 175</p> <p>The supervisory committee shall be held accountable to the shareholders' general meetings and shall preform the following duties and authorities in accordance with the laws:</p> <p>.....</p> <p>(7) To file lawsuit against the directors or senior management of the Company in accordance with Article 152 of the Company Law;</p> <p>.....</p> <p>Supervisors may attend meetings of the board of directors as observers, and may question or make recommendations on the resolutions to be passed by the board of directors.</p> <p>Supervisors shall ensure that the information disclosed by the Company is true, accurate and complete and sign a written confirmation in respect of the periodic reports.</p>
<p>Article 189</p> <p>A director, supervisor, manager or senior management owes a duty, in the exercise of powers of the Company entrusted to him, to observe obligations of a fiduciary and not to place himself in a position where his interest and the obligations undertaken may conflict. This principle shall including, without limitation to the following obligations:</p> <p>.....</p> <p>(9) to observe the Articles of Association; to perform the duties faithfully; to protect the interests of the Company; not to use his position and authority in the Company to make his own benefit;</p> <p>.....</p>	<p>Article 185</p> <p>A director, supervisor, manager or senior management owes a duty, in the exercise of powers of the Company entrusted to him, to observe obligations of a fiduciary and not to place himself in a position where his interest and the obligations undertaken may conflict. This principle shall including, without limitation to the following obligations:</p> <p>.....</p> <p>(9) to observe the Articles of Association; to perform the duties faithfully; to protect the maximum interests of the Company and all the shareholders; not to use his position and authority in the Company to make his own benefit;</p> <p>.....</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Any income received by directors, supervisors, the manager or other senior management in breach of this Article shall belong to the Company. The directors, supervisors, manager or other senior management shall be held liable for indemnifying against any losses caused to the Company.</p>	<p>Any income received by directors, supervisors, the manager or other senior management in breach of this Article shall belong to the Company. The directors, supervisors, manager or other senior management shall be held liable for indemnifying against any losses caused to the Company. Senior management of the Company shall be held liable for indemnifying against any losses caused to the Company in accordance with the law if they cause damage to the interests of the Company and the shareholders of public shares by failing to faithfully perform their duties or violating their obligations of good faith.</p>
<p>Article 210</p> <p>The Company shall send by prepaid mail twenty-one (21) days before the annual general meeting the above reports to each holder of overseas listed foreign shares. The service address shall be the address registered in the register of shareholders.</p>	<p>Deleted</p>
<p>Article 222</p> <p>Subject to Article 63 and Article 139 of the Articles of Association, the board of directors may decide to distribute interim dividends. Unless otherwise provided in the laws, administrative regulations and the Articles of Association, the amount of the interim dividends shall not exceed 50% of the distributable profits as stated in the Company's interim profit statement.</p> <p>Any amount paid up in advance of calls 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.</p> <p>Where power is granted to forfeit unclaimed dividends, such power shall only be exercised after six (6) years or more from the date of declaration of the dividends.</p>	<p>Article 217</p> <p>Subject to Article 63 and Article 137 of the Articles of Association, the board of directors may decide to distribute interim dividends. Unless otherwise provided in the laws, administrative regulations and the Articles of Association, the amount of the interim dividends shall not exceed 50% of the distributable profits as stated in the Company's interim profit statement.</p> <p>Any amount paid up in advance of calls 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.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 232</p> <p>Where the office of the accountants firm is vacated, the board of directors may appoint another accountants firm to fill such vacancy prior to the holding of shareholders' general meeting, but while any such vacancy continues, the other existing appointed accountants firm or accountants firms, if any, may act.</p>	<p>Deleted</p>
<p>Article 234</p> <p>The remuneration or the determination of the remuneration of the accountants firm shall be fixed by the shareholders in the shareholders' general meeting. In the case of the accountants firm appointed by the board of directors, the remuneration of the accountants firm shall be fixed by the board of directors.</p>	<p>Article 228</p> <p>The remuneration or the determination of the remuneration of the accountants firm shall be fixed by the shareholders in the shareholders' general meeting.</p>
<p>Article 236</p> <p>In the event of any dismissal or non-renewal of an accountants firm by the Company, a notice shall be served to inform the accountants firm 60 days in advance and the accountants firm has the right to express its opinion at the shareholders' general meeting. If an accountants firm tenders its resignation, it shall make statement to the shareholders' general meeting whether there are any improper findings.</p> <p>.....</p> <p>Where a notice is received by the Company as aforesaid, the Company shall within 14 days send a copy of the notice to the relevant governing authorities. If the notice contains a statement under paragraph 2 of this article, a copy of the notice shall also be made available at the Company for the inspection by the shareholders, and the said copies shall also be sent to every shareholder of overseas listed foreign shares by prepaid mail. The service address shall be the address on the register of shareholders.</p> <p>.....</p>	<p>Article 230</p> <p>In the event of any dismissal or non-renewal of an accountants firm by the Company, a notice shall be served to inform the accountants firm 60 days in advance and the accountants firm has the right to express its opinion at the shareholders' general meeting. If an accountants firm tenders its resignation, it shall make statement to the shareholders' general meeting whether there are any improper findings.</p> <p>.....</p> <p>Where a notice is received by the Company as aforesaid, the Company shall within 14 days send a copy of the notice to the relevant governing authorities. If the notice contains a statement under paragraph 2 of this article, a copy of the notice shall also be made available at the Company for the inspection by the shareholders, and the copies shall also be sent to every shareholder of overseas listed foreign shares.</p> <p>.....</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 243</p> <p>The board of directors of the Company shall put forward proposals for amalgamation or demerger which shall be submitted to relevant approving authorities for approval in accordance with the laws after the same have been approved according to the procedures provided in the Articles of Association of the Company. Shareholders who oppose the proposals for amalgamation or demerger shall have the right to request the shareholders who are in favour of amalgamation or demerger to purchase their shares at a fair price.</p> <p>Special documentation of the resolutions of amalgamation or demerger of the Company shall be prepared for the inspection by the shareholders and shall be sent to the shareholders of overseas listed foreign shares by post.</p>	<p>Article 237</p> <p>The board of directors of the Company shall put forward proposals for amalgamation or demerger which shall be submitted to relevant approving authorities for approval in accordance with the laws after the same have been approved according to the procedures provided in the Articles of Association of the Company. Shareholders who oppose the proposals for amalgamation or demerger shall have the right to request the shareholders who are in favour of amalgamation or demerger to purchase their shares at a fair price.</p> <p>Special documentation of the resolutions of amalgamation or demerger of the Company shall be prepared for the inspection by the shareholders.</p>
<p>Article 258</p> <p>Should the amendments to the Articles involve anything set out in the “Mandatory Provisions”, the Amendments shall be effective upon the approval of the corporate reviewing departments authorized by the State Council.</p>	<p>Deleted</p>
<p>Article 259</p> <p>Should the amendments to the Articles involve company registration items, a registration of the changes shall be made in accordance with the laws. In the event that the amendments to the Articles concern disclosable information as required by the laws and the regulations, public announcement shall be made as required.</p>	<p>Article 252</p> <p>Should the amendment to the Articles adopted by shareholders’ resolution be subject to the approval of the competent authority, it shall be reported to the competent authority for approval.</p> <p>Should the amendments to the Articles involve company registration items, a registration of the changes shall be made in accordance with the laws. In the event that the amendments to the Articles concern disclosable information as required by the laws and the regulations, public announcement shall be made as required.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 260</p> <p>Notices given by the Company shall be served in the following manner:</p> <p>(1) by hand;</p> <p>(2) by mail;</p> <p>(3) via public announcements; or</p> <p>(4) by such other means as stipulated under the Articles.</p>	<p>Article 253</p> <p>Notices given by the Company shall be served in the following manner:</p> <p>(1) by hand;</p> <p>(2) by mail;</p> <p>(3) via public announcements; or</p> <p>(4) by fax, e-mail or other electronic means;</p> <p>(5) subject to the laws and regulations and the listing rules of the place where the shares of the Company are listed, by publication on the websites designated by the Company and the Hong Kong Stock Exchange;</p> <p>(6) in other forms approved by the relevant regulatory authorities of the place where the Company's shares are listed or as provided in the Articles of Association.</p> <p>If sent in electronic form, the Company shall notify the intended recipient of: (i) the presence of the corporate communication on the website; (ii) the address of the website; (iii) the place on the website where it may be accessed; and (iv) how to access the corporate communication.</p>
<p>Newly Added</p>	<p>Article 254</p> <p>Subject to and in compliance with the laws and regulations of the place where the Company's shares are listed and the relevant listing rules, the Company may issue or provide the corporate communications (including but not limited to the various types of reports, notices, resolutions, information, statements, listing documents, circulars and other communication documents mentioned in the Articles of Association) to the shareholder of overseas listed foreign shares through the means stipulated in Article 253 of this Article of Association.</p>

APPENDIX I

Prior to the amendments	After the amendments
<p>Article 261</p> <p>Unless otherwise provided in the Articles of Association, notices, information or written statements to be given to the holders of overseas listed foreign shares must be served on each of them at his registered address by hand or by prepaid mail.</p>	<p>Deleted</p>
<p>Article 262</p> <p>For a notice of the Company delivered by hand, the addressee shall sign (or stamp) on the receipt of the delivery, and the date of acknowledgement of receipt signed by the addressee shall be deemed as the date of delivery.</p> <p>For a notice of the Company made via public announcements, the date when the announcement is published for the first time shall be deemed as the date of delivery.</p>	<p>Article 255</p> <p>For corporate communication delivered by hand, the addressee shall sign (or stamp) on the return receipt of delivery, and the date of acknowledgement of receipt signed by the addressee shall be deemed as the date of delivery.</p> <p>For corporate communication made via public announcement, it shall be announced in the newspaper and/or other designated media (including website) designated by the securities regulator and the stock exchange where the Company's shares are listed, and the date of the first announcement shall be the date of delivery.</p> <p>If sent by e-mail, the date of delivery shall be the date when the e-mail enters the electronic data interchange system provided by the person to be served.</p> <p>If sent by fax, the sending date confirmed by the fax machine of the sending party shall be the date of delivery.</p> <p>In the case of other electronic forms, the date of delivery of the corporate communication shall be the later of (1) the date of delivery of the notice to its intended recipient or (2) the date on which the corporate communication first appears on the website after that notification is sent (if the corporate communication is posted on the website after the delivery of the above notice).</p>

APPENDIX I

Prior to the amendments	After the amendments
Article 265 “China Securities Journal”, “Shanghai Securities News” and “Securities Daily” are the designated media for the publication of announcements and other discloseable information of the Company.	Deleted
The numbering of the other articles shall be adjusted accordingly.	

Except for the above amendments, the content of the other articles of the Articles of Association remains unchanged.

APPENDIX II

**BEIJING NORTH STAR COMPANY LIMITED
THE RULES OF PROCEDURES OF THE GENERAL MEETINGS**

Prior to the amendments	After the amendments
<p>Newly Added</p>	<p>Article 7</p> <p>If a shareholder requests to inspect the relevant information or information mentioned in the preceding article, he/she shall provide the Company with written documents proving the type of shares held by him/her and the number of shares held by him/her, and the Company shall provide them upon request after verifying the identity of the shareholder.</p>
<p>Article 12</p> <p>The shareholders' general meeting shall have the following powers:</p> <p>.....</p> <p>(2) to elect and replace directors and to determine the remuneration of the directors;</p> <p>(3) to elect and replace supervisors who are representatives of the shareholders and to determine the remuneration of such supervisors;</p> <p>.....</p>	<p>Article 13</p> <p>The shareholders' general meeting shall have the following powers:</p> <p>.....</p> <p>(2) to elect and replace directors who are not employee representatives and to decide on matters relating to the remuneration of directors;</p> <p>(3) to elect and replace supervisors who are not representatives of employees and deciding on matters relating to the remuneration of supervisors;</p> <p>.....</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>(9) to pass resolutions on the consolidation, split, dissolution, liquidation or change of form of the Company.</p> <p>.....</p>	<p>(9) to pass resolutions on the merger, demerger, split, dissolution, liquidation or change of form of the Company;</p> <p>.....</p>
<p>(13) to review and approve of the guarantee matters as stipulated below:</p> <ol style="list-style-type: none"> 1. any additional guarantee provided when the total amount of external guarantees provided by the Company and its controlling subsidiaries reaches or exceeds 50% of the latest audited net assets; 2. any additional guarantee provided when the total amount of guarantees provided by the Company reaches or exceeds 30% of the latest audited net assets value; 3. any guarantee provided to any guaranteed party with assets-liabilities ratio exceeding 70%; 4. any single guarantee exceeding 10% of the latest audited net assets; 5. any guarantee to be provided to shareholders, de facto controller and their associates; 6. any matters relating to guarantees that shall be submitted to the shareholders' general meetings for review and approval as prescribed by other laws, regulations and the Articles of Association. <p>The mortgage guarantees provided by the Company to customers who are purchases of properties shall not fall within the scope of guarantees set out in this Rule.</p> <p>.....</p>	<p>(13) to review and approve of the guarantee matters as stipulated below:</p> <ol style="list-style-type: none"> 1. any additional guarantee provided when the total amount of external guarantees provided by the Company and its controlling subsidiaries reaches or exceeds 50% of the latest audited net assets; 2. any additional guarantee provided when the total amount of guarantees provided by the Company reaches or exceeds 30% of the latest audited net assets value; 3. any guarantee provided by the Company amount reaches or exceeds 30% of the Company's latest audited total assets within one year; 4. any guarantee provided to any guaranteed party with assets-liabilities ratio exceeding 70%; 5. any single guarantee exceeding 10% of the latest audited net assets; 6. any guarantee to be provided to shareholders, de facto controller and their associates; 7. any matters relating to guarantees that shall be submitted to the shareholders' general meetings for review and approval as prescribed by other laws, regulations and the Articles of Association. <p>The mortgage guarantees provided by the Company to customers who are purchases of properties shall not fall within the scope of guarantees set out in this Rule.</p> <p>.....</p>
<p>(16) to review the share incentive scheme;</p> <p>.....</p>	<p>(16) to review the share incentive scheme and employee stock ownership plans;</p> <p>.....</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 15</p> <p>The Company shall convene an extraordinary general meeting within two months from the date of occurrence of the events if any of the following circumstances apply:</p> <p>.....</p>	<p>Article 16</p> <p>The Company shall convene an extraordinary general meeting within two months from the date of occurrence of the events if any of the following circumstances apply:</p> <p>.....</p> <p>If the Company cannot convene a shareholders' meeting within the above-mentioned period, it shall report to local authorities of the CSRC where the Company is located and the stock exchange where the Company's shares are listed for trading, explain the reasons and make an announcement.</p>
<p>Article 16</p> <p>The shareholders' general meeting will be held at the meeting venue and take place in the form of on-site meeting. The Company will also provide online voting to facilitate the shareholders' participation in the general meeting. Shareholders participating in a shareholders' general meeting in the aforesaid manner shall be deemed to have attended such meeting.</p>	<p>Article 17</p> <p>The shareholders' meeting shall be held at the Company's domicile or such other place as specified in the Articles of Association. The shareholders' general meeting will be held at the meeting venue and take place in the form of on-site meeting and shall adopt a safe, economical and convenient network and other means to facilitate shareholders' participation in the shareholders' meeting in accordance with the laws, administrative regulations, the CSRC or the Articles of Association. Shareholders participating in a shareholders' general meeting in the aforesaid manner shall be deemed to have attended such meeting.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 24</p> <p>When the supervisory committee or shareholders have decided to convene the shareholders' general meeting on its/their own, they shall inform the board of directors in writing, and file a case to the local authorities of the China Securities Regulatory Commission (CSRC) and the stock exchange.</p> <p>.....</p> <p>The convening shareholders shall, before publishing the notice of the extraordinary general meeting and the announcement of the resolutions of the extraordinary general meeting, submit the certificate proof concerned to the local authorities of the CSRC and the stock exchange.</p>	<p>Article 25</p> <p>When the supervisory committee or shareholders have decided to convene the shareholders' general meeting on its/their own, they shall inform the board of directors in writing, and file a case to the stock exchange.</p> <p>.....</p> <p>The supervisory committee and the convening shareholders shall, before publishing the notice of the extraordinary general meeting and the announcement of the resolutions of the extraordinary general meeting, submit the certificate proof concerned to the stock exchange.</p>
<p>Article 25</p> <p>The board of directors and the secretary to the board of directors shall cooperate on the work for the shareholders' general meeting convened by the supervisory committee or shareholders on its/their own. The board of directors shall provide the register of shareholders on the share registration day.</p>	<p>Article 26</p> <p>The board of directors and the secretary to the board of directors shall cooperate on the work for the shareholders' general meeting convened by the supervisory committee or shareholders on its/their own. The board of directors shall provide the register of shareholders as of the date of registration of shares. If the board of directors does not provide the register of shareholders, the convener may apply to the securities registration and settlement institution to obtain it with the relevant announcement of the notice of convening the shareholders' meeting. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of the general meeting.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 28</p> <p>When the shareholders' general meeting is held by the Company, the board of directors, the supervisory committee or any shareholders solely or collectively holding more than 3% of the shares of the Company shall have the right to put forward a proposal to the Company.</p> <p>Shareholders solely or collectively holding more than 3% of the shares of the Company, may submit in writing interim proposals to the convener ten (10) days before the date of the convening of the shareholders' general meeting. The convener shall, within two (2) days upon receipt of such proposals, review the proposals and serve a supplementary notice of the shareholders' general meeting to announce the content of the interim proposals.</p> <p>Except for the circumstances prescribed in the preceding provision, the convener may not change the proposal listed in the notice of the shareholders' general meeting or add new proposal after the notice of the shareholders' meeting has been served.</p> <p>The proposals that have not been listed in the notice of the shareholders' general meeting or that are not in compliance with Article 27 of this Rules, shall not be voted and resolved on at the shareholders' general meeting.</p>	<p>Article 29</p> <p>When the shareholders' general meeting is held by the Company, the board of directors, the supervisory committee or any shareholders solely or collectively holding more than 3% of the shares of the Company shall have the right to put forward a proposal to the Company.</p> <p>Shareholders solely or collectively holding more than 3% of the shares of the Company, may submit in writing interim proposals to the convener ten (10) days before the date of the convening of the shareholders' general meeting. The convener shall, within two (2) days upon receipt of such proposals, review the proposals and serve a supplementary notice of the shareholders' general meeting to announce the content of the interim proposals.</p> <p>Except for the circumstances prescribed in the preceding provision, the convener may not change the proposal listed in the notice of the shareholders' general meeting or add new proposal after the notice of the shareholders' meeting has been served.</p> <p>If the convener is required to supplement or correct the disclosure of the proposal in accordance with the provisions, it shall not materially amend the proposal and shall issue the relevant supplement or amendment announcement within the prescribed time. The legal opinion on the resolution of the shareholders' meeting shall contain a clear opinion issued by the attorney as to whether the supplement or amendment to the disclosure content of the proposal constitutes a substantive amendment to the proposal.</p>

APPENDIX II

Prior to the amendments	After the amendments
	<p>If the proposal is substantially amended, the relevant change shall be deemed a new proposal and shall not be voted on at this shareholders' meeting.</p> <p>The proposals that have not been listed in the notice of the shareholders' general meeting or that are not in compliance with Article 28 of this Rules, shall not be voted and resolved on at the shareholders' general meeting.</p>
<p>Article 30</p> <p>If the Board of Directors makes a proposal involving investment, property disposal and acquisition and merger, it shall fully explain the details of the matter, including: the amount involved, the price (or valuation method), the carrying value of the assets, the impact on the Company, and the approval status. If an asset appraisal, audit or independent financial advisor's report is required in accordance with relevant regulations, the Board of Directors shall announce the asset appraisal, audit results or independent financial advisor's report at least five working days prior to the general meeting.</p>	Deleted
<p>Article 31</p> <p>If the board of directors puts forward a proposal to change the use of the fund-raising capital, it shall state in the notice convening the shareholders' meeting the reasons for changing the use of the fund-raising capital, the overview of the new project and the future impact on the company.</p>	Deleted

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 32</p> <p>Shareholder proposals reviewed and agreed by the Board of Directors shall be included in the agenda of the general meeting and notified (or announced) to all shareholders. Shareholder proposals decided not to be included in the agenda of the meeting shall be explained and clarified at that shareholders' meeting, and the content of the proposal and the Board's explanation shall be announced together with the resolution of the shareholders' meeting after the shareholders' meeting.</p>	Deleted
<p>Article 33</p> <p>Matters involving the public offering of shares and other matters that need to be submitted to the CSRC for approval shall be presented as special proposals.</p>	Deleted
<p>Article 34</p> <p>When the Company convenes an annual general meeting, it shall inform all shareholders of the matters to be considered at the meeting and the date and venue of the meeting twenty (20) business days before the date of meeting; When the Company convenes an extraordinary general meeting, a notice shall be given to all shareholders fifteen (15) days or ten (10) business days (whichever is earlier) before the date of meeting.</p>	<p>Article 31</p> <p>When the Company convenes an annual general meeting, it shall inform all shareholders of the matters to be considered at the meeting and the date and venue of the meeting twenty (20) days before the date of meeting; When the Company convenes an extraordinary general meeting, a notice shall be given to all shareholders fifteen (15) days before the date of meeting.</p>
<p>Article 35</p> <p>Notice of shareholders' general meetings shall include the following contents:</p> <p>.....</p> <p>(4) it shall specify the deadline for registration of shareholding for the purpose of qualifying to attend such meeting;</p> <p>(5) it shall specify the time and place for lodging proxy forms for the relevant meeting;</p>	<p>Article 32</p> <p>Notice of shareholders' general meetings shall include the following contents:</p> <p>.....</p> <p>(4) it shall specify the deadline for registration of shareholding for the purpose of qualifying to attend such meeting: the interval between the share registration date and the date of the meeting shall not be more than seven business days and the share registration date shall not be changed once it is confirmed;</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>(6) the name and contact number of the general contact person for meetings;</p>	<p>(5) it shall specify the time and place for lodging proxy forms for the relevant meeting;</p> <p>(6) the name and contact number of the general contact person for meetings;</p> <p>(7) the time and procedures of the voting online or by any other means.</p>
<p>Article 37</p> <p>The notice of a shareholders' general meeting shall be sent to shareholders, regardless of whether a shareholder is entitled to vote at the meeting, by hand or by pre-paid post. The service address shall be the address registered on the register of shareholders. As for domestic shareholders, the notice of a shareholders' general meeting may be given in the form of public notice.</p> <p>The public notice referred to above shall be published in a newspaper or several newspapers prescribed by the authorities of the State Council responsible for securities. Once published, all domestic shareholders shall be deemed to have received the relevant notice of the shareholders' general meeting.</p>	<p>Article 34</p> <p>Notice of Shareholders' Meeting shall be served in the following manner:</p> <p>(1) by hand;</p> <p>(2) by mail;</p> <p>(3) via public announcements; or</p> <p>(4) by fax, e-mail or other electronic means;</p> <p>(5) subject to the laws and regulations and the listing rules of the place where the shares of the Company are listed, by publication on the websites designated by the Company and the Hong Kong Stock Exchange;</p> <p>(6) in other forms approved by the relevant regulatory authorities of the place where the Company's shares are listed or as provided in the Articles of Association.</p> <p>If sent in electronic form, the Company shall notify the intended recipient of: (i) the presence of the corporate communication on the website; (ii) the address of the website; (iii) the place on the website where it may be accessed; and (iv) how to access the corporate communication.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 47</p> <p>Proxy voting power of attorney signed by another person authorized by the principal, the power of attorney or other authorization documents signed by the authorized shall be notarized. Both the notarized power of attorney or other authorization document and the proxy form for voting shall be prepared and placed at the residence of the Company or at such other place as specified in the notice convening the meeting.</p> <p>If the proxy is a legal person, the legal representative or the person authorized by the board of directors or other decision-making body resolution shall attend the general meeting of the company as the representative.</p> <p>The proxy form for voting shall be delivered to the Secretary of the Board of Directors of the Company twenty-four hours prior to the meeting or to a place designated by the Company (as specified in the notice of the meeting).</p>	<p>Deleted</p>
<p>Newly Added</p>	<p>Article 48</p> <p>The Company shall facilitate the participation of shareholders, especially the small and medium-sized shareholders, in the shareholders' meeting and provide the necessary time for investors to speak, ask questions and communicate with the directors, supervisors and senior management of the Company. Small and medium-sized shareholders shall have the right to make suggestions or raise questions on the operation of the Company and relevant motions, and the directors, supervisors and senior management of the Company shall give true and accurate answers to the inquiries of small and medium-sized shareholders on the premise of complying with the principle of fair information disclosure.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 52</p> <p>The Company shall formulate the rules of procedure for the general meetings of shareholders, specifying in detail the procedures for convening and voting at the general meeting, including the notice, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and its signing, announcement, etc., and the principles of authorization of the general meeting to the Board of Directors, which shall be clear and specific. The rules of procedure of the board director shall be annexed to the Articles of Association, prepared by the Board of Directors and approved by the General Meeting of Shareholders.</p>	<p>Deleted</p>
<p>Article 53</p> <p>At the annual general meeting, the Board of Directors and the Supervisory Committee shall make a report to the general meeting on their work in the past year. Each independent director shall also make a report on his or her duties.</p> <p>At the annual general meeting, the board of directors shall make a report and announcement to the general meeting on the implementation of each matter to be handled by the board of directors in the resolutions of the general meeting since the previous annual general meeting.</p> <p>If the accountant issues an explanatory statement, qualified opinion, unexpressed opinion or negative opinion on the company's financial report, the board of directors shall make a statement to the shareholders' meeting on the relevant matters that led to the accountant's issuance of the above opinion and the impact on the company's financial and operating conditions.</p>	<p>Article 49</p> <p>At the annual general meeting, the board of directors and the Supervisory Committee shall make a report to the general meeting on their work in the past year. Each independent director shall also make a report on his or her duties.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>At the annual general meeting, the supervisory board shall read out a special report on the supervision of the company for the past year, including</p> <p>a) the inspection of the company’s finances;</p> <p>b) the due diligence of directors and senior management in performing their duties for the Company and the implementation of relevant laws and regulations, the Articles of Association and resolutions of the general meeting;</p> <p>c) Other significant events that the Supervisory Committee considers should be reported to the General Meeting.</p> <p>(d) When the Supervisory Committee deems necessary, it may also issue an opinion on the proposals considered at the General Meeting and submit an independent report.</p>	
<p>Article 64</p> <p>The following matters shall require the sanction of an ordinary resolution at a shareholders’ general meeting:</p> <p>.....</p> <p>(4) annual financial budgets and statements of final accounts, balance sheets, profit statements and other financial statements of the Company;</p> <p>.....</p>	<p>Article 60</p> <p>The following matters shall require the sanction of an ordinary resolution at a shareholders’ general meeting:</p> <p>.....</p> <p>(4) annual financial budgets and statements of final accounts of the Company;</p> <p>.....</p>
<p>Article 65</p> <p>The following matters shall require the sanction of a special resolution at shareholders’ general meetings:</p> <p>.....</p> <p>(3) the demerger, amalgamation, dissolution and liquidation of the Company and major acquisitions and disposals;</p> <p>(6) the share incentive schemes;</p> <p>.....</p>	<p>Article 61</p> <p>The following matters shall require the sanction of a special resolution at shareholders’ general meetings:</p> <p>.....</p> <p>(3) the demerger, spin-off, amalgamation, dissolution and liquidation of the Company and major acquisitions and disposals;</p> <p>(6) the share incentive schemes and employee stock ownership plans;</p> <p>.....</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 66</p> <p>For the purpose of voting at the shareholders’ general meeting, a shareholder (including proxy) shall exercise voting rights in accordance with the number of shares carrying voting rights represented by him/her. Each share shall have one vote.</p> <p>The Company shall have no voting rights for the shares that it holds, which are not counted in the total number of shares with voting rights attending the shareholders’ general meeting.</p> <p>The board of directors, independent directors, shareholders holding more than 1% of voting shares or investor protection agencies established in accordance with laws, administrative regulations or provisions of the securities regulatory authority under the State Council may collect voting rights from other shareholders.</p>	<p>Article 66</p> <p>For the purpose of voting at the shareholders’ general meeting, a shareholder (including proxy) shall exercise voting rights in accordance with the number of shares carrying voting rights represented by him/her. Each share shall have one vote.</p> <p>When the shareholders’ meeting considers important matters affecting the interests of small and medium-sized investors, votes for small and medium-sized investors shall be counted separately. The results of the separate vote count shall be publicly disclosed in a timely manner.</p> <p>The Company shall have no voting rights for the shares that it holds, which are not counted in the total number of shares with voting rights attending the shareholders’ general meeting.</p> <p>If a shareholder buys voting shares of the Company in violation of the provisions of Paragraph 1 and Paragraph 2 of Article 63 of the Securities Law, such shares in excess of the prescribed proportion shall not be allowed to exercise voting rights for a period of thirty-six months after the purchase, and such shares shall not be counted as part of the total number of shares with voting rights present at the shareholders’ meeting.</p>

APPENDIX II

Prior to the amendments	After the amendments
	<p>The board of directors, independent directors, shareholders holding more than 1% of voting shares or investor protection agencies established in accordance with laws, administrative regulations or provisions of the securities regulatory authority under the State Council may collect voting rights from other shareholders. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected. Consideration or de facto consideration for collecting shareholders' voting rights is prohibited. Except for Statutory conditions, the Company shall not impose any minimum shareholding limitation for collecting voting rights.</p>
<p>Article 68</p> <p>The Company shall, on the premise of ensuring that the shareholders' meeting is legal and effective, facilitate shareholders' participation in the shareholders' meeting through various ways and means, including the provision of a modern information technology means such as an online form of voting platform.</p> <p>Voting at general meetings and other shareholders' general meetings convened upon requisitions of shareholders and the supervisory committee may not be conducted via any means of communications. Neither may voting at extraordinary general meetings convened for the purpose of considering the following matters be conducted via any means of communication:</p> <p>(a) the increase in and reduction of the registered capital of the Company;</p> <p>(b) the issuance of shares, convertible bonds or corporate bonds;</p>	<p>Deleted</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>(c) the demerger, amalgamation, dissolution and liquidation of the Company;</p> <p>(d) amendments to the Articles of Association;</p> <p>(e) matters in relation to the plan for distribution of profits and plans for recovery of losses;</p> <p>(f) the appointment and removal of the members of the board of directors and the supervisory committee;</p> <p>(g) the change of use of proceeds from the issue of shares;</p> <p>(h) connected transactions required to be approved at the shareholders' general meeting;</p> <p>(i) the change of appointment of the accounting firm;</p> <p>(j) the acquisition or disposal of assets which are required to be approved at the shareholders' general meeting.</p>	
<p>Article 71</p> <p>If the controlling shareholder of the company has a controlling percentage of 30% or more in the company, the cumulative voting system shall be implemented when the shareholders' meeting votes on the election of directors</p>	<p>Article 66</p> <p>The shareholders' general meeting may adopt the cumulative voting system in accordance with the provisions of the Articles of Association or the resolution of the shareholders' meeting when the shareholders meeting votes on the election of directors and supervisors. If the proportion of shares owned by a single shareholder of the Company and its concerted parties in equity is 30% or more, the cumulative voting system shall be adopted.</p>

APPENDIX II

Prior to the amendments	After the amendments
	<p>The cumulative voting system referred to in the preceding paragraph means that the voting system adopted when two or more directors are to be elected at the shareholders' general meeting, whereas each share held by the shareholders who participate in the poll shall have the voting rights equal to the total number of candidates proposed for election, and the shareholders elect one person with all the voting rights or vote separately for several candidates.</p> <p>The board of directors shall announce to the shareholders the resumes and basic information of the candidates for directors and supervisors.</p>
<p>Article 72</p> <p>The shareholders' general meeting shall adopt the cumulative voting system when voting on the resolutions on the election of directors are demanded for poll.</p>	<p>Merged to Article 66</p>
<p>Article 73</p> <p>The cumulative voting system referred to in Articles 71 and 72 of these Rules refers to the voting system adopted when two or more directors are to be elected at the shareholders' general meeting, whereas each share held by the shareholders who participate in the poll shall have the voting rights equal to the total number of candidates proposed for election, and the shareholders elect one person with all the voting rights or vote separately for several candidates.</p>	<p>Merged to Article 66</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 74</p> <p>Each share carries the same amount of voting rights as the number of supervisors to be elected. The voting rights of a shareholder may be consolidated for voting purposes. The board of directors shall announce to the shareholders the resumes and basic information of the candidates for directors and supervisors.</p>	<p>Merged to Article 66</p>
<p>Newly Added</p>	<p>Article 71</p> <p>If a shareholder votes online on only part of the motions at the general meeting, he/she shall be deemed to be present at the General Meeting, and the number of votes held by him/her shall be included in the counting of the number of votes held by the shareholders present at the general meeting. The number of votes held by a shareholder who does not vote or who does not comply with the requirements of the Shanghai Stock Exchange's network voting rules shall be counted as "abstain".</p>
<p>Article 79</p> <p>Voting at the shareholders' meeting shall be subject to the following provisions:</p> <p>1. At the shareholders' meeting to adopt resolutions to be voted on by shareholders by ballot: the</p> <p>a) The chairman of the meeting;</p> <p>b) At least two shareholders entitled to vote or proxies of shareholders entitled to vote;</p> <p>c) one or several shareholders holding in aggregate not less than 10% of the shares entitled to vote at such meeting or their shareholders' proxies.</p>	<p>Article 72</p> <p>When voting, a shareholder (including proxy) entitled to two or more votes need not use all his votes or cast all the votes he uses in the same way.</p> <p>In the case of an equality of votes, the Chairman of the meeting shall be entitled to a second vote.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>The chairman of the meeting declares, on the basis of the results of the poll, that the resolution proposed for adoption has been adopted unanimously or by a majority or not, and records this in the minutes of the meeting as final, without having to certify the number of votes for or against the resolution adopted at such meeting or the proportion thereof. The demand for a poll may be withdrawn by the proposer.</p> <p>2. If the question on which a poll is demanded is the election of a chairman or the adjournment of a meeting, the poll shall be taken immediately. On other matters on which a poll is demanded, the chairman shall decide when to hold the poll and the meeting may proceed to discuss other matters, and the result of the poll shall be deemed to be the resolution adopted at that meeting.</p> <p>3. On a poll, shareholders with two or more votes need not cast all their votes in favor or against.</p> <p>4. In the case of an equality of votes, the Chairman of the meeting shall be entitled to a second vote.</p>	
<p>Article 80</p> <p>Before voting on motions in the shareholders' general meeting, two shareholder representatives shall be recommended to participate in vote counting and scrutiny. Should any shareholder have interests in the matters to be considered, the related shareholders and their proxies shall not participate in vote counting and scrutiny. When the shareholders' general meeting votes on the proposal, the lawyer, the shareholders' representative and the supervisors' representative shall be jointly responsible for vote counting and scrutiny, and the voting results shall be announced on the spot, and the voting results of the resolution shall be recorded in the minutes of the meeting.</p>	<p>Article 73</p> <p>Before voting on motions in the shareholders' general meeting, two shareholder representatives shall be recommended to participate in vote counting and scrutiny. Should any shareholder be related to the matters to be considered, the related shareholders and their proxies shall not participate in vote counting and scrutiny. When the shareholders' general meeting votes on the proposal, the lawyer, the shareholders' representative and the supervisors' representative shall be jointly responsible for vote counting and scrutiny, and the voting results shall be announced on the spot, and the voting results of the resolution shall be recorded in the minutes of the meeting.</p>

APPENDIX II

Prior to the amendments	After the amendments
<p>Article 82</p> <p>Shareholders (including proxies) who attend the shareholders' general meeting shall take one of the following stances when a proposal is put forward for voting: for, against or abstain. Any votes which are uncompleted, erroneously completed or illegible or uncasted votes shall be counted as an abstention of voting rights by the voters and the voting results of the number of shares they hold shall be counted as "abstain".</p>	<p>Article 75</p> <p>Shareholders (including proxies) who attend the shareholders' general meeting shall take one of the following stances when a proposal is put forward for voting: for, against or abstain. Except where the securities registrar and clearing agency, as the notional holder of the shares traded under the interconnection mechanism between the Mainland and Hong Kong stock markets, makes the declaration in accordance with the intention of the actual holder. Any votes which are uncompleted, erroneously completed or illegible or uncasted votes shall be counted as an abstention of voting rights by the voters and the voting results of the number of shares they hold shall be counted as "abstain".</p>
<p>Article 92</p> <p>The designated media for the Company to disclose information to the public are "China Securities Journal", "Shanghai Securities News" and "Securities Daily", and may also be published in other news media approved by CSRC as needed.</p>	<p>Article 85</p> <p>The designated media for the disclosure of information to the public are the newspapers and/or other designated media (including websites) designated by the securities regulator and the stock exchange where the Company's shares are listed.</p>
<p>The numbering of the other articles shall be adjusted accordingly.</p>	

Except for the above amendments, the content of the other articles of the "Rules of Procedures of the General Meeting" remains unchanged.

APPENDIX III

BEIJING NORTH STAR COMPANY LIMITED THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS

Prior to the amendments	After the amendments
<p>Article 4</p> <p>The Board of Directors shall consist of 9 directors, including 3 independent directors, and the Board of Directors shall have a chairman and may have a vice chairman. The executive directors are responsible for handling matters authorized by the Board of Directors and may also hold other senior management positions of the Company except for the supervisors; the independent directors shall not hold internal administrative positions of the Company, but may hold positions of special committees.</p>	<p>Article 4</p> <p>The Board of Directors shall consist of 9 directors, including 3 independent directors, and the Board of Directors shall have a chairman and may have a vice chairman. The chairman and vice chairman shall be elected by the Board of Directors by a majority of all directors. Independent directors shall not hold any position in the Company other than the special committees of the Board of Directors.</p>

APPENDIX III

Prior to the amendments	After the amendments
<p>Article 5</p> <p>.....</p> <p>Written notice of the intention to nominate a candidate for election as a director and the written notice by such candidate of his/her willingness to accept the nomination shall be sent to the Company at least seven (7) days before the date of the shareholder’s general meeting for election of directors. The period for lodging the aforesaid notice will commence no earlier than the day after the dispatch of the notice of the shareholders’ meeting for the election of directors and ends no later than seven (7) days prior to the date of such shareholders’ meeting. The lodgement period shall not be less than seven (7) days.</p>	<p>Article 5</p> <p>.....</p> <p>Written notice of the intention to nominate a candidate for election as a director and the written notice by such candidate of his/her willingness to accept the nomination shall allow sufficient time for the Company to give reasonable notice to shareholders in accordance with the laws and regulations of the PRC and the laws and regulations of the place where the Company is listed.</p>
<p>Article 6</p> <p>Directors shall have sufficient time and the necessary intellectual capacity to perform their duties. The company must provide the necessary information for directors who do not hold positions within the company to perform their duties. Among them, independent directors may report directly to the general meeting of shareholders, the competent securities authority under the State Council and other relevant authorities.</p>	<p>Article 6</p> <p>Directors shall abide by laws and regulations and the relevant provisions of the Company’s articles of association, perform their duties faithfully, diligently and prudently, and fulfill their commitments. Directors shall ensure that they have sufficient time and energy to perform their due duties. The Company must provide the necessary information for directors who do not hold positions within the Company to perform their duties. Among them, independent directors can directly report to the general meeting of shareholders, the Securities Regulatory Commission and other relevant departments.</p>

APPENDIX III

Prior to the amendments	After the amendments
<p>Article 7</p> <p>The board of directors shall have the following powers and duties:</p> <p>.....</p> <p>(7) to formulate proposals on amalgamation, demerger, dissolution, acquisition of shares of the Company or change of form of the Company;</p> <p>(8) to decide on the issues including foreign investments, risk investment, acquisitions or disposals of assets, pledge of assets, external warranty, entrusted financial management and connected transactions of the Company in accordance with the relevant laws, rules, regulations, provisions of the supervisory rules on listed company or the authorization by the shareholders' general meeting;</p> <p>.....</p> <p>(11) to decide on matters relating to the selection and appointment of operators:</p> <p>1. to elect and dismiss the chairman and vice chairman of the Board of Directors, appoint or dismiss the company manager and the secretary to the board of directors, the general counsel; to appoint or dismiss senior management including the company deputy manager, and financial officer-in-charge based on the nomination by the company manager, as well as to determine their remuneration and award/punishment issues;</p> <p>2. Appoint members of special committees of the Company.</p> <p>.....</p>	<p>Article 7</p> <p>The board of directors shall have the following powers and duties:</p> <p>.....</p> <p>(7) to formulate proposals on major acquisitions, acquisition of the Company's shares or mergers, demergers, spin-offs, dissolutions and change of form of the Company;</p> <p>(8) to decide on the issues including foreign investments, risk investment, acquisitions or disposals of assets, pledge of assets, external warranty, entrusted financial management, connected transactions and external donation of the Company in accordance with the relevant laws, rules, regulations, provisions of the supervisory rules on listed company or the authorization by the shareholders' general meeting;</p> <p>.....</p> <p>(11) to decide on the setting of special committees of the Board of Directors;</p> <p>(12) to appoint or dismiss the company manager and the secretary to the board of directors of the Company; to appoint or dismiss the deputy manager, the general counsel, the financial officer-in-charge and other senior management personnel of the Company based on the nomination by the company manager, as well as to determine their remuneration and award/punishment issues;</p> <p>.....</p>

APPENDIX III

Prior to the amendments	After the amendments
<p>Article 9</p> <p>If any fixed assets of the Company have been disposed of in the period of four (4) months immediately preceding the proposed disposal, the aggregate of the amount or value of the consideration for the proposed disposal and the amount or value of the consideration for any such disposal in that period exceeds 33% of the value of the fixed assets as shown in the latest balance sheet laid before the shareholders' general meeting, the board of directors shall not dispose of or agree to dispose of the said fixed assets without the prior approval at the shareholders' general meeting.</p>	Deleted
<p>Article 10</p> <p>The Board of Directors shall have a chairman and may have a vice-chairman. The chairman, vice chairman and executive directors shall be elected by the Board of Directors by a majority of all directors.</p>	Deleted

APPENDIX III

Prior to the amendments	After the amendments
<p>Article 17</p> <p>Special Committees</p> <p>The Board of Directors shall establish special committees in accordance with the resolution of the shareholders' meeting. The special committees shall be subordinate offices of the Board of Directors and shall study and make recommendations on major issues of the Company and submit them to the Board of Directors for consideration in accordance with the authorization of the Board of Directors, and may also make decisions on matters within the scope of authorization in accordance with the specific authorization of the Board of Directors.</p> <p>1. The members of the special committees are all composed of directors, and the Board of Directors shall be responsible for the election and appointment and removal of the members of the special committees; Each special committee has a convener who is responsible for managing the daily work of the committee and convening and presiding over the meetings of the special committee; The special committee shall adopt the one-person-one-vote system and consider and adopt the proposals of the special committee by a show of hands.</p> <p>2. The Company shall establish special committees for strategy, audit, remuneration and assessment and nomination by resolution of the general meeting of shareholders, and the duties and rules of procedure of each special committee shall be separately formulated by the Board of Directors of the Company.</p> <p>3. Each special committee may engage intermediaries to provide professional advice, and the related expenses shall be borne by the Company.</p> <p>4. Each special committee shall be responsible to the Board of Directors, and the proposals of each special committee shall be submitted to the Board of Directors for review and decision.</p> <p>.....</p>	<p>Article 15</p> <p>Special Committees</p> <p>The Company's Board of Directors has established an Audit Committee and will establish the relevant special committees for strategy, nomination, remuneration and assessment, legal compliance, etc. as needed.</p> <p>1. All the members of the special committees shall be comprised of directors, among which the independent directors shall constitute a majority in the audit committee, nomination committee and remuneration and appraisal committee, and the Board of Directors of the Company shall be responsible for the election and appointment and removal of the members of the special committees;</p> <p>Each special committee shall have a convener who shall be responsible for managing the daily work of the committee and convening and presiding over the meetings of the special committee; the conveners of the Audit Committee, Nomination Committee and Remuneration and Evaluation Committee shall be independent directors, and the convener of the Audit Committee shall be an accounting professional;</p> <p>The special committee shall implement the one-person-one-vote system and consider and adopt the proposals of the special committee by a show of hands.</p> <p>2. The duties and rules of procedure of each special committee shall be separately formulated by the Board of Directors of the Company.</p> <p>3. Each special committee may engage intermediaries to provide professional opinions, and the related expenses shall be borne by the Company.</p> <p>4. Each special committee shall be responsible to the Board of Directors and perform its duties in accordance with the Articles of Association and the authorization of the Board of Directors, and the proposals of each special committee shall be submitted to the Board of Directors for review and decision.</p> <p>.....</p>

APPENDIX III

Prior to the amendments	After the amendments
<p>Article 27</p> <p>When two or more independent directors consider that the information is not sufficient nor the argumentation is not clear, they may jointly propose in writing to the Board of Directors to postpone the meeting of the Board of Directors or postpone the consideration of the matter, and the Board of Directors shall adopt the proposal.</p> <p>The Board of Directors shall be attended by the Directors themselves, and if the Directors cannot attend in person for any reason, they may appoint other Directors in writing to attend on their behalf.</p> <p>.....</p>	<p>Article 25</p> <p>When two or more independent directors consider that the information is not sufficient nor the argumentation is not clear, they may jointly propose in writing to the Board of Directors to postpone the meeting of the Board of Directors or postpone the consideration of the matter, and the Board of Directors shall adopt the proposal.</p> <p>The Board of Directors shall be attended by the Directors themselves, and if the Directors cannot attend in person for any reason, they may appoint other Directors in writing to attend on their behalf.</p> <p>.....</p>
<p>Article 38</p> <p>At the meeting of the Board of Directors, the resolution shall be passed by a show of hands, and each director shall have one vote. In the event of an equal number of votes on both sides in the voting of a resolution, the chairman shall have two votes, and at the same time, the chairman shall also have the right to decide whether to suspend the vote and submit it to the next meeting for voting after further study.</p>	<p>Article 36</p> <p>At the meeting of the Board of Directors, the resolution shall be passed by a show of hands, and each director shall have one vote. When the negative votes are equal to the affirmative votes, the chairman of the board is entitled to one more vote. At the same time, the chairman shall also have the right to decide whether to suspend the vote and submit it to the next meeting for voting after further study.</p>

APPENDIX III

Prior to the amendments	After the amendments
<p>Article 50</p> <p>Where a written resolution signed by the directors is not formed in accordance with the statutory procedures, it shall not have the legal effect of a resolution of the Board of Directors even if each director has expressed his or her opinion in a different manner. If a resolution of the Board of Directors violates laws, administrative regulations or the Articles of Association and causes the Company to suffer serious losses, the director who participated in the resolution shall be liable to the Company; however, if it is proved that he or she has expressed dissenting opinions at the time of voting and recorded in the minutes of the meeting, such director shall be exempted from liability.</p>	<p>Article 48</p> <p>Where a written resolution signed by the directors is not formed in accordance with the statutory procedures, it shall not have the legal effect of a resolution of the Board of Directors even if each director has expressed his or her opinion in a different manner. If a resolution of the Board of Directors violates laws, administrative regulations or the Articles of Association or the resolution of the general meeting of shareholders and causes the Company to suffer serious losses, the director who participated in the resolution shall be liable to the Company; however, if it is proved that he or she has expressed dissenting opinions at the time of voting and recorded in the minutes of the meeting, such director shall be exempted from liability.</p>
<p>Article 51</p> <p>A director who fails to attend two consecutive meetings nor does not appoint other directors to attend the meeting shall be deemed unable to perform his or her duties and the Board of Directors shall recommend the general meeting of shareholders to replace him or her.</p>	<p>Article 49</p> <p>A director who fails to attend a meeting in person for two consecutive times nor does not appoint other directors to attend the meeting shall be deemed unable to perform his or her duties and the Board of Directors shall recommend the general meeting of shareholders to replace him or her. If an independent director fails to attend the meeting of the Board of Directors in person for three consecutive times, the Board of Directors shall propose to the general meeting of shareholders for replacement.</p>
<p>The numbering of the other articles shall be adjusted accordingly.</p>	

Except for the above amendments, the content of the other articles of the “Rules of Procedures of the Board of Directors” remains unchanged.

NOTICE OF 2022 ANNUAL GENERAL MEETING



北京北辰實業股份有限公司 BEIJING NORTH STAR COMPANY LIMITED

(A sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 588)

NOTICE OF 2022 ANNUAL GENERAL MEETING

Notice is hereby given that the 2022 annual general meeting (the “**2022 AGM**”) of Beijing North Star Company Limited (the “**Company**”) will be held at the Meeting Room One at 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the People’s Republic of China (the “**PRC**”) on Thursday, 11 May 2023 at 9:00 a.m. for the following resolutions:

SPECIAL RESOLUTIONS

1. “Amendments to the Articles of Association” of the Company.
2. “Amendments to the Rules of Procedures of the General Meetings” of the Company.
3. “Amendments to the Rules of Procedures of the Board of Directors” of the Company.
4. “The resolution on estimation of guarantee limit for the year of 2023” of the Company.
5. “The resolution on grant of general mandate for issuance of Shares” of the Company.
6. “The resolution on grant of general mandate for issuance of debt financing instruments” of the Company.

ORDINARY RESOLUTIONS

7. The financial report of the Company for the year of 2022 prepared in accordance with the PRC accounting standards and Hong Kong generally accepted accounting principles respectively.
8. The report of the Board of the Company for the year of 2022 prepared in accordance with the relevant regulations and requirements of the PRC and Hong Kong for disclosure in annual report respectively.
9. The report of the Supervisory Committee of the Company for the year of 2022.

NOTICE OF 2022 ANNUAL GENERAL MEETING

10. The scheme of profit distribution of the Company for the year of 2022.

As audited by PricewaterhouseCoopers Zhong Tian LLP, net profit attributable to holders of ordinary shares of the Company for the year of 2022 amounted to RMB-1,600,875,123, and 10% of the net profit as shown in the financial statement of the parent company, i.e. RMB2,035,258, was appropriated to the statutory surplus reserve. As at the end of 2022, the distributable profit of the parent company is RMB2,083,485,234. As at the end of 2022, no profit distribution will be made for the year 2022 nor will any other form of distribution including the scheme of capital reserve fund conversion be implemented.

11. “Duty Report of the Independent Directors for 2022” of the Company.
12. “The resolution on remuneration of the Directors” of the Company.
13. “The resolution on remuneration of the Supervisors” of the Company.
14. “The resolution on the re-appointment of the auditors for the year of 2023” of the Company.

As PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers performed their duties in a strict, objective, fair and independent way for the Company’s audit work in 2022, which demonstrated their excellent professional standards and professional ethics, it was proposed to approve and re-appoint PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers as the domestic and international auditors of the Company for the year 2023; their remuneration for the year 2023 shall not exceed the total remuneration paid by the Company for the year 2022 if the scope of audit remains the same as that in 2022, and shall be determined through negotiation between the Company and the auditors if there is any change in the scope of audit.

15. “The resolution on provision of financial assistance for the year of 2023” of the Company.

By order of the Board
BEIJING NORTH STAR COMPANY LIMITED
GUO Chuan
Executive Director and Company Secretary

Beijing, PRC, 4 April 2023

NOTICE OF 2022 ANNUAL GENERAL MEETING

Notes:

1. Any shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the meeting on his/her behalf in accordance with the articles of association of the Company. A proxy need not be a Shareholder of the Company.
2. In order to be valid, the proxy form for H Shareholders and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited with the Company’s H share registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the meeting (i.e. not later than 10 May 2023 at 9:00 a.m. (Hong Kong time)) or 24 hours before the time appointed for taking the poll.
3. A Shareholder or his proxy shall produce his own identity proof documentation when attending the meeting. A Shareholder attending the meeting in person shall produce (i) the document of his identity; and (ii) the evidence of his shareholding. A proxy who has been appointed to attend the meeting on behalf of others shall produce (i) the document of his identity; (ii) the proxy form; and (iii) the evidence of shareholding.

A corporate Shareholder shall be represented at the meeting by its legal representative, or the proxy appointed by the legal representative, or a proxy appointed by the board of directors or other governance body. If a corporate Shareholder appoints its legal representative to attend the meeting, the legal representative shall produce (i) the document of his identity; (ii) valid proof of his identity as a legal representative; and (iii) the evidence of shareholding. Where a proxy is appointed by the legal representative to attend the meeting on his behalf, the proxy shall produce (i) the document of his identity; (ii) the written proxy form duly issued by the legal representative of the corporate Shareholder; and (iii) the evidence of shareholding. Where a proxy is appointed to attend the meeting by the board of directors or other governance body of the corporate Shareholder, the proxy shall produce (i) the document of his identity; (ii) a notarially certified copy of the resolution or power of attorney of the corporate Shareholder; and (iii) the evidence of shareholding.

4. The register of Shareholders of the Company will be closed from Friday, 5 May 2023 to Thursday, 11 May 2023 (both days inclusive), during which no transfer of the Company’s shares will be registered. In order to be eligible to attend and vote at the 2022 AGM, all completed transfer documents relating to H shares, accompanied by the relevant share certificates, must be lodged with the H share registrar of the Company, Hong Kong Registrars Limited at Shops 1712–16, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 4 May 2023.
5. Shareholders whose names appear in the register of Shareholders on Friday, 5 May 2023 are entitled to attend and vote at the meeting.
6. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), all votes at the Shareholders’ general meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.
7. The 2022 AGM is not expected to take more than half a day. Shareholders or their proxies shall be responsible for their own travel and accommodation expenses.
8. Should there be any discrepancies between the Chinese and English versions of this notice, the Chinese version shall prevail.
9. As at the date of this notice, the Board comprises eight directors, of which Mr. LI Wei-Dong, Ms. LI Yun, Mr. YANG Hua-Sen, Ms. ZHANG Wen-Lei and Mr. GUO Chuan are executive Directors and Dr. CHOW Wing-Kin, Anthony, Mr. GAN Pei-Zhong and Mr. CHEN De-Qiu are independent non-executive Directors.