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If you are in doubt as to any aspect of this circular, 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 BAIC Motor Corporation Limited, you should disregard this circular and the proxy form.



北京汽車股份有限公司

BAIC MOTOR CORPORATION LIMITED*

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

(Stock Code: 1958)

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE SUBSCRIPTION
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE SHAREHOLDERS' MEETINGS
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE BOARD
AND
NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING**

**Independent financial adviser to the Independent Board Committee and
the Independent Shareholders**



A letter from the Board is set out on pages 5 to 20 of this circular.

The notice of the EGM to be held at 9:30 a.m. on Thursday, 17 October 2024 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC is set out on pages EGM-1 to EGM-3 of this circular. The form of proxy for use at the EGM is also published on the HKExnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company.

Whether or not you intend to attend the EGM, holders of H Shares of the Company are requested to complete the form of proxy in accordance with the instruction stated thereon and return it to the Hong Kong Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and for holders of Domestic Shares, the form of proxy shall be returned to the Board of Directors' Office of the Company at Room 3-038, Tower A, Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC. The form of proxy shall be returned not later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person should you so wish at the EGM or any adjournment thereof if they so wish.

* *For identification purposes only*

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DEFINITIONS

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

“ARCFOX Automotive”	Beijing BluePark ARCFOX Automotive Technology Co., Ltd.* (北京藍谷極狐汽車科技有限公司), a company with limited liability incorporated in the PRC, and a subsidiary of BAIC Group
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“BAIC BluePark”	BAIC BluePark New Energy Technology Co., Ltd.* (北汽藍谷新能源科技股份有限公司), a company limited by shares incorporated under the laws of the PRC, whose shares are listed on the Main Board of the Shanghai Stock Exchange, and a subsidiary of BAIC Group
“BAIC Group”	Beijing Automotive Group Co., Ltd.* (北京汽車集團有限公司), a state-owned enterprise incorporated in the PRC, the sole controlling shareholder of the Company
“BJEV”	Beijing Electric Vehicle Co., Ltd.* (北京新能源汽車股份有限公司), a company limited by shares incorporated under the laws of PRC, and a non-wholly owned subsidiary of BAIC Group
“Board”	the board of directors of the Company
“CBEX”	China Beijing Equity Exchange Co., Ltd.* (北京產權交易所有限公司), an institution authorised by the State-owned Assets Supervision and Administration Commission for transaction of assets and equity of state-owned enterprises
“Company”	BAIC Motor Corporation Limited* (北京汽車股份有限公司), a company limited by shares duly incorporated under the laws of the PRC, whose H Shares are listed on the Hong Kong Stock Exchange
“Company Law”	Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“EGM”	the 2024 third extraordinary general meeting of the Company to be convened and held for, among other things, consideration and (if thought fit) approval of the Subscription
“Framework Agreement”	the conditional share subscription agreement dated 2 September 2024 entered into between the Company and BJEV in relation to the Subscription after market closes
“Gram Capital” or “Independent Financial Adviser”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), who has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Framework Agreement and the Subscription contemplated thereunder
“Group”	the Company and its subsidiaries
“Guidelines on AoA”	Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》)
“H Share(s)”	overseas listed foreign share(s) in the ordinary share capital of the Company with a nominal value of RMB1.00 each, to be subscribed for and traded in Hong Kong dollars and listed and traded on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Independent Board Committee”	an independent committee of the Board comprising all independent non-executive Directors, namely, Ms. Yin Yuanping, Mr. Xu Xiangyang, Mr. Tang Jun, Mr. Edmund Sit and Mr. Ji Xuehong, which was established to advise the Independent Shareholders in relation to the Framework Agreement and the Subscription contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting on the resolution to be proposed at the EGM in relation to the Framework Agreement and the Subscription contemplated thereunder
“Independent Valuer”	Beijing Pan-China Assets Appraisal Co., Ltd.* (北京天健興業資產評估有限責任公司), an independent professional valuer jointly engaged by BAIC BluePark and BJEV
“Latest Practicable Date”	25 September 2024, being the latest practicable date prior to the finalisation of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Mandatory Provisions”	Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》)
“New Regulations”	Decision of the State Council to Repeal Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and supporting guidelines
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedures for the Board”	the rules of procedures for the Board of the Company, as amended from time to time
“Rules of Procedures for the Shareholders’ Meetings”	the rules of procedures for the shareholders’ meetings of the Company, as amended from time to time
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share Issuance”	the proposed issuance by BJEV via (i) the Subscription to the Company; and (ii) a public tender on the CBEX to subscriber(s)
“Shareholder(s)”	the shareholder(s) of the Company
“Shares”	Domestic Share(s) and H Share(s)
“Special Regulations”	Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》)
“State Council”	the State Council of the PRC
“Strategy and Sustainability Committee”	the strategy and sustainability committee under the Board
“Subscription”	the subscription by the Company of the Subscription Shares to be issued by BJEV under the Share Issuance
“Subscription Share(s)”	share(s) of BJEV proposed to be issued to the Company under the Subscription
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Valuation Report”	the valuation report prepared by the Independent Valuer on the appraised net asset value per share of BJEV as at 31 December 2023 using the market approach
“%”	percent

Certain amounts and percentage figures in this circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables and charts may not be an arithmetic aggregation of the figures preceding them.

LETTER FROM THE BOARD



北京汽車股份有限公司
BAIC MOTOR CORPORATION LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1958)

Directors:

Name	Position
Mr. Chen Wei	<i>Chairman of the Board and Non-executive Director</i>
Mr. Hu Hanjun	<i>Non-executive Director</i>
Mr. Chen Hongliang	<i>Non-executive Director</i>
Mr. Song Wei	<i>Executive Director</i>
Mr. Ye Qian	<i>Non-executive Director</i>
Mr. Paul Gao	<i>Non-executive Director</i>
Mr. Kevin Walter Binder	<i>Non-executive Director</i>
Mr. Gu Tiemin	<i>Non-executive Director</i>
Mr. Sun Li	<i>Non-executive Director</i>
Ms. Yin Yuanping	<i>Independent non-executive Director</i>
Mr. Xu Xiangyang	<i>Independent non-executive Director</i>
Mr. Tang Jun	<i>Independent non-executive Director</i>
Mr. Edmund Sit	<i>Independent non-executive Director</i>
Mr. Ji Xuehong	<i>Independent non-executive Director</i>

Registered Address:

A5-061, Unit 101
5th Floor, Building No. 1
Courtyard No. 99
Shuanghe Street
Shunyi District
Beijing 101300
the PRC

Headquarter:

No. 99 Shuanghe Street
Shunyi District
Beijing 101300
the PRC

*Principal place of
business in Hong Kong:*

31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

To the Shareholders,

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE SUBSCRIPTION
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE SHAREHOLDERS' MEETINGS
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
FOR THE BOARD
AND
NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

The Company intends to hold the EGM at 9:30 a.m. on Thursday, 17 October 2024 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC. The notice to convene the EGM is set out on pages EGM-1 to EGM-3 of this circular.

* For identification purposes only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details of the resolutions to be proposed to consider and approve as ordinary resolutions and a special resolution at the EGM and provide all the information reasonably required to enable you to make an informed decision on whether to vote for or against or abstain from voting on those resolutions. Such resolutions and details are set out in the letter from the Board.

II. MATTERS TO BE RESOLVED AT THE EGM

ORDINARY RESOLUTIONS

1. Discloseable and Connected Transaction in relation to the Subscription

(1) Framework Agreement

As disclosed in the announcement of the Company dated 2 September 2024, after market closes on the same date, the Company and BJEV, a non-wholly owned subsidiary of BAIC Group (being the sole controlling shareholder of the Company), entered into the Framework Agreement, pursuant to which the Company conditionally agreed to subscribe for the Subscription Shares to be issued by BJEV under the Share Issuance at a price per Subscription Share of approximately RMB2.3815, representing the appraised net asset value per share of BJEV based on the Valuation Report as filed with the competent organisation. The total subscription price shall be RMB2 billion.

Considering that BJEV contemplates to issue shares to investors other than the Company through the public tender on the CBEX and the Company will not participate in the public tender by BJEV, upon completion of the Share Issuance, the Subscription Shares will represent not less than 5.30% but not more than 7.22% of the enlarged total number of issued shares of BJEV. The Subscription and the public tender by BJEV are not inter-conditional.

The principal terms of the Framework Agreement are as follows:

Date:	2 September 2024 (after market closes)
Parties:	(1) the Company; and (2) BJEV
Conditions precedent:	Unless otherwise agreed upon by both parties, the closing of the Subscription is conditional upon the satisfaction, or waiver by the party entitled to grant such waiver (as permitted under applicable laws, rules and regulations), of the following conditions:

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- (1) all internal approval procedures and formalities for the authorisation of the Share Issuance having been fulfilled by BJEV and its shareholders;
- (2) all internal approval procedures and formalities for the authorisation of the Subscription, including but not limited to approval by the Independent Shareholders, having been fulfilled by the Company;
- (3) regulatory formalities in connection with the Share Issuance and the Subscription as required by the competent state-owned assets supervision and management authorities, or organisations authorised by them, having been completed by the parties; and
- (4) other conditions precedent to the closing of the Subscription as stipulated under the formal subscription agreement.

The Subscription and the public tender by BJEV are not inter-conditional.

As at the Latest Practicable Date, save for the conditions precedent referred to in (1) and (3) above, none of the conditions precedent have been satisfied.

Total subscription price:	RMB2 billion
Price per Subscription Share and basis of consideration:	The price per Subscription Share represents the appraised net asset value per share of BJEV based on the Valuation Report (i.e., approximately RMB2.3815 per Subscription Share).
Number of Subscription Shares:	The total number of Subscription Shares shall equal the total subscription price payable by the Company divided by the price per Subscription Share, subject to rounding adjustments (i.e., approximately 839,806,844 shares in BJEV).
Payment arrangements:	The total subscription price shall be paid in cash in full to an account designated by BJEV upon the closing of the Subscription.

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Formal agreement: Parties shall enter into a formal subscription agreement in accordance with the then-applicable laws and regulations related to state-owned asset supervision and management. The terms of the formal subscription agreement shall not be inconsistent with the terms of the Framework Agreement.

Closing

The Company shall pay the total subscription price and BJEV shall issue the relevant share certificate to the Company at the closing of the Subscription.

(2) Information on BJEV

BJEV was established in October 2009 and its direct controlling shareholder is BAIC BluePark, which is listed on the Main Board of the Shanghai Stock Exchange. BJEV is mainly engaged in the production and sale services of passenger electric vehicles. As at the Latest Practicable Date, BJEV is owned as to approximately 99.99% and 0.01% by BAIC BluePark, a non-wholly owned subsidiary of BAIC Group, and ARCFOX Automotive, a wholly-owned subsidiary of BAIC BluePark, respectively. BJEV is a subsidiary of BAIC Group.

The following table sets forth the financial information of BJEV for the two years ended 31 December 2023 and the six months ended 30 June 2024 prepared in accordance with the China Accounting Standards for Business Enterprises:

	Year ended	Six months
	31 December	ended
	2022	30 June 2024
	<i>(Audited)</i>	<i>(Audited)</i>
	<i>(RMB million)</i>	
Profit/(loss) before taxation and extraordinary items	(2,953.58)	(1,131.55)
Profit/(loss) after taxation and extraordinary items	(2,543.14)	(1,124.27)

As at 30 June 2024, the book value of the audited total assets of BJEV was approximately RMB29.105 billion, and the book value of owner's equity attributable to the parent company was RMB5.672 billion. According to the Valuation Report, the entire equity of BJEV was appraised at approximately RMB25.716 billion as at 31 December 2023 using the market approach.

LETTER FROM THE BOARD

(3) *Valuation of BJEV*

The Valuation Report was prepared by the Independent Valuer based on the market approach. Please refer to the summary of the Valuation Report as set out in Appendix I to this circular, which includes, inter alia, further details on the reasons for the adoption of the market approach adopted by the Independent Valuer, the scope of the valuation and the valuation result.

The Directors have reviewed the experience and qualification of the Independent Valuer and considered that the Independent Valuer has sufficient experience and qualification to perform the valuation of BJEV. The Directors also noted that the Independent Valuer has confirmed its independence as referred to in the paragraph headed “EXPERTS’ QUALIFICATION AND CONSENT” of Appendix II to this circular.

The Directors have considered the methodology, key assumptions and parameters adopted in the valuation of BJEV, including:

- (i) BJEV is engaged in new energy automobile business. The market approach, the methodology of which is detailed in the section headed “Appendix I – Summary of Valuation Report – VIII. Conclusion of Valuation and Rationale of the Selection – (i) Market Approach” of this circular, was used to benchmark the enterprise value with comparable companies and appropriate adjustments have been conducted, price-to-book ratio, enterprise value-to-sales ratio and enterprise value-to-total assets ratio were selected as the value multiple as they are commonly used to benchmark similar business in a mature industry, as such, the Directors considered such methodology to be objective and appropriate. Despite that the Company has no access to the comparable companies and the corresponding data used by the Independent Valuer, the Company is of the view that the appraised net asset value per share of BJEV based on the Valuation Report is fair and reasonable as the PBR and PSR calculated based on the appraised value is within the market range independently calculated by the Company as detailed in the section headed “Reasons for and Benefits of the Subscription and Basis of consideration” below;
- (ii) the Directors have reviewed the key assumptions adopted in the valuation of BJEV as set out in “Appendix I – Summary of Valuation Report – X. Assumptions of Valuation” to this circular, including BJEV’s going concern status, stable regulatory and operational environment and marketability of its shares, which are common business valuation assumptions, and consider them to be fair and appropriate in the circumstances; and

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- (iii) the Directors have reviewed the Independent Valuer's reasons for value ration selection as set out in "Appendix I – Summary of Valuation Report – VIII. Conclusion of Valuation and Rationale of the Selection – (i) Market Approach" to this circular and considered parameters contained therein to be objective and appropriate.

In view of the above, the Directors considered that the methodology, key assumptions and parameters adopted in the valuation of BJEV are fair and reasonable.

(4) *Information on the Company*

The Company was established in September 2010, and its H shares were listed on the Main Board of the Hong Kong Stock Exchange in December 2014. As at the Latest Practicable Date, approximately 46.37% of the equity interest in the Company is directly owned by BAIC Group, which is the controlling shareholder of the Company and ultimately owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality. The Company's brands cover joint venture premium passenger vehicles, joint venture premium multi-purpose passenger vehicles, joint venture mid- to high-end passenger vehicles, proprietary brand passenger vehicles and other vehicles, which can maximally satisfy various customers' demands.

(5) *Reasons for and Benefits of the Subscription and Basis of Consideration*

Reasons for and Benefits of the Subscription

Currently, the domestic new energy industry is thriving, with growth momentum continuing to rise. The sales of new energy vehicles in China have maintained rapid growth. As at 30 June 2024, the domestic new energy market share reached 35.2%. In terms of the new energy sector, after a new round of reshuffling, the long-term competitive advantages of traditional car companies have become prominent.

After years of development, BJEV has established competitive strength in core battery, electric motor and electric control technologies and smart network technology of pure electric vehicles and others, and has established and formed a system of research, production, sales and services of the whole value chain in pure electric passenger vehicles.

BJEV has established deep cooperative relationships with well-known companies such as Magna and Huawei, creating models such as ARCFOX and Huawei Smart Selection and producing platform-based pure electric models in collaboration with the Company. Simultaneously, BJEV continues to deepen comprehensive cooperation with Huawei with the high-end intelligent factory established in Beijing commences production in 2024.

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This factory will be dedicated to creating the premium intelligent new energy vehicle brand Xiangjie, which will lead BJEV into a new phase of rapid development.

The Subscription will help the Company to further invest in the new energy passenger vehicle sector, share the development returns, and leverage the synergies of strategic resources in relation to new energy passenger vehicles.

Basis of Consideration

The Company is of the view that the terms of the Subscription (including the price per Subscription Share and the number of Subscription Shares) are fair and reasonable for the Shareholders and the Company as a whole having considered the following factors:

a) Comparable companies

The Company has compared the price-to-book ratio (the “PBR”) and price-to-sales ratio (the “PSR”) of BJEV with certain comparable companies and noted that the PBR and PSR of BJEV are within market range. The following table sets forth the PBR and PSR of BJEV and the comparable companies for the year ended 31 December 2023:

Comparable company	Place of listing	Business description	PBR	PSR
Seres Group Co., Ltd (賽力斯集團股份有限公司)	PRC (stock code: 601127)	A China-based company principally engaged in the research and development, production, sales and service of complete vehicles, engines and parts. ⁽¹⁾	12.38 ⁽³⁾	3.20 ⁽³⁾
Anhui Jianghuai Automobile Group Corp., Ltd. (安徽江淮汽車集團股份有 限公司)	PRC (stock code: 600418)	A China-based company principally engaged in the development, manufacturing and sales of automobile chassis, gearboxes and other automobile parts. ⁽¹⁾	2.67 ⁽³⁾	0.78 ⁽³⁾
NIO Inc. (蔚來集團)	Hong Kong (stock code: 9866) U.S. (stock code: NIO) Singapore (stock code: NIO)	A China-based holding company principally engaged in the research and development and manufacturing of premium smart electric vehicles. ⁽²⁾	4.39 ⁽³⁾	2.01 ⁽³⁾

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Comparable company	Place of listing	Business description	PBR	PSR
Zhejiang Leapmotor Technology Co., Ltd. (浙江零跑科技股份有限公司)	Hong Kong (stock code: 9863)	A China-based company mainly engaged in the research and development, manufacturing and sales of new energy vehicles. ⁽²⁾	3.46 ⁽³⁾	2.58 ⁽³⁾
XPeng Inc. (小鹏汽车有限公司)	Hong Kong (stock code: 9868) U.S. (stock code: XPEV)	A China-based company engaged in design, development, production and sales of smart electric vehicles. ⁽²⁾	3.37 ⁽³⁾	3.16 ⁽³⁾
BAIC BluePark	PRC (stock code: 600733)	A China-based company principally engaged in the research and development, production, sales and service of new energy pure electric vehicles and core components. ⁽¹⁾	5.43 ⁽³⁾	2.39 ⁽³⁾
Range for comparable companies			2.67 to 12.38	0.78 to 3.20
Average for comparable companies			5.28	2.35
BJEV		-	3.76	1.69

Source of information:

- (1) <https://www.cninfo.com.cn/>
- (2) Hong Kong Stock Exchange website
- (3) <https://www.wind.com.cn/>

As shown in the above, the PBR and PSR of BJEV are at the lower range for the above comparable companies, which signifies that the price per Subscription Share as well as the total subscription price are fair and reasonable as compared to the value of the shares of the peers of BJEV. Despite that the PBR and PSR ranges for the comparable companies are large, the Company is of the view that comparing the PBR and PSR of BJEV against those of the comparable companies is meaningful for the following reasons:

- (a) as shown in the above table, the PBR and PSR of BJEV are below the average for the comparable companies, which signifies that the amount the Company is paying for the Subscription Shares is for better value than the average price of the comparable companies; and

LETTER FROM THE BOARD

- (b) if the comparable companies with the highest and lowest PBR and PSR are eliminated as outliers, the range of PBR and PSR will be 3.37 to 5.43 and 2.01 to 3.16, respectively. The PBR of BJEV is within this range, which signifies that the amount the Company is paying for the Subscription Shares is still comparable to the price of the comparable companies. The PSR of BJEV is below this range, which signifies that the amount the Company is paying for the Subscription Shares is for better value than the comparable companies.

The above comparable companies were selected based on the following selection criteria and have included all companies that are listed on the Shanghai Stock Exchange as well as companies that are listed on the Hong Kong Stock Exchange that satisfy the following criteria:

- (a) the operating income from sale of vehicles of between RMB10 billion to RMB50 billion in the year ended 31 December 2023;
- (b) the sales volume of new energy passenger cars of between 50,000 to 200,000 units in the year ended 31 December 2023; and
- (c) the sales volume of new energy passenger cars accounted for more than 50% of the company's total sales volume for the year ended 31 December 2023.

Having considered (i) the principal business of the comparable companies; and (ii) the sales volume of new energy passenger cars as a percentage of the comparable companies' total sales volume, the Company is of the view that the selection of the comparable companies is fair and reasonable and provides the Company meaningful reference in the process of determining the fairness and reasonableness of the terms of the Subscription. Despite that the comparable companies had a higher operating income from the sale of vehicles and the sales volume of new energy passenger than those of BJEV for the year ended 31 December 2023, the Company is of the view that the comparison of the PBR and PSR of BJEV against the comparable companies is meaningful as the comparable companies are relatively more mature companies that have had a longer standing and operating record in the new energy vehicle sector as compared to BJEV while BJEV is currently experiencing significant growth as detailed in the paragraph headed "b) Growth rate of BJEV" below and on track to developing a market share that is more comparable with its peers.

Comparing PBR, PSR and price-to-earnings ratios are commonly adopted approaches in valuing a company. The price-to-earnings ratio was not used in the comparison because BJEV was loss-making for the year ended 31 December 2023.

LETTER FROM THE BOARD

b) Growth rate of BJEV

BJEV has experienced significant growth since 2021. For the eight months ended 31 August 2024, BJEV had a total sales volume of 52,068 vehicles, representing a growth of approximately 12.15% as compared to the eight months ended 31 August 2023. In August 2024 alone, BJEV had a sales volume of 13,076 vehicles, representing an increase of approximately 65.98% of the total sales volume in August 2023. Such significant increase was primarily attributable to the high sales volume of ARCFOXαT5, BJEV's latest mid-sized SUV model which currently ranks 8th in terms of sales volume in the PRC. Sales per shop also increased by 90% from the six months ended 30 June 2023 to the six months ended 30 June 2024. In terms of production volume, for the eight months ended 31 August 2024, BJEV manufactured 42,527 vehicles, representing a growth of approximately 388.09% as compared to the eight months ended 31 August 2023. In the next three years, BJEV also plans to introduce new vehicle models to expand its product offering.

Furthermore, BJEV, together with one of the largest global provider of information and communications technology infrastructure and smart devices, have jointly developed STELATO S9, a panoramic smart flagship sedan, being the first domestic vehicle to be equipped with the Hongmeng Zhixing ADS 3.0. Within the 20 days from the launch of STELATO S9, BJEV received over 8,000 orders, demonstrating the strong competitiveness of BJEV products and their strong potential for future development.

c) Valuation Report

The Independent Valuer is an independent and qualified valuer in the PRC and has a track record of performing similar valuations for state-owned enterprises. The Independent Valuer has also confirmed that it is independent from, and has no conflict of interest with, BJEV. The Company is also not aware of situations or circumstances which would lead to the Company casting doubt on the accuracy or reliability of the Valuation Report.

d) Same terms as independent investors

The offer price per share in BJEV offered to independent investors by BJEV through public tender on the CBEX was also determined solely with reference to the Valuation Report (i.e., the same basis for the price per Subscription Share). Therefore, the price per Subscription Share is no less favourable than the price being offered to independent investors by BJEV via the public tender on the CBEX. In particular, given the Subscription and the Share Issuance by BJEV via the CBEX are not inter-conditional, the investors who subscribe for the shares in BJEV through the CBEX would also be diluted to a certain degree when the Subscription is completed.

LETTER FROM THE BOARD

Having considered the above factors, the Company is of the view that the terms of the Subscription are fair and reasonable.

(6) Listing Rules Implications

As at the Latest Practicable Date, BJEV is a non-wholly owned subsidiary of BAIC Group (the sole controlling shareholder of the Company) and is therefore an associate of BAIC Group and, hence, a connected person of the Company. Accordingly, the Subscription will constitute a connected transaction of the Company. As one or more of the applicable percentage ratios in relation to the Subscription is more than 5% but are all less than 25%, the Subscription will constitute a discloseable and connected transaction of the Company and will therefore be subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

Considering that each of BAIC Group and Mercedes-Benz Group AG, each being a Shareholder, indirectly holds shares of BJEV, the Directors designated by them, namely Mr. Chen Wei, Mr. Hu Hanjun, Mr. Chen Hongliang, Mr. Paul Gao and Mr. Kevin Walter Binder, are considered to be materially interested in the Subscription. As a result, each of Mr. Chen Wei, Mr. Hu Hanjun, Mr. Chen Hongliang, Mr. Paul Gao and Mr. Kevin Walter Binder has abstained from voting on the Board resolution for approving the Subscription. Save for the above Directors, none of the other Directors has any interest in the Subscription.

2. Proposed Appointment of Non-Executive Director

Reference is made to the announcement of the Company dated 26 August 2024 in relation to the proposed appointment of non-executive Director and member of the Strategy and Sustainability Committee.

The Board at the meeting held on 26 August 2024 resolved to propose to appoint Mr. Peng Jin as a non-executive Director and a member of the Strategy and Sustainability Committee for a term commencing from the date of approval by the Shareholders at the EGM until the expiration of the term of the fifth session of the Board.

The biographical details of Mr. Peng Jin required to be disclosed under Rule 13.51(2) of the Listing Rules are as follows:

Mr. Peng Jin (彭進), born in September 1977, holds a master's degree in business administration. He is currently the head of operation and management department/digital safety and management department of BAIC Group.

Mr. Peng Jin has over 20 years of experience in the automobile industry. Since 1999, he has served as the sales manager of the domestic sales department of the Shanghai branch and the Beijing branch of Jiaxing Hantai Tire Sales Joint Stock Co., Ltd. (嘉興韓泰輪胎銷售聯合有限公司), the parts planner of the after-sales services

LETTER FROM THE BOARD

department of the sales headquarters of Beijing Hyundai Motor Co., Ltd. (北京現代汽車有限公司), the chief of marketing section of Beijing Hyundai Mobis Parts Co., Ltd. (北京現代摩比斯汽車配件有限公司), the deputy general manager and finance director of Beijing Hantai Auto Parts Co., Ltd. (北京韓太汽車部件有限公司), the head of the party and mass work department and the vice chairman of the labour union of BAIC ROCAR Automobile Services & Trade Co., Ltd. (北京北汽鵬龍汽車服務貿易股份有限公司), the assistant to the manager of the office, the deputy director of the office, the director of the group office, the deputy secretary of the party committee of the headquarters, the chairman of the labour union, and the director of the party committee office/group office of BAIC Group and other positions.

Save as disclosed above, Mr. Peng Jin confirmed that, (1) he does not hold any other positions in the Company or any of its subsidiaries and also has not served as a director in any other listed companies in the past three years; (2) he does not have any relationship with any other directors, supervisors, senior management or substantial or controlling shareholders of the Company or any of its subsidiaries; and (3) he does not have any interest in any shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as at the Latest Practicable Date.

Save as disclosed above, Mr. Peng Jin confirmed that, there is no other information that needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there are no other matters concerning the appointment of Mr. Peng Jin as the non-executive Director that need to be brought to the attention of the Shareholders.

If the proposed appointment of Mr. Peng Jin as a non-executive Director is approved at the EGM, the Company will enter into relevant Director's service contract with him as soon as possible. Mr. Peng Jin will not receive any remuneration from the Company for his role as a non-executive Director.

3. Proposed Amendments to the Rules of Procedures for the Shareholders' Meetings

Reference is made to the announcement of the Company dated 20 September 2024, in respect of the proposed amendments to the Rules of Procedures for the Shareholders' Meetings.

Pursuant to the proposed amendments to the Articles of Association as mentioned below, the Board resolved to propose to make amendments to the Rules of Procedures for the Shareholders' Meetings accordingly.

The amended Rules of Procedures for the Shareholders' Meetings will become effective from the date of approval by the Shareholders at the EGM. Prior to that, the existing Rules of Procedures for the Shareholders' Meetings shall remain effective.

The details of specific proposed amendments are set out in Appendix IV to this circular.

LETTER FROM THE BOARD

4. Proposed Amendments to the Rules of Procedures for the Board

Reference is made to the announcement of the Company dated 20 September 2024, in respect of the proposed amendments to the Rules of Procedures for the Board.

Pursuant to the proposed amendments to the Articles of Association as mentioned below, the Board resolved to propose to make amendments to the Rules of Procedures for the Board accordingly.

The amended Rules of Procedures for the Board will become effective from the date of approval by the Shareholders at the EGM. Prior to that, the existing Rules of Procedures for the Board shall remain effective.

The details of specific proposed amendments are set out in Appendix V to this circular.

SPECIAL RESOLUTION

5. Proposed Amendments to the Articles of Association

Reference is made to the announcement of the Company dated 20 September 2024, in respect of the proposed amendments to the Articles of Association.

On 17 February 2023, the State Council and the China Securities Regulatory Commission issued the New Regulations, with effect from 31 March 2023. As at the effective date of the New Regulations, the Special Regulations and the Mandatory Provisions shall also be repealed simultaneously. Under the New Regulations, PRC issuers shall formulate the articles of association with reference to the Guidelines on AoA. Given the above changes, the Hong Kong Stock Exchange has made consequential amendments to the Listing Rules with effect from 1 August 2023 to reflect the New Regulations.

Besides, the newly revised Company Law has taken effect on 1 July 2024. The consultation conclusions to the “Proposed Amendments to Listing Rules Relating to Treasury Shares” published by the Hong Kong Stock Exchange in April 2024 also came into effect on 11 June 2024.

Given the above, the Board resolved to propose to make amendments to the Articles of Association in order to (i) remove such provisions that are obsolete as a result of the repeal of the Special Regulations and the Mandatory Provisions; (ii) reflect the New Regulations; (iii) further embody certain requirements of the Guidelines on AoA and the Company Law; (iv) allow the Company to hold treasury shares and so on.

The amended Articles of Association will become effective from the date of approval by the Shareholders at the EGM. Prior to that, the existing Articles of Association shall remain effective.

LETTER FROM THE BOARD

The details of specific proposed amendments are set out in Appendix III to this circular.

III. VOTES BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the EGM must be taken by poll. Therefore, the resolutions set out in the notice of the EGM shall be voted by poll. Votes may be given either in person or by proxy. Results of the poll voting will be published on the HKEXnews website of the Hong Kong Stock Exchange at www.hkexnews.hk and the website of the Company after the conclusion of the EGM.

In accordance with the Listing Rules, BAIC Group, Mercedes-Benz Group AG and Beijing Industrial Development Investment Management Co., Ltd.* (北京工業發展投資管理有限公司), each being a Shareholder, indirectly holds shares in BJEV, and therefore are deemed to have material interests in the Subscription. Therefore, BAIC Group, Mercedes-Benz Group AG and Beijing Industrial Development Investment Management Co., Ltd. and their respective associates are required to abstain from voting on the resolution in relation to the Subscription at the EGM. As at the Latest Practicable Date, BAIC Group, Mercedes-Benz Group AG and Beijing Industrial Development Investment Management Co., Ltd. and their respective associates, directly and indirectly, held 3,716,659,704 Domestic Shares, 765,818,182 H Shares and 50,107,627 Domestic Shares (representing approximately 46.37%, 9.55% and 0.63% of the total issued share capital of the Company), respectively.

To the best knowledge of the Directors and having made all reasonable enquiries, save for the above Shareholders and their respective associates, no Shareholders have material interests in the abovementioned matters and are required to abstain from voting on the relevant resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

IV. RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out in this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Framework Agreement and the Subscription contemplated thereunder; and (ii) the letter from Gram Capital set out in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders on the aforesaid matters, as well as the principal factors and reasons taken into account by Gram Capital in arriving at its advice.

The Board (excluding the Directors who have abstained from voting as more particularly described above and the independent non-executive Directors whose opinions are given in the letter from the Independent Board Committee contained in this circular, after taking into account the advice from the Independent Financial Adviser) is of the view that while the Subscription is not conducted in the ordinary and usual course of business of the Company, the terms and conditions of the Framework Agreement are on normal commercial terms or better terms, fair and reasonable, and are in the interests of the Company and the Shareholders taken as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

In addition, the Board considers that the other resolutions are also in the interests of the Company and the Shareholders taken as a whole, and thereby recommends the Shareholders to vote in favour of the other resolutions at the EGM.

V. THE EGM

The EGM will be held at 9:30 a.m. on Thursday, 17 October 2024 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC. The notice of the EGM together with the form of proxy applicable to the EGM has been published on the HKEXnews website of the Hong Kong Stock Exchange and the website of the Company.

Whether you wish to attend the EGM or not, holders of H Shares are requested to complete the form of proxy in accordance with the instructions stated thereon and return the same to the Hong Kong H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and for holders of Domestic Shares, the form of proxy shall be returned to the Board of Directors' Office at Room 3-038, Tower A, Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC as soon as possible but in any event no later than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish.

LETTER FROM THE BOARD

VI. CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements of the Shareholders to attend the EGM, the register of members of the Company will be closed from Monday, 14 October 2024 to Thursday, 17 October 2024 (both days inclusive), during which period no transfer of Shares will be effected. To be eligible to attend and vote at the EGM, all transfer documents must be lodged with the H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares no later than 4:30 p.m. on Thursday, 10 October 2024 or China Securities Depository and Clearing Corporation Limited at 23 Floor, Shenzhen Stock Exchange Square, Futian District, Shenzhen, Guangdong Province, the PRC for holders of Domestic Shares no later than 4:00 p.m. on Thursday, 10 October 2024.

By Order of the Board
BAIC Motor Corporation Limited
Chen Wei
Chairman of the Board

30 September 2024



北京汽車股份有限公司
BAIC MOTOR CORPORATION LIMITED*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1958)

30 September 2024

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE SUBSCRIPTION**

We refer to the circular of the Company dated 30 September 2024 (the “**Circular**”) of which this letter forms a part. Terms defined in the Circular shall have the same meanings when used in this letter unless the context otherwise requires.

We have been appointed by the Board to advise the Independent Shareholders as to whether the Framework Agreement and the Subscription contemplated thereunder are entered into in accordance with normal commercial terms, are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders taken as a whole.

Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the Framework Agreement and the Subscription contemplated thereunder are entered into in accordance with normal commercial terms, are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders taken as a whole. The letter from Gram Capital containing its recommendations and the principal factors it has taken into account in arriving at its recommendations is set out on pages 5 to 20 of the Circular.

Independent Shareholders are recommended to read the letter from Gram Capital, the letter from the Board contained in the Circular as well as the additional information set out in the Appendix II to the Circular.

* *For identification purposes only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms and conditions of the Framework Agreement and the Subscription contemplated thereunder, the interests of the Independent Shareholders and the advice of Gram Capital, we are of the opinion that while the entering into of the Framework Agreement is not in the ordinary and usual course of business of the Company, the Framework Agreement was entered into after arm's length negotiation and is on normal commercial terms, and the terms of the Subscription contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders taken as a whole. We therefore recommend the Independent Shareholders to vote in favor of the relevant resolution to be proposed at the EGM to approve the Framework Agreement and the Subscription contemplated thereunder.

Yours faithfully,
For and on behalf of
Independent Board Committee

Ms. Yin Yuanpin <i>Independent Non-executive Director</i>	Mr. Xu Xiangyang <i>Independent Non-executive Director</i>	Mr. Tang Jun <i>Independent Non-executive Director</i>
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Mr. Edmund Sit <i>Independent Non-executive Director</i>	Mr. Ji Xuehong <i>Independent Non-executive Director</i>
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LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

30 September 2024

*To: The independent board committee and the independent shareholders
of BAIC Motor Corporation Ltd.**

Dear Sir/ Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE SUBSCRIPTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 30 September 2024 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 2 September 2024 (the “**Framework Agreement Date**”), the Company and BJEV entered into the Framework Agreement, pursuant to which the Company conditionally agreed to subscribe for the Subscription Shares to be issued by BJEV under the Share Issuance for a total subscription price of RMB2 billion, representing a price of approximately RMB2.3815 per Subscription Share. BJEV also contemplates to issue shares to investors other than the Company through public tender on the CBEX and the Company will not participate in the public tender by BJEV. For the avoidance of doubt, the Subscription and the public tender by BJEV are not inter-conditional.

With reference to the Board Letter, the Subscription constitutes discloseable and connected transaction of the Company and is therefore subject to the reporting, announcement, circular and independent Shareholders’ approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Ms. Yin Yuanping, Mr. Xu Xiangyang, Mr. Tang Jun, Mr. Edmund Sit and Mr. Ji Xuehong (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Subscription are on normal commercial terms and are fair and reasonable; (ii) whether the Subscription is in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the the

LETTER FROM GRAM CAPITAL

Subscription at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, Gram Capital was engaged as independent financial adviser in respect of (i) the Company's major and continuing connected transactions with details set out in the Company's circular dated 24 May 2023; and (ii) the Company's connected transaction with details set out in the Company's circular dated 6 May 2024. Save for the aforesaid engagements, there was no other service provided by Gram Capital to the Company during the past two years immediately preceding the Latest Practicable Date. Notwithstanding the aforesaid engagements, we were not aware of any relationship or interest between Gram Capital and the Company or any other parties during the past two years immediately preceding the Latest Practicable Date that could be reasonably regarded as a hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

Having considered the above and that none of the circumstances as set out under Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the management of the Company (the "**Management**"). We have assumed that all information and representations that have been provided by the Management, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Management, which have been provided to us. Our opinion is based on the Management's representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Subscription. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

We have not made any independent evaluation or appraisal of the assets and liabilities of BJEV, and we have not been furnished with any such evaluation or appraisal, save as and except for the Valuation Report prepared by the Independent Valuer, the summary of which is set out in Appendix I to the Circular.

LETTER FROM GRAM CAPITAL

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, BJEV or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Subscription, we have taken into consideration the following principal factors and reasons:

Background of the Subscription

Information on the Group

With reference to the Board Letter, the Company was established in September 2010, and its H shares were listed on the Main Board of the Hong Kong Stock Exchange in December 2014. The Group is principally engaged in the research and development, manufacturing, sales and after-sales services of passenger vehicles. The Company's brands cover joint venture premium passenger vehicles, joint venture premium multi-purpose passenger vehicles, joint venture mid-to high-end passenger vehicles, proprietary brand passenger vehicles and other vehicles, which can maximally satisfy various customers' demands.

LETTER FROM GRAM CAPITAL

Set out below is a summary of the consolidated financial information of the Group for the two years ended 31 December 2023 and for the six months ended 30 June 2024 (together with comparative figures), as extracted from the Company's annual report for the year ended 31 December 2023 (the “**2023 Annual Report**”) and the Company's interim results announcement for the six months ended 30 June 2024 (“**2024 IR Announcement**”):

	For the six months ended 30 June 2024 RMB'000 (unaudited)	For the six months ended 30 June 2023 RMB'000 (unaudited)	Year-on-year change %	For the year ended 31 December 2023 RMB'000 (audited)	For the year ended 31 December 2022 RMB'000 (audited)	Year-on-year change %
Revenue	94,322,292	99,047,066	(4.77)	197,949,177	190,462,586	3.93
– Oil-powered vehicles	89,961,975	92,364,754	(2.60)	182,697,170	182,499,415	0.11
– New energy vehicles	4,360,317	6,682,312	(34.75)	15,251,998	7,963,171	91.53
Gross profit	18,686,757	20,566,103	(9.14)	40,070,462	42,334,207	(5.35)
Profit for the year/ period	6,866,298	8,551,305	(19.70)	13,626,309	16,335,302	(16.58)

As illustrated in the above table, the Group's revenue for the year ended 31 December 2023 (“**FY2023**”) increased by approximately 3.93% as compared to that for the year ended 31 December 2022 (“**FY2022**”). With reference to the 2023 Annual Report, the aforesaid increase in the Group's revenue was mainly attributable to increase in revenue from new energy vehicles led by sales volume increase.

Despite the aforesaid increase in the Group's revenue, the Group's gross profit and profit for FY2023 decreased by approximately 5.35% and approximately 16.58% as compared to those for FY2022 respectively. With reference to the 2023 Annual Report and as confirmed by the Management, the aforesaid decrease in the Group's gross profit was mainly attributable to changes in vehicle model structure, as partially offset by improvement of profitability per new energy vehicle due to sales volume increase. With reference to the 2023 Annual Report, the aforesaid decrease in the Group's profit was mainly attributable to decrease in the Group's gross profit.

The Group's revenue was approximately RMB94.3 billion for the six months ended 30 June 2024 (“**1H2024**”), representing a decrease of approximately 4.77% as compared to that for the corresponding period in 2023; and the Group's gross profit was approximately RMB18.7 billion for 1H2024, representing a decrease of approximately 9.14% as compared to that for the corresponding period in 2023. With reference to the 2024 IR Announcement, the aforesaid decrease in the Group's revenue was mainly due to the decrease in sales volume of oil-powered vehicles and new energy vehicles and their respective change in model portfolio; and the decrease in the Group's gross profit was mainly due to the decrease in the Group's gross profit from oil-powered vehicles.

With reference to the 2024 IR Announcement, as at 30 June 2024, the Group's total assets and net assets were approximately RMB170.4 billion and RMB81.7 billion respectively.

LETTER FROM GRAM CAPITAL

Information on BJEV

With reference to the Board Letter, BJEV is mainly engaged in the production and sale services of passenger electric vehicles. As at the Latest Practicable Date, BJEV is owned as to approximately 99.99% and 0.01% by BAIC BluePark, a non-wholly owned subsidiary of BAIC Group which is listed on the Main Board of the Shanghai Stock Exchange, and ARCFOX Automotive, a wholly-owned subsidiary of BAIC BluePark and ultimately owned by BAIC Group, respectively. BJEV is a subsidiary of BAIC Group and thus is a connected person of the Company.

Set out below is the audited consolidated financial information of BJEV for the two years ended 31 December 2023 and the six months ended 30 June 2024, as extracted from the Board Letter:

	For the six months ended 30 June 2024	For the year ended 31 December 2023	For the year ended 31 December 2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Revenue	4,527.24	15,185.64	11,648.71
Loss before taxation and extraordinary items	(1,131.55)	(2,838.20)	(2,953.58)
Loss after taxation and extraordinary items	(1,124.27)	(2,183.97)	(2,543.14)

As illustrated in the above table, BJEV Group's revenue increased by approximately 30.36% from approximately RMB11.6 billion for FY2022 to approximately RMB15.2 billion for FY2023. As confirmed by the Management, such increase was mainly due to increase in sales volume of passenger electric vehicles. As a result of the foregoing, BJEV's loss after taxation and extraordinary items for FY2023 decreased by approximately 14.12% as compared to that for FY2022.

As at 30 June 2024, the book value of the audited total asset of BJEV was approximately RMB29,105 million, and the book value of owner's equity attributable to the parent company was approximately RMB5,672 million.

Reasons for and benefit of the Subscription

With reference to the Board Letter, after years of development, BJEV has established competitive strength in core battery, electric motor and electric control technologies and smart network technology of pure electric vehicles and others, and has established and formed a system of research, production, sales and service of the whole value chain in pure electric passenger vehicles. BJEV has established deep cooperative relationships with well-known companies such as Magna and Huawei, creating models such as ARCFOX and Huawei Smart Selection and producing platform-based pure electric models in collaboration with the Company. Simultaneously, BJEV continues to deepen comprehensive cooperation with Huawei with the high-end intelligent factory established in Beijing commences

LETTER FROM GRAM CAPITAL

production in 2024. This factory will be dedicated to creating the premium intelligent new energy vehicle brand Xiangjie, which will lead BJEV into a new phase of rapid development. The Subscription will help the Company to plan its new energy vehicle sector, share the development returns and create a competitive advantage at a more reasonable cost. Additionally, the synergistic effects conducive to the Subscription will also help to enhance the overall industry competitiveness of the Group.

We searched on Wind Financial Terminal (according to the website of Wind Financial Terminal, Wind Information Co., Ltd. (“Wind”, the developer of Wind Financial Terminal) is a leading provider of financial information services in the PRC, and an indispensable partner for lots of securities companies, fund management corporations, insurance companies, banks, investment firms, and media. Globally, Wind is also widely used by qualified foreign institutional investors approved by China Securities Regulatory Commission) for statistics regarding the passenger vehicles (including new energy passenger vehicles) in the PRC. We consider Wind Financial Terminal to be a reputable source of reference for the purpose of our research. Set out below are the sales volume of passenger vehicles (including new energy passenger vehicles) and new energy passenger vehicles in the PRC during the five years ended 31 December 2023 (being the latest available five full years):

	2019	2020	2021	2022	2023
Sales volume of passenger vehicles in the PRC	21,444,180	20,177,731	21,481,537	23,563,287	26,062,824
Sales volume of new energy passenger vehicles in the PRC	1,060,303	1,246,289	3,334,170	6,548,482	9,047,861

As shown in the above table, sales volume of passenger vehicles in the PRC decreased in 2020 and increased in 2021, 2022 and 2023. Sales volume of passenger vehicles in the PRC increased from approximately 21.44 million units for 2019 to approximately 26.06 million units for 2023, representing a compound annual growth rate of approximately 5.00%. Sales volume of new energy passenger vehicles in the PRC continuously increased from approximately 1.06 million units for 2019 to approximately 9.05 million units for 2023, representing a compound annual growth rate of approximately 70.91%. Proportion of sales volume of new energy passenger vehicles in the PRC to sales volume of passenger vehicles in the PRC increased from approximately 4.94% for 2019 to approximately 34.72% for 2023.

We noted that in October 2020, the State Council of the PRC published the New Energy Vehicle Industry Development Plan (2021-2035)* (《新能源汽车产业发展规划(2021-2035)》) (https://www.gov.cn/zhengce/content/2020-11/02/content_5556716.htm), stipulating that the development of new energy vehicle is a must for the PRC to transform to a powerful automobile country. The State Council of the PRC has set the target to raise the penetration rate of new energy vehicles to 20% of the PRC passenger vehicle market by 2025, and battery electric vehicle is expected to become the mainstream new energy vehicle type among the new vehicles sold.

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We also noted that the PRC government issued various favourable government policies or guiding opinions in recent years to stipulate the development of new energy vehicles, such as:

- The Guiding Opinions on Further Strengthening the Construction of Safety Systems of New Energy Vehicles Enterprises* (《關於進一步加強新能源汽車企業安全體系建設的指導意見》) published on 29 March 2022 by the Ministry of Industry and Information Technology of the PRC, Ministry of Public Security, Ministry of Transportation, Ministry of Emergency Management of the PRC and the State Administration for Market Regulation of the PRC (https://www.gov.cn/zhengce/zhengceku/2022-04/09/content_5684250.htm), which set out the requirements to improve the safety level of new energy vehicles and promote the high-quality development of the new energy vehicle industry.
- The Implementation Opinions on Accelerating the Construction of Charging Infrastructure to Better Support New Energy Vehicles Going to the Rural Areas and Rural Revitalization* (《關於加快推進充電基礎設施建設更好支持新能源汽車下鄉和鄉村振興的實施意見》) published on 17 May 2023 by the National Development and Reform Commission of the PRC and the National Energy Administration of the PRC (https://www.ndrc.gov.cn/xxgk/zcfb/tz/202305/t20230517_1355814.html), which set out the fundamental implementation guidance to unlock the consumption potential of new energy vehicles, support green transportation and contribute to the comprehensive revitalization of rural areas.
- The Notice on Launching New Energy Vehicles to Rural Areas in 2024* (《關於開展2024年新能源汽車下鄉活動的通知》) published on 15 May 2024 by Ministry of Industry and Information Technology of the PRC, National Development and Reform Commission of the PRC, Ministry of Agriculture and Rural Affairs of the PRC, Ministry of Commerce and National Energy Administration (https://www.gov.cn/zhengce/content/202306/content_6887167.htm), which set out the notice for launch the new energy vehicles campaign in rural areas with the aim to address the gaps in new energy vehicles consumption in rural areas, enhance green and safety transportation for residents, and contribute to the rural development and revitalization.

The above statistics and policies indicated the development trend and growth potential of new energy passenger vehicles industry in the PRC.

Having considered the reasons for and benefits of the Subscription as set out above, we consider that although the Subscription is not conducted in the ordinary and usual course of business of the Company, it is in the interests of the Company and the Shareholders as a whole.

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Principal terms of the Subscription

Principal terms of the Subscription as set out under the Framework Agreement are summarized as follows:

Date

2 September 2024

Parties

- (1) the Company; and
- (2) BJEV

Number of Subscription Shares

The total number of Subscription Shares shall equal the total subscription price payable by the Company divided by the price per Subscription Share, subject to rounding adjustments.

Price per Subscription Share and total subscription price

The price per Subscription Share represents the appraised net asset value per share of BJEV based on the Valuation Report (i.e., approximately RMB2.3815 per Subscription Share) (the “**Price per Subscription Share**”). The total subscription price is RMB2 billion.

With reference to the Board Letter, the Price per Subscription Share represents the appraised net asset value per share of BJEV based on the Valuation Report.

We noted from the Valuation Report provided by the Company that the value of entire equity of BJEV (the “**Valuation**”) was RMB25,716 million as at 31 December 2023. Given that BJEV’s number of shares (“**BJEV Share(s)**”) was 10,798,276,000 as at 31 December 2023 and the Latest Practicable Date, the Valuation per BJEV Share was approximately RMB2.3815 as at 31 December 2023.

With reference to the Board Letter, the Company is of the view that the terms of the Subscription (including the Price per Subscription Share and the number of Subscription Shares) are fair and reasonable for the Shareholders and the Company as a whole having considered the factors as set out under the sub-section headed “(5) Reasons for and Benefits of the Subscription and Basis of Consideration – Basis of Consideration” of the Board Letter, including comparable companies, growth rate of BJEV, valuation report and same terms as independent investors. The Company compared the price-to-book ratio (the “**PBR**”) and price-to-sales ratio (the “**PSR**”) of BJEV with certain comparable companies as set out under the sub-section headed “a) Comparable companies” of the Board Letter.

To assess the fairness and reasonableness of the Price per Subscription Share, we performed an independent trading multiples analysis as follows. We noted that price-to-earnings ratio, PBR and PSR are commonly adopted methods for the purpose of

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assessing the fairness and reasonableness of the Price per Subscription Share. Nevertheless, as BJEV was loss-making for FY2023, we consider that price-to-earnings ratio was inapplicable for our analysis.

As BJEV is a principal subsidiary of BAIC BluePark (a listed company on the Shanghai Stock Exchange), and is principally engaged in the production and sale of new energy passenger vehicles in the PRC, we searched for companies listed on the Shanghai Stock Exchange or Shenzhen Stock Exchange that are principally engaged in similar line of business as BJEV with over 50% of passenger vehicle sales volume attributed to sales of new energy passenger vehicles for their latest financial year. We found three comparable companies which met the aforesaid criteria and they are exhaustive (the “**IFA Comparable Companies**”). We were aware that the number of IFA Comparable Companies is limited. Nevertheless, given the basis of selection criteria as aforementioned and that we did not subjectively carve out any comparable companies which met the aforesaid selection criteria, we considered the IFA Comparable Companies to be fair and representative.

Set out below are PSRs and PBRs of the IFA Comparable Companies based on their respective closing price and their latest published financial information as at the Framework Agreement Date:

Company name (Stock code)	Principal business	PSR (Notes 1 & 3)	PBR (Notes 2 & 3)
BYD Company Limited (1211 & SZ002594)	Automobile business, handset components and assembly services, as well as rechargeable battery and photovoltaic business, and is actively developing the urban rail transportation business segment	1.11	4.70
Seres Group Co., Ltd (SH601127)	Research and development, supply, manufacturing and sales of new energy vehicles, the manufacture of automotive powertrains and auto parts, as well as financial leasing	3.12	8.44
Anhui Jianghuai Automobile Group Corp., Ltd. (SH600418)	Research and development, production and sales of automobiles and parts	0.95	3.17
	Maximum:	3.12	8.44
	Minimum:	0.95	3.17
	Average:	1.73	5.44
Price per Subscription Share		1.69 (Note 4)	4.53 (Note 5)

Source: websites of Hong Kong Stock Exchange, Shanghai Stock Exchange and/or Shenzhen Stock Exchange

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Notes:

1. The PSRs of the IFA Comparable Companies were calculated based on their respective latest published total consolidated revenue according to their latest published annual reports and their respective market capitalisation as at the Framework Agreement Date.
2. The PBRs of the IFA Comparable Companies were calculated based on their respective latest net assets attributable to the owners of the company according to their latest published interim reports and their respective market capitalisation as at the Framework Agreement Date.
3. The market capitalisations of the IFA Comparable Companies were calculated based on (i) their respective total issued A shares and H shares (where applicable); and (ii) their respective closing prices as quoted on the Hong Kong Stock Exchange, the Shanghai Stock Exchange and/or the Shenzhen Stock Exchange (where applicable) as at the Framework Agreement Date.
4. The implied PSR of the Price per Subscription Share was calculated based on the Price per Subscription Share and BJEV's total consolidated revenue for FY2023 per share.
5. The implied PBR of the Price per Subscription Share was calculated based on the Price per Subscription Share and the book value of owner's equity attributable to the parent company of BJEV as at 30 June 2024 per share.

As illustrated by the table above, (i) the implied PSR of the Price per Subscription Share of approximately 1.69 times falls within the PSR range and below the average PSR of the IFA Comparable Companies (ranging from approximately 0.95 times to approximately 3.12 times with average of approximately 1.73 times); and (ii) the implied PBR of the Price per Subscription Share of approximately 4.53 times falls within the PBR range and below the average PBR of the IFA Comparable Companies (ranging from approximately 3.17 times to approximately 8.44 times with average of approximately 5.44 times).

Having considered the above, we are of the view that the Price per Subscription Share is fair and reasonable.

Formal agreement

The Company and BJEV shall enter into a formal subscription agreement in accordance with the then-applicable laws and regulations related to state-owned asset supervision and management. The terms of the formal subscription agreement shall not be inconsistent with the terms of the Framework Agreement.

Having considered the principal terms of the Subscription as set out above, we are of the view that the terms of the Subscription are on normal commercial terms and are fair and reasonable.

Possible financial effects of the Subscription

With reference to the 2024 IR Announcement, the unaudited consolidated net assets of the Group was approximately RMB81.7 billion as at 30 June 2024. As confirmed by the Management, the Subscription would have no material effect on the consolidated net assets of the Group.

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It should be noted that the aforesaid analysis is for illustrative purposes only and do not purport to represent how the financial position of the Group will be upon completion of the Subscription.

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Subscription are on normal commercial terms and are fair and reasonable; and (ii) although the Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Subscription and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.

* *for identification purposes only*

The following is an English-translated summary of the Valuation Report in Chinese dated 10 August 2024 prepared and confirmed by the Independent Valuer in connection with its valuation of BJEV as at 31 December 2023, for the purpose of, among others, inclusion in this circular.

Terms defined in the Circular shall have the same meanings when used in this summary unless the context otherwise requires.

Beijing Pan-China Assets Appraisal Co., Ltd.

SUMMARY

I. PURPOSE OF VALUATION

The purpose of the Valuation Report is to provide a valuation on the entire equity of BJEV for its Share Issuance.

II. SUBJECT OF VALUATION

The subject of valuation is the entire equity of BJEV as at the valuation benchmark date.

III. SCOPE OF VALUATION

The scope of valuation covers the net asset of BJEV, including total assets and total liabilities.

IV. TYPE OF VALUE

The type of value adopted in this valuation is market value.

V. VALUATION BENCHMARK DATE

The valuation benchmark date of this valuation is 31 December 2023.

VI. INDEPENDENCE OF THE VALUER

The Independent Valuer has no existing or foreseeable conflict of interests with or bias against BJEV or the relevant parties.

VII. VALUATION APPROACH AND RATIONALE OF THE SELECTION

The appraisal methods of enterprise valuation mainly include asset-based approach, income approach and market approach.

(i) Asset-based Approach

The asset-based approach in the appraisal of enterprise value refers to the appraisal method that reasonably determines the value of valuation subject by appraising the value of various assets and liabilities on and off the balance sheets, based on the balance sheet of the appraised entity as at the valuation benchmark date.

Considering the situation of this valuation, BJEV is able to provide, and the Independent Valuer can also collect externally, the necessary information required for the asset-based approach. This allows for a comprehensive inspection and valuation of the assets and liabilities of BJEV. Therefore, the asset-based approach is applicable for this valuation.

(ii) Income Approach

The income approach in the appraisal of enterprise value refers to the appraisal method that determines the value of valuation subject by capitalising or discounting the expected income of the appraised entity. The specific methods commonly used in the income approach include the dividend discount method and the discounted cash flow method.

Given that the industry in which BJEV operates is in a growth stage, with generally low average profits, it is difficult to reasonably estimate the future profitability of BJEV based on the current internal and external business environment. Therefore, this valuation does not use the income approach to assess BJEV's value.

(iii) Market Approach

The market approach in the appraisal of enterprise value refers to the appraisal method that determines the value of valuation subject by comparing the valuation subject with comparable listed companies or comparable transaction cases. Two specific methods commonly used in the market approach are listed company comparison method and transaction case comparison method.

Currently, China has preliminarily established a capital market primarily centred around the stock exchanges of Shanghai, Shenzhen, and Beijing. In these capital markets, there is a sufficient number of comparable reference companies within the same industry as BJEV. The Independent Valuer can collect and obtain market information, financial information, and other relevant data on these reference companies from public market information in the aforementioned capital markets. The Independent Valuer believes that the reference company information they rely on is representative and reasonable, and that it is valid as at the valuation benchmark date. After more than twenty years of development, China's capital market has acquired the basic functions of a market, therefore, the market approach is applicable for this valuation.

The market approach was chosen as the final valuation conclusion. For further details on the reason for the selection, please refer to the section headed “VIII. Conclusion of Valuation and Rationale of the Section – (iii) Analysis and Explanation on the Selection of the Valuation Conclusion” below.

VIII. CONCLUSION OF VALUATION AND RATIONALE OF THE SELECTION

(i) Market Approach

Under the going-concern assumption as at the valuation benchmark date, and based on the market approach, the value of the entire equity of BJEV is RMB25,716 million, (i) compared to the equity attributable to the parent company owners of RMB6,838.87 million, representing an appreciation of RMB18,877.13 million, with an appreciation rate of 276.03%; and (ii) compared to the parent company’s net assets of RMB13,925.14 million, representing an appreciation of RMB11,790.86 million, with an appreciation rate of 84.67%.

The illustration of the valuation process for the entire equity of BJEV are as follows:

1. Method adopted and associated processes

Two specific methods commonly used in the market approach are the comparable public company method and the guideline transaction method.

Comparable public company method involves obtaining and analysing the operating and financial data of comparable publicly traded companies, calculating appropriate valuation ratios, and using these ratios to determine the value of the subject company through comparative analysis., while Guideline transaction method involves obtaining and analysing data from comparable sale, acquisition, or merger transactions. By calculating appropriate valuation ratios and comparing them to the subject company, this method helps determine the value of the subject company.

For this valuation, the comparable public company method has been used. The specific process for this method includes:

- (A) selecting publicly traded companies in the same industry as the subject company, with active stock trading, as comparables. The market value of these comparable companies is then calculated based on their trading stock prices;
- (B) choosing one or several income or asset parameters of the comparable companies, such as revenue, net profit, paid-in capital, total assets, or net assets, as analysis parameters;

- (C) calculating the ratio between the market value of the comparable companies and the chosen analysis parameters, known as the multiples; and
- (D) applying these multiples to the corresponding analysis parameters of the subject company to determine its market value, adjusting for liquidity discounts.

The detailed steps are as follows:

- (A) selecting comparable publicly traded companies based on factors such as total assets, net assets, return on equity, and business type;
- (B) choosing income or asset parameters like net profit, total assets, net assets, or total revenue of the comparable companies as analysis parameters;
- (C) calculating the ratio between the market value of the comparable companies and the chosen analysis parameters – referred to as multiples; and
- (D) multiplying the arithmetic average of the multiples of the comparable companies by the corresponding analysis parameters of the subject company and then subtract a liquidity discount to obtain the market value of the subject company.

2. *Calculation formula*

The calculation formula is as follows:

Equity Value = (Enterprise Value Multiples × Corresponding Parameters of the Subject Company – Interest-Bearing Debt + Net Value of Non-Operational and Excess Assets – Minority Shareholders' Equity) × (1 – Liquidity Discount Rate)

or

Equity Value = (Equity Investment Value Multiples × Corresponding Parameters of the Subject Company + Net Value of Non-Operational and Excess Assets – Minority Shareholders' Equity) × (1 – Liquidity Discount Rate)

The corresponding valuation ratio of the valuated unit = Comparable Company Valuation Ratio × Adjustment Factor

3. *Determination of valuation ratio*

Commonly used valuation ratios include:

(A) Earnings-based valuation ratios

Earnings-based valuation ratios establish a relationship between asset value and earnings indicators and can be further divided into enterprise value multiples and equity value multiples.

- (a) $EV/EBIT = (\text{Equity Value} + \text{Debt Value}) / \text{Earnings Before Interest and Taxes}$
- (b) $EV/EBITDA = (\text{Equity Value} + \text{Debt Value}) / \text{Earnings Before Interest, Taxes, Depreciation, and Amortisation}$
- (c) $EV/NOIAT = (\text{Equity Value} + \text{Debt Value}) / \text{Net Operating Income After Taxes}$

Where: $NOIAT = EBIT \times (1 - T) + \text{Depreciation/Amortisation}$

- (d) $P/E \text{ (Price-to-Earnings Ratio)} = \text{Equity Value} / \text{Net Profit}$
- (e) $\text{Equity Cash Flow Valuation Ratio} = \text{Equity Value} / \text{Equity Cash Flow}$

(B) Revenue-based valuation ratios

Revenue-based valuation ratios establish a relationship between asset value and sales revenue, including both enterprise value multiples and equity value multiples.

- (a) $\text{Revenue Valuation Ratio} = (\text{Equity Value} + \text{Debt Value}) / \text{Sales Revenue}$
- (b) $P/S \text{ (Price-to-Sales Ratio)} = \text{Equity Value} / \text{Sales Revenue}$

(C) Asset-based valuation ratios

Asset-based valuation ratios establish a relationship between asset value and asset-related indicators, including both enterprise value multiples and equity value multiples. Common ratios include:

- (a) $\text{Total Asset Valuation Ratio} = (\text{Equity Value} + \text{Debt Value}) / \text{Total Asset Value}$
- (b) $\text{Fixed Asset Valuation Ratio} = (\text{Equity Value} + \text{Debt Value}) / \text{Fixed Asset Value}$
- (c) $P/B \text{ (Price-to-Book Ratio)} = \text{Equity Value} / \text{Book Net Asset Value}$

Having taken into consideration the applicability of the above indicators and combining it with the characteristics of BJEV's industry and the suitability of valuation indicators for mature sectors, this valuation employs the comparable public company method. Specifically, the P/B, EV/S, and EV/Total Asset Valuation ratios were used to assess the market value of BJEV.

(ii) Asset-based Approach

As at the valuation date, the book value of total assets, total liabilities and the net assets of BJEV amount to RMB32,387,890,600, RMB18,462,746,600 and RMB13,925,144,000, respectively. According to the asset-based approach, the appraised value of the total assets, the total liabilities and the net assets of BJEV were of RMB33,222,059,400, RMB18,322,117,400 and RMB14,899,942,000, respectively, as at the valuation benchmark date.

The illustration of the valuation process for the assets and liabilities of BJEV are as follows:

1. Current assets and liabilities

BJEV's current assets include cash and cash equivalents, notes receivable, accounts receivable, accounts receivable financing, prepayments, other receivables, inventories, and other current assets, and its liabilities include short-term borrowings, notes payable, accounts payable, advances from customers, contractual liabilities, employee compensation payable, taxes payable, other payables, non-current liabilities due within one year, and other non-current liabilities.

(A) Cash and Cash Equivalents

This includes bank deposits and other cash equivalents. The valuation value was determined based on the verified amounts from bank statements and other cash certificates.

(B) Notes receivable

Notes receivable refer to acceptance bills received by the company from the sale of products or services. The notes receivable within the assessment scope are all bank acceptance bills. The Independent Valuer checked the book records and reviewed the notes receivable register. For larger amounts, the Independent Valuer also checked the corresponding sales contracts and delivery notes. The verified book value was used to determine the valuation value.

(C) *Accounts receivable and other receivables*

Receivables were valued based on the possible recoverable amounts, verified through analysis. For receivables that were believed to be fully recoverable, the valuation value was calculated based on the total receivable amount. For portions that may not be recoverable, historical data were used and on-site investigations were conducted to analyse the amounts, duration, and reasons for the debts, recovery status, debtors' financial and credit status, and current management conditions, employing the ageing analysis method to estimate the potentially unrecoverable amounts, which are then deducted to calculate the valuation value. Receivables confirmed as uncollectable were valued at nil, and so was the bad debt provision account. For subsidiaries with a net asset assessment value of nil, the valuation value of accounts receivable was calculated based on the recovery rate:

Recovery Rate = Appraised Value of Total Assets on the Benchmark Date of the Debtor / Book Value of Total Liabilities on the Benchmark Date of the Debtor.

For other entities, the valuation value is confirmed based on the verified book value.

(D) *Accounts receivable financing*

Accounts receivable financing mainly comprise of bank acceptance bills. Having verified book records, checked bills registers, and corresponding sales contracts and documents, the book value was used for valuation.

(E) *Prepayments*

Prepayments include prepayments for housing provident funds, materials, and electricity costs. The Independent Valuer reviewed related payment vouchers and determined the valuation value based on the verified book value.

(F) Inventories

(a) Raw materials and in-stock turnover materials

The Independent Valuer conducted spot checks on inventories, paying attention to the quality of the materials. The Independent Valuer sought opinions from technical, financial, and warehouse management personnel and obtained relevant proof documents, as well as checked the pricing accuracy of the inventories with substantial quantities as at the valuation benchmark date and reviewed major procurement transactions to ensure accurate and complete accounting records. For assets disposed of after the valuation benchmark date in the Qingdao branch, the valuation value was determined based on the tax-exclusive disposal price. Obsolete raw materials that already scrapped were valued to have no recoverable value, the valuation value was confirmed at nil after communication with relevant company officials.

For materials stored at the Huanghua base awaiting disposal, due to their long inventory age and signs of impairment, BJEV has made inventory write-downs based on their net realisable value considering handling fees. These materials' book net value reflects their market value as at the valuation benchmark date, so the valuation value was confirmed based on the verified book net value.

For raw materials at the BJEV's headquarters used for research and testing, also with a long inventory age, write-downs were made based on net realisable value considering market value and handling fees. Their book net value reflects their market value as at the valuation benchmark date, thus confirming the valuation value based on the verified book net value.

Similar processes were applied to in-stock turnover materials at the Xiji base and BJEV Blue Valley Power Systems branch where materials exhibited signs of impairment. Valuations were conducted after considering net realisable value, and the book net value reflects market value as at the valuation benchmark date.

For materials at the BJEV Beijing branch, due to short inventory age (less than one year) and minimal market price fluctuations, the book value reflects market value as at the valuation benchmark date, confirming the valuation value based on verified book value.

(b) Work-in-process

Work-in-process mainly include items such as luggage compartment covers and right rear door outer panels in production. Valuation involved reviewing product cost settlement documents to ensure accurate accounting, and the verified book value was used for valuation.

(c) Finished Goods

Finished goods include products such as batteries and test vehicles. Valuation involved reviewing accounting and warehouse records, and conducting spot checks on the 31 December 2023 inventory records. For non-sale purpose test vehicles still in the PPV (pre-production validation) stage without sales contracts or orders, the valuation value is based on the book value. For batteries and similar products, due to declining material prices and signs of impairment, write-downs were made based on net realisable value considering market price and handling fees as at the benchmark date. Their book net value reflects market value, confirming the valuation value based on verified book value.

(G) *Other current assets*

Other current assets include deductible input VAT and VAT retained tax credits. Valuation involved understanding applicable taxes, rates, amounts, and verifying tax returns with tax payment vouchers to confirm accuracy. The valuation value was confirmed based on the verified book value.

(H) *Liabilities*

Liabilities were determined based on actual obligations the assessed company will bear post-valuation. Non-essential liabilities were valued at nil. Deferred income, mainly government subsidies without future repayment obligations and considering BJEV's current loss-making status precluding income tax payments, was valued at nil. Remaining non-current liabilities were verified through contracts, vouchers, and accrual standards. Authentic liabilities were valued based on book value.

2. Long term equity investment

BJEV's long-term equity investments include a total of 24 companies, comprising 12 wholly-owned subsidiaries, two majority-owned subsidiaries, and ten non-controlling companies. The valuation was conducted using either the asset-based approach or the adjusted equity method.

Asset-Based Approach = (Overall Net Asset Appraisal Value of the Enterprise + Unpaid Capital Contributions) × BAIC New Energy's Shareholding Ratio (Subscribed) – BAIC New Energy's Unpaid Capital Contributions.

Adjusted Equity Method = (Book Value of Net Assets of the Investee Unit on the Benchmark Date + Unpaid Capital Contributions) × BAIC New Energy's Shareholding Ratio (Subscribed) – BAIC New Energy's Unpaid Capital Contributions.

3. *Investment oriented real estate*

After conducting on-site inspections and carefully analysing the available data, the Independent Valuer decided to use the income approach for this assessment, taking into account the characteristics and actual condition of the subject property, as well as the features of investment real estate.

The income approach estimates the future expected income of the assessed asset and discounts it to present value using an appropriate discount rate. The sum of these discounted values gives the valuation value of the real estate to be assessed. The formula is as follows:

$$V = \frac{A}{Y - g} \times \left[1 - \left(\frac{1 + g}{1 + Y} \right)^n \right]$$

Where:

A: Net income for the first year in the future;

Y: Capitalisation rate;

g: Net income growth rate;

n: Number of years over which income is expected to be received.

4. *Buildings and structures*

The valuation is primarily conducted using the replacement cost method. The valuation value is calculated as follows:

Valuation Value = Replacement Cost × Comprehensive Depreciation Rate

Replacement Cost = Comprehensive Construction Cost + Preliminary and Other Costs + Capital Costs – Deductible Input VAT

Comprehensive Depreciation Rate = Surveyed Depreciation Rate × 60% + Remaining Lifespan Depreciation Rate × 40%

Where:

$$\text{Remaining Lifespan Depreciation Rate (\%)} = \frac{\text{Remaining Usable Life}}{\text{(Remaining Usable Life + Years of Use)}} \times 100\%$$

5. *Equipment assets*

The equipment assets included in the valuation scope encompass three main categories: machinery and equipment, transportation equipment, and electronic equipment.

Based on the purpose of this valuation, and following the principle of continued use, the market price is used as a reference. Considering the characteristics of the equipment and the collected data, the cost approach is primarily employed for the valuation of these equipment assets.

$$\text{Valuation Value} = \text{Replacement Cost} \times \text{Comprehensive Depreciation Rate}$$

(A) *Machinery and equipment*

- (a) Determination of the replacement cost for machinery and equipment

$$\text{Replacement Cost} = \text{Equipment Purchase Price} + \text{Freight and Miscellaneous Fees} + \text{Equipment Foundation Costs} + \text{Installation and Commissioning Fees} + \text{Preliminary and Other Costs} + \text{Capital Costs} - \text{Deductible Input VAT}$$

For small equipment purchased sporadically that does not require installation, the replacement cost is calculated as: Replacement Cost = Equipment Purchase Price + Freight and Miscellaneous Fees – Deductible Input VAT.

For equipment where freight and installation fees are included in the equipment cost, the replacement value is directly taken as the tax-exclusive purchase price.

- (b) Determination of the comprehensive depreciation rate

$$\text{Comprehensive Depreciation Rate} = \text{Surveyed Depreciation Rate} \times 0.6 + \text{Theoretical Depreciation Rate} \times 0.4$$

Surveyed Depreciation Rate: Determined primarily based on the actual condition of the equipment, considering factors such as technical status, working environment, maintenance, and actual on-site inspection results. Each part of the equipment is scored to determine the surveyed depreciation rate.

Theoretical Depreciation Rate: Determined based on the equipment's economic lifespan (or remaining usable life) and the years of use.

Theoretical Depreciation Rate = (Economic Lifespan – Years of Use) / Economic Lifespan × 100%

For equipment that has been in use longer than its economic lifespan, the following formula is used:

Theoretical Depreciation Rate = Remaining Usable Life / (Years of Use + Remaining Usable Life) × 100%

(c) Calculation of the Valuation Value

Valuation Value = Replacement Cost × Comprehensive Depreciation Rate

For equipment purchased a long time ago, which is no longer produced or has no comparable market price, the valuation was mainly conducted using the market method by referring to second-hand transaction prices.

For machinery and equipment disposed of after the benchmark date, the valuation value is confirmed based on the tax-exclusive disposal price.

For machinery and equipment awaiting disposal and those already out of service, the residual value is used to determine the valuation value.

(B) *Transportation equipment*

Given the active market transactions of certain vehicles, the market approach is used to determine the valuation of these vehicles. The valuation value of vehicles assessed using the market approach is the average value of the adjusted prices of three comparable cases.

Adjusted Transaction Price of Comparable Case = Transaction Price of Comparable Case × Comprehensive Adjustment Coefficient.

The comprehensive adjustment coefficient accounts for differences in the year, mileage, and working nature between the sampled standard vehicles and the subject vehicles being valued.

(C) *Electronic equipment*

Electronic equipment mostly consists of office items such as computers, printers, air conditioners, and office furniture. These are delivered, installed, and commissioned by distributors. The replacement cost was directly determined based on the market purchase price.

The comprehensive depreciation rate was determined based on the economic lifespan of the equipment.

Depreciation Rate = Remaining Usable Life / (Years of Use + Remaining Usable Life) × 100%

Valuation Value = Replacement Cost × Depreciation Rate

6. *Other equity instrument investments*

Other equity investments account for equity investment in BAIC Ruixiang Automobile Co., Ltd. (北汽瑞翔汽車有限公司) (“**BAIC Ruixiang**”) by BJEV. Due to insufficient cash flow to settle the debts for 2022 and the fact that BAIC Ruixiang’s actual operating conditions are unfavourable, with difficulties in product sales and inability to secure financing to continue operations, on 9 February 2023, a *Request for Opinions on Matters During the Implementation Period of the Restructuring Plan* was sent to all shareholders. Additionally, according to the *BAIC Ruixiang Disposal Work Update (24 June 2024 – 28 June 2024)*, the creditors’ meeting of BAIC Ruixiang approved the changes to the restructuring plan and its draft. Therefore, BAIC Ruixiang intended to undergo restructuring. As at the reporting date, BAIC Ruixiang has not obtained the relevant court ruling on the restructuring, and its financial statements for 2022 and 2023 provided were unaudited. Based on BJEV’s introduction, the possibility of recovering this investment is extremely low, and BJEV has fully provisioned for impairment. Hence, the valuation this time confirms the appraised value based on the net book value.

7. *Other non-current financial assets*

As other non-current financial assets were measured at fair value, the valuation this time confirms the appraised value based on the book value.

8. *Construction in progress*

For the valuation of construction in progress, the replacement cost method is used, which determines the replacement value based on all the costs required to reconstruct the completed work of the construction in progress under normal circumstances as at the valuation benchmark date. If there is evidently significant physical, functional, or economic depreciation, the depreciation amount needs to be determined and deducted from the replacement value.

For construction in progress – equipment installation, which primarily includes paid equipment costs, an on-site investigation of equipment arrival and installation status was conducted. Financial records were also sampled for verification. For projects that commenced more than six months before the valuation benchmark date, the declared amount of the construction in progress is adjusted by deducting unreasonable expenses, and capital costs are added to determine the appraisal value. For projects that commenced within six months of the valuation benchmark date or equipment classified as construction in progress that can be used immediately without installation and debugging, the appraisal value is determined by deducting unreasonable expenses from the declared amount of the construction in progress. For projects that commenced more than six months before the valuation benchmark date, capital costs are added if they are not included in the verified book value. The formula for calculating capital costs is as follows:

$$\text{Capital cost} = (\text{Declared book value} - \text{Unreasonable expenses}) \times \text{Interest rate} \times \text{Construction period} / 2$$

For construction in progress – preliminary and other expenses, which mainly include costs such as temporary electricity and water use for construction projects and system and module optimisation upgrade costs, capital costs are added if they are not included in the verified book value for projects that commenced more than six months before the valuation benchmark date. The formula for calculating capital costs is:

$$\text{Capital cost} = (\text{Declared book value} - \text{Unreasonable expenses}) \times \text{Interest rate} \times \text{Construction period} / 2$$

9. *Right-of-use assets*

Having reviewed the relevant contracts and payment vouchers, the lease term/amortisation period, the years already used, and the remaining lease years/benefit period have been evenly distributed, the occurrence amount and recorded amortisation status have been verified, and the appraisal value is confirmed based on the book value.

10. *Land use rights*

According to the *Regulations on Urban Land Valuation*, at least two valuation methods should be used for valuating the same piece of land. Valuers should objectively analyse each trial calculation price based on the representativeness, suitability, and accuracy of the valuation data, methods, and parameters. They should then combine their valuation experience to judge and adjust the trial prices to determine the final valuation result. Common valuation methods include the market comparison method, income capitalisation method, residual method, cost approach, and benchmark land price coefficient correction method.

The market comparison method is based on the principle of substitution, comparing the land to be valued with similar land transaction instances that have occurred in the relatively recent past. By referencing the known prices of these comparable lands, the differences in terms of transaction conditions, dates, regions, and individual factors are adjusted to derive the land price of the valued land. Considering that in recent years, the real estate market in places like the Caiyu Economic Development Zone in Beijing has been less active, the Independent Valuer was unable to gather many instances of industrial land transactions within the same or similar areas as the land being valued. Therefore, it is not suitable to choose the market comparison method for this valuation. However, for the Huanghua Branch's land, the Independent Valuer was able to collect several instances of industrial land transactions within the same or similar areas, making it easier to compare and adjust. Additionally, based on the analysis of the real estate market, the market comparison method can most objectively reflect the reasonableness of land prices among all valuation methods, making it suitable for choice in this case.

The benchmark land price coefficient correction method utilises urban benchmark land prices and an adjustment coefficient table among other valuation results. According to the principle of substitution, this method compares the regional and individual conditions of the land being valued with the average conditions of its area and selects the corresponding adjustment coefficients from the table to correct the benchmark land price, thereby determining the price of the valued land as at the valuation benchmark date. According to the *Notice of the People's Government of Beijing on Updating the Benchmark Land Price for the Transfer of State-owned Construction Land Use Rights* (Jing Zheng Fa [2022] No. 12), the People's Government of Beijing updated the land grade and benchmark land price results within the urban planning area, with the updated benchmark land price standard effective from 14 March 2022. The land to be valued is within the coverage area of Beijing's benchmark land price. Using the benchmark land price coefficient correction method allows the valuation price of the land to be compared with the overall land price level in the area, thereby objectively reflecting the land price level of the valued object. Hence, it is appropriate to choose the benchmark land price coefficient correction method for this valuation.

According to the *Update Report on Land Grade and Benchmark Land Price in the Urban Area of Huanghua City* (2021), the People's Government of Huanghua updated the land grade and benchmark land price results within the urban planning area, with the updated benchmark land price standard effective from February 2021. The land to be valued is located in the main street area of Huanghua's benchmark land price coverage zone. Using the benchmark land price coefficient correction method allows the valuation price of the land to be compared with the overall land price level in the area, thereby objectively reflecting the land price level of the valued object. Hence, it is appropriate to choose the benchmark land price coefficient correction method for this valuation.

11. Other intangible assets

Other intangible assets included in this appraisal encompass software intangible assets, proprietary technology intangible assets, and patented technology intangible assets.

(A) Software intangible assets

For the software intangible assets purchased by the enterprise, the Independent Valuer reviewed purchase contracts, original vouchers, and procurement invoices. They identified the software usage status as either in use, idle, or pending disposal.

For in-use intangible assets, since the Huanghua Branch has ceased production with plans for an overall disposal, this appraisal confirms the valuation value based on the book value. Other in-use software is appraised based on its current market value.

For idle and pending disposal intangible assets, after discussions with the enterprise, it was concluded that they no longer have any recovery value, and thus they are appraised at nil value.

For self-developed or outsourced software intangible assets, this appraisal confirms the valuation value based on the amortised value. If the amortised book value is nil, the valuation value was determined according to the formula: original book value \times remaining usable years / (used years + remaining usable years).

(B) Patents and proprietary technology intangible assets

The current patents, patents under application, software copyrights, work copyrights, trademarks, and proprietary technology of BJEV are primarily related to pure electric vehicle technology.

These technologies are challenging to find market reference transactions for, and the development cost of products does not have an obvious correlation with the benefits they can generate. However, these technologies have been put into operation and generate stable benefits. The operating status of these technological products in the coming years is predictable. Therefore, the income approach is chosen for valuation.

Income Approach: The income approach involves estimating the expected earnings over the lifespan of the valuated object and discounting these earnings using an appropriate discount rate to determine the appraisal value.

Method for Determining Future Earnings from Intangible Assets: The expected earnings from the application of intangible assets and the contribution rate of intangible assets in those earnings are used to determine the excess earnings brought by the intangible assets as the cash inflow contribution of intangible assets. Meanwhile, the amount of subsequent investment determined by the future investment plans of development expenditures is regarded as the cash outflow of intangible assets. Combining the cash inflows and outflows determines the net earnings related to the intangible assets for this appraisal.

The formula is as follows:

$$P = \sum_{i=1}^n \frac{D \cdot R^i}{(1+r)^i}$$

where:

P – Appraised value of intangible assets;

D – Intangible assets sharing rate;

R_i – Sharing base, i.e., sales revenue or cash flow;

r – Discount rate;

n – Income forecast period; and

i – Income period.

12. Research and development expenses

The development expenditures included in this valuation mainly comprise specific model specialised technology and general vehicle platform technology. For specific model specialised technology, which is primarily applied to existing vehicle models and pre-production models, this valuation considers it as an integral part of the intangible asset of model technology and values it as a whole. This also takes into account the impact of subsequent expenditures to determine the valuation date's intangible asset appraisal value.

For general vehicle platform technology, which is still in the research and development stage, and considering its future application in new functionalities, new systems, and stability improvements for subsequent vehicle models (excluding existing and pre-production models), this valuation confirms the development expenditures based on the verified book value as the appraised value.

13. Long term deferred expenses

The appraisal value is determined based on the assets and rights possessed by BJEV after the valuation benchmark date. Items for which the corresponding rights or value no longer exist after the valuation benchmark date, or those already considered in other assets, are directly appraised as nil. For deferred expenses that retain corresponding rights or value after the valuation benchmark date, the value is determined based on the proportion of the original amount and the remaining benefit period relative to the total amortisation period.

14. Deferred tax assets

Deferred income tax arises from differences between the book value of assets and their tax base due to discrepancies between enterprise accounting standards and tax regulations during subsequent measurement processes. The Independent Valuer investigated and understood the reasons and processes leading to these differences. Upon verification, it was found that the content of this account is composed of impairment provisions. Specifically, the account includes provisions for asset impairment and asset impairment losses.

Since the receivables from the affiliated company of BJEV have an impairment provision of RMB28,578,552.52, the assessment does not recognise deferred income tax assets for credit impairment losses associated with related party transactions. Therefore, for deferred income tax assets attributable to credit impairment losses, the amount is determined by the remaining balance after deducting these impairment losses from the impairment amount of accounts receivable and other receivables, multiplied by the income tax rate (15%).

Under the assumption of continuous operation, aside from credit impairment losses, deferred income taxes caused by other factors represent the rights of property holders after the appraisal purpose is achieved. The appraisal value is confirmed based on the book value.

15. Other non-current assets

Other non-current assets include payments for large equipment, prepaid rent, and prepaid taxes related to the purchase of fixed assets by BJEV. For the valuation of payments for large equipment and prepaid taxes, the Independent Valuer reviewed relevant purchase contracts and verified some of these contracts, and cross-checked and verified the accounts payable books and vouchers, determining the appraisal value based on the verified book value. As for the prepaid rent, it pertains to payments made by BJEV to Beijing Yizhuang Shengyuan Investment Development Co., Ltd. for part of a custom-built factory building. According to information provided by BJEV, due to project adjustments, there is a certain risk regarding the recovery of this prepayment, leading BJEV to make an impairment provision for this prepayment. The appraisal value was confirmed based on the net book value for this assessment.

(iii) Analysis and Explanation on the Selection of the Valuation Conclusion

The market value of the entire equity of BJEV, as at the valuation benchmark date, was appraised at RMB14,899.942 million using the asset-based approach and RMB25.716 billion using the market approach. The difference between the two appraisal methods is RMB10,816.058 million with a difference rate of 72.59%.

The asset-based approach reflects the enterprise value from the perspective of asset replacement, which can only reflect the individual value of the enterprise assets but cannot comprehensively and reasonably reflect the combined profitability and growth potential of all assets. Additionally, it cannot encompass the value of intangible assets such as customer resources, technological R&D capabilities, and human resources. The market approach values the current fair market value of the appraisal target based on comparable benchmarks in the real market. Considering that there has been sufficient disclosure of information and a larger number of comparable listed companies in the same industry in recent capital markets, the market approach features a direct valuation perspective and pathway, an intuitive valuation process, and direct market-derived valuation data, rendering the valuation result more convincing. Moreover, after more than twenty years of development, the basic market functions of the Chinese stock market have been established. In both domestic and international property rights transaction markets, various investors and investment banks frequently use the market approach for pricing or validation.

Given the purpose of this valuation, the market approach offers greater persuasiveness for this valuation, and therefore, the valuation result of the market approach (i.e., the market value of the entire equity of BJEV being RMB25.716 billion) has been chosen as the final valuation conclusion.

IX. VALIDITY OF VALUATION

The validity of the valuation conclusion shall be one year from the valuation benchmark date, being 31 December 2023 to 30 December 2024.

X. ASSUMPTIONS OF VALUATION**(i) General Assumptions**

1. *Transaction assumption* – the transaction assumption refers to assuming that all assets to be valued are already in the process of transaction, and the valuers carry out a valuation based on the transaction conditions of the assets to be valued in a comparable market.
2. *Open market assumption* – the open market assumption refers to assuming that the assets can be traded freely in a highly competitive market and the price of which is determined based on the judgment of both independent buyer and seller over the value of assets under certain supply and demand conditions in the market. An open market refers to a market which is highly competitive with various buyers and sellers, who are on equal footing and

have the opportunity and time to access adequate market information, and the trading behaviors of buyers and sellers are conducted voluntarily and rationally and under non-compelled or unrestricted conditions.

3. *In-use and continue-to-use assumption* – the in-use and continue-to-use assumption is to assume that the assets to be appraised in use would continue to be used in accordance with its current purposes and manner after the change in property rights or the occurrence of asset business.
4. *Going concern assumption* – the going concern assumption refers to assuming that an operating entity can continue its operating activities, and such entity will not suspend or terminate its operating activities in foreseeable future.

(ii) Assumptions Adopted in the Market Approach Valuation

1. It is assumed that the accounting policies to be adopted by valuated unit in the future are basically consistent with those adopted during the preparation of the report in all material aspects.
2. It is assumed that the business model, key customers, and such of the valuated unit will not undergo significant changes after the valuation benchmark date.
3. It is assumed that the information disclosed by comparable companies is true, accurate, and complete without false statements, recording errors, or significant omissions that affect the value judgement.
4. It is assumed that the basic data and financial materials provided by the valuated unit are true, accurate, and complete.

The above assumptions are deemed to be valid on the valuation benchmark date. The Independent Valuer will not be responsible for any different valuation conclusion resulting from any changes in these assumptions, if any significant changes occur in such assumptions.

XI. SOURCE OF INFORMATION

The source of information include, but were not limited to:

- financial statements of BJEV;
- sales contracts and purchase contracts of BJEV;
- records and information collected by the Independent Valuer through onsite visits; and
- operating and market information of BJEV.

XII. BASIS OF VALUATION**(i) Basis of Laws and Regulations**

1. The Asset Appraisal Law of the People's Republic of China (《中華人民共和國資產評估法》) (Presidential Decree No. 46 of the People's Republic of China);
2. The Law of the People's Republic of China on State-Owned Assets of Enterprises (《中華人民共和國企業國有資產法》) (Presidential Decree No. 5 of the People's Republic of China);
3. The Company Law of the People's Republic of China (《中華人民共和國公司法》) (Second amendments by the Standing Committee of the 14th National People's Congress at the 7th Session on December 29, 2023);
4. The Civil Code of the People's Republic of China (《中華人民共和國民法典》) (Adopted at the 3rd Session of the 13th National People's Congress on May 28, 2020);
5. The Measures for the Financial Supervision and Administration of the Asset Appraisal Industry (《資產評估行業財政監督管理辦法》) (Ministry of Finance Decree No. 86);
6. The Measures for the Administration of the Appraisal of State-Owned Assets (《國有資產評估管理辦法》) (State Council Decree No. 91 of 1991, State Council Decree No. 732 of 2020);
7. The Detailed Rules for the Implementation of the Measures for the Administration of the Appraisal of State-Owned Assets (《國有資產評估管理辦法實施細則》) (Issued by the former State Administration of State-Owned Assets, Guo Zi Ban Fa [1992] No. 36);
8. The Notice on Opinions on Reforming the Administration of State-Owned Assets Appraisal and Strengthening the Supervision and Administration of Asset Appraisal (《關於改革國有資產評估行政管理方式加強資產評估監督管理工作意見的通知》) (Guo Ban Fa [2001] No. 102);
9. Provisions on Several Issues Concerning the Administration of State-Owned Assets Appraisal (《國有資產評估管理若干問題的規定》) (Ministry of Finance Decree No. 14);
10. The Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (《企業國有資產監督管理暫行條例》) (State Council Decree No. 378, amended by State Council Decree No. 588);

11. The Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises (《企業國有資產交易監督管理辦法》) (SASAC, Ministry of Finance Decree No. 32);
12. The Interim Measures for the Administration of State-Owned Assets Appraisal of Enterprises (《企業國有資產評估管理暫行辦法》) (SASAC Decree No. 12 of 2005);
13. The Notice on Issues Related to Strengthening the Administration of State-Owned Assets Appraisal of Enterprises (《關於加強企業國有資產評估管理工作有關問題的通知》) (SASAC Property [2006] No. 274);
14. The Notice on Issues Related to the Review of State-Owned Assets Appraisal Reports of Enterprises (《關於企業國有資產評估報告審核工作有關事項的通知》) (SASAC Property [2009] No. 941);
15. The Guidelines for the Filing of State-Owned Assets Appraisal Projects of Enterprises (《企業國有資產評估項目備案工作指引》) (SASAC Property [2013] No. 64);
16. The Notice on Issues Related to Promoting the Transfer of State-Owned Property Rights of Enterprises (《關於促進企業國有產權流轉有關事項的通知》) (SASAC Property [2014] No. 95);
17. The Interim Measures for the Administration of State-Owned Assets Appraisal of Enterprises in Beijing (《北京市企業國有資產評估管理暫行辦法》) (Jing Guo Zi Fa [2008] No. 5);
18. The Notice on Issuing the Interim Provisions for the Administration of the Review of State-Owned Assets Appraisal Projects in Beijing (《關於印發<北京市企業國有資產評估核准項目評審管理暫行規定>的通知》) (Jing Guo Zi Fa [2012] No. 32);
19. The Opinions on Implementing the Measures for the Supervision and Administration of the Transactions of State-Owned Assets of Enterprises (《關於貫徹落實<企業國有資產交易監督管理辦法>的意見》) (Jing Guo Zi Fa [2017] No. 10);
20. The Notice on Issues Related to Deepening the Reform of the Administration of State-Owned Assets Appraisal of Enterprises (《關於深化企業國有資產評估管理改革工作有關事項的通知》) (Jing Guo Zi Fa [2019] No. 2);
21. The Notice on Issues Related to Further Deepening the Reform of the Administration of State-Owned Assets Appraisal of Enterprises (《市國資委關於進一步深化企業國有資產評估管理改革工作有關事項的通知》) (Jing Guo Zi Fa [2020] No. 9);

22. The Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (Presidential Decree No. 63 of the People's Republic of China);
23. The Implementation Regulations of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) (State Council Decree No. 512 of 2007);
24. The Interim Regulations on Value-Added Tax of the People's Republic of China (《中華人民共和國增值稅暫行條例》) (State Council Decree No. 691 of 2017);
25. The Detailed Rules for the Implementation of the Interim Regulations on Value-Added Tax of the People's Republic of China (《中華人民共和國增值稅暫行條例實施細則》) (Ministry of Finance and State Administration of Taxation Decree No. 50 of 2008);
26. The Announcement on Policies Related to Deepening the Reform of Value-Added Tax by the Ministry of Finance, State Administration of Taxation, and General Administration of Customs (《財政部稅務總局海關總署關於深化增值稅改革有關政策的公告》) (Ministry of Finance, State Administration of Taxation, General Administration of Customs Announcement No. 39 of 2019);
27. The Measures for the Financial Supervision and Administration of the Asset Appraisal Industry (《資產評估行業財政監督管理辦法》) (Ministry of Finance Decree No. 86); and
28. Other relevant legal and regulatory documents.

(ii) Basis of Valuation Standards

1. Basic Asset Valuation Standards (《資產評估基本準則》) (Cai Zi [2017] No. 43);
2. The Code of Professional Ethics for Asset Appraisal (《資產評估職業道德準則》) (Zhong Ping Xie [2017] No. 30);
3. The Practice Standards for Asset Appraisal – Asset Appraisal Procedures (《資產評估執業準則–資產評估程序》) (Zhong Ping Xie [2018] No. 36);
4. The Practice Standards for Asset Appraisal – Asset Appraisal Reports (《資產評估執業準則–資產評估報告》) (Zhong Ping Xie [2018] No. 35);
5. The Practice Standards for Asset Appraisal – Asset Appraisal Engagement Contracts (《資產評估執業準則–資產評估委託合同》) (Zhong Ping Xie [2017] No. 33);

6. The Practice Standards for Asset Appraisal – Asset Appraisal Files (《資產評估執業準則–資產評估檔案》) (Zhong Ping Xie [2018] No. 37);
7. The Practice Standards for Asset Appraisal – Asset Appraisal Methods (《資產評估執業準則–資產評估方法》) (Zhong Ping Xie [2019] No. 35);
8. The Practice Standards for Asset Appraisal – Enterprise Value (《資產評估執業準則–企業價值》) (Zhong Ping Xie [2018] No. 38);
9. The Practice Standards for Asset Appraisal – Intangible Assets (《資產評估執業準則–無形資產》) (Zhong Ping Xie [2017] No. 37);
10. The Practice Standards for Asset Appraisal-Machinery and Equipment (《資產評估執業準則–機器設備》) (Zhong Ping Xie [2017] No. 39);
11. The Practice Standards for Asset Appraisal – Real Estate (《資產評估執業準則–不動產》) (Zhong Ping Xie [2017] No. 38);
12. The Practice Standards for Asset Appraisal – Utilization of Expert Work and Relevant Reports (《資產評估執業準則–利用專家工作及相關報告》) (Zhong Ping Xie [2017] No. 35);
13. The Guidance on Patent Asset Appraisal (《專利資產評估指導意見》) (Zhong Ping Xie [2017] No. 49);
14. The Guidelines for State-Owned Enterprise Asset Appraisal Reports (《企業國有資產評估報告指南》) (Zhong Ping Xie [2017] No. 42);
15. The Guidelines for Business Quality Control of Asset Appraisal Agency (《資產評估機構業務質量控制指南》) (Zhong Ping Xie [2017] No. 46);
16. The Guidance on Types of Appraisal Value (《資產評估價值類型指導意見》) (Zhong Ping Xie [2017] No. 47);
17. The Guidance on the Legal Ownership of Asset Appraisal Object (《資產評估對象法律權屬指導意見》) (Zhong Ping Xie [2017] No. 48); and
18. The Practice Standards for Asset Appraisal – Intellectual Property (《資產評估執業準則--知識產權》) (Zhong Ping Xie [2023] No. 14).

(iii) Other Basis

1. The Expert Guidelines for Asset Appraisal No. 8 – Verification in Asset Appraisal (《資產評估專家指引第8號–資產評估中的核查驗證》) (Zhong Ping Xie [2019] No. 39); and

2. The Administrative Measures for the Filing of Asset Appraisal Business by the China Appraisal Society (《中國資產評估協會資產評估業務報備管理辦法》) (Zhong Ping Xie [2021] No. 30).

(iv) Proof of Ownership

1. Business License and Articles of Association;
2. Certificate of real estate ownership;
3. Vehicle registration certificate;
4. Major equipment purchase contracts, invoices, and related agreements, contracts etc.;
5. Patent certificates, etc.; and
6. Other ownership documents.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, and to the best knowledge of the Directors, the following entities/persons (except for the Directors, Supervisors and senior management) have interests or short positions in the Shares or underlying Shares which are required to be disclosed to the Company pursuant to Divisions 2 and 3 in Part XV of the SFO or recorded in the register required to be kept under section 336 of the SFO, or who were directly and/or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings:

Name of Shareholder	Class of Shares	Number of Shares/ underlying Shares ^{Note 1}	Percentage of relevant class of Shares ^{Note 2} (%)	Percentage of the total share capital (%)
Beijing Automotive Group Co., Ltd.	Domestic Shares	3,716,659,704 (L)	67.64	46.37
Shougang Group Co., Ltd.	Domestic Shares	1,028,748,707 (L)	18.72	12.83
Mercedes-Benz Group AG	H Shares	765,818,182 (L)	30.38	9.55

Notes:

- 1: (L) – Long position, (S) – Short position, (P) – Lending pool.
- 2: The percentage is calculated by the number of Shares held by relevant Shareholder/the number of relevant classes of Shares in issue as at the Latest Practicable Date.

3. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, none of the Directors, Supervisors or the chief executive had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register as referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

4. DIRECTORS' AND SUPERVISORS' INTERESTS IN ASSETS AND/OR CONTRACTS

As at the Latest Practicable Date, none of the Directors or the Supervisors had any direct or indirect interest in any assets which have been, since 31 December 2023, the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors or the Supervisors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

5. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

The Company has entered into service contracts with all of the Directors and Supervisors. As at the Latest Practicable Date, none of the Directors or Supervisors had any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

6. DIRECTORS' AND SUPERVISORS' POSITIONS IN SUBSTANTIAL SHAREHOLDERS

Save as disclosed in "9. COMPETING INTERESTS" in Appendix II to this circular, as at the Latest Practicable Date, the following Director was in the employment of those companies which had interests or short positions in the shares or underlying shares of the Company which are required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO:

Name of the Director/Supervisor	Position in the specific company
Mr. Paul Gao	Chief Strategy Officer of Mercedes-Benz Group AG

7. LITIGATION

As at the Latest Practicable Date, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, the date to which the latest published audited accounts of the Company were made up.

9. COMPETING INTERESTS

The table below summarizes the information of the Directors serving in BAIC Group and its subsidiaries as at the Latest Practicable Date.

Name	Major position(s) in the Group	Position in the specific company
Mr. Chen Wei	<ul style="list-style-type: none"> Chairman of the Board and non-executive Director 	<ul style="list-style-type: none"> Deputy general manager of BAIC Group Executive director and general manager of BAIC Group Off-road Vehicle Co., Ltd.* (北京汽車集團越野車有限公司)
Mr. Hu Hanjun	<ul style="list-style-type: none"> Non-executive Director 	<ul style="list-style-type: none"> Deputy general manager and secretary to the board of directors of BAIC Group

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business apart from the business of the Group which competes or is likely to compete, either directly or indirectly, with the business of the Group.

10. EXPERTS' QUALIFICATION AND CONSENT

As at the Latest Practicable Date, each of Gram Capital and the Independent Valuer has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

The following is the qualification of the experts who has each given advice or recommendations, which are contained in this circular:

Name	Qualification
Beijing Pan-China Assets Appraisal Co., Ltd.* (北京天健興業資產評估 有限責任公司)	Independent Valuer
Gram Capital	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

11. EXPERTS' INTERESTS

As at the Latest Practicable Date, each of Gram Capital and the Independent Valuer:

- (1) did not have any direct or indirect interest in any assets which have been, since 31 December 2023, the date to which the latest published audited accounts of the Company were made up, acquired or disposed of by or leased to any member of the Group, or proposed to be acquired or disposed of by or leased to any member of the Group; and
- (2) did not have any shareholding in any member of the Group or the rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for the securities in any member of the Group.

12. MISCELLANEOUS

- (1) The primary contact person of the Company is Mr. Wang Jianhui, Secretary to the Board and Company Secretary of the Company.
- (2) The registered address of the Company is A5-061, Unit 101, 5th Floor, Building No. 1, Courtyard No. 99, Shuanghe Street, Shunyi District, Beijing, the PRC. The Group is principally engaged in the manufacturing and sales of passenger vehicles, engines and auto parts in the PRC.

- (3) The H Share Registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited located at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (4) The English version of the circular shall prevail over the Chinese version in the event of inconsistency.

13. DOCUMENTS ON DISPLAY

Copies of the following documents will be available on the Company's website (www.baicmotor.com) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk) for a period of 14 days from the date of this circular:

- (1) the Framework Agreement;
- (2) the letter from the Independent Board Committee, the text of which is set out on pages 21 to 22 of this circular;
- (3) the letter from Gram Capital, the Independent Financial Adviser, the text of which is set out on pages 23 to 33 of this circular;
- (4) the Valuation Report;
- (5) written consent issued referred to in the paragraph headed "EXPERTS' QUALIFICATION AND CONSENT" above; and
- (6) this circular.

* *For identification purposes only.*

No.	Original	Revised
1.	<p>NOTE: In the margin notes to the provisions of these Articles of Association, the “Company Law” refers to The Company Law of the People’s Republic of China (as amended in 2018), the “Mandatory Provisions” refer to the “Mandatory Provisions for Articles of Association of Companies Listed Overseas” (Zheng Wei Fa [1994] No.21) jointly issued by the former State Council Securities Policy Committee and the former State Commission for Restructuring the Economic System; the “Letter of Opinions on Supplementary Amendment” refers to the “Circular Regarding Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong” (Zheng Jian Hai Han [1995] No.1) jointly issued by the Overseas Listing Department of the CSRC and the Production System Department of the former State Commission for Restructuring the Economic System; the “Guidelines on Articles” refer to the Guidelines on Articles of Association of Listed Companies (as amended in 2019); “Main Board Listing Rules” refer to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; “Appendix 3 to Main Board Listing Rules” refers to the Appendix 3 to the Listing Rules issued by The Stock Exchange of Hong Kong Limited; “Appendix 13D to the Listing Rules” refers to Part D of Appendix 13 to the Listing Rules issued by The Stock Exchange of Hong Kong Limited.</p>	<p>NOTE: In the margin notes to the provisions of these Articles of Association, the “Company Law” refers to “The Company Law of the People’s Republic of China”; (as amended in 2018), the “Mandatory Provisions” refer to the “Mandatory Provisions for Articles of Association of Companies Listed Overseas” (Zheng Wei Fa [1994] No.21) jointly issued by the former State Council Securities Policy Committee and the former State Commission for Restructuring the Economic System; the “Letter of Opinions on Supplementary Amendment” refers to the “Circular Regarding Comments on the Amendments to Articles of Association of Companies Listed in Hong Kong” (Zheng Jian Hai Han [1995] No.1) <u>“Securities Law” refers to the Law of the People’s Republic of China on Securities; “Trial Measures” refers to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies;</u> the “Guidelines on Articles” refer to the Guidelines on Articles of Association of Listed Companies (as amended in 2019); “Main Board Listing Rules” refer to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; “Appendix 3<u>A1</u> to Main Board Listing Rules” refers to the Appendix 3<u>A1</u> to the Listing Rules issued by of The Stock Exchange of Hong Kong Limited; “Appendix 13D to the Listing Rules” refers to Part D of Appendix 13 to the Listing Rules issued by The Stock Exchange of Hong Kong Limited.</p>

No.	Original	Revised
2.	<p>Article 1 These Articles of Association (“Articles”) are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Special Provisions of the State Council on the Offshore Offering of Shares and Listing of Companies Limited By Shares (the “Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter Regarding Opinion on Supplementary Amendments to the Articles of Association of Companies to be Listed in Hong Kong, Guidelines on Articles of Association of Listed Companies (as amended in 2019), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Constitution of the Communist Party of China (the “Party Constitution”) and other relevant regulations, for the purpose of protecting the legitimate rights and interests of BAIC Motor Corporation Limited (the “Company”), its shareholders and creditors, and regulating the organization and activities of the Company.</p>	<p>Article 1 These Articles of Association (“Articles”) are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Special Provisions of the State Council on the Offshore Offering of Shares and Listing of Companies Limited By Shares (the “Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Letter Regarding Opinion on Supplementary Amendments to the Articles of Association of Companies to be Listed in Hong Kong, <u>Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies</u>, Guidelines on Articles of Association of Listed Companies (as amended in 2019), Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (<u>the “Main Board Listing Rules”</u>), the Constitution of the Communist Party of China (the “Party Constitution”) and other relevant regulations, for the purpose of protecting the legitimate rights and interests of BAIC Motor Corporation Limited (the “Company”), its shareholders, <u>employees</u> and creditors, and regulating the organization and activities of the Company.</p>

No.	Original	Revised
3.	Article 5 The legal representative of the Company shall be the chairman of the board of directors.	Article 5 The legal representative of the Company shall be the chairman of the board of directors. <u>The chairman of the Company shall be appointed and changed in accordance with the provisions of the Articles. Where the chairman of the Company resigns, he/she shall be deemed to have resigned as the legal representative at the same time. If the legal representative resigns, the Company shall determine a new legal representative within 30 days of resignation of the legal representative.</u>
4.	Article 8 The Company shall implement democratic management in accordance with the Constitution of the People's Republic of China and relevant laws, establish a labor union organization and carry out activities thereof in accordance with the law, so as to protect legitimate rights and interests of employees. The Company shall provide the labor union organization with necessary activity conditions.	Article 8 The Company shall implement democratic management in accordance with the Constitution of the People's Republic of China and relevant laws, <u>shall establish and improve a democratic management system in the form of assembly of the representatives of the employees, and adopt democratic management in such form or any other ways,</u> establish a labor union organization and carry out activities thereof in accordance with the law, so as to protect legitimate rights and interests of employees. The Company shall provide the labor union organization with necessary activity conditions.
5.	/	Article 9 <u>The Company abides by the provisions of laws and regulations during its production and business activities. The Company adopts a general counsel system to further exert the function of the general counsel in legal review and supervision of operation and management, thereby facilitating the legal operation and compliance management of the Company.</u>

No.	Original	Revised
6.	<p>Article 9 These Articles shall be passed at the general meeting of the Company by special resolution before becoming effective from the date on which the overseas listed foreign shares of the Company are listed on The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) subject to approval of relevant authorities of the PRC and shall supersede the existing articles of association of the Company filed with the administration authorities for industry and commerce.</p> <p>.....</p>	<p>Article 910 The Articles shall be passed at the general meeting of the Company by special resolution before becoming effective from the date on which the overseas listed foreign shares of the Company are listed on The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) subject to approval of relevant authorities of the PRC and shall supersede the existing articles of association of the Company filed with the administration authorities for industry and commerce. <u>shall come into force upon the approval by special resolution at the shareholders’ meeting of the Company.</u></p> <p>.....</p>
7.	<p>Article 10</p> <p>According to these Articles, a shareholder may take legal action against the Company, and the Company may also take legal action against shareholders;</p> <p>.....</p>	<p>Article 101</p> <p>According to these Articles, a shareholder may take legal action against the Company, and the Company may also take legal action against shareholders, <u>directors, supervisors, president and other senior management of the Company;</u></p> <p>.....</p>
8.	<p>Article 11 The Company may invest in other enterprises. However, the Company shall not be a capital contributor who is jointly liable for the debt of any enterprise in which the Company invests in, unless otherwise provided by laws.</p>	<p>Article 112 The Company may invest in other enterprises. <u>The Company shall be subject to the law under which it shall not become a capital contributor severally and jointly liable for the debts of the enterprises in which it invests.</u> However, the Company shall not be a capital contributor who is jointly liable for the debt of any enterprise in which the Company invests in, unless otherwise provided by laws.</p>

No.	Original	Revised
9.	<p>Article 13 The scope of business of the Company shall be based on the items approved by the company registration authorities and business administration authorities.</p> <p>The scope of business of the Company covers: manufacture of automobiles, components and accessories, which is only operated by its branches; sales of self-manufactured products; development of technologies, technical services and consultation; economic information consultation; equipment installation; import and export of goods and technologies and import and export business agent. (The market entity shall select business items and carry out operating activities at its own discretion in accordance with the law; for items subject to approval in accordance with the laws, operating activities can only be conducted upon approval by relevant authorities and to the extent authorized by such approval; it is not allowed to engage in operating activities prohibited or restricted by industrial policies of the state and the municipality.)</p> <p>.....</p>	<p>Article 134 The scope of business of the Company shall be based on the items approved by the company registration authorities and business administration authorities.</p> <p>The scope of business of the Company covers: manufacture of automobiles, components and accessories, which is only operated by its branches; sales of self-manufactured products; development of technologies, technical services and consultation; economic information consultation; equipment installation; import and export of goods and technologies and import and export business agent. (The market entity shall select business items and carry out operating activities at its own discretion in accordance with the law; for items subject to approval in accordance with the laws, operating activities can only be conducted upon approval by relevant authorities and to the extent authorized by such approval; it is not allowed to engage in operating activities prohibited or restricted by industrial policies of the state and the municipality.)</p> <p>.....</p>
10.	<p>Article 14 The Company shall have ordinary shares at all times. It may create other classes of shares subject to approval by the approval authorities under the State Council.</p>	<p>Article 145 The Company shall have ordinary shares at all times. It may create other classes of shares subject to approval registration or filing with by the approval authorities under the State Council.</p>
11.	<p>Article 17 Subject to approval of the securities regulatory authority of the State Council, the Company may issue shares to domestic and foreign investors.</p> <p>.....</p>	<p>Article 178 Subject to approval of the securities regulatory authority of the State Council, the The Company may issue shares to domestic and foreign investors, which shall comply with the registration or filing procedures with the China Securities Regulatory Commission (the “CSRC”) in accordance with the laws.</p> <p>.....</p>

No.	Original	Revised
12.	<p>Article 18</p> <p>Overseas listed foreign shares issued by the Company and listed in Hong Kong shall be referred to as H shares. H shares refer to the shares approved to be listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), the par value of which are denominated in Renminbi, and are subscribed for and traded in Hong Kong dollars.</p> <p>Upon approval of the securities regulatory authorities of the State Council, holders of domestic shares of the Company may transfer whole or part of their shares to overseas investors for listing and dealing on overseas stock exchanges. The whole or part of the domestic shares can be converted into foreign shares, and the foreign shares converted can be listed and traded on overseas stock exchanges. The listing and dealing of transferred or converted shares on overseas stock exchanges shall comply with the regulatory procedures, regulations and requirements of such overseas stock exchanges. The listing and dealing of the transferred shares on overseas stock exchanges, or the listing and dealing of foreign shares converted from domestic shares on overseas stock exchanges is not subject to approval of general meetings or class meetings. The overseas listed foreign shares converted from domestic shares shall be of the same class with the existing overseas listed foreign shares.</p>	<p>Article 189</p> <p>Overseas listed foreign shares issued by the Company and listed <u>on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”)</u> in Hong Kong shall be referred to as H shares. H shares refer to the shares approved to be listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), the par value of which are denominated in Renminbi for par value, and are subscribed for and traded in Hong Kong dollars.</p> <p>Upon approval of the securities regulatory authorities of the State Council, Shareholders of domestic shares of the Company may transfer whole or part of their shares to overseas investors for listing and dealing on overseas stock exchanges. The whole or part of the domestic shares can be converted into foreign shares, and the foreign shares converted can be listed and traded on overseas stock exchanges. <u>convert their domestic shares into overseas listed shares and have them listed and circulated on overseas stock exchanges, but shall comply with the relevant regulations of the CSRC and entrust the Company to process filing with the CSRC. The aforementioned conversion and listing for trading, filing and other matters do not require a vote at a shareholders’ meeting or class meeting.</u></p> <p>The listing and dealing of transferred or converted shares on overseas stock exchanges shall comply with the regulatory procedures, regulations and requirements of such overseas stock exchanges. The listing and dealing of the transferred shares on overseas stock exchanges, or the listing and dealing of foreign shares converted from domestic shares on overseas stock exchanges is not subject to approval of general meetings or class meetings. The overseas listed foreign shares converted from domestic shares shall be of the same class with the existing overseas listed foreign shares.</p>

No.	Original	Revised
13.	<p>Article 21 Upon approval by the securities regulatory authority of the State Council of the proposal for issue of overseas listed foreign shares and domestic shares, the board of directors of the Company may issue overseas listed foreign shares and domestic shares separately.</p> <p>The Company may issue overseas listed foreign shares and domestic shares separately in accordance with the preceding paragraph within fifteen (15) months from the date of approval by the securities regulatory authority of the State Council.</p>	Deleted.
14.	<p>Article 22 The Company may issue overseas listed foreign shares and domestic shares subject to the maximum number of shares as determined in the issuance proposal. Shares shall be subscribed for in full in one issue. If shares cannot be fully subscribed for in one issue under special circumstances, the shares may be issued in separate issues subject to approval of the securities regulatory authority of the State Council.</p>	Deleted.

No.	Original	Revised
15.	<p>Article 24 The Company may, based on its requirements for operation and development, approve an increase of capital in accordance with these Articles.</p> <p>The Company may increase its capital in the following manners:</p> <p>(1) by open offer of new shares;</p> <p>(2) by private placing and/or rights issue of new shares;</p> <p>(3) by bonus issue to existing shareholders;</p> <p>(4) by converting capital reserves into share capital; or</p> <p>(5) other ways as permitted by laws and regulations and approval by the competent authorities of the State Council.</p> <p>The increase of capital of the Company by issuing new shares shall, after being approved in accordance with these Articles, be conducted in accordance with the procedures stipulated by the relevant laws and regulations of the State. After the increase or decrease of capital, the Company shall apply to the original industry and commerce administrative authority for registration of the change in registered capital and make an announcement.</p>	<p>Article 243The Company may, based on its requirements for operation and development <u>needs and in accordance with applicable laws and regulations and with the approval by resolution at the shareholders' meeting</u>, an increase of <u>its registered</u> capital in accordance with these Articles. <u>by the following methods:</u></p> <p>The Company may increase its capital in the following manners:-</p> <p>(1) by open offer of new shares; <u>public issuance of shares;</u></p> <p>(2) by private placing and/or rights issue of new shares; <u>non-public issuance of shares;</u></p> <p>(3) by bonus issue to existing shareholders;</p> <p>(4) by converting capital reserves into share capital; or</p> <p>(5) other ways as permitted by laws and <u>administrative</u> regulations and approval by the competent authorities of the State Council <u>CSRC and other relevant regulatory authorities.</u></p> <p>The increase of capital of the Company by issuing new shares shall, after being approved in accordance with these Articles, be conducted in accordance with the procedures stipulated by the relevant laws and regulations of the State, <u>the listing rules of the place where the shares of the Company are listed.</u> After the increase or decrease of capital, the Company shall apply to the original industry and commerce administrative authority for registration of the change in registered capital and make an announcement.</p>
16.	<p>Article 26 The Company shall not accept its own shares as the subject matter of a pledge.</p>	<p>Article 265 The Company shall not accept its own shares as the subject matter of a pledge.</p>

No.	Original	Revised
17.	<p>Article 27 The shares of the Company held by promoters shall not be transferred within one year from the date of establishment of the Company. Shares in issue prior to the public offering of the Company shall not be transferred within one year from the date of listing of the shares on any stock exchange. Directors, supervisors and senior management shall report to the Company their shareholdings in the Company and changes in their shareholdings. The shares transferred by them in a particular year during their term of office shall not exceed 25% of the total shares being held and the shares they held in the Company shall not be transferred within one year from the listing date of the shares and within half a year after their terms of office. The transfer restriction on H shares shall also be subject to the relevant requirements of the Main Board Listing Rules of Hong Kong Stock Exchange.</p>	<p>Article 276 The shares of the Company held by promoters shall not be transferred within one year from the date of establishment of the Company. Shares in issue prior to the public offering of the Company shall not be transferred within one year from the date of listing of the shares on any stock exchange.</p> <p><u>Where laws, administrative regulations, listing rules of the stock exchange where the company's shares are listed, or relevant regulatory authorities such as the CSRC have other provisions regarding the transfer of shares held by the Company's shareholders or de facto controllers, such provisions shall prevail.</u></p> <p>Directors, supervisors and senior management shall report to the Company their shareholdings in the Company and changes in their shareholdings. The shares transferred by them in a particular year during their term of office <u>as determined at the time of assuming office</u> shall not exceed 25% of the total shares being held and the shares they held in the Company shall not be transferred within one year from the listing date of the shares and within half a year after their terms of office. The transfer restriction on H shares shall also be subject to the relevant requirements of the Main Board Listing Rules of Hong Kong Stock Exchange.</p>

No.	Original	Revised
18.	<p>Article 28 If the directors, supervisors, senior management and shareholder holding 5% or more of the total shares of the Company sell his shares in the Company within six months of the purchase, or purchase the shares again within six months of the sale, the profit thus made shall be attributable to the Company and the board of directors shall collect all such profits. The transfer restriction on H shares shall also be subject to the relevant requirements of the Main Board Listing Rules of Hong Kong Stock Exchange. If a securities company purchases unsold shares as an underwriter and becomes a holder of more than 5% of the shares, it shall not be subject to the six months' selling restriction. If the board of directors fails to comply with the provisions of the preceding paragraph, the shareholders are entitled to demand the board of directors to do so within 30 days. The shareholders are entitled to file litigation at court in their own names for the interests of the Company if the board of directors fails to comply with the provisions within the said period.</p> <p>If the board of directors fails to comply with paragraph (1) of this Article, the directors at fault shall assume joint and several liabilities in accordance with the laws.</p>	Deleted.

No.	Original	Revised
19.	<p>Article 30 The Company shall prepare a balance sheet and an inventory of property when it reduces its registered capital.</p> <p>The Company shall notify its creditors within ten days from the date of the Company's resolution on reduction of registered capital and shall publish an announcement within thirty days from the date of such resolution. A creditor has the right, within thirty days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty five days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.</p> <p>The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.</p>	<p>Article 3028 The Company shall prepare a balance sheet and an inventory of property when it reduces its registered capital.</p> <p>The Company shall notify its creditors within ten days from the date of the Company's resolution <u>at the shareholders' meeting</u> on reduction of registered capital and shall publish an announcement <u>on newspaper or the National Enterprise Credit Information Publicity System</u> within thirty days from the date of such resolution. A creditor has the right, within thirty days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty five days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.</p> <p>The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement. <u>In the event that the Company reduces its registered capital, the number of shares shall be reduced correspondingly according to the proportion of shares held by the shareholders, or under any circumstances as otherwise specified by laws and the Articles of Association.</u></p>
20.	<p>Article 31 The Company may, subject to the procedures set out in these Articles and approval of the relevant competent authority of the PRC, repurchase its issued shares under the following circumstances in accordance with legal procedures:</p> <p>(1) cancelling the shares for the purposes of reducing registered capital of the Company;</p> <p>.....</p>	<p>Article 3129 The Company may, subject to <u>the laws and regulations, the listing rules of the place where the shares of the Company are listed and these Articles,</u> procedures set out in these Articles and approval of the relevant competent authority of the PRC; repurchase its issued shares under the following circumstances in accordance with legal procedures:</p> <p>(1) cancelling the shares for the purposes of reducing registered capital of the Company;</p> <p>.....</p>

No.	Original	Revised
21.	<p>Article 32 The Company may repurchase its shares in any of the following ways after being approved by relevant competent authorities of the PRC:</p> <p>(1) making a repurchase offer to all shareholders on a pro rata basis;</p> <p>(2) repurchasing by means of public dealing on a stock exchange;</p> <p>(3) repurchasing by an off-market agreement; or</p> <p>(4) other methods permitted by relevant competent authorities of the State.</p>	<p>Article 320 The Company may repurchase its shares in any of the following ways after being approved by relevant competent authorities of the PRC: <u>through open and centralized trading or other methods permitted by laws, regulations, administrative regulations and relevant regulatory authorities such as CSRC.</u></p> <p>(1) making a repurchase offer to all shareholders on a pro rata basis;</p> <p>(2) repurchasing by means of public dealing on a stock exchange;</p> <p>(3) repurchasing by an off-market agreement; or</p> <p>(4) other methods permitted by relevant competent authorities of the State.</p> <p><u>The acquisition of shares of the Company shall satisfy the information disclosure obligation in accordance with relevant requirements. The shares of the Company acquired under the circumstances provided by clauses (3), (5) and (6) of Article 29 under these Articles shall be traded in an open and centralized manner.</u></p>
22.	<p>Article 33</p> <p>Where the Company repurchases its shares by an off-market agreement, the prior approval of the general meeting shall be obtained in accordance with these Articles. The Company may terminate or amend the contracts entered into in the aforementioned ways or waive its rights under a contract entered into in the aforementioned ways.</p> <p>A contract to repurchase shares referred to in the preceding paragraph includes (without limitation) an agreement to become obliged to repurchase and an acquisition of the right to repurchase shares of the Company.</p> <p>The Company shall not assign a contract to repurchase its shares or the rights under a contract to repurchase its shares.</p>	Deleted.

No.	Original	Revised
23.	<p>Article 34 Upon repurchase of shares in accordance with clause (1) of Article 31, the repurchased shares shall be cancelled within ten days from the date of repurchase; upon repurchase of shares in accordance with clauses (2) and (4) of Article 31, the repurchased shares shall be transferred or cancelled within six months; if it is under the circumstances described in clauses (3), (5) and (6) of Article 31, the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued shares of the Company and such shares shall be transferred or cancelled within three years.</p> <p>The acquisition of shares of the Company shall satisfy the information disclosure obligation in accordance with relevant requirements. The shares of the Company acquired under the circumstances provided by clauses (3), (5) and (6) of Article 31 under these Articles shall be traded in an open and centralized manner.</p> <p>.....</p>	<p>Article 341 Upon repurchase of shares in accordance with clause (1) of Article 3129, the repurchased shares shall be cancelled within ten days from the date of repurchase; upon repurchase of shares in accordance with clauses (2) and (4) of Article 3129, the repurchased shares shall be transferred or cancelled within six months; if it is under the circumstances described in clauses (3), (5) and (6) of Article 3129, the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued shares of the Company and such shares shall be transferred or cancelled within three years.</p> <p><u>In the event of an acquisition of the Company's H shares, the Company may, at its discretion, either immediately cancel such shares or hold them as treasury shares in accordance with the Main Board Listing Rules. If the directors do not specify that the relevant shares will be held as treasury shares, such shares shall be cancelled. The Company shall deposit the treasury shares in a separate account within the Central Clearing and Settlement System, clearly identifiable as treasury shares. The Company shall not exercise any rights in respect of the treasury shares, nor shall it declare or distribute any dividends on such shares. Subject to compliance with these Articles and the Main Board Listing Rules, the Company may dispose of the treasury shares on terms and conditions determined by the directors.</u></p>

No.	Original	Revised
		<p>The acquisition of shares of the Company shall satisfy the information disclosure obligation in accordance with relevant requirements. The shares of the Company acquired under the circumstances provided by clauses (3), (5) and (6) of Article 31 under these Articles shall be traded in an open and centralized manner.</p> <p>.....</p>
24.	<p>Article 35 Unless the Company is in the course of liquidation, it shall comply with the following provisions when repurchasing its issued shares:</p> <p>(1) Where the Company repurchases its own shares at par value, payment shall be deducted from the book balance of distributable profits of the Company and the proceeds from the new share issue for the purpose of repurchasing the existing shares;</p> <p>(2) Where the Company repurchases shares of the Company at a price higher than the par value, the portion equivalent to the par value shall be deducted from the book balance of the distributable profits of the Company and the proceeds from the new share issue for the purpose of repurchasing the existing shares, and the premium shall be handled as follows:</p> <p>(i) if the shares repurchased are issued at par value, the payment shall be deducted from the book balance of the distributable profits of the Company;</p> <p>(ii) if the shares repurchased were issued at a price higher than the par value, payment shall be deducted from the book balance of the distributable profits of the Company and the proceeds from the new share issue for the purpose of repurchasing the existing shares, provided that the amount deducted from the proceeds from the new share issue shall neither exceed the aggregate premium from the issue of the existing shares repurchased nor shall it exceed the amount (including the premiums from the new share issue) in the premium account or the capital reserve account at the repurchase.</p>	Deleted.

No.	Original	Revised
	<p>(3) Payments for the following purposes shall be made out of the Company's distributable profits:</p> <p>(i) acquisition of the right to repurchase shares of the Company;</p> <p>(ii) modification of any contract to repurchase shares of the Company;</p> <p>(iii) release of any of the Company's obligation under any contract for the repurchase of its shares.</p> <p>(4) After the total par value of the cancelled shares is deducted from the Company's registered capital in accordance with the relevant regulations, the amount deducted from the distributable profits for the repurchase of the shares at par value shall be included in the Company's premium account or capital reserve account.</p>	
25.	<p>Article 36 The Company and its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Company. The said acquirer of shares of the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares of the Company.</p> <p>The Company and its subsidiaries shall not, by any other means at any time, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations assumed by such person.</p> <p>This provision does not apply to the circumstances stated in Article 38 of these Articles.</p>	<p>Article 362 The Company and its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Company <u>or its parent company</u>. The said acquirer of shares of the Company <u>or its parent company</u> includes a person who directly or indirectly incurs any obligations due to the acquisition of shares of the Company <u>or its parent company</u>.</p> <p>The Company and its subsidiaries shall not, by any other means at any time, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations assumed by such person. This provision does not apply to the circumstances stated in Article 348 of these Articles.</p>

No.	Original	Revised
26.	<p>Article 38 The following activities shall not be deemed to be activities as prohibited in Article 36:</p> <p>(1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company;</p> <p>(2) the lawful distribution of the Company’s assets by way of dividend;</p> <p>(3) the allotment of bonus shares as dividends;</p> <p>(4) a reduction in registered capital, a repurchase of shares or a reorganization of the share capital structure of the Company effected in accordance with these Articles;</p> <p>(5) the provision of loans by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company); and</p>	<p>Article 384The following activities shall not be deemed to be activities as prohibited in Article 362:</p> <p>(1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company. <u>Upon a resolution of the shareholders’ meeting, or a board resolution in accordance with the authorization of the shareholders’ meeting, the Company may provide financial assistance to other persons for the acquisition of shares in the Company or its parent company, provided that the cumulative total amount of the financial assistance shall not exceed 10% of the total issued share capital. Resolutions made by the board of directors shall be approved by more than two-thirds of all directors; and</u></p> <p>and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company;</p> <p>(2) the lawful distribution of the Company’s assets by way of dividend;</p> <p>(3) the allotment of bonus shares as dividends;</p> <p>(4) a reduction in registered capital, a repurchase of shares or a reorganization of the share capital structure of the Company effected in accordance with these Articles;</p> <p>(5) the provision of loans by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company); and</p>

No.	Original	Revised
	<p>(6) the provision of money by the Company for contributions to employee share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).</p>	<p>(26) the provision of money by the Company for contributions to employee share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).</p> <p><u>In the event of any violation against Article 32 of these Articles and preceding provisions of which causes losses to the Company, the responsible directors, supervisors and senior management shall be liable for compensation.</u></p>
27.	<p>Article 39 The shares of the Company shall be in registered form.</p> <p>In addition to the information required by the Company Law and the Special Provisions, the share certificates of the Company shall also contain other information required by the stock exchange(s) on which its shares are listed.</p> <p>During the period when the H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure that all of the title documents relating to the securities listed on the Hong Kong Stock Exchange (including the H share certificates) contain the following statements, and shall instruct and procure the share registrars not to register any subscription, purchase or transfer of share in the name of any individual holder unless and until he submits such properly executed forms to the share registrars which shall include the following statements:</p>	<p>Article 395 The shares of the Company shall be in registered form.</p> <p><u>The domestic shares issued by the Company shall be centrally deposited with China Securities Depository and Clearing Corporation Limited. The H shares issued by the Company shall primarily be held in custody by Hong Kong Securities Clearing Company Limited, but may also be held by shareholders in their own names.</u></p> <p>In addition to the information required by the Company Law and the Special Provisions, the share certificates of the Company shall also contain other information required by the stock exchange(s) on which its shares are listed.</p> <p>During the period when the H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure that all of the title documents relating to the securities listed on the Hong Kong Stock Exchange (including the H share certificates) contain the following statements, and shall instruct and procure the share registrars not to register any subscription, purchase or transfer of share in the name of any individual holder unless and until he submits such properly executed forms to the share registrars which shall include the following statements:</p>

No.	Original	Revised
	<p>(1) the purchaser of the shares agrees with the Company and each shareholder, and the Company agrees with each shareholder, to observe and comply with the Company Law, the Special Provisions and other laws, regulations and these Articles.</p> <p>(2) the purchaser of the shares agrees with the Company, each shareholder, director, supervisor, president and other senior management of the Company, and the Company (for itself and on behalf of each director, supervisor, president and other senior management) agrees with each shareholder, to refer all disputes and claims arising from these Articles or any rights and obligations conferred or imposed by the Company Law and other relevant laws and regulations of China applicable to the Company relating to the affairs of the Company to arbitration in accordance with these Articles. Any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such award shall be final and conclusive.</p> <p>(3) the purchaser of the shares agrees with the Company and each shareholder that the shares of the Company are freely transferable by the holder thereof.</p> <p>(4) the purchaser of the shares authorizes the Company to enter into a contract on his behalf with each of the directors, president and other senior management whereby such directors, president and senior management undertake to observe and comply with their obligations to the shareholders as stipulated in these Articles.</p>	<p>(1) the purchaser of the shares agrees with the Company and each shareholder, and the Company agrees with each shareholder, to observe and comply with the Company Law, the Special Provisions and other laws, regulations and these Articles.</p> <p>(2) the purchaser of the shares agrees with the Company, each shareholder, director, supervisor, president and other senior management of the Company, and the Company (for itself and on behalf of each director, supervisor, president and other senior management) agrees with each shareholder, to refer all disputes and claims arising from these Articles or any rights and obligations conferred or imposed by the Company Law and other relevant laws and regulations of China applicable to the Company relating to the affairs of the Company to arbitration in accordance with these Articles. Any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such award shall be final and conclusive.</p> <p>(3) the purchaser of the shares agrees with the Company and each shareholder that the shares of the Company are freely transferable by the holder thereof.</p> <p>(4) the purchaser of the shares authorizes the Company to enter into a contract on his behalf with each of the directors, president and other senior management whereby such directors, president and senior management undertake to observe and comply with their obligations to the shareholders as stipulated in these Articles.</p>

No.	Original	Revised
28.	<p>Article 40 The share certificates shall be signed by the legal representative.</p>	<p>Article 4036 The share certificates <u>in paper form</u> shall be signed by the legal representative <u>and affixed with the company seal or printed seal.</u> <u>In the event of paperless issuance and trading of Company’s shares, the separate provisions of the securities regulatory authorities and stock exchanges at the place where the Company’s shares are listed shall prevail.</u></p>
29.	<p>Article 41 The Company shall keep a register of shareholders according to the evidence provided by the share registrars, which shall contain the following particulars:</p> <p>(1) the name, address (domicile), occupation or nature of each shareholder;</p> <p>(2) the class and number of shares held by each shareholder;</p> <p>(3) the amount paid-up or payable in respect of shares held by each shareholder;</p> <p>(4) the serial numbers of the shares held by each shareholder;</p> <p>(5) the date on which a person registers as a shareholder; and</p> <p>(6) the date on which a person ceases to be a shareholder.</p> <p>The register of shareholders shall be the sufficient evidence for the shareholders’ shareholding in the Company, except in cases with contrary evidence.</p>	<p>Article 4137 The Company shall keep a register of shareholders according to the evidence provided by the share registrars, which shall contain the following particulars:</p> <p>(1) the name, address (domicile); occupation or nature of each shareholder;</p> <p>(2) the class and number of shares held by <u>the class of shares and number of shares subscribed</u> by each shareholder;</p> <p>(3) the amount paid-up or payable in respect of shares held by each shareholder; <u>if shares are issued in paper form, the serial numbers of the share certificate (if any);</u></p> <p>(4) the serial numbers of the shares held by each shareholder; <u>the date on which each shareholder acquired the shares.</u></p> <p>(5) the date on which a person registers as a shareholder; and</p> <p>(6) the date on which a person ceases to be a shareholder.</p> <p>The register of shareholders shall be the sufficient evidence for the shareholders’ shareholding in the Company, except in cases with contrary evidence.</p>

No.	Original	Revised
	<p>All movements or transfer of overseas listed foreign shares shall be recorded in the register of holders of overseas listed foreign shares of the Company which is required to be kept in the place where such shares are listed pursuant to these Articles.</p> <p>If two or more persons are registered as the joint shareholders of any shares, they shall be deemed to be joint holders of such shares and be subject to the following provisions:</p> <p>(1) the Company is not obliged to register more than four persons as the joint shareholders of any shares;</p> <p>(2) all the joint shareholders of any shares shall jointly and severally assume the liability to pay all amounts payable for the relevant shares;</p> <p>(3) if one of the joint shareholders has deceased, only the surviving joint shareholders shall be deemed by the Company to be the persons owning the relevant shares. Nevertheless, the board of directors shall, for the purpose of revising the register of shareholders, have the right to demand evidence of death of such shareholder where it deems appropriate; and</p> <p>(4) As to the joint shareholders of any shares, only the joint shareholder whose name appears first in the register of shareholders is entitled to receive the share certificate for the relevant shares and the notices of the Company, and to attend and exercise all voting rights attached to the relevant shares in the general meetings of the Company. Any notice served on the aforesaid person shall be deemed to have been served on all joint shareholders of the relevant shares.</p>	<p><u>A Hong Kong branch register of shareholders of the Company must be made available for inspection by shareholders, while the Company may close the register in accordance with applicable laws and regulations.</u></p> <p>All movements or transfer of overseas listed foreign shares shall be recorded in the register of holders of overseas listed foreign shares of the Company which is required to be kept in the place where such shares are listed pursuant to these Articles.</p> <p>If two or more persons are registered as the joint shareholders of any shares, they shall be deemed to be joint holders of such shares and be subject to the following provisions:</p> <p>(1) the Company is not obliged to register more than four persons as the joint shareholders of any shares;</p> <p>(2) all the joint shareholders of any shares shall jointly and severally assume the liability to pay all amounts payable for the relevant shares;</p> <p>(3) if one of the joint shareholders has deceased, only the surviving joint shareholders shall be deemed by the Company to be the persons owning the relevant shares. Nevertheless, the board of directors shall, for the purpose of revising the register of shareholders, have the right to demand evidence of death of such shareholder where it deems appropriate; and</p> <p>(4) As to the joint shareholders of any shares, only the joint shareholder whose name appears first in the register of shareholders is entitled to receive the share certificate for the relevant shares and the notices of the Company, and to attend and exercise all voting rights attached to the relevant shares in the general meetings of the Company. Any notice served on the aforesaid person shall be deemed to have been served on all joint shareholders of the relevant shares.</p>

No.	Original	Revised
30.	<p>Article 42 The Company may, in accordance with the mutual understanding and agreements made between the securities regulatory authority of the State Council and overseas securities regulatory authorities, maintain its register of holders of overseas listed foreign shares outside the PRC and appoint overseas agent(s) to manage such register. The original copy of registers of holders of H shares shall be maintained in Hong Kong.</p> <p>The Company shall maintain a duplicate copy of the register of holders of overseas listed foreign shares at the Company's domicile. The appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of holders of overseas listed foreign shares at all times.</p> <p>If there is any inconsistency between the original and the duplicate copy of the register of holders of overseas listed foreign shares, the original version shall prevail.</p>	Deleted.
31.	<p>Article 43 The Company shall maintain a complete register of shareholders.</p> <p>The register of shareholders shall include the followings:</p> <p>(1) the register of shareholders maintained at the Company's domicile, other than those parts as described in clauses (2) and (3) of this article;</p> <p>(2) the register of shareholders in respect of the holders of overseas listed foreign shares of the Company maintained at the place of the overseas stock exchange where the shares are listed is located; and</p> <p>(3) the register of shareholders maintained at such other place as the board of directors may consider necessary for the purpose of listing of the Company's shares.</p>	Deleted.

No.	Original	Revised
32.	<p>Article 44 Different parts of the register of shareholders shall not overlap with one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of shareholders. Alteration or rectification of each part of the register of shareholders shall be made in accordance with the laws of the place where that part of the register of shareholders is maintained.</p>	Deleted.
33.	<p>Article 45 All H shares can be freely transferred according to these Articles. However, the board of directors may refuse to recognise any instrument of transfer without giving any reasons, unless the following conditions are fulfilled:</p> <p>(1) the instrument of transfer only involves H shares;</p> <p>(2) the stamp duty payable on the instrument of transfer has been paid in full;</p> <p>(3) the relevant share certificates and any evidences in relation to the right of the transferor to transfer such shares as reasonably requested by the board of directors have been provided; and</p> <p>(4) no transfer of share shall be made to minors or persons of unsound mind or under other legal disability.</p> <p>In case the Company refuses to register the share transfer, the Company shall issue a notice on the refusal to register the share transfer to the transferor and the transferee within two months after the application for transfer is formally submitted.</p>	Deleted.

No.	Original	Revised
34.	<p>Article 46 All transfer of H shares shall be effected with a written instrument of transfer in general or ordinary format or such other format as acceptable to the board of directors (including the standard format of transfer or form of transfer as prescribed by the Hong Kong Stock Exchange from time to time), and such instrument of transfer may only be signed by hand or (in case the transferor or the transferee is a company) affixed with the company’s seal. If the transferor or transferee is a recognized clearing house as defined by relevant laws of Hong Kong in force from time to time (“Recognized Clearing House”) or its agent, the instrument of transfer may be signed by hand or in mechanically-printed form.</p> <p>All instruments of transfer shall be kept at the legal address of the Company or other addresses designated by the board of directors from time to time.</p>	Deleted.
35.	<p>Article 47 Transfers may not be entered in the register of shareholders within thirty days prior to the date of a general meeting or within five days prior to the record date set by the Company for the purpose of distribution of dividends. If the applicable regulations of relevant stock exchanges or regulatory authorities at the location where the Company’s shares are listed provide otherwise, such regulations shall prevail.</p>	<p>Article 4738 Transfers may not be entered in the register of shareholders within thirty<u>twenty</u> days prior to the date of a general<u>shareholders’</u> meeting or within five days prior to the record date set by the Company for the purpose of distribution of dividends. If the relevant laws and administrative regulations or applicable regulations of relevant stock exchanges or regulatory authorities at the location where the Company’s shares are listed provide otherwise, such regulations shall prevail.</p>

No.	Original	Revised
36.	<p>Article 48 When the Company intends to convene a general meeting, distribute dividends, liquidate and engage in other activities that involve determination of shareholdings, the board of directors shall appoint a record date for the registration of shareholdings, and shareholders whose names appear on the register of shareholders at the close of business of the record date shall be shareholders of the Company.</p>	<p>Article 4839 When the Company intends to convene a general<u>shareholders'</u> meeting, distribute dividends, liquidate and engage in other activities that involve determination of shareholdings <u>the identity of a shareholder</u>, the board of directors shall appoint a record date for the registration of shareholdings, and shareholders whose names appear on the register of shareholders at the close of business of the record date shall be shareholders of the Company. <u>require confirmation of the identity of a shareholder, the board of directors shall appoint a registration date of shareholdings, and shareholders whose names appear on the register of shareholders at the close of business of the share registration date shall be the shareholders entitled to the relevant rights and interests.</u></p>
37.	<p>Article 51 Where the Company issues a replacement certificate pursuant to these Articles, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case that he is a bona fide purchaser) shall not be removed from the register of shareholders.</p>	Deleted.
38.	<p>Article 52 The Company shall not be liable for any damages sustained by any person for reason of the cancellation of the original certificate or the issuance of the replacement certificate, unless the claimant proves that the Company had acted fraudulently.</p>	Deleted.
39.	<p>Article 54 The ordinary shareholders of the Company shall enjoy the following rights: (1) to obtain dividends and other distributions in proportion to the shareholdings; (2) to attend or appoint a proxy to attend general meetings and to vote thereat;</p>	<p>Article 5443 The ordinary shareholders of the Company shall enjoy the following rights: (1) to obtain dividends and other distributions in proportion to the shareholdings;</p>

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	<p>(3) to carry out supervisory management over business operations of the Company, and to present proposals or to raise enquires;</p> <p>(4) to transfer, grant or pledge shares held by him/her in accordance with laws, regulations and provisions of these Articles;</p> <p>(5) to obtain relevant information in accordance with the provisions of these Articles, including:</p> <ol style="list-style-type: none"> 1. to obtain a copy of these Articles, subject to payment of the cost of such copy; 2. to inspect for free and copy, subject to payment of a reasonable charge: <ol style="list-style-type: none"> (i) all parts of the register of shareholders; (ii) personal particulars of each of our directors, supervisors, president and other senior management members, including: <ol style="list-style-type: none"> (a) present name and alias and any former name and alias; (b) principal residential address; (c) nationality; (d) primary and all other part-time occupations and positions; (e) identification document and its number. (iii) reports on the state of the issued share capital of the Company; (iv) latest audited financial statements of the Company and reports of the board of directors, auditors and board of supervisors; 	<p>(2) to <u>request, summon, hold,</u> attend or appoint a proxy to attend general meetings, and speak at shareholders' general meetings personally or by proxy, and to vote thereat; <u>and speak at shareholders' meetings personally</u> or appoint a proxy, <u>and exercise their corresponding voting right according to the laws;</u></p> <p>(3) to carry out supervisory management over business operations of the Company, and to present proposals or to raise enquires;</p> <p>(4) to transfer, grant or pledge shares held by him/her in accordance with laws, regulations and provisions of these Articles;</p> <p><u>(5) to review and copy materials that should be reviewed and copied in accordance with laws and administrative regulations.</u></p> <p>(5) to obtain relevant information in accordance with the provisions of these Articles, including:-</p> <ol style="list-style-type: none"> 1. to obtain a copy of these Articles, subject to payment of the cost of such copy; 2. to inspect for free and copy, subject to payment of a reasonable charge: <ol style="list-style-type: none"> (i) all parts of the register of shareholders; (ii) personal particulars of each of our directors, supervisors, president and other senior management members, including:- <ol style="list-style-type: none"> (a) present name and alias and any former name and alias; (b) principal residential address; (c) nationality; (d) primary and all other part-time occupations and positions; (e) identification document and its number. (iii) reports on the state of the issued share capital of the Company; (iv) latest audited financial statements of the Company and reports of the board of directors, auditors and board of supervisors;

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	<p>(v) special resolutions of general meetings of the Company;</p> <p>(vi) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate costs incurred by the Company for this purpose;</p> <p>(vii) copy of the latest annual return filed with the State Administration for Industry & Commerce of the People's Republic of China or other authorities; and</p> <p>(viii) minutes of general meetings.</p> <p>The Company shall lodge documents (i) to (vii) aforementioned and any other applicable documents with the Company's Hong Kong address under the requirements of the Listing Rules, for the purpose of inspection by the public and holders of overseas-listed foreign Shares free of charge. Item (viii) shall be available to shareholders only.</p> <p>Shareholders demanding inspection of the relevant information or copies of the materials mentioned above shall provide the Company with written documents indicating the class and number of shares they hold in the Company. After confirmation of the shareholder's identity, the Company shall provide such information based on the request of the shareholder.</p> <p>(6) to participate in the distribution of the residual assets of the Company in proportion to the number of shares held in the event of termination or liquidation of the Company;</p> <p>(7) to request the Company to repurchase its shares held by the dissident shareholders when they cast votes against the proposal for merger or division at the general meeting of the Company; and</p> <p>(8) other rights conferred by laws, regulations and these Articles.</p>	<p>(v) special resolutions of general meetings of the Company;</p> <p>(vi) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate costs incurred by the Company for this purpose;</p> <p>(vii) copy of the latest annual return filed with the State Administration for Industry & Commerce of the People's Republic of China or other authorities; and</p> <p>(viii) minutes of general meetings.</p> <p>The Company shall lodge documents (i) to (vii) aforementioned and any other applicable documents with the Company's Hong Kong address under the requirements of the Listing Rules, for the purpose of inspection by the public and holders of overseas-listed foreign Shares free of charge. Item (viii) shall be available to shareholders only.</p> <p>Shareholders demanding inspection of the relevant information or copies of the materials mentioned above shall provide the Company with written documents indicating the class and number of shares they hold in the Company. After confirmation of the shareholder's identity, the Company shall provide such information based on the request of the shareholder.</p> <p>(6) to participate in the distribution of the residual assets of the Company in proportion to the number of shares held in the event of termination or liquidation of the Company;</p> <p>(7) to request the Company to repurchase its shares held by the dissident shareholders when they cast votes against the proposal for merger or division at the <u>general shareholders'</u> meeting of the Company; and</p> <p>(8) other rights conferred by laws, regulations, <u>departmental rules</u> and these Articles.</p>

No.	Original	Revised
40.	<p>Article 55 In the event that any resolution of the general meeting or the board of directors violates any of the laws and regulations, the shareholders have the right to request the court to hold the relevant resolution as invalid.</p> <p>In the event that convening procedures or voting methods of the general meeting or meetings of the board of directors violate any of the laws, regulations or these Articles, or if the contents of the resolution violate these Articles, the shareholders may request the court to cancel the resolution within sixty days from the date on which the resolution is adopted.</p>	<p>Article 5544 In the event that any resolution of the general<u>shareholders'</u> meeting or the board of directors violates any of the laws and regulations, the shareholders have the right to request the court to hold the relevant resolution as invalid.</p> <p>In the event that convening procedures or voting methods of the general<u>shareholders'</u> meeting or meetings of the board of directors violate any of the laws, regulations or these Articles, or if the contents of the resolution violate these Articles, the shareholders may request the court to cancel the resolution within sixty days from the date on which the resolution is adopted;, <u>unless the procedures or the voting form contains a minor defect without a substantial impact on the resolution.</u></p> <p><u>A shareholder who has not been notified to attend the shareholders' meetings may request the People's Court to revoke such resolution within 60 days from the date on which the shareholder knows or should know that the resolution has been made; if the right of revocation is not exercised within one year from the date the resolution is made, the right of revocation shall be extinguished.</u></p> <p><u>Resolution of the shareholders' meeting or the board of directors of a company shall not be established in any of the following circumstances:</u></p> <p><u>(1) The resolution is adopted without holding a shareholders' meeting or a board meeting;</u></p> <p><u>(2) A matter to be decided fails to be put to a vote at a shareholders' meeting and a board meeting;</u></p>

No.	Original	Revised
		<p><u>(3) The number of attendees at a meeting, or the number of voting rights held, is less than the quorum or the number of voting rights held as specified by the “Company Law” or these Articles;</u></p> <p><u>(4) The number of persons consenting to the resolution, or the number of voting rights held, is less than that specified by the “Company Law” or these Articles.</u></p>
41.	/	<p><u>Article 45 If a People’s Court declares invalid, revokes, or confirms the untenability of a resolution of the shareholders’ meeting or board of directors of a company, the company shall apply to the company registration authority for revocation of the registration which has been made based on the resolution.</u></p>
42.	<p>Article 58 The ordinary shareholders of the Company shall assume the following obligations:</p> <p>(1) to abide by these Articles;</p> <p>……</p> <p>Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.</p>	<p>Article 5848 The ordinary shareholders of the Company shall assume the following obligations:</p> <p>(1) to abide by <u>the laws, administrative regulations and</u> these Articles;</p> <p>……</p> <p>Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.</p>

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43.	<p>Article 61 In addition to obligations imposed by laws, regulations or required by the listing rules of the stock exchange on which the Company' shares are listed, a controlling shareholder (defined as below) shall not exercise his voting rights with respect to the following matters in detriment to the interests of all or some of the shareholders of the Company:</p> <p>(1) to relieve a director or supervisor of his duty to act honestly in the best interests of the Company;</p> <p>(2) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person), in any guise, of the Company's assets, including (but not limited to) opportunities beneficial to the Company;</p> <p>(3) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including (but not limited to) rights to distributions and voting rights, save for the company restructuring submitted to the general meeting for approval in accordance with these Articles.</p>	Deleted.
44.	<p>Article 62 The term "controlling shareholder" referred to in the preceding article means a person who satisfies any one of the following conditions:</p> <p>(1) he alone, or acting in concert with others, has the power to elect more than half of the members of the board of directors;</p> <p>(2) he alone, or acting in concert with others, has the power to exercise or to control the exercise of 30% or more of the voting rights in the Company;</p> <p>(3) he alone, or acting in concert with others, holds 30% or more of the issued and outstanding shares of the Company;</p> <p>(4) he alone, or acting in concert with others, in any other manner controls the Company in fact.</p>	Deleted.

No.	Original	Revised
45.	<p>Article 64 The general meeting exercises the following functions and powers:</p> <p>(1) to decide on operational policies and investment plans of the Company;</p> <p>(2) to elect or remove the directors and supervisors who are not representatives of the employees, and to decide on matters relevant to remuneration of directors and supervisors;</p> <p>(3) to consider and approve reports of the board of directors;</p> <p>(4) to consider and approve reports of the board of supervisors;</p> <p>(5) to consider and approve annual financial budgets and financial accounts of the Company;</p> <p>(6) to consider and approve proposals for profit distribution and for recovery of losses of the Company;</p> <p>(7) to decide on increase and reduction of the registered capital of the Company;</p> <p>(8) to decide on bond issuances of the Company;</p> <p>(9) to decide on merger, division, dissolution and liquidation of the Company and changes in the form of the Company;</p> <p>(10) to amend these Articles;</p> <p>(11) to decide on the appointment and dismissal of accounting firms which provide audit services for annual financial statements of the Company;</p> <p>(12) to consider and approve the guarantees as provided in Article 66;</p> <p>(13) to consider and approve the acquisition or disposals of material assets of the Company within a year exceeding 30% of the latest audited total assets for the year;</p> <p>(14) to consider and approve share option schemes;</p>	<p>Article 645² The general<u>shareholders'</u> meeting exercises the following functions and powers:</p> <p>(1) to decide on operational policies and investment plans of the Company;</p> <p>(12) to elect or remove the directors and supervisors who are not representatives of the employees, and to decide on matters relevant to remuneration of directors and supervisors;</p> <p>(23) to consider and approve reports of the board of directors;</p> <p>(34) to consider and approve reports of the board of supervisors;</p> <p>(5) to consider and approve annual financial budgets and financial accounts of the Company;</p> <p>(46) to consider and approve proposals for profit distribution and for recovery of losses of the Company;</p> <p>(57) to decide on increase and reduction of the registered capital of the Company;</p> <p>(68) to decide on bond issuances of the Company;</p> <p>(79)to decide on merger, division, dissolution and liquidation of the Company and changes in the form of the Company;</p> <p>(810)to amend these Articles;</p> <p>(911) to decide on the appointment and dismissal of accounting firms which provide audit services for annual financial statements of the Company;</p> <p>(1012) to consider and approve the guarantees as provided in Article 66<u>54</u>;</p> <p>(1113) to consider and approve the acquisition or disposals of material assets of the Company within a year exceeding 30% of the latest audited total assets for the year;</p> <p>(1214) to consider and approve share option schemes;</p>

No.	Original	Revised
	<p>(15) to consider and approve pledge of assets, investments and entrusted wealth management of assets exceeding 50% of the latest audited net assets of the Company and connected transaction with an amount exceeding 20% of latest audited net assets of the Company;</p> <p>(16) to consider and approve the proposals submitted by shareholders holding 3% or more of the voting shares of the Company;</p> <p>(17) to consider and approve other matters required to be resolved by the general meeting by the laws, regulations, departmental rules or these Articles.</p>	<p>(13+5) to consider and approve pledge of assets, investments and entrusted wealth management of assets exceeding 50% of the latest audited net assets of the Company and connected transaction with an amount exceeding 20% of latest audited net assets of the Company;</p> <p>(14+6) to consider and approve the proposals submitted by shareholders severally or jointly holding 31% or more of the voting shares of the Company;</p> <p>(15+7) to consider and approve other matters required to be resolved by the general shareholders' meeting by the laws, regulations, departmental rules or these Articles.</p>
46.	<p>Article 66</p> <p>The provision of guarantees for a third party by the Company in the following circumstances shall be subject to the approval of the general meeting.</p> <p>(1) any provision of guarantees where the total amount of external guarantees provided by the Company and its subsidiaries exceeds 50% of the latest audited net assets of the Company;</p> <p>(2) any provision of guarantees where the total amount of external guarantees provided the Company exceeds 30% of the latest audited total assets of the Company;</p> <p>(3) provision of guarantees to anyone whose debt-to-asset ratio exceeds 70%;</p> <p>(4) provision of a single guarantee with an amount exceeding 10% of the latest audited net assets;</p> <p>(5) provision of guarantees to any shareholder, de facto controller and their affiliated parties.</p>	<p>Article 6654 The provision of guarantees for a third party by the Company in the following circumstances shall be subject to the approval of the general shareholders' meeting.</p> <p>(1) any provision of guarantees where the total amount of external guarantees provided by the Company and its subsidiaries exceeds 50% of the latest audited net assets of the Company;</p> <p>(2) any provision of guarantees where the total amount of external guarantees provided the Company exceeds 30% of the latest audited total assets of the Company;</p> <p>(3) guarantee provided by the Company within one year with an amount exceeding 30% of the Company's latest audited total assets;</p> <p>(43) provision of guarantees to anyone whose debt-to-asset ratio exceeds 70%;</p> <p>(54) provision of a single guarantee with an amount exceeding 10% of the latest audited net assets;</p> <p>(65) provision of guarantees to any shareholder, de facto controller and their affiliated parties.</p>

No.	Original	Revised
47.	<p>Article 68 The location for holding a general meeting of the Company shall be the domicile of the Company in general. A venue shall be set aside for the convening of a physical general meeting. The Company will also enable shareholders to have access to the general meeting by other means as permitted by the listing rules of the place where the shares of the Company are listed. The shareholders that have participated in the meeting through access of any aforesaid means shall be deemed as having attended the meeting.</p>	<p>Article 6856 The location for holding a general<u>shareholders'</u> meeting of the Company shall be the domicile of the Company in general<u>or at the place specified in the notice of the shareholders' meeting.</u> A venue shall be set aside for the convening of a physical general<u>shareholders'</u> meeting. <u>Provided that the legality and validity of the shareholders' meeting are ensured, the Company may convene and vote at shareholders' meetings through electronic communication means, in accordance with the provisions of laws, administrative regulations, the stock exchange where the Company's shares are listed, relevant regulatory authorities, and these Articles, where technically feasible.</u>The Company will also enable shareholders to have access to the general meeting by other means as permitted by the listing rules of the place where the shares of the Company are listed. The shareholders that have participated in the meeting through access of any aforesaid <u>preceding</u> means shall be deemed as having attended the meeting.</p>

No.	Original	Revised
48.	<p>Article 70 In a general meeting of the Company, the board of directors, board of supervisors, half or more independent directors and shareholders individually or collectively holding more than 3% of the total shares of the Company are entitled to propose proposals to the Company.</p> <p>Shareholders individually or collectively holding 3% or more of the shares of the Company may submit any extraordinary proposals in writing to the convener of the meeting within 10 days prior to the date of the general meeting. The convener shall issue supplemental notice of general meeting containing the details of such extraordinary proposals within two days upon the receipt of the proposals.</p> <p>Save for provided above, the convener shall not amend the proposal stated in, or include any new proposals to, the notice of general meeting after the issue of the notice of general meeting.</p> <p>The proposal shall carry specific subjects and matters to be resolved within the scope of authority of the general meeting and in compliance with the laws, regulations and these Articles.</p>	<p>Article 7058 In a general<u>shareholders'</u> meeting of the Company, the board of directors, board of supervisors, half or more independent directors and shareholders individually or collectively holding more than <u>13%</u> of the total shares of the Company are entitled to propose proposals to the Company.</p> <p>Shareholders individually or collectively holding <u>13%</u> or more of the shares of the Company may submit any extraordinary proposals in writing to the convener of the meeting within 10 days prior to the date of the general<u>shareholders'</u> meeting. The convener shall issue supplemental notice of general<u>shareholders'</u> meeting containing<u>announcing</u> the details of such extraordinary proposals within two days upon the receipt of the proposals.</p> <p>Save for provided above, the convener shall not amend the proposal stated in, or include any new proposals to, the notice of general<u>shareholders'</u> meeting after the issue of the notice of general<u>shareholders'</u> meeting.</p> <p>The proposal shall carry specific subjects and matters to be resolved within the scope of authority of the general<u>shareholders'</u> meeting and in compliance with the laws, regulations and these Articles.</p> <p><u>Proposals which are not set out in the notice of shareholders' meeting or not complying with the preceding article of these Articles shall not be voted on or resolved at the shareholders' meeting.</u></p>
49.	<p>Article 71 An extraordinary general meeting shall not decide on any matter not stated in the notice of the meeting.</p>	Deleted.

No.	Original	Revised
50.	<p>Article 74 Notice of a general meeting shall be served on shareholders (whether or not entitled to vote at the general meeting) by personal delivery or prepaid mail to their addresses as shown in the register of shareholders. For the holders of domestic shares of the Company, notice of the meeting may be issued by way of public notice.</p> <p>The aforesaid public notice shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council. After the publication of such notice, the holders of domestic shares of the Company shall be deemed to have received the notice of the relevant general meeting.</p> <p>For holders of H shares, subject to the compliance with the laws, regulations, the listing rules of the place where the shares of the Company are listed and these Articles, the notice of a general meeting, circular of shareholders and relevant documents may be published on the websites of the Company and the Hong Kong Stock Exchange.</p>	<p>Article 7461 <u>Subject to the applicable laws and regulations and the requirements of the Main Board Listing Rules, N</u>notice of a general<u>shareholders'</u> meeting shallmay be served on shareholders (whether or not entitled to vote at the general<u>shareholders'</u> meeting) by <u>way of an announcement published on the websites of the Company and the Hong Kong Stock Exchange; or, if so requested by the shareholders, by</u> personal delivery or prepaid mail to their addresses as shown in the register of shareholders. For the holders of domestic shares of the Company, notice of the meeting may be issued by way of public notice.</p> <p>The aforesaid public notice shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council. <u>The announcement to domestic shareholders shall be published in a media that meets the conditions prescribed by the CSRC.</u> After the publication of such notice, the holders of domestic shares of the Company shall be deemed to have received the notice of the relevant general<u>shareholders'</u> meeting.</p> <p>For holders of H shares, subject to the compliance with the laws, regulations, the listing rules of the place where the shares of the Company are listed <u>Main Board Listing Rules</u> and these Articles, the notice of a general<u>shareholders'</u> meeting, circular of shareholders and relevant documents may be published on the websites of the Company and the Hong Kong Stock Exchange.</p>

No.	Original	Revised
51.	<p>Article 76 All shareholders whose names appear on the register of members as at the record date or their proxy shall be entitled to attend the general meetings and exercise their voting rights in accordance with relevant laws, regulations and these Articles.</p> <p>Any shareholder entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf. According to the appointment of the shareholder, a proxy so appointed shall:</p> <p>(1) have the same right as the shareholder to speak at the meeting;</p> <p>(2) have right to individually or jointly in demanding a poll; and</p> <p>(3) have the right to vote by hand or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.</p> <p>If the shareholder is an authorized clearing house or its agent as defined in the Part 1 of Schedule 1 to the Securities and Futures Ordinance, such shareholder is entitled to appoint one or more persons as his proxy at any general meeting or any class meeting. If more than one person is appointed as proxy, the proxy forms shall state clearly the number of shares and the class of shares represented by each of the proxies. The proxy appointed may represent the authorized clearing house or its agent to exercise its rights as if such person is an individual shareholder of the Company.</p>	<p>Article 7663 All shareholders whose names appear on the register of members as at the record dateshare registration date or their proxy shall be entitled to attend the generalshareholders' meetings and exercise their voting rights in accordance with relevant laws, regulations and these Articles.</p> <p>Any shareholder entitled to attend and vote at a generalshareholders' meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf. According to the appointment of the shareholder, a proxy so appointed shall:</p> <p>(1) have the same right as the shareholder to speak at the shareholders' meeting;</p> <p>(2) have right to individually or jointly in demanding a poll; and</p> <p>(3) have the right to vote by hand or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.</p> <p>If the shareholder is an authorized clearing house or its agent as defined in the Part 1 of Schedule 1 to the Securities and Futures Ordinance, such shareholder is entitled to appoint one or more persons as his proxy at any generalshareholders' meeting or any class meeting. If more than one person is appointed as proxy, the proxy forms shall state clearly the number of shares and the class of shares represented by each of the proxies. The proxy appointed may represent the authorized clearing house or its agent to exercise its rights as if such person is an individual shareholder of the Company.<u>The representatives or company representatives appointed shall be entitled with the same statutory rights as other shareholders, including the right to speak and vote.</u></p>

No.	Original	Revised
52.	<p>Article 77 Shareholders shall appoint a proxy by written instrument which is signed by the appointer or his/her agent so authorized in writing, or if the appointer is a legal person, sealed by the stamp of the legal person or signed by its director or agent so authorized. Such instrument shall state clearly the number of shares represented by the proxy or, in case that more than one proxy is appointed, the instruments shall state clearly the number of shares represented by each of the proxies.</p>	<p>Article 7764 Shareholders shall appoint a proxy by written instrument which is signed by the appointer or his/her agent so authorized in writing, or if the appointer is a legal person, sealed by the stamp of the legal person or signed by its director or agent so authorized. Such instrument shall state clearly the number of shares represented by the proxy, <u>the matters, authority and period for which the proxy is to act</u> or, in case that more than one proxy is appointed, the instruments shall state clearly the number of shares represented by each of the proxies.</p>
53.	<p>Article 82 The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions. Ordinary resolutions put forward in the general meeting shall be adopted by more than half of shareholders (including their proxies) with voting rights attending the meeting. Special resolutions put forward in the general meeting shall be adopted by more than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.</p>	<p>Article 8269 The resolutions of the generalshareholders' meeting shall be classified as ordinary resolutions and special resolutions. Ordinary resolutions put forward in the generalshareholders' meeting shall be adopted by more than half of shareholders (including their proxies) with voting rights attending the meeting. Special resolutions put forward in the generalshareholders' meeting shall be adopted by more than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.</p>

No.	Original	Revised
54.	<p>Article 84 Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations, or a poll is demanded before or after any vote by show of hands by the following persons, a resolution shall be decided on a show of hands at any general meeting:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least 2 shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding 10% or more of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations or a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>	<p>Article 8471 Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations, or a poll is demanded before or after any vote by show of hands by the following persons, a resolution shall be decided on a show of hands at any general meeting: <u>voting at a shareholder's meeting shall be taken by registered vote.</u></p> <p>(1) the chairman of the meeting;</p> <p>(2) at least 2 shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding 10% or more of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations or a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>
55.	<p>Article 85 A poll demanded on such matters as the election of chairman or the adjournment of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.</p>	Deleted.
56.	<p>Article 86 On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.</p>	Deleted.

No.	Original	Revised
57.	Article 87 In the case there is an equality of votes, whether the vote is taken by a show of hands or by poll, the chairman of the meeting is entitled to a casting vote.	Deleted.
58.	Article 88 The following resolutions shall be adopted as ordinary resolutions at a general meeting: (1) working reports of the board of directors and board of supervisors; (2) profit distribution proposals and plans for making up losses formulated by the board of directors; (3) election and dismissal of directors and non-employee representative supervisors, and their remuneration and payment method; (4) corporate policy and investment plans of the Company; (5) annual financial budgets, final accounts, balance sheets, profit and loss accounts and other financial statements of the Company; (6) other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws and regulations or these Articles.	Article 8872 The following resolutions shall be adopted as ordinary resolutions at a general shareholders' meeting: (1) working reports of the board of directors and board of supervisors; (2) profit distribution proposals and plans for making up losses formulated by the board of directors; (3) election and dismissal of directors and non-employee representative supervisors, and their remuneration and payment method; (4) corporate policy and investment plans of the Company; (5) annual financial budgets, final accounts, balance sheets, profit and loss accounts and other financial statements of the Company; (4)6 other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws and regulations or these Articles.

No.	Original	Revised
59.	<p>Article 89 The following resolutions shall be adopted as special resolutions at a general meeting:</p> <p>(1) increase or reduction of share capital, repurchase of the Company's shares and issuance of shares of any class, warrants and other similar securities of the Company;</p> <p>(2) issuance of debentures of the Company;</p> <p>(3) division, merger, dissolution, liquidation and changes to the form of the Company;</p> <p>(4) amendments to these Articles;</p> <p>(5) acquisition or disposal of major assets or provision of guarantee with the amount exceeding 30% of the Company's latest audited total assets within a year;</p> <p>(6) share option scheme;</p> <p>(7) other matters approved by ordinary resolution of the general meeting believing that they could materially affect the Company and need to be approved by special resolution.</p>	<p>Article 8973 The following resolutions shall be adopted as special resolutions at a generalshareholders' meeting:</p> <p>(1) increase or reduction of share capital, repurchase of the Company's shares and issuance of shares of any class, warrants and other similar securities of the Company;</p> <p>(2) issuance of debentures of the Company;</p> <p>(3) division, merger, dissolution, liquidation and changes to the form of the Company;</p> <p>(4) amendments to these Articles;</p> <p>(5) acquisition or disposal of major assets or provision of guarantee with the amount exceeding 30% of the Company's latest audited total assets within a year;</p> <p>(6) share option scheme;</p> <p>(7) other matters stipulated by laws, administrative regulations or these articles, or approved by ordinary resolution of the generalshareholders' meeting believing that they could materially affect the Company and need to be approved by special resolution.</p>
60.	<p>Article 90 An extraordinary general meeting may be convened upon the proposal of more than half of the independent directors submitted to the board of directors. The board of directors shall, in accordance with the laws, regulations and these Articles, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within 10 business days upon receipt of such proposal. If the board of directors agrees to convene an extraordinary general meeting, a notice of meeting shall be issued within 5 days after adopting the relevant resolution by the board of directors. If the board of directors does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given.</p>	<p>Article 9074 An extraordinary generalshareholders' meeting may be convened upon the proposal of more than half of the independent directors submitted to the board of directors. The board of directors shall, in accordance with the laws, regulations and these Articles, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary generalshareholders' meeting within 10 business days upon receipt of such proposal. If the board of directors agrees to convene an extraordinary generalshareholders' meeting, a notice of meeting shall be issued within 5 days after adopting the relevant resolution by the board of directors. If the board of directors does not agree to convene an extraordinary generalshareholders' meeting, reasons for such disagreement shall be given.</p>

No.	Original	Revised
61.	<p>Article 91 When shareholders or the board of supervisors request for the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) Shareholder(s) who individually or jointly hold 10% or more of the shares carrying the right to vote at the meeting or the board of supervisors can request the board of directors to convene an extraordinary general meeting or class meeting by signing one or several copies of written request(s) in the same form and content, and stating the motions proposed. The board of directors shall convene the extraordinary general meeting or class meeting as specified in the request. The amount of shares referred to above shall be calculated as at the date of making the request.</p>	<p>Article 9175 When shareholders or the board of supervisors request for the convening of an extraordinary generalshareholders' meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) Shareholder(s) who individually or jointly hold 10% or more of the shares carrying the right to vote at the meeting or the board of supervisors can request the board of directors to convene an extraordinary generalshareholders' meeting or class meeting by signing one or several copies of written request(s) in the same form and content, and stating the motions proposed. The board of directors shall convene the extraordinary general meeting or class meeting as specified in the request.<u>The board of directors shall furnish a written reply stating its agreement or disagreement to the convening of the extraordinary shareholders' meeting or a class meeting within 10 days after receiving such proposal.</u></p>

No.	Original	Revised
	<p>(2) If no notice of convening a general meeting was issued within 30 days after the board of directors receiving the abovementioned written request(s), the shareholders making the request(s) have the right to request the board of supervisors to convene an extraordinary general meeting or class meeting and shall make the request by way of a written request to the board of supervisors. The board of supervisors can convene a meeting by itself within 4 months after the board of directors receiving the abovementioned written request(s). If the board of supervisors will not convene or preside over a meeting, the shareholders who individually or jointly hold 10% or more of the shares of the Company for more than 90 days consecutively may convene a meeting themselves and the procedures for convening such meeting shall follow the procedures of the general meeting convened by the board of directors.</p> <p>.....</p>	<p>(2) If no notice of convening a general meeting was issued within 30 days after the board of directors receiving the abovementioned written request(s), the shareholders making the request(s) have the right to request the board of supervisors to convene an extraordinary general meeting or class meeting and shall make the request by way of a written request to the board of supervisors. The board of supervisors can convene a meeting by itself within 4 months after the board of directors receiving the abovementioned written request(s). If the board of supervisors will not convene or preside over a meeting, the shareholders who individually or jointly hold 10% or more of the shares of the Company for more than 90 days consecutively may convene a meeting themselves and the procedures for convening such meeting shall follow the procedures of the general meeting convened by the board of directors<u>In the event that the board of directors agrees to convene an extraordinary shareholders' meeting or a class meeting, the notice of the shareholders' meeting or a class meeting shall be issued within five days after the passing of the relevant resolution of the board of directors. Any change to the original proposal made in the notice requires prior approval of the original proposer concerned.</u></p>

No.	Original	Revised
		<p><u>(3) If the board of directors disagrees with the board of supervisors’ proposal to convene an extraordinary shareholders’ meeting or a class meeting, or fails to provide feedback within 10 days of receiving the request, it shall be deemed that the board of directors is unable or unwilling to perform its duty to convene such meetings. In this case, the board of supervisors may convene and preside over the meeting itself. The procedures for convening the meeting should, as far as possible, be the same as those for meetings convened by the board of directors.</u></p> <p><u>(4) If the board of directors disagrees with the request of shareholders to convene an extraordinary shareholders’ meeting or a class meeting, or fails to provide feedback within 10 days of receiving the request, the relevant shareholders shall have the right to propose in writing to the board of supervisors to convene an extraordinary shareholders’ meeting or a class meeting.</u></p> <p><u>(5) If the board of supervisors agrees to convene an extraordinary shareholders’ meeting or a class meeting, it shall issue a notice of the meeting within 5 days of receiving the request. Any changes to the original request in the notice must be approved by the original proposer.</u></p> <p><u>(6) If the board of supervisors fails to issue a notice of the shareholders’ meeting or a class meeting within the prescribed period, it shall be deemed that the board of supervisors is not convening or presiding over the shareholders’ meeting or class meeting. In such a case, shareholders who individually or collectively hold more than 10% of the Company’s voting shares for more than 90 consecutive days may convene and preside over the meeting themselves. The procedures for convening the meeting should, as far as possible, be the same as those for meetings convened by the board of directors.</u></p> <p>.....</p>

No.	Original	Revised
62.	<p>Article 93 The chairman of the board of directors shall preside over the general meetings convened by the board of directors and in the failure of which, one director shall be designated by the chairman of the board of directors to preside over the meeting on his behalf. In the event that no such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall be the chairman.</p> <p>The chairman of the board of supervisors shall preside over the general meetings convened by the board of supervisors at its sole discretion. In the event that the chairman of the board of supervisors is unable to or fails to fulfill the required obligations, the meeting may be presided over by a supervisor designated by the chairman of the board of supervisors on his behalf.</p> <p>For the general meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting.</p> <p>For the general meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting. In the event that the chairman of the meeting violates the rules of procedures that results in the general meeting being unable to continue, upon approval by the shareholders representing more than half of the voting rights present at the meeting, a person may be elected to chair the general meeting and the meeting shall continue. If, for any reason, the shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall be the chairman.</p>	<p>Article 93-77 The chairman of the board of directors shall preside over the generalshareholders' meetings convened by the board of directors. and in the failure of which, <u>When the chairman of the board of directors is unable to or fails to perform duties, one director shall be elected by the affirmative votes of more than half to preside over the meeting.</u> one director shall be designated by the chairman of the board of directors to preside over the meeting on his behalf. <u>In the event that fails to elect a director by the affirmative votes of more than half to preside over the meeting, no</u> such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall be the chairman.</p> <p>The chairman of the board of supervisors shall preside over the generalshareholders' meetings convened by the board of supervisors at its sole discretion. In the event that the chairman of the board of supervisors is unable to or fails to fulfill the required obligations, the meeting may be presided over by <u>more than half of the supervisors may jointly elect a supervisor to preside over the meeting as chairman.</u> the chairman of the board of supervisors on his behalf.</p> <p>For the generalshareholders' meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting.</p>

No.	Original	Revised
		For the general <u>shareholders'</u> meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting. In the event that the chairman of the meeting violates the rules of procedures that results in the general <u>shareholders'</u> meeting being unable to continue, upon approval by the shareholders representing more than half of the voting rights present at the meeting, a person may be elected to chair the general <u>shareholders'</u> meeting and the meeting shall continue. If, for any reason, the shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall be the chairman.
63.	Article 95 The chairman of the meeting shall be responsible for deciding whether a resolution has been adopted. His decision shall be final and shall be announced at the meeting and recorded in the minutes of meeting.	Article 9579 The chairman of the meeting shall be responsible for deciding whether a resolution has been adopted. His decision shall be final and shall be announced at the meeting and recorded in the minutes of meeting. <u>The chairman of the meeting shall announce the vote and the result of each proposal and the decision on whether a resolution of the shareholders' meeting is passed according to the voting results.</u>
64.	Article 96 The Company shall, on the premise of ensuring the lawfulness and validity of the general meeting, enable the shareholders to attend general meetings by various means.	Deleted.

No.	Original	Revised
65.	<p>Article 98 The approach and procedures for nomination of candidates for directors and supervisors are as follow:</p> <p>(1) Shareholder(s) individually or jointly holding more than 3% of the total issued and outstanding voting shares of the Company may propose in writing to the general meeting for the nomination of candidates for non-employee representative directors and supervisors. However, the number of candidates proposed shall comply with these Articles, and shall not be more than the number to be elected. The aforesaid proposal of the shareholders should be served to the Company at least 10 business days before the date of the general meeting.</p> <p>.....</p>	<p>Article 9881 The approach and procedures for nomination of candidates for directors and supervisors are as follow:</p> <p>(1) Shareholder(s) individually or jointly holding more than <u>13%</u> of the total issued and outstanding voting shares of the Company may propose in writing to the generalshareholders' meeting for the nomination of candidates for non-employee representative directors and supervisors. However, the number of candidates proposed shall comply with these Articles, and shall not be more than the number to be elected. The aforesaid proposal of the shareholders should be served to the Company at least 10 business days before the date of the generalshareholders' meeting.</p> <p>.....</p>
66.	<p>Article 101 The voting right of the same shares shall be exercised only either by on-site voting or other means of voting. In case of multiple voting by the same shares, only the first vote will be deemed as valid.</p>	<p>Article 10184 The voting right of the same shares shall be exercised only either by on-site voting, online voting or other means of voting. In case of multiple voting by the same shares, only the first vote will be deemed as valid.</p>
67.	<p>Article 102 Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutinisers. Any shareholder who is interested in the matter to be considered shall not participate in vote counting or scrutinising.</p> <p>When the shareholders are voting on the resolutions, auditors, H-Share registrar or external accountants qualified to service as auditors, and supervisors of the Company shall be the scrutinisers. Voting result shall be announced forthwith by the chairman of the meeting, and shall be recorded in the minutes of meeting.</p>	<p>Article 10285 Before a resolution is voted on at a generalshareholders' meeting, two representatives of the shareholders shall be elected as vote counters and scrutinisers. Any shareholder who is interested in the matter to be considered shall not participate in vote counting or scrutinising.</p> <p>When the shareholders are voting on the resolutions, auditors, H-Share registrar or external accountants qualified to service as auditors, and supervisors of the Company shall be the scrutinisers. Voting result shall be announced forthwith by the chairman of the meeting, and shall be recorded in the minutes of meeting.</p> <p><u>The shareholders or their proxies voting through online or other means have the right to check their voting results through relevant voting systems.</u></p>

No.	Original	Revised
68.	<p>Article 105 In the event that the votes are counted at the general meeting, the counting results shall be recorded in the minutes of the meeting.</p> <p>The minutes of the meeting together with the attendance book for shareholders' signing and the proxy forms for proxies attending the meeting shall be kept at the domicile of the Company. The aforesaid minutes of meeting, attendance book for signature and proxy forms shall not be destroyed in 10 years.</p>	<p>Article 10588 In the event that the votes are counted at the general<u>shareholders'</u> meeting, the counting results shall be recorded in the minutes of the meeting.</p> <p><u>Minutes shall be kept of the decisions on the matters considered at the shareholders' meeting. The minutes of the meeting shall be signed by the directors, supervisors, the secretary to the board of directors, the conveners or their proxies and the presider of the meeting present at the meeting.</u> The minutes of the meeting together with the attendance book for shareholders' signing and the proxy forms for proxies attending the meeting <u>as well as valid information relating to the voting online or by other means</u> shall be kept at the domicile of the Company <u>and</u> The aforesaid minutes of meeting, attendance book for signature and proxy forms shall not be destroyed in 10 years.</p>
69.	<p>Article 106 Copies of the minutes of the meeting shall be available for inspection during business hours of the Company by any shareholder free of charge. If a shareholder demands from the Company a copy of such minutes, the Company shall send a copy to him within 7 days after receipt of reasonable charges.</p>	Deleted.
70.	<p>Article 110 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 112 to 116.</p>	<p>Article 11092 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general<u>shareholders'</u> meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 112<u>94</u> to 116<u>98</u>.</p>

No.	Original	Revised
71.	<p>Article 112 Shareholders of the affected class, whether or not having the right to vote at general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning paragraphs (2) to (8), (11) and (12) of Article 111, but interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>The interested shareholders referred to in the preceding paragraph have the following meanings:</p> <p>(1) In the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 32 of these Articles, “interested shareholder” shall refer to the controlling shareholder as defined in Article 62 of these Articles;</p> <p>(2) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 32 of these Articles, “interested shareholder” shall refer to the shareholder to which the proposed agreement relates;</p> <p>(3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>	<p>Article 112⁹⁴ Shareholders of the affected class, whether or not having the right to vote at general<u>shareholders’</u> meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning paragraphs (2) to (8), (11) and (12) of Article 111⁹³, but interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>The interested shareholders referred to in the preceding paragraph have the following meanings:</p> <p>(1) In the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 32 of these Articles<u>laws and administrative regulations</u>, “interested shareholder” shall refer to the controlling shareholder as defined in Article 62 of these Articles;</p> <p>(2) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 32 of these Articles<u>, laws and administrative regulations</u>, “interested shareholder” shall refer to the shareholder to which the proposed agreement relates;</p> <p>(3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>
72.	<p>Article 113 A resolution of a class meeting shall only be passed in accordance with Article 112 by shareholders present at the class meeting who represent more than two-thirds of voting rights.</p> <p>The quorum for a class meeting (other than an adjournment) where any variation or abrogation of the rights of the relevant class shareholders is proposed shall at least be one third of the total issued shares of such class.</p>	<p>Article 113⁹⁵ A resolution of a class meeting shall only be passed in accordance with Article 112⁹⁴ by shareholders present at the class meeting who represent more than two-thirds of voting rights.</p> <p>The quorum for a class meeting (other than an adjournment) where any variation or abrogation of the rights of the relevant class shareholders is proposed shall at least be one third of the total issued shares of such class.</p>

No.	Original	Revised
73.	<p>Article 116 In addition to holders of other class shares, holders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>(1) where the Company issues, upon approval by special resolution of its shareholders in general meeting, domestic shares and overseas listed foreign shares once every twelve months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of the respective numbers of the issued domestic shares and overseas listed foreign shares;</p> <p>(2) where the Company completes, within 15 months from the date on which approval is given by the securities regulatory authorities of the State Council, its plan (made at the time of its establishment) to issue domestic shares and foreign shares; or</p> <p>(3) where the whole or part of shares of the Company registered on our domestic share register may be transferred to overseas investors, and such transferred Shares may be listed or traded on an overseas stock exchange; or the whole or part of domestic shares held by holders of the domestic shares are converted into foreign shares, which are listed and traded on overseas stock exchanges, subject to the approval of the securities authority of the State Council.</p>	<p>Article 11698 In addition to holders of other class shares, holders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>(1) where the Company issues, upon approval by special resolution of its shareholders in general<u>shareholders'</u> meeting, domestic shares and overseas listed foreign shares once every twelve months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of the respective numbers of the issued domestic shares and overseas listed foreign shares;</p> <p>(2) where the Company completes, within 15 months from the date on which approval is given by the securities regulatory authorities of the State Council, its plan (made at the time of its establishment) to issue domestic shares and foreign shares; or</p> <p>(23) where the whole or part of shares of the Company registered on our domestic share register may be transferred to overseas investors, and such transferred Shares may be listed or traded on an overseas stock exchange; or the whole or part of domestic shares held by holders of the domestic shares are converted into foreign shares, which are listed and traded on overseas stock exchanges, subject to the approval of the securities authority of the State Council <u>filing with CSRC</u>.</p>
74.	<p>Article 119 The Company shall have a board of directors which shall be accountable to the general meeting. The board of directors consists of 15 directors, including one chairman and five independent directors.</p>	<p>Article 119101 The Company shall have a board of directors which shall be accountable to the general meeting. The board of directors consists of 15 directors, including one chairman and five independent directors.</p>

No.	Original	Revised
75.	<p>Article 121 The approach and procedures for nomination of directors shall be implemented in accordance with the relevant requirements under Article 98 of these Articles.</p>	<p>Article 121103 The approach and procedures for nomination of directors shall be implemented in accordance with the relevant requirements under Article 9881 of these Articles.</p>
76.	<p>Article 122 A director may resign before the expiry of his/her term of office. The resigning director shall submit to the board of directors a written resignation.</p> <p>In case that the number of directors falls below the quorum as a result of the resignation of a director, the resignation of such director shall only take effect upon the election of a director in place of the leaving director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a new director to fill the vacancy.</p> <p>Other than the circumstances specified in the preceding paragraph of this Article, the resignation of a director shall take effect upon receipt of the resignation by the board of directors.</p>	<p>Article 122104 A director may resign before the expiry of his/her term of office.</p> <p><u>If a director’s term of office expires without a timely re-election, or if a director resigns during their term resulting in the number of directors falling below the quorum, the said director shall continue to perform the duties in accordance with laws, administrative regulations, and these Articles until a newly elected director assumes office.</u></p> <p><u>A director who resigns shall submit a written notice to the Company, and the resignation shall become effective on the date the Company receives the notice. However, in the circumstances described in the preceding article, the director shall continue to perform his/her duties.</u>The resigning director shall submit to the board of directors a written resignation.</p> <p>In case that the number of directors falls below the quorum as a result of the resignation of a director, the resignation of such director shall only take effect upon the election of a director in place of the leaving director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a new director to fill the vacancy.</p> <p>Other than the circumstances specified in the preceding paragraph of this Article, the resignation of a director shall take effect upon receipt of the resignation by the board of directors.</p>

No.	Original	Revised
77.	<p>Article 123 A director shall complete handover procedures with the board of directors upon his/ her resignation or expiration of term of office. The fiduciary duties of a director to the Company and the shareholders do not necessarily cease upon termination of his/her term of office. The duty of confidence of a director in relation to trade secrets of the Company survives the termination of his/her tenure until such secrets become available to the public.</p>	<p>Article 123105 A director shall complete handover procedures with the board of directors upon his/ her resignation becomes effective or expiration of term of office. The fiduciary duties of a director to the Company and the shareholders do not necessarily cease upon termination of his/her term of office. The duty of confidence of a director in relation to trade secrets of the Company survives the termination of his/her tenure until such secrets become available to the public.</p>
78.	<p>Article 127 The board of directors shall be accountable to the general meetings, and exercise the following powers:</p> <ol style="list-style-type: none"> (1) to convene and report its work to the general meetings; (2) to implement resolutions of the general meeting; (3) to decide on the business plans and investment plans of the Company; (4) to formulate the plans for annual financial budgets and final accounts of the Company; (5) to formulate the plans for profit distribution and making up losses of the Company; (6) to formulate proposals for the increase or reduction of registered capital and the issue of shares, debentures or other securities and the listing project of the Company; (7) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company; (8) to decide on matters such as external investment, acquisition and disposal of assets, pledge of assets, external guarantee, bank facilities, entrusted wealth management and connected transactions, except those which shall be approved by the general meeting of the Company as prescribed by laws, regulations, ministerial rules or these Articles; 	<p>Article 127109 The board of directors shall be accountable to the general meetings, and exercise the following powers:</p> <ol style="list-style-type: none"> (1) to convene and report its work to the generalshareholders' meetings; (2) to implement resolutions of the generalshareholders' meeting; (3) to decide on the business policies, business plans, and investment plans and investment projects of the Company; (4) to formulate consider and approve the plans for annual financial budgets and final accounts of the Company; (5) to formulate the plans for profit distribution and making up losses of the Company; (6) to formulate proposals for the increase or reduction of registered capital and the issue of shares, debentures or other securities and the listing project of the Company; (7) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company; (8) to decide on matters such as external investment, acquisition and disposal of assets, pledge of assets, external guarantee, bank facilities, entrusted wealth management and connected transactions, except those which shall be approved by the generalshareholders' meeting of the Company as prescribed by laws, regulations, ministerial rules or these Articles;

No.	Original	Revised
	<p>(9) to decide on the establishment of the internal management organization of the Company;</p> <p>(10) to appoint or remove the president and secretary of the board of directors of the Company; to appoint or remove the senior management, such as the vice president, financial officer and general counsel, of the Company pursuant to the nominations of the president and decide on their remuneration as well as reward and punishment;</p> <p>(11) to formulate the basic management system of the Company;</p> <p>(12) to prepare plans for amending these Articles;</p> <p>(13) to manage information disclosure matters of the Company;</p> <p>(14) to propose to the general meetings as to the appointment or change of the accounting firm for the auditing of annual financial statements of the Company and decide on its auditing fee;</p> <p>(15) to receive the work reports of the president of the Company and to review the work of the president;</p> <p>(16) to decide the establishment of special committees and their compositions;</p> <p>(17) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at general meetings and these Articles.</p> <p>Resolutions relating to the above, with the exception of items (6), (7) and (12) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.</p> <p>Before making resolutions relating to significant matters of the Company, the board of directors shall hear the opinions of the Company Party Committee in advance.</p>	<p>(9) to decide on the establishment of the internal management organization of the Company;</p> <p>(10) to appoint or remove the president and secretary of the board of directors of the Company; to appoint or remove the senior management, such as the vice president, financial officer and general counsel, of the Company pursuant to the nominations of the president and decide on their remuneration as well as reward and punishment;</p> <p>(11) to formulate the basic management system of the Company;</p> <p>(12) to prepare plans for amending these Articles;</p> <p>(13) to manage information disclosure matters of the Company;</p> <p>(14) to propose to the generalshareholders' meetings as to the appointment or change of the accounting firm for the auditing of annual financial statements of the Company and decide on its auditing fee;</p> <p>(15) to receive the work reports of the president of the Company and to review the work of the president;</p> <p>(16) to decide the establishment of special committees and their compositions;</p> <p>(17) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at generalshareholders' meetings and these Articles.</p> <p>Resolutions relating to the above, with the exception of these Articles otherwise provided and items (6), (7) and (12) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of theall directors.</p> <p>Before making resolutions relating to significant matters of the Company, the board of directors shall hear the opinions of the Company Party Committee in advance.</p>

No.	Original	Revised
79.	<p>Article 131 Subject to the provisions of Articles 64 and 127, the following issues shall be considered and approved by the board of directors:</p> <p>(1) any pledge of assets, external investment and entrusted wealth management with a transaction amount being less than 50% of the latest audited net assets of the Company;</p> <p>(2) external guarantees other than those required to be approved by the general meeting as provided in Article 66;</p> <p>(3) any connected transaction with a transaction amount being less than 20% of the latest audited net assets of the Company;</p> <p>(4) acquisition and disposal of significant assets of the Company within a year accounting for less than 30% of the latest audited total assets of the Company.</p>	<p>Article 11331 Subject to the provisions of Articles 64<u>52</u> and 109<u>27</u>, the following issues shall be considered and approved by the board of directors:</p> <p>(1) any pledge of assets, external investment and entrusted wealth management with a transaction amount being less than 50% of the latest audited net assets of the Company;</p> <p>(2) external guarantees other than those required to be approved by the general<u>shareholders'</u> meeting as provided in Article 66<u>54</u>;</p> <p>(3) any connected transaction with a transaction amount being less than 20% of the latest audited net assets of the Company, <u>except that related party transactions that are fully exempted in accordance with the relevant provisions of the Main Board Listing Rules do not need to be considered and approved by the board of directors;</u></p> <p>(4) acquisition and disposal of significant assets of the Company within a year accounting for less than 30% of the latest audited total assets of the Company.</p>
80.	<p>Article 134 Should the chairman of the board of directors is unable or fails to exercise his duties or powers, a director elected by more than a half of the directors shall exercise such duties or powers.</p>	<p>Article 13416 Should the chairman of the board of directors is unable or fails to exercise his duties or powers, a director elected by more than a half of the directors shall exercise such duties or powers.</p>

No.	Original	Revised
81.	<p>Article 136 The notice of board meeting shall be served to all directors, supervisors and president by means of facsimile or email fourteen days before the date of the meeting (for regular meeting) or by means of written notice five days before the date of the meeting (for extraordinary meeting). In case of emergency, such notice may be waived from the time and content requirement for the notice of an extraordinary board meeting set out in these Articles, provided that an explanation shall be made at the meeting by the convener. In avoidance of doubt, the notice of the extraordinary board meeting under emergency conditions shall be in compliance with the matters set out in clauses (1), (2) and (4) of Article 137 and contain reasonable and necessary information such as reason and resolutions of the relevant meeting.</p>	<p>Article 13618 The notice of board meeting shall be served to all directors, supervisors and president by means of facsimile or email fourteen days before the date of the meeting (for regular meeting) or by means of written notice five days before the date of the meeting (for extraordinary meeting). In case of emergency, such notice may be waived from the time and content requirement for the notice of an extraordinary board meeting set out in these Articles, provided that an explanation shall be made at the meeting by the convener. In avoidance of doubt, the notice of the extraordinary board meeting under emergency conditions shall be in compliance with the matters set out in clauses (1), (2) and (4) of Article <u>11937</u> and contain reasonable and necessary information such as reason and resolutions of the relevant meeting.</p>
82.	<p>Article 138 Quorum of a board meeting shall be more than half of all directors. Each director shall have one vote. Resolutions adopted at the board meeting shall be approved by more than half of all directors. Where there are an equal number of votes for and against a particular resolution, the chairman shall be entitled to have a casting vote.</p>	<p>Article 13820 Quorum of a board meeting shall be more than half of all directors. Each director shall have one vote. <u>Unless otherwise provided in these Articles,</u> Resolutions adopted at the board meeting shall be approved by more than half of all directors. Where there are an equal number of votes for and against a particular resolution, the chairman shall be entitled to have a casting vote.</p>

No.	Original	Revised
83.	<p>Article 139 When a director and the enterprises involved in the resolutions of the board meeting have connected relations, such director shall not exercise his/her voting rights on such proposal nor can he/she exercise any voting rights on behalf of others directors. The meeting may be held if it is quorated by more than half of the unconnected directors. The resolutions of the board meeting shall be passed by more than half of unconnected directors. If the number of unconnected directors attending the board meeting is less than three, such matter shall be put forward to the general meeting for consideration.</p>	<p>Article 13921 When a director and the enterprises <u>or individual</u> involved in the resolutions of the board meeting have connected relations, such director shall promptly report in writing to the board of directors. The director with the connected relations shall not exercise his/her voting rights on such proposal nor can he/she exercise any voting rights on behalf of others directors. The meeting may be held if it is quorated by more than half of the unconnected directors. The resolutions of the board meeting shall be passed by more than half of unconnected directors. If the number of unconnected directors attending the board meeting is less than three, such matter shall be put forward to the generalshareholders' meeting for consideration.</p>
84.	<p>Article 140 Resolutions of the board meetings shall be voted by poll. The board meeting shall be held on-site in principle. If necessary, under the premise of safeguarding full expression of opinions of the directors, the extraordinary board meeting may also be held by way of written resolutions upon the consent of the convener.</p>	<p>Article 14022 Resolutions of the board meetings shall be voted by poll. The board meeting shall may be convened and voted on-site or through electronic communication in principle. If necessary, under the premise of safeguarding full expression of opinions of the directors, the extraordinary board meeting may also be held by way of written resolutions upon the consent of the convener.</p>

No.	Original	Revised
85.	<p>Article 141 Directors shall attend a board meeting in person. If they are not able to attend the meeting due to certain reasons, they may authorise other directors in writing to attend the meeting on their behalf. A letter of authorization shall indicate the scope of authorization. Directors participating in the board meeting by way of telecommunication such as teleconference and video conference shall be deemed as attending such meeting in person.</p>	<p>Article 14123 Directors shall attend a board meeting in person. If they are not able to attend the meeting due to certain reasons, they may authorise other directors in writing to attend the meeting on their behalf. A letter of authorization shall indicate the <u>agent's name, the matters to be represented, the scope of authorization and the validity period, and shall be signed or sealed by the principal</u>. Directors participating in the board meeting by way of telecommunication such as teleconference and video conference shall be deemed as attending such meeting in person.</p>
86.	<p>Article 142 The board of directors shall keep minutes of resolutions on matters discussed at meetings. The minutes shall be signed by the directors and the recorder present at the meeting. Custody period of minutes shall be ten years. The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates the laws, regulations or these Articles and results in the Company sustaining serious losses, the directors participating in the resolution shall be liable to compensate the Company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection is recorded in the minutes of the meeting, such director may be released from such liability.</p>	<p>Article 14224 The board of directors shall keep minutes of resolutions on matters discussed at meetings. The minutes shall be signed by the directors and the recorder present at the meeting. Custody period of minutes shall be ten years. The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates the laws, regulations or, these Articles <u>or the resolution of the shareholders' meeting</u> and results in the Company sustaining serious losses, the directors participating in the resolution shall be liable to compensate the Company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection is recorded in the minutes of the meeting, such director may be released from such liability.</p>

No.	Original	Revised
87.	<p>Article 147 Independent directors may not be removed prior to the expiry of his/her term of office without justified reason. Where an independent director is removed from office prior to the expiry of his/her term of office, the Company shall disclose the matter as special disclosure.</p> <p>If an independent director fails to attend in person the board meetings for three consecutive times, the board of directors may propose the dismissal of such director at a general meeting.</p>	<p>Article 14729 Independent directors may not be removed prior to the expiry of his/her term of office without justified reason. Where an independent director is removed dismissed from office prior to the expiry of his/her term of office, the Company shall disclose the matter as special disclosure.</p> <p>If an independent director fails to attend in person the board meetings for three consecutive times, the board of directors may propose the dismissal of such director at a generalshareholders' meeting.</p>
88.	<p>Article 151 A director or senior management of the Company other than the president and chief financial officer may also act as the secretary to the board of directors of the Company. Any accountant from accountancy firm or lawyer from law firm which has been appointed by the Company shall not act as the secretary to the board of directors</p> <p>.....</p>	<p>Article 15133 A director or senior management of the Company other than the president and chief financial officer may also act as the secretary to the board of directors of the Company. Any accountant from accountancy firm or lawyer from law firm which has been appointed by the Company shall not act as the secretary to the board of directors</p> <p>.....</p>
89.	<p>Article 153 Any person who serves as an employee other than a director in the controlling shareholder or de facto controller of the Company may not serve as a senior management of the Company.</p>	Deleted.

No.	Original	Revised
90.	<p>Article 162 The board of supervisors shall comprise five supervisors, including three non-employee representative supervisors and two employee representative supervisors. Non-employee representative supervisors shall be elected and removed at the general meeting, while employee representatives shall be elected by the employees of the Company through the meeting of employee representatives, meeting of employees or other forms of democratic election.</p> <p>The terms of office of supervisors shall be three years, renewable upon re-election.</p> <p>The board of supervisors shall have one chairman, the election and removal of whom shall be passed by at least two-thirds of the members of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his/her duties, a supervisor elected by more than half of the supervisors shall convene and preside over the meeting of the board of supervisors.</p>	<p>Article 16243 The board of supervisors shall comprise five supervisors, including three non-employee representative supervisors and two employee representative supervisors. Non-employee representative supervisors shall be elected and removed at the generalshareholders' meeting, while employee representatives shall be elected by the employees of the Company through the meeting of employee representatives, meeting of employees or other forms of democratic election.</p> <p>The terms of office of supervisors shall be three years, renewable upon re-election.</p> <p>The board of supervisors shall have one chairman, the election and removal of whom shall be passed by at least two-thirds of the members of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his/her duties, a supervisor elected by more than half of the supervisors shall convene and preside over the meeting of the board of supervisors.</p>
91.	<p>Article 163 If the term of office of a supervisor expires but re-election cannot be held immediately or if any supervisor resigns during his term of office so that the number of the board of supervisor.</p>	<p>Article 16344 If the term of office of a supervisor expires but re-election cannot be held immediately or if any supervisor resigns during his term of office so that the number of the board of supervisor.</p>
92.	<p>Article 168 The board of supervisors shall hold at least two meetings each year, with at least one meeting held every six months, which are convened and presided over by the chairman of the board of supervisors. The supervisors may propose to convene extraordinary meetings of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his/her duties, a supervisor elected by not less than half of the supervisors shall convene and preside over the meeting of the board of supervisors.</p>	<p>Article 16849 The board of supervisors shall hold at least two meetings each year, with at least one meeting held every six months, which are convened and presided over by the chairman of the board of supervisors. The supervisors may propose to convene extraordinary meetings of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his/her duties, a supervisor elected by not lessmore than half of the supervisors shall convene and preside over the meeting of the board of supervisors.</p>

No.	Original	Revised
93.	<p>Article 170 The board of supervisors shall exercise the following functions and powers in accordance with law:</p> <p>(i) to review the regular reports of the Company formulated by the board of directors and provide written review opinion;</p> <p>(ii) to supervise the finance of the Company,</p> <p>(iii) to supervise the directors and senior management in their performance of duties and to propose the removal of directors and senior management who have contravened any law, regulations, these Articles or resolutions of general meetings;</p> <p>.....</p>	<p>Article 17051 The board of supervisors shall exercise the following functions and powers in accordance with law:</p> <p>(i) to review the regular reports of the Company formulated by the board of directors and provide written review opinion;</p> <p>(ii) to supervise the finance of the Company,</p> <p>(iii) to supervise the directors and senior management in their performance of duties, <u>to require the directors and senior management to submit reports on the performance of their duties,</u> and to propose the removal <u>dismissal</u> of directors and senior management who have contravened any law, regulations, these Articles or resolutions of general <u>shareholders'</u> meetings;</p> <p>.....</p>
94.	<p>Article 171</p> <p>.....</p> <p>A meeting of the board of supervisors shall not be conducted unless it is attended by more than two-thirds of the supervisors. Voting at the meeting board of supervisors shall be carried out by poll or by a show of hands and each supervisor shall have one vote. A supervisor shall attend meetings of the board of supervisors in person, or appoint in writing another supervisor to attend the meeting on his/her behalf due to his/her absence. The letter of authorization shall specify the extent of authorization.</p> <p>.....</p>	<p>Article 17152</p> <p>.....</p> <p>A meeting of the board of supervisors shall not be conducted unless it is attended by more than two-thirds of the supervisors. Voting at the meeting board of supervisors shall be carried out by poll or by a show of hands and each supervisor shall have one vote. A supervisor shall attend meetings of the board of supervisors in person; or appoint in writing another supervisor to attend the meeting on his/her behalf due to his/her absence. The letter of authorization shall specify the <u>agent's name, the matters to be represented, the extent of authorization and the effective period, and shall be signed or sealed by the principal.</u></p> <p>.....</p>

No.	Original	Revised
95.	<p>Article 175 A person may not serve as a director, supervisor, president, or any other senior management of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal or with restricted legal capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence, or who has been deprived of his political rights due to offences committed, in each case where less than 5 years have elapsed since the date of the completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is a former director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked and had been ordered to close down due to a violation of the law and who incurred personal liability, where less than 3 years has elapsed since the date of the revocation of the business license;</p> <p>(5) a person who has a relatively large amount of debts due and outstanding;</p> <p>(6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where said investigation or prosecution is not yet concluded;</p>	<p>Article 17556 A person may not serve as a director, supervisor, president, or any other senior management of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal or with restricted legal capacity;</p> <p>(2) a person who has <u>been sentenced for committed an offence of</u> corruption, bribery, infringement of property, misappropriation of property or sabotaging the <u>socialist market</u> economic order and has been punished because of committing such offence, or who has been deprived of his political rights due to offences committed, in each case where less than 5 years have elapsed, <u>or a person who has been placed under probation, and less than two years have elapsed since the date of the completion of the probation;</u></p> <p>(3) a person who is a former director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked and had been ordered to close down due to a violation of the law and who incurred personal liability, where less than 3 years has elapsed since the date of the revocation of the business license <u>and was ordered to close;</u></p> <p>(5) a person who has a, <u>who is listed as defaulters by the People's Court due to a relatively large amount of debts due and outstanding;</u></p> <p>(6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where said investigation or prosecution is not yet concluded <u>has been banned from the securities market by the CSRC for a period that has not yet expired;</u></p>

No.	Original	Revised
	<p>(7) a person who is not eligible for enterprise leadership according to laws and regulations;</p> <p>(8) a non-natural person;</p> <p>(9) a person who is convicted of the contravention of relevant securities regulations by a relevant competent authority, and such conviction involves fraud or dishonest behaviour, where less than 5 years has elapsed since the date of the conviction;</p> <p>(10) any other circumstances as prescribed by the relevant laws and regulations of the place where the Company's shares are listed.</p> <p>Any person who serves as any roles apart from a director in the controlling shareholders or de facto controllers of the Company shall not act as a senior management of the Company.</p>	<p>(7) a person who is not eligible for enterprise leadership according to laws and regulations; (7) a person who is not eligible for enterprise leadership according to <u>other contents specified by</u> laws and regulations <u>or departmental rules</u>;</p> <p>(8) a non-natural person;</p> <p>(9) a person who is convicted of the contravention of relevant securities regulations by a relevant competent authority, and such conviction involves fraud or dishonest behaviour, where less than 5 years has elapsed since the date of the conviction;</p> <p>(10) any other circumstances as prescribed by the relevant laws and regulations of the place where the Company's shares are listed. (8+10) any other circumstances as prescribed by the relevant laws and regulations of the place where the Company's shares are listed. Any person who serves as any roles apart from a director in the controlling shareholders or de facto controllers of the Company shall not act as a senior management of the Company.</p>
96.	<p>Article 177 In addition to obligations imposed by laws, regulations or required by the stock exchanges on which the Company's shares are listed, each of the Company's directors, supervisors, president, and other senior management owes following duties to each shareholder, in the exercise of the functions and powers of the Company entrusted to him:</p> <p>(1) not to cause the Company to exceed the scope of business stipulated in its business licence;</p> <p>(2) to act honestly in the best interest of the Company;</p> <p>(3) not to expropriate in any guise the Company's property, including (but not limited to) usurpation of opportunities favourable for the Company;</p> <p>(4) not to expropriate the individual rights of shareholders, including (but not limited to) rights to distribution and voting rights, save pursuant to a restructuring of the Company submitted to the general meeting for approval in accordance with these Articles.</p>	Deleted.

No.	Original	Revised
97.	<p>Article 178 Each of the Company’s directors, supervisors, president, and other senior management owes a duty, in the exercise of his powers and discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.</p>	<p>Article 17558 <u>Directors, supervisors, presidents and other senior management personnel of the Company owe a duty of loyalty to the Company. They shall take measures to avoid conflicts of interest between their own interests and those of the Company and shall not take advantage of their positions to seek improper benefits. Directors, supervisors, presidents and other senior management personnel of the Company owe a duty of diligence to the Company. In performing their duties, they shall exercise the level of care that a reasonably prudent manger would exercise in the best interests of the Company.</u></p> <p>Each of the Company’s directors, supervisors, president, and other senior management owes a duty, in the exercise of his powers and discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.</p>

No.	Original	Revised
98.	<p>Article 179 Each of the Company’s directors, supervisors, president and other senior management shall carry out his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duty and his interest may conflict. This principle applies to, among others, the discharge of the following obligations:</p> <p>(1) to act honestly in the best interests of the Company;</p> <p>(2) to exercise powers within the scope of his powers and not to exceed those powers;</p> <p>(3) to exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless permitted by laws, regulations or with the informed consent of shareholders given in a general meeting, not to delegate the exercise of his discretion;</p> <p>(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;</p> <p>(5) except in accordance with these Articles or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;</p>	<p>Article 17959 Each of the Company’s directors, supervisors, president and other senior management shall carry out his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duty and his interest may conflict. This principle applies to, among others, the discharge of the following obligations:</p> <p>(1) to act honestly in the best interests of the Company;</p> <p>(2) to exercise powers within the scope of his powers and not to exceed those powers;</p> <p>(3) to exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless permitted by laws, regulations or with the informed consent of shareholders given in a generalshareholders’ meeting, not to delegate the exercise of his discretion;</p> <p>(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;</p> <p>(5) <u>Any contract or transaction entered directly or indirectly with the Company must be reported to the board of directors or the shareholders’ meeting, and approved by resolution of the board of directors or the shareholders’ meeting in accordance with these Articles. The same applies to contracts or transactions with the Company involving the close relatives of directors, supervisors, and senior management personnel, enterprises directly or indirectly controlled by directors, supervisors, senior management personnel or their close relatives, and other related parties with connected relationships to directors, supervisors, and senior management personnel.</u> except in accordance with these Articles or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;</p>

No.	Original	Revised
	<p>(6) without the informed consent of shareholders given in general meeting, not to use the Company's property for his own benefit by any means;</p> <p>(7) not to exploit his position to accept bribes or other illegal income or misappropriate or expropriate the Company's funds or property by any means, including (but not limited to) opportunities favourable for the Company;</p> <p>(8) without the informed consent of shareholders given in general meeting, not to accept commissions in connection with the Company's transactions;</p> <p>(9) to abide by these Articles, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests;</p> <p>(10) without the informed consent of shareholders given in general meeting, not to compete with the Company in any form, and not to abuse the connected relationship to prejudice the Company's interest;</p> <p>(11) not to misappropriate the Company's funds or to lend the Company's funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for the debts of any shareholder(s) of the Company or other individual(s) with the Company's assets; and</p>	<p>(6) without the informed consent of shareholders given in general<u>shareholders'</u> meeting or board meeting, not to use the Company's property for his own benefit by any means;</p> <p>(7) not to exploit his position to accept bribes or other illegal income or misappropriate or expropriate the Company's funds or property by any means, including (but not limited to) opportunities favourable for the Company;</p> <p>(8) without the informed consent of shareholders given in general meeting, not to accept not to accept and embezzle commissions <u>from transactions between other persons and</u>in connection with the Company's transactions;</p> <p>(9) to abide by these Articles, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests;</p> <p>(10) <u>no one shall use their position to seek business opportunities that belong to the Company for themselves or others. However, the following exceptions apply: (1) reporting to the board of directors or the shareholders' meeting and being approved by a resolution of the board of directors or the shareholders' meeting in accordance with the provisions of these Articles;</u></p> <p><u>(2) where the Company is not permitted to make use of the business opportunity in accordance with the provisions of the law, administrative regulations or these Articles.</u></p> <p>without the informed consent of shareholders given in general meeting, not to compete with the Company in any form, and not to abuse the connected relationship to prejudice the Company's interest;</p>

No.	Original	Revised
	<p>(12) without the informed consent of shareholders in general meeting, not to disclose any confidential information relating to the Company acquired by him during his tenure and not to use such information in purposes other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental competent authorities is permitted if:</p> <p>(i) disclosure is made under compulsion of law;</p> <p>(ii) the interests of the public require disclosure;</p> <p>(iii) the interests of the relevant director, supervisor, president, and other senior management require disclosure.</p> <p>Any income received by any person mentioned in this Article from violating the provisions of this Article shall belong to the Company and any losses incurred by the Company shall be borne by such person.</p>	<p><u>(11) without reporting to the board of directors or the shareholders’ meeting and being approved by a resolution of the board of directors or the shareholders’ meeting in accordance with the provisions of these Articles, shall not engage in or operate a business similar to that of the company either on their own account or for another person;</u></p> <p>(12) not to misappropriate the Company’s funds or to lend the Company’s funds to others, not to open accounts in his own name or other names for the deposit of the Company’s assets funds and not to provide a guarantee for the debts of any shareholder(s) of the Company or other individual(s) with the Company’s assets; and</p> <p>(13)2 without the informed consent of shareholders in generalshareholders’ meeting, not to disclose any confidential information relating to the Company acquired by him during his tenure and not to use such information in purposes other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental competent authorities is permitted if:</p> <p>(i) disclosure is made under compulsion of law;</p> <p>(ii) the interests of the public require disclosure;</p> <p>(iii) the interests of the relevant director, supervisor, president, and other senior management require disclosure.</p> <p>Any income received by any person mentioned in this Article from violating the provisions of this Article shall belong to the Company and any losses incurred by the Company shall be borne by such person.</p>

No.	Original	Revised
99.	<p>Article 182 Except for circumstances prescribed in Article 61 of these Articles, a director, supervisor, president, and other senior management of this Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general meeting.</p>	<p>Article 18262 Except for circumstances prescribed in Article 61 of these Articles, a director, supervisor, president, and other senior management of this Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general<u>shareholders'</u> meeting.</p>
100.	<p>Article 183 Where a director, supervisor, president, and other senior management of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company (other than his contract of service with the Company), he shall declare the nature and extent of his interests to the board of directors at the earliest opportunity, whether or not the contract, transaction or arrangement or proposal therefore is otherwise subject to the approval of the board of directors.</p> <p>A director shall not vote nor shall he be counted in the quorum on any board resolution approving any contract, transaction, arrangement or other relevant proposal in which he or any of his associates (as defined in the applicable rules governing the listing of securities coming into force from time to time) has a material interest.</p>	Deleted.

No.	Original	Revised
	<p>Unless the interested director, supervisor, president, and other senior management discloses his interests to the board of directors in accordance with the preceding paragraph of this Article and the contract, transaction or arrangement is approved by the board at a meeting in which the interested director, supervisor, president, and other senior management is not counted in the quorum and refrains from voting, a contract, transaction or arrangement in which that director, supervisor, president, and other senior management is materially interested is voidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested director, president, and other senior management.</p> <p>A director, supervisor, president, and other senior management of the Company shall be deemed to be interested in a contract, transaction or arrangement in which an associate or a related party of him is interested.</p>	
101.	<p>Article 184 Where a director, supervisor, president, and other senior management of the Company gives to the board of directors a general notice in writing stating that, by reason of the facts specified in the notice, he is interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, such notice shall be deemed for the purposes of the preceding paragraph of this Article to be a sufficient declaration of his interests, so far as the content stated in such notice is concerned, provided that such general notice shall have been given before the date on which the issue of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company.</p>	Deleted.

No.	Original	Revised
102.	Article 185 The Company shall not in any manner pay taxes for its directors, supervisors, president, and other senior management.	Deleted.
103.	<p>Article 186 The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with, the making of a loan to a director, supervisor, president, and other senior management of the Company or of the Company's parent company or any of their respective associates.</p> <p>However, the following circumstance are not subject to such prohibition:</p> <p>(1) the provision by the Company of a loan or a guarantee for a loan to a company which is a subsidiary of the Company;</p> <p>(2) the provision by the Company of a loan or a guarantee in connection with the making of a loan or any other funds to any of its directors, supervisors, president, and other senior management to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders in general meeting; and</p> <p>(3) provided that the making of loans or providing guarantees forms part of the regular business of the Company, the Company may make a loan or provide a guarantee in connection with the making of a loan to any of the relevant directors, supervisors, president, and other senior management or their respective associates on normal commercial terms.</p>	Deleted.
104.	Article 187 A loan made by the Company in breach of the above Article shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.	Deleted.

No.	Original	Revised
105.	<p>Article 188 A loan guarantee provided by the Company in breach of clause I of Article 186 shall be unenforceable against the Company, except in the following circumstances:</p> <p>(1) a loan advanced to an associate of any of the directors, supervisors, president, and other senior management of the Company or of the Company's parent company where the lender was not aware of the situation when the loan was made; or</p> <p>(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.</p>	Deleted.
106.	<p>Article 189 For the purposes of the foregoing provisions of this chapter, a guarantee includes an undertaking or property provided to secure the performance of obligations by the obligor.</p>	Deleted.
107.	<p>Article 190 In addition to any rights and remedies provided by the laws and regulations, where a director, supervisor, president, and other senior management of the Company is in breach of his duties to the Company, the Company has a right to:</p> <p>(1) claim damages from the director, supervisor, president, and other senior management in compensation for losses sustained by the Company as a result of such breach;</p> <p>(2) rescind any contract or transaction entered into by the Company with the director, supervisor, president, and other senior management and any contract or transaction entered into by the Company with a third party, where such third party knows or should know that there is such a breach of duties by such director, supervisor, president, and other senior management;</p>	Deleted.

No.	Original	Revised
	<p>(3) demand the director, supervisor, president, and other senior management to surrender the profits made by him in breach of his duties;</p> <p>(4) recover any monies received by the director, supervisor, president, and other senior management which should have been otherwise received by the Company, including (but not limited to) commissions;</p> <p>(5) demand payment of the interest earned or which may have been earned by the director, supervisor, president, and other senior management on the monies that should have been paid to the Company; and</p> <p>(6) recover any property obtained by the director, supervisor, president or other senior management convicted of the breach of duty by legal proceedings.</p>	
108.	<p>Article 191 The Company shall enter into a contract in writing with each director, supervisor and senior management of the Company, which shall at least contain the following provisions:</p> <p>(1) the directors, supervisors and senior management shall undertake to the Company that they will comply with the Company Law, the Special Regulations, these Articles of the Company and other rules formulated by Hong Kong Stock Exchange, and agree that the Company shall have the right to take the remedial actions provided in these Articles, and that neither such contracts nor the positions of the directors, supervisors and senior management shall be transferred;</p> <p>(2) the directors, supervisors and senior management shall undertake to the Company that they will observe and fulfill their obligations to the shareholders provided in these Articles; and</p> <p>(3) the arbitration clause provided under Article 233 of these Articles.</p>	Deleted.

No.	Original	Revised
109.	<p>Article 192 The Company shall, with the prior approval of shareholders in general meeting, enter into a contract in writing with a director or supervisor wherein his emoluments are stipulated, including:</p> <p>(1) emoluments in respect of his service as director, supervisor or senior management of the Company;</p> <p>(2) emoluments in respect of his service as director, supervisor or senior management of any subsidiary of the Company;</p> <p>(3) emoluments in respect of the provision of other services in connection with the management of the affairs of the Company or any of its subsidiaries; and</p> <p>(4) compensation for loss of office, or as consideration for or in connection with his retirement from office.</p> <p>Except under a contract entered into in accordance with the foregoing, no proceedings may be brought by a director or supervisor against the Company for any benefits in respect of the matters mentioned in this Article.</p>	Deleted.

No.	Original	Revised
110.	<p>Article 193 The contract for emoluments entered into between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the Company's directors and supervisors shall, subject to the prior approval of the shareholders in general meeting, have the right to receive compensation or other payment for loss of office or retirement.</p> <p>A takeover of the Company as referred to above means:</p> <p>(1) a takeover offer made by any person to all shareholders; or</p> <p>(2) an offer made by any person with a view to becoming a controlling shareholder within the meaning of Article 62 of these Article.</p> <p>If the relevant director or supervisor does not comply with this Article, any sum so received by him shall belong to those persons who have sold their shares as a result of the said offer made. The expenses incurred in distributing that sum pro rata amongst those persons shall be borne by the relevant director or supervisor and shall not be paid out of that sum.</p>	Deleted.
111.	<p>Article 194 The Company shall establish its financial and accounting system in accordance with the laws, regulations and PRC accounting standards formulated by the finance regulatory department of the State Council.</p>	<p>Article 19463 The Company shall establish its financial and accounting system in accordance with the laws, regulations and PRC accounting standards rules formulated by the finance regulatory department of the State Council.</p>
112.	<p>Article 195 At the end of each fiscal year, the Company shall prepare a financial report which shall be examined and verified in the manner prescribed by law.</p> <p>The fiscal year of the Company shall coincide with the calendar year, i.e. from January 1 to December 31 on the Gregorian calendar.</p>	<p>Article 19564 At the end of each fiscal year, the Company shall prepare a financial report which shall be examined and verified audited by a certified public accountant in the manner prescribed by law.</p> <p>The fiscal year of the Company shall coincide with the calendar year, i.e. from January 1 to December 31 on the Gregorian calendar.</p>

No.	Original	Revised
113.	Article 197 The Company's financial reports shall be made available for shareholders' inspection at the Company 20 days before the date of every annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.	Article 19766 The Company's financial reports shall be made available for shareholders' inspection at the Company 20 days before the date of every annual general shareholders' meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.
114.	Article 200 The Company shall announce its financial reports twice in each fiscal year. Within 60 days following the end of the first six months of the fiscal year, the Company shall announce its interim financial report, and within 120 days following the fiscal year end, the annual financial report for the year shall be announced.	Article 200169 The Company shall announce its financial reports twice in each fiscal year. Within 60 days following the end of the first six months of the fiscal year, the Company shall announce its interim financial report, and within 120 days following the fiscal year end, the annual financial report for the year shall be announced. <u>If the laws and regulations of the place where the Company's shares are listed and the relevant listing rules have stricter provisions, the Company shall also comply with such provisions.</u>
115.	Article 202 Capital reserve fund includes the following items: (1) premium received when shares are issued at a premium over their par value; (2) any other income required to be included in the capital reserve fund by the competent finance department of the State Council.	Article 202171 Capital reserve fund includes the following items: (1) premium received when shares are issued at a premium over their par value; <u>(2) the proceeds from the issuance of no-par shares are not credited to the registered capital;</u> (3) any other income required to be included in the capital reserve fund by the competent finance department of the State Council.

No.	Original	Revised
116.	<p>Article 203</p> <p>Where the general meeting distributes the profits to shareholders before making up the losses and appropriation to reserve funds in breach of the provisions of the preceding paragraphs, the shareholders shall return to the Company such profits distributed in violation of the provisions.</p> <p>Shares of the Company held by the Company shall not be entitled to any profit distribution.</p>	<p>Article 203172</p> <p>Where the general meeting <u>Company</u> distributes the profits to shareholders before making up the losses and appropriation to reserve funds in breach of the provisions of the preceding paragraphs, the shareholders shall return to the Company such profits distributed in violation of the provisions. <u>The shareholders and the responsible directors, supervisors and senior management shall be liable for compensation if the Company suffers losses therefrom.</u></p> <p>Shares of the Company held by the Company shall not be entitled to any profit distribution.</p>
117.	/	<p><u>Article 173 The Company’s reserve funds are used to make up the Company’s losses, expand the Company’s business or increase the Company’s registered capital. Where reserve funds are used to make up for the Company’s losses, the discretionary reserve fund and statutory reserve fund should be used first; if the losses still cannot be made up, the capital reserve fund may be used in accordance with the requirements.</u></p> <p><u>When statutory reserve is converted into registered capital, the remaining of such statutory reserve shall not be less than 25% of the registered capital prior to the conversion.</u></p>
118.	/	<p><u>Article 174 If the Company still incurs losses after making up for the losses in accordance with the provisions of paragraph (2) of Article 173 of these Articles, it may reduce its registered capital to make up for the losses. When reducing registered capital to make up for losses, the Company shall not distribute to shareholders, nor shall it exempt shareholders from their obligations to contribute capital or pay for shares.</u></p>

No.	Original	Revised
		<p><u>The provisions of paragraph (2) of Article 28 of these Articles shall not apply to the reduction of registered capital in accordance with the preceding paragraph. However, the Company shall, within 30 days from the date of the resolution of the shareholders' meeting to reduce the registered capital, announce the reduction in a newspaper or on the National Enterprise Credit Information Publicity System.</u></p> <p><u>After the Company reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the cumulative amount of the statutory reserve fund and the discretionary reserve fund reaches 50% of the Company's registered capital.</u></p>
119.	<p>Article 207</p> <p>The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the annual financial reports and other financial reports of the Company.</p> <p>The first accounting firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting of shareholders and the accounting firm appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its aforesaid powers, those powers shall be exercised by the board of directors.</p>	<p>Article 207¹⁷⁸The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the annual financial reports and other financial reports of the Company.</p> <p>The first accounting firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting of shareholders and the accounting firm appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its aforesaid powers, those powers shall be exercised by the board of directors.</p>

No.	Original	Revised
120.	<p>Article 213 The Company’s appointment, removal and non-reappointment of an accounting firm shall be resolved by shareholders in general meeting. The resolution of the general meeting shall be filed with the securities regulatory authority of the State Council.</p> <p>Where it is proposed that any resolution be passed at a general meeting concerning the appointment of an accounting firm, which is not an incumbent firm, to replace an existing accounting firm or to fill a casual vacancy in the office of the accounting firm, or to reappoint a retiring accounting firm which was appointed by the board of directors to fill a casual vacancy, or to remove the accounting firm before the expiration of its term of office, the following provisions shall apply:</p> <p>(1) A copy of the proposal about appointment or removal shall be sent to the firm proposed to be appointed or proposing to leave its post or the firm which has left its post in the relevant financial year before notice of meeting is given to the shareholders. Leaving includes leaving by removal, resignation and retirement.</p> <p>(2) If the leaving firm makes representations in writing and requests the Company to notify the shareholders of such representations, the Company shall (unless the representations are received too late):</p> <p>(i) in any notice given to shareholders about a resolution to be made, state the representations that has been made by the accounting firm which is about to leave; and</p>	Deleted.

No.	Original	Revised
	<p>(ii) attach a copy of the representations to the notice and deliver it to the shareholders in the manner stipulated in these Articles.</p> <p>(3) If the firm’s representations are not sent in accordance with paragraph (2) above, the relevant firm may require that the representations be read out at the general meeting and may lodge further complaints.</p> <p>(4) An accounting firm which is leaving its post shall be entitled to attend:</p> <p>(i) the general meeting relating to the expiry of its term of office;</p> <p>(ii) any general meeting at which it is proposed to fill the vacancy caused by its removal; and</p> <p>(iii) any general meeting convened on its resignation.</p> <p>The accounting firm leaving the post shall be entitled to receive all notices of, and other communications relating to, any such meetings, and to speak at any such meeting in relation to matters concerning its role as the former accounting firm of the Company.</p>	
121.	<p>Article 214 Prior to the removal or the non-reappointment of an accounting firm, notice of such removal or non-reappointment shall be given to the firm concerned and such firm shall be entitled to make representation at the general meeting.</p> <p>Where the accounting firm resigns from its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.</p>	<p>Article 214184 Prior to the removal or the non-reappointment of an accounting firm, notice of such removal or non-reappointment shall be given to the firm concerned and such firm shall be entitled allowed to make representation <u>when the Company’s shareholders’ meeting votes on the dismissal of the accounting firm</u> at the general meeting.</p> <p>Where the accounting firm resigns from its post, it shall make clear to the generalshareholders’ meeting whether there has been any impropriety on the part of the Company.</p>

No.	Original	Revised
	<p>(1) Any accounting firm may resign from its office by depositing at the Company's legal residence a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include the following:</p> <p>(i) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or</p> <p>(ii) a statement of any matters of which an account should be given.</p> <p>(2) Where a notice is deposited under the paragraph (1) of this Article, the Company shall within 14 days send a copy of the notice to the competent authority. If the notice contains a representation referred to in paragraph (1) (ii) of this Article, a copy of such representation shall be placed at the Company for shareholders' inspection. The Company shall also send a copy of such representation to every holder of overseas listed foreign shares by prepaid post, and it shall be sent to the addresses recorded in the register of shareholders.</p> <p>(3) Where the notice of resignation of an accounting firm contains a statement of paragraph (1) (ii) of this Article of any matters of which an account should be given, the accounting firm may require the board of directors to convene a extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.</p>	<p>(1) Any accounting firm may resign from its office by depositing at the Company's legal residence a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include the following:-</p> <p>(i) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or</p> <p>(ii) a statement of any matters of which an account should be given.-</p> <p>(2) Where a notice is deposited under the paragraph (1) of this Article, the Company shall within 14 days send a copy of the notice to the competent authority. If the notice contains a representation referred to in paragraph (1) (ii) of this Article, a copy of such representation shall be placed at the Company for shareholders' inspection. The Company shall also send a copy of such representation to every holder of overseas listed foreign shares by prepaid post, and it shall be sent to the addresses recorded in the register of shareholders.-</p> <p>(3) Where the notice of resignation of an accounting firm contains a statement of paragraph (1) (ii) of this Article of any matters of which an account should be given, the accounting firm may require the board of directors to convene a extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.-</p>

No.	Original	Revised
122.	<p>Article 215</p> <p>The aforesaid document shall also be dispatched to holders of overseas listed foreign shares by mail.</p>	<p>Article 215185</p> <p>The aforesaid document shall also be dispatched to holders of overseas listed foreign shares by mail.</p> <p><u>If the payment for the merger of the companies does not exceed 10% of its net assets, a resolution of the shareholders' meeting is not required for the merger but shall be subject to a resolution of the board of directors.</u></p>
123.	<p>Article 216</p> <p>In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the Company's resolution on merger and shall make newspaper announcement within 30 days of the date of the Company's resolution on merger. The creditors may request the Company to make full repayment of their debts or to provide guarantees within 30 days from the date on which they receive the notification, or within 45 days from the date on which the announcement is made in case of those who have not received the notification.</p>	<p>Article 216186</p> <p>In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the Company's resolution on merger and shall make newspaper announcement <u>or announcements on the National Enterprise Credit Information Publicity System</u> within 30 days of the date of the Company's resolution on merger. The creditors may request the Company to make full repayment of their debts or to provide guarantees within 30 days from the date on which they receive the notification, or within 45 days from the date on which the announcement is made in case of those who have not received the notification.</p>

No.	Original	Revised
124.	<p>Article 217</p> <p>In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the Company’s resolution on division and shall make announcement in the newspaper accepted by the stock exchange on which the shares of the Company are listed within 30 days of the date of the Company’s resolution on division.</p>	<p>Article 217187</p> <p>In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days of the date of the Company’s resolution on division and shall make announcement in the newspaper accepted by the stock exchange on which the shares of the Company are listed <u>or on the National Enterprise Credit Information Publicity System</u> within 30 days of the date of the Company’s resolution on division.</p>
125.	<p>Article 218 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law; when the Company dissolves, the Company shall cancel its registration in accordance with the law; when a new company is established, its establishment shall be registered in accordance with the law.</p>	<p>Article 218188 When the merger or division of the Company involves changes in registered particulars, such changes shallshould be registered with the company registration authority in accordance with the law; when the Company dissolves, the Company shallshould cancel its registration in accordance with the law; when a new company is established, its establishment shallshould be registered in accordance with the law.</p>

No.	Original	Revised
126.	<p>Article 219 The Company shall be dissolved and liquidation should be made in accordance with governing laws upon the occurrence of any of the following:</p> <p>(1) a resolution on dissolution is passed by shareholders at general meeting;</p> <p>(2) dissolution is necessary due to a merger or division of the Company;</p> <p>(3) the Company is declared bankrupt because of inability to repay debts due;</p> <p>(4) the business license of the Company is revoked, or the Company is ordered to close down or to be terminated;</p> <p>(5) where the Company is in serious operation or management difficulties, and its continual existence will lead to substantial losses to the benefits of the shareholders and there are no other solutions to resolve the matters, the shareholders holding 10% or above of the total voting rights of the Company may seek the dissolution of the Company from the People’s Court;</p> <p>(6) other situations where the Company shall be dissolved in accordance with laws and regulations.</p>	<p>Article 219189 The Company shall be dissolved and liquidation should be made in accordance with governing laws upon the occurrence of any of <u>for</u> the following reasons:</p> <p>(1) <u>the term of its operation as stipulated in these Articles has expired or events of dissolution specified in these Articles have occurred;</u></p> <p>(2) a resolution on dissolution is passed by shareholders at general<u>shareholders’</u> meeting;</p> <p>(3) dissolution is necessary due to a merger or division of the Company;</p> <p>(3) the Company is declared bankrupt because of inability to repay debts due;</p> <p>(4) the business license of the Company is revoked, or the Company is ordered to close down or to be terminated;</p> <p>(5) where the Company is in serious operation or management difficulties, and its continual existence will lead to substantial losses to the benefits of the shareholders and there are no other solutions to resolve the matters, the shareholders holding 10% or above of the total voting rights of the Company may seek the dissolution of the Company from the People’s Court;</p> <p>(6) other situations where the Company shall be dissolved in accordance with laws and regulations.</p> <p><u>If the Company has any grounds for dissolution specified in the preceding paragraph, it shall publicize the grounds for dissolution through the National Enterprise Credit Information Publicity System within ten days.</u></p>

No.	Original	Revised
		<p><u>Where the Company is in the situation described in paragraph (1) and (2) of clause 1 of this Article, and has not yet distributed property to shareholders, the Company may continue to exist by amending these Articles or through resolutions in the shareholders’ meeting. The amendments to these Articles pursuant to the aforesaid provision or by resolutions in the shareholders’ meeting are subject to the approval by shareholders holding more than two-thirds of the voting rights of the shareholders presented at the shareholders’ meeting.</u></p>
127.	<p>Article 220 Where the Company is dissolved under paragraph (1) of the preceding Article, a liquidation committee shall be set up within 15 days, and its members shall be determined by ordinary resolution at a general meeting.</p> <p>Where the Company is dissolved under paragraph (3) or (5) of the preceding Article, the People’s Court shall in accordance with the provisions of relevant laws organize the shareholders, relevant organizations and relevant professionals to establish a liquidation committee to proceed with the liquidation.</p> <p>Where the Company is dissolved under paragraph (4) of the preceding Article, the relevant competent authority shall organize the shareholders, relevant organizations and professionals to establish a liquidation committee to proceed with the liquidation.</p>	<p>Article 220190 Where the Company is dissolved under paragraph (1), (2), (4) and (5) of clause 1 of the preceding Article, <u>it shall be liquidated. The directors are the obligors for the liquidation of the Company and</u> a liquidation committee shall be set up formed within 15 days <u>of the date of dissolution to carry out the liquidation;</u> and its members shall be determined by ordinary resolution at a general meeting.</p> <p><u>The liquidation committee shall comprise directors or those determined at the shareholders’ meeting. If the liquidation committee is not set up within the timeframe, or if the liquidation committee is formed but does not carry out liquidation, the creditors may plead the People’s Court to designate related persons to form a liquidation committee to carry out the liquidation.</u></p> <p>Where the Company is dissolved under paragraph (3) or (5) of the preceding Article, the People’s Court shall in accordance with the provisions of relevant laws organize the shareholders, relevant organizations and relevant professionals to establish a liquidation committee to proceed with the liquidation.</p>

No.	Original	Revised
		Where the Company is dissolved under paragraph (4) of the preceding Article, the relevant competent authority shall organize the shareholders, relevant organizations and professionals to establish a liquidation committee to proceed with the liquidation.
128.	<p>Article 221 Where the board of directors proposes to liquidate the Company due to causes other than where the Company has declared that it is insolvent, the board of directors shall include a statement in its notice convening a general meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the board of directors is of the opinion that the Company will be able to pay its debts in full within 12 months from the commencement of the liquidation.</p> <p>Upon the passing of the resolution by the shareholders in general meeting for the liquidation of the Company, all functions and powers of the board of directors shall cease.</p> <p>The liquidation committee shall act in accordance with the instructions of the general meeting to make a report at least once every year to the general meeting on the committee's receipts and payments, the business of the Company and the progress of the liquidation and to present a final report to the general meeting on completion of the liquidation.</p>	Deleted.
129.	/	<p><u>Article 191 To make a decision on dissolving or applying for bankruptcy, the Company shall seek opinions of its labour union and shall seek the opinions and suggestions of the employees through the meeting of the employee representatives or in any other forms.</u></p>

No.	Original	Revised
130.	<p>Article 222 The liquidation committee shall notify creditors within 10 days from the date of its establishment and publish newspaper announcements within 60 days. The creditors shall declare their rights to the liquidation committee within 30 days from the date on which they receive the notification, or within 45 days from the date on which the announcement is made in the event that such notification have not been received. Creditors’ rights shall be registered by the liquidation committee in accordance with laws. During the period when creditors declare their rights, no settlement shall be made to the creditors by the liquidation committee.</p>	<p>Article 222192 The liquidation committee shall notify creditors within 10 days from the date of its establishment and publish newspaper announcements <u>or announcements on the National Enterprise Credit Information Publicity System</u> within 60 days. The creditors shall declare their rights to the liquidation committee within 30 days from the date on which they receive the notification, or within 45 days from the date on which the announcement is made in the event that such notification have not been received.</p> <p><u>When declaring their rights, creditors shall specify the relevant matters of their rights and provide supporting materials.</u> Creditors’ rights shall be registered by the liquidation committee in accordance with laws.</p> <p>During the period when creditors declare their rights, no settlement shall be made to the creditors by the liquidation committee.</p>
131.	<p>Article 223 During the liquidation period, the liquidation committee shall exercise the following functions and duties:</p> <ul style="list-style-type: none"> (1) to ascertain the assets of the Company and separately prepare a balance sheet and an inventory of assets; (2) to notify creditors by sending notice or by making announcement; (3) to deal with and settle the outstanding business deals of the Company in relation to the liquidation; (4) to settle outstanding taxes and taxes arising from liquidation in full; (5) to ascertain all claims and debts; (6) to dispose of the remaining assets of the Company after the repayment of debts; (7) to represent the Company in any civil proceedings. 	<p>Article 223193 During the liquidation period, the liquidation committee shall exercise the following functions and duties:</p> <ul style="list-style-type: none"> (1) to ascertain the assets of the Company and separately prepare a balance sheet and an inventory of assets; (2) to notify creditors by sending notice or by making announcement; (3) to deal with and settle the outstanding business deals of the Company in relation to the liquidation; (4) to settle outstanding taxes and taxes arising from liquidation in full; (5) to ascertain all claims and debts; (6) to allocated dispose of the remaining assets of the Company after the repayment of debts; (7) to represent the Company in any civil proceedings.

No.	Original	Revised
132.	<p>Article 224 After checking the assets of the Company and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit to the general meeting or the concerned competent authority for confirmation.</p> <p>After a resolution on dissolution is passed by shareholders at a general meeting or the Company is declared bankrupt according to law or it is ordered to close down, no one is allowed to dispose of the assets of the Company without the permission of the liquidation committee</p> <p>.....</p> <p>During the liquidation period, the Company shall not commence any business activities irrelevant to liquidation.</p>	<p>Article 224194 After checking the assets of the Company and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit to the <u>general shareholders’ meeting or the People’s Court</u> concerned competent authority for confirmation.</p> <p>After a resolution on dissolution is passed by shareholders at a general meeting or the Company is declared bankrupt according to law or it is ordered to close down, no one is allowed to dispose of the assets of the Company without the permission of the liquidation committee</p> <p>.....</p> <p>During the liquidation period, the Company shall not commence any business activities irrelevant to liquidation. <u>The Company’s property may not be distributed to shareholders before it has been settled in accordance with the preceding paragraph.</u></p>
133.	<p>Article 225 In the event of the liquidation of the Company owing to dissolution, if the liquidation committee, after ascertaining the assets of the Company and preparing a balance sheet and an inventory of assets, discovers that the assets of the Company are insufficient to repay its debts, it shall immediately apply to the People’s Court for declaration of bankruptcy.</p> <p>After the Company is declared bankrupt by a ruling of the People’s Court, the liquidation committee shall transfer the liquidation matters to the People’s Court.</p>	<p>Article 225195 In the event of the liquidation of the Company owing to dissolution, if the liquidation committee, after ascertaining the assets of the Company and preparing a balance sheet and an inventory of assets, discovers that the assets of the Company are insufficient to repay its debts, it shall immediately apply to the People’s Court for <u>declaration of bankruptcy and liquidation.</u></p> <p>After the Company is declared <u>the acceptance of bankrupt application</u> by a ruling of the People’s Court, the liquidation committee shall transfer the liquidation matters to the <u>designated bankruptcy administrator of the</u> People’s Court.</p>

No.	Original	Revised
134.	<p>Article 226 Following the completion of liquidation, the liquidation committee shall prepare a report on liquidation and a statement of the receipts and payments and the financial accounts for the period of the liquidation which shall be audited by PRC certified public accountants and then submitted to the general meeting or the concerned competent authorities for confirmation.</p> <p>The liquidation committee shall, within 30 days after the date of the general meeting or the affirmation from the concerned competent authorities, submit the aforementioned documents to the company registration authorities for cancellation of the registration of the Company and announces that the Company ceases to exist.</p>	<p>Article 226196 Following the completion of liquidation, the liquidation committee shall prepare a report on liquidation and a statement of the receipts and payments and the financial accounts for the period of the liquidation which shall be audited by PRC certified public accountants and then submitted to the generalshareholders' meeting or the concerned competent authorities the People's Court for confirmation, and then submitted to the company registration authority to apply for cancellation of company registration.</p> <p>The liquidation committee shall, within 30 days after the date of the general meeting or the affirmation from the concerned competent authorities, submit the aforementioned documents to the company registration authorities for cancellation of the registration of the Company and announces that the Company ceases to exist.</p>
135.	Chapter 22 Settlement of Disputes	Deleted.
136.	<p>Article 233 The Company shall settle disputes in the following manners:</p> <p>(1) Disputes or claims between (i) the Company and its directors or senior management; and (ii) holders of the overseas listed foreign shares and the Company, holders of the overseas listed foreign shares and the Company's directors, supervisors, president or other senior management, or holders of the overseas listed foreign shares and holders of domestic shares in relation to the rights or obligations concerning the affairs of the Company conferred or imposed by these Articles, the Company Law or any other relevant laws and regulations shall be settled by the relevant parties through arbitration.</p>	Deleted.

No.	Original	Revised
	<p>Where a dispute or claim is submitted for arbitration, the entire claim or dispute shall be submitted for arbitration and any person (being the Company or its shareholder, director, supervisor, president or other senior management) who has a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim shall abide by the arbitration.</p> <p>Disputes in relation to the identification of shareholders and the register of shareholders need not be referred to arbitration.</p> <p>(2) A claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant. If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre.</p> <p>(3) If any disputes or claims prescribed in clause (1) above are referred to arbitration, the laws of the People's Republic of China shall apply, save as otherwise provided in laws and regulations.</p> <p>(4) The award of an arbitration body shall be final and conclusive and binding on all parties.</p>	
137.	Chapter 23 Supplementary Provisions	Chapter 23₂ Supplementary Provisions

No.	Original	Revised
138.	<p>Article 234 Definitions:</p> <p>(1) A de facto controller refers to the person who is not a shareholder of the Company but is able to exercise control over the acts of the Company through an investment relationship, agreement or other arrangement.</p> <p>(2) Connected relationship refers to the relationship between the controlling shareholders, de facto controllers, directors, supervisors or senior management and enterprises under their direct or indirect control, and any other relationship that may lead to the transfer of any interests in the Company under the Listing Rules of the Hong Kong Stock Exchange. However, relationship between state-owned enterprises shall not be deemed as connected relationship solely because they are under common control of the government.</p> <p>(3) Connected transaction shall have the meaning ascribed to it under the Listing Rules of the Hong Kong Stock Exchange.</p> <p>(4) A Business Day refers to any day on which the Hong Kong Stock Exchange is open for the dealing in securities.</p>	<p>Article 234203 Definitions:</p> <p><u>(1) Controlling shareholder refer to shareholder who holds more than 50% of the Company's share capital or shares or shareholder whose share proportion is less than 50% of the Company's share capital but whose voting rights have significant influence on the resolution of the shareholder's meeting.</u></p> <p>(1) A de facto controller refers to the person who is not a shareholder of the Company but is able to exercise control over the acts of the Company through an investment relationship, agreement or other arrangement.</p> <p>(3) Connected relationship refers to the relationship between the controlling shareholders, de facto controllers, directors, supervisors or senior management and enterprises under their direct or indirect control, and any other relationship that may lead to the transfer of any interests in the Company under the Listing Rules of the Hong Kong Stock Exchange. However, relationship between state-owned enterprises shall not be deemed as connected relationship solely because they are under common control of the government.</p> <p><u>(4) Treasury shares refer to previously issued shares that have been purchased, redeemed, surrendered or otherwise acquired by the Company and have not been cancelled. Unless otherwise provided in the Main Board Listing Rules, the Company Law or relevant laws and regulations, treasury shares may not be voted, directly or indirectly, at any meeting of the Company, nor may they be counted in determining the total number of issued shares at any given time.</u></p> <p>(5) Connected transaction shall have the meaning ascribed to it under the Listing Rules of the Hong Kong Stock Exchange.</p> <p>(6) A Business Day refers to any day on which the Hong Kong Stock Exchange is open for the dealing in securities.</p>

No.	Original	Revised
139.	Article 236 “Accounting firm” in these Articles shall have the same meaning as “auditors”.	Deleted.
140.	Article 238 For the purpose of these Articles, the terms “not less than”, “within” and “not more than” shall include the number itself, while the terms “more than” and “beyond” shall not include the number itself.	Article 23806 For the purpose of these Articles, the terms “not less than”, “within” and “not more than” shall include the number itself, while the terms “more than”, and “beyond”, “less than” and “exceeding” shall not include the number itself.
141.	In view of the fact that the “general meeting” in the Company Law has been uniformly adjusted to “shareholders’ meeting”, all references to “general meeting” in the Articles of Association shall be changed to “shareholders’ meeting”. This amendment applies uniformly throughout the entire text of the Articles of Association and is not presented individually in this table.	

No.	Original	Revised
1.	<p>Article 3 The general meeting consists of all Shareholders of the Company which shall be the institution of authority of the Company and shall exercise lawful duties as follows:</p> <p>(1) to decide on the Company's business policies and investment plans;</p> <p>(2) to elect and replace directors and supervisors that are not staff representatives and decide on matters relating to their remuneration;</p> <p>(3) to consider and approve the reports of the board of directors of the Company;</p> <p>(4) to consider and approve the reports of the board of supervisors of the Company;</p> <p>(5) to consider and approve the Company's proposed annual financial budgets and final account plans;</p> <p>(6) to consider and approve the Company's profit distribution plans and plans for making up losses;</p> <p>(7) to resolve on the increase or reduction of the Company's registered capital;</p> <p>(8) to resolve on the issuance of debentures;</p> <p>(9) to pass resolutions on matters such as the merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(10) to amend the Articles of Association;</p> <p>(11) to resolve on the engagement or termination of engagement of the accountants' firm of the Company which provides audit to the annual financial statements of the Company;</p> <p>(12) to consider and approve the guarantees required to be considered at general meetings under the Articles of Association;</p> <p>(13) to consider the acquisition or disposal of significant assets within one year which account for more than 30% of the latest audited total assets of the Company;</p>	<p>Article 3 The general<u>shareholders'</u> meeting consists of all Shareholders of the Company which shall be the institution of authority of the Company and shall exercise lawful duties as follows:</p> <p>(1) to decide on the Company's business policies and investment plans;</p> <p>(2)<u>(21)</u> to elect and replace directors and supervisors that are not staff representatives and decide on matters relating to their remuneration;</p> <p>(3)<u>(32)</u> to consider and approve the reports of the board of directors of the Company;</p> <p>(4)<u>(43)</u> to consider and approve the reports of the board of supervisors of the Company;</p> <p>(5) to consider and approve the Company's proposed annual financial budgets and final account plans;</p> <p>(6)<u>(64)</u> to consider and approve the Company's profit distribution plans and plans for making up losses;</p> <p>(7)<u>(75)</u> to resolve on the increase or reduction of the Company's registered capital;</p> <p>(8)<u>(86)</u> to resolve on the issuance of debentures;</p> <p>(9)<u>(97)</u> to pass resolutions on matters such as the merger, division, dissolution, liquidation or change of corporate form of the Company;</p> <p>(10)<u>(108)</u> to amend the Articles of Association;</p> <p>(11)<u>(119)</u> to resolve on the engagement or termination of engagement of the accountants' firm of the Company which provides audit to the annual financial statements of the Company;</p> <p>(12)<u>(120)</u> to consider and approve the guarantees required to be considered at general<u>shareholders'</u> meetings under the Articles of Association;</p> <p>(13)<u>(113)</u> to consider the acquisition or disposal of significant assets within one year which account for more than 30% of the latest audited total assets of the Company;</p>

No.	Original	Revised
	<p>(14) to consider and approve the share incentive scheme;</p> <p>(15) to consider and approve pledge of asset, external investment and commissioned financial matters which account for more than 50% of the latest audited net assets of the Company and connected transactions which account for more than 20% of the latest audited net assets of the Company;</p> <p>(16) to consider the motions raised by shareholders who represent more than 3% (inclusive) of the total number of voting shares of the Company;</p> <p>(17) to consider other matters which, according to the laws, administrative regulations and departmental rules and regulations or the Articles of Association, should be resolved by the shareholders of the Company at general meetings;</p>	<p>(142) to consider and approve the share incentive scheme;</p> <p>(153) to consider and approve pledge of asset, external investment and commissioned financial matters which account for more than 50% of the latest audited net assets of the Company and connected transactions which account for more than 20% of the latest audited net assets of the Company;</p> <p>(164) to consider the motions raised by shareholders who, <u>individually or collectively, hold shares which</u> represent more than 13% (inclusive) of the total number of voting shares of the Company;</p> <p>(175) to consider other matters which, according to the laws, administrative regulations and departmental rules and regulations or the Articles of Association, should be resolved by the shareholders of the Company at general<u>shareholders'</u> meetings;</p>
2.	<p>Article 4 The general meeting shall be convened by the board of directors, and if the board of directors is unable to perform or fails to perform its duty to convene the general meeting, the board of supervisors shall promptly convene the meeting; If the board of supervisors does not convene the meeting, shareholders who individually or collectively hold more than ten percent of the Company's shares for more than ninety consecutive days may convene the meeting on their own.</p>	<p>Article 4 The general<u>shareholders'</u> meeting shall be convened by the board of directors, and if the board of directors is unable to perform or fails to perform its duty to convene the general<u>shareholders'</u> meeting, the board of supervisors shall promptly convene the meeting; If the board of supervisors does not convene the meeting, shareholders who individually or collectively hold more than ten percent of the Company's shares for more than ninety consecutive days may convene the meeting on their own.</p>

No.	Original	Revised
3.	<p>Article 7 The board of directors shall convene an extraordinary general meeting within two months of the occurrence of any one of the following events:</p> <p>(1) when the number of directors is less than the statutory minimum number (i.e. five) stipulated in the Company Law or two-thirds of the number specified in the Articles of Association;</p> <p>(2) when the unrecovered losses of the Company amount to one third of the total amount of its paid-in share capital;</p> <p>(3) when any shareholder individually or jointly holding 10% or more of the total voting shares of the Company requests in writing for the convocation of an extraordinary general meeting;</p> <p>(4) when deemed necessary by the board of directors;</p> <p>(5) when requested by the board of supervisors.</p> <p>.....</p>	<p>Article 7 The board of directors shall convene an extraordinary generalshareholders' meeting within two months of the occurrence of any one of the following events:</p> <p>(1) when the number of directors is less than the statutory minimum number (i.e. fivethree) stipulated in the Company Law or two-thirds of the number specified in the Articles of Association;</p> <p>(2) when the unrecovered losses of the Company amount to one third of the total amount of its paid-in share capital;</p> <p>(3) when any shareholder individually or jointly holding 10% ten percent or more of the total voting shares of the Company requests in writing for the convocation of an extraordinary generalshareholders' meeting;</p> <p>(4) when deemed necessary by the board of directors;</p> <p>(5) when requested by the board of supervisors;</p> <p><u>(6) any other circumstances stipulated in the laws, administrative regulations, departmental rules or the Articles of Association.</u></p> <p>.....</p>
4.	<p>Article 9 Half of the board of independent directors may request to the board of directors of the Company to convene an extraordinary general meeting in writing. The board of directors of the Company shall, within 10 business days upon the receipt of such request, give a written reply on agreeing or disagreeing to convene such meeting in accordance with the laws, administrative regulations and the Articles of Association.</p> <p>.....</p>	<p>Article 9 Half of the board of independent directors may request to the board of directors of the Company to convene an extraordinary generalshareholders' meeting in writing. The board of directors of the Company shall, within 10 business days upon the receipt of such request, give a written reply on agreeing or disagreeing to convene such meeting in accordance with the laws, administrative regulations and the Articles of Association.</p> <p>.....</p>

No.	Original	Revised
5.	<p>Article 10 When shareholders or the board of supervisors request for the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) Shareholder(s) who individually or jointly hold 10% or more of the shares carrying the right to vote at the meeting or the board of supervisors can request the board of directors to convene an extraordinary general meeting or class meeting by signing one or several copies of written request(s) in the same form and content, and stating the motions proposed. The board of directors shall convene the extraordinary general meeting or class meeting as specified in the request. The amount of shares referred to above shall be calculated as at the date of making the request.</p>	<p>Article 10 When shareholders or the board of supervisors request for the convening of an extraordinary general<u>shareholders'</u> meeting or any class meeting, the following procedures shall be followed:</p> <p>(1) Shareholder(s) who individually or jointly hold 10% or more of the shares carrying the right to vote at the meeting or the board of supervisors can request the board of directors to convene an extraordinary general<u>shareholders'</u> meeting or <u>a</u> class meeting by signing one or several copies of written request(s) in the same form and content, and stating the motions proposed. The board of directors shall convene the extraordinary general meeting or class meeting as specified in the request. The amount of shares referred to above shall be calculated as at the date of making the request. <u>The board of directors shall reply as specified in the request on whether or not the board of directors agrees to convene an extraordinary shareholders' meeting or a class meeting within ten days upon the receipt of such written requests.</u></p>

No.	Original	Revised
	<p>(2) If no notice of convening a general meeting was issued within 30 days after the board of directors receiving the abovementioned written request(s), the shareholders making the request(s) have the right to request the board of supervisors to convene an extraordinary general meeting or class meeting and shall make the request by way of a written request to the board of supervisors. The board of supervisors can convene a meeting by itself within 4 months after the board of directors receiving the abovementioned written request(s). If the board of supervisors will not convene or preside over a meeting, the shareholders who individually or jointly hold 10% or more of the shares of the Company for more than 90 days consecutively may convene a meeting themselves and the procedures for convening such meeting shall follow the procedures of the general meeting convened by the board of directors.</p> <p>All reasonable expenses incurred for such meeting convened by the Shareholders or the board of supervisors as a result of the failure of the board of directors to convene a meeting as required by the above request(s) shall be borne by the Company and be set off against sums owed by the Company to the defaulting directors.</p>	<p>(2) <u>In the event that the board of directors agrees to convene an extraordinary shareholders' meeting or a class meeting, the notice of the shareholders' meeting or a class meeting shall be issued within five days after the passing of the relevant resolution of the board of directors. Consent of the original proposer(s) shall be obtained in the event of any changes made to the original proposal in the notice.</u> If no notice of convening a general meeting was issued within 30 days after the board of directors receiving the abovementioned written request(s), the shareholders making the request(s) have the right to request the board of supervisors to convene an extraordinary general meeting or class meeting and shall make the request by way of a written request to the board of supervisors. The board of supervisors can convene a meeting by itself within 4 months after the board of directors receiving the abovementioned written request(s). If the board of supervisors will not convene or preside over a meeting, the shareholders who individually or jointly hold 10% or more of the shares of the Company for more than 90 days consecutively may convene a meeting themselves and the procedures for convening such meeting shall follow the procedures of the general meeting convened by the board of directors.</p> <p><u>(3) If the board of directors disagrees with the board of supervisors' proposal to convene an extraordinary shareholders' meeting or a class meeting, or fails to provide feedback within 10 days of receiving the request, it shall be deemed that the board of directors is unable or unwilling to perform its duty to convene such meetings. In this case, the board of supervisors may convene and preside over the meeting itself. The procedures for convening the meeting should, as far as possible, be the same as those for meetings convened by the Board of Directors.</u></p>

No.	Original	Revised
		<p><u>(4) If the board of directors disagrees with the request of shareholders to convene an extraordinary shareholders' meeting or a class meeting, or fails to provide feedback within 10 days of receiving the request, the relevant shareholders shall have the right to propose in writing to the board of supervisors to convene an extraordinary shareholders' meeting or a class meeting.</u></p> <p><u>(5) If the board of supervisors agrees to convene an extraordinary shareholders' meeting or a class meeting, it shall issue a notice of the meeting within 5 days of receiving the request. Any changes to the original request in the notice must be approved by the original proposer.</u></p> <p><u>(6) If the board of supervisors fails to issue a notice of the shareholders' meeting or a class meeting within the prescribed period, it shall be deemed that the board of supervisors is not convening or presiding over the shareholders' meeting or class meeting. In such a case, shareholders who individually or collectively hold more than 10% of the Company's voting shares for more than 90 consecutive days may convene and preside over the meeting themselves. The procedures for convening the meeting should, as far as possible, be the same as those for meetings convened by the board of directors.</u></p> <p>All reasonable expenses incurred for such meeting convened by the Shareholders or the board of supervisors as a result of the failure of the board of directors to convene a meeting as required by the above request(s) shall be borne by the Company and be set off against sums owed by the Company to the defaulting directors.</p>

No.	Original	Revised
6.	<p>Article 11 In the event that the board of supervisors or the shareholders of the Company decide to convene a general meeting on its own, it or he shall notify the board of directors of the Company in writing and deliver the meeting notice. Before passing a resolution at the general meeting, the percentage of shareholding held by the convening shareholders shall not be less than 10%.</p>	<p>Article 11 In the event that the board of supervisors or the shareholders of the Company decide to convene a general<u>shareholders'</u> meeting on its own, it or he shall notify the board of directors of the Company in writing and deliver the meeting notice. Before passing a resolution at the general<u>shareholders'</u> meeting, the percentage of shareholding held by the convening shareholders shall not be less than 10% <u>ten percent</u>.</p>
7.	<p>Article 14 Prior to the issuance of the notice for the convening of a general meeting by the Company, the following organisations and persons may submit proposals to the general meeting:</p> <p>(i) the board of directors;</p> <p>(ii) the board of supervisors;</p> <p>(iii) shareholders who individually or collectively hold more than 3% of the shares of the Company;</p> <p>(iv) more than half of the independent directors.</p>	<p>Article 14 Prior to the issuance of the notice for the convening of a general<u>shareholders'</u> meeting by the Company, the following organisations and persons may submit proposals to the general<u>shareholders'</u> meeting:</p> <p>(i) the board of directors;</p> <p>(ii) the board of supervisors;</p> <p>(iii) shareholders who individually or collectively hold more than <u>13%</u> of the shares of the Company;</p> <p>(iv) more than half of the independent directors.</p>
8.	<p>Article 15 Shareholders individually or collectively holding 3% or more of the shares of the Company may submit any extraordinary proposals in writing to the convener of the meeting within 10 days prior to the date of the general meeting. The convener shall issue supplemental notice of general meeting within two days upon the receipt of the proposals and submit the interim proposal to the extraordinary general meeting for consideration. If the convenor decides not to include the proposal in the agenda of the general meeting, he/she shall explain and justify the proposal at that general meeting.</p>	<p>Article 15 Shareholders individually or collectively holding <u>13%</u> or more of the shares of the Company may submit any extraordinary proposals in writing to the convener of the meeting within 10 days prior to the date of the general<u>shareholders'</u> meeting. The convener shall issue supplemental notice of general<u>shareholders'</u> meeting within two days upon the receipt of the proposals and submit the interim proposal to the extraordinary general<u>shareholders'</u> meeting for consideration. If the convenor decides not to include the proposal in the agenda of the general<u>shareholders'</u> meeting, he/she shall explain and justify the proposal at that general<u>shareholders'</u> meeting.</p>

No.	Original	Revised
9.	<p>Article 16 Proposals for elections of director and supervisor at the general meeting shall fully disclose the details of the candidates of directors and supervisors including the following particulars:</p> <p>(1) personal particulars such as education background, working experience and any part-time positions;</p> <p>(2) whether there is any connected relationship with the Company or the controlling shareholders and de facto controller of the Company;</p> <p>(3) their shareholding in the Company;</p> <p>(4) whether there are any penalties or punishments imposed by the China Securities Regulatory Commission and other related authorities or stock exchanges.</p>	<p>Article 16 Proposals for elections of director and supervisor at the generalshareholders' meeting shall fully disclose the details of the candidates of directors and supervisors including the following particulars:</p> <p>(1) personal particulars such as education background, working experience and any part-time positions;</p> <p>(2) whether there is any connected relationship with the Company or the controlling shareholders and de facto controller of the Company;</p> <p>(3) their shareholding in the Company;</p> <p>(4) whether there are any penalties or punishments imposed by the China Securities Regulatory Commission (<u>hereinafter as "CSRC"</u>) and other related authorities or stock exchanges.</p>
10.	<p>Article 19 Notice of a general meeting shall be served on shareholders (whether or not entitled to vote at the general meeting) by personal delivery or prepaid mail to their addresses as shown in the register of shareholders. For the holders of domestic shares of the Company, notice of the general meeting may be issued by way of public notice.</p>	<p>Article 19 <u>Subject to applicable laws and regulations and the requirements of the Listing Rules, n</u>Notice of a generalshareholders' meeting may be <u>shall</u> be served on shareholders (whether or not entitled to vote at the generalshareholders' meeting) by <u>way of an announcement on the websites of the Company and the Hong Kong Stock Exchange, or, if so requested by the Shareholders, by</u> personal delivery or prepaid mail to their addresses as shown in the register of shareholders. For the holders of domestic shares of the Company, notice of the shareholders' meeting may be issued by way of public notice.</p>

No.	Original	Revised
	<p>The aforesaid public notice shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council. After the publication of such notice, the holders of domestic shares of the Company shall be deemed to have received the notice of the relevant general meeting.</p> <p>For holders of H shares, subject to the compliance with the laws, regulations, the Listing Rules of the place where the shares of the Company are listed and Articles of Association, the notice of a general meeting, circular of shareholders and relevant documents may be published on the websites of the Company and the Hong Kong Stock Exchange.</p>	<p>The aforesaid public notice shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council. <u>An announcement to the domestic shareholders shall be published in a media that complies with the conditions stipulated by the CSRC.</u> After the publication of such notice, the holders of domestic shares of the Company shall be deemed to have received the notice of the relevant general<u>shareholders'</u> meeting.</p> <p>For holders of H shares, subject to the compliance with the laws, regulations, the Listing Rules of the place where the shares of the Company are listed and Articles of Association, the notice of a general<u>shareholders'</u> meeting, circular of shareholders and relevant documents may be published on the websites of the Company and the Hong Kong Stock Exchange.</p>
11.	<p>Article 22 An extraordinary general meeting shall not decide on any matter not stated in the notice of the meeting.</p>	<p>Article 22 <u>Proposals not specified in the notice of the shareholders' meeting or which do not comply with the requirements of Article 13 of these Rules shall not be voted on and resolved by the shareholders' meeting.</u> An extraordinary general meeting shall not decide on any matter not stated in the notice of the meeting.</p>

No.	Original	Revised
12.	<p>Article 31 The location for holding a general meeting of the Company shall be the domicile of the Company in general. A venue shall be set aside for the convening of a physical general meeting. The Company will also enable shareholders to have access to the general meeting by other means as permitted by the listing rules of the place where the shares of the Company are listed. The shareholders that have participated in the meeting through access of any aforesaid means shall be deemed as having attended the meeting.</p>	<p>Article 31 The location for holding a generalshareholders' meeting of the Company shall be the domicile of the Company <u>or such other place as specified in the notice of the shareholders' meeting</u>in general. A venue shall be set aside for the convening of a physical generalshareholders' meeting. The Company will also enable shareholders to have access to the general meeting by other means as permitted by the listing rules of the place where the shares of the Company are listed. <u>Provided that the legality and validity of the shareholders' meeting are ensured, the Company may convene and vote at shareholders' meetings through electronic communication means, in accordance with the provisions of laws, administrative regulations, the stock exchange where the Company's shares are listed, relevant regulatory authorities, and the Articles of Association, where technically feasible.</u> The shareholders that have participated in the shareholders' meeting through access of any aforesaid means shall be deemed as having attended the meeting.</p>

No.	Original	Revised
13.	<p>Article 34 The chairman of the board of directors shall preside over the general meetings convened by the board of directors. If the chairman of the board of directors is unable to preside over a general meeting, the chairman of the board of directors may designate a director of the Company to convene and preside over the meeting on his/her behalf. In the event that no such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall be the chairman.</p> <p>The chairman of the board of supervisors shall preside over the general meetings convened by the board of supervisors at its sole discretion. In the event that the chairman of the board of supervisors is unable to or fails to fulfill the required obligations, the meeting may be presided over by a supervisor designated by the chairman of the board of supervisors on his behalf.</p> <p>.....</p>	<p>Article 34 The chairman of the board of directors shall preside over the generalshareholders' meetings convened by the board of directors. If the chairman of the board of directors is unable or fails to perform his/her duties to preside over a general meeting, <u>a director collectively elected by more than half of the directors shall preside over the meeting</u> the chairman of the board of directors may designate a director of the Company to convene and preside over the meeting on his/her behalf. In the event that no such designation is made <u>If more than half of the directors are unable to elect a director to preside over the meeting</u>, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall be the chairman.</p> <p>The chairman of the board of supervisors shall preside over the generalshareholders' meetings convened by the board of supervisors at its sole discretion. In the event that the chairman of the board of supervisors is unable to or fails to fulfill the required obligations, the meeting shall<u>may</u> be presided over by a supervisor <u>jointly elected</u>designated by <u>more than half of the supervisor</u>the chairman of the board of supervisors on his behalf.</p> <p>.....</p>

No.	Original	Revised
14.	<p>Article 40 Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations, or a poll is demanded before or after any vote by show of hands by the following persons, a resolution shall be decided on a show of hands at any general meeting:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least 2 shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding 10% or more of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations or a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>	<p>Article 40 Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations, or a poll is demanded before or after any vote by show of hands by the following persons; a resolution shall be decided on a show of hands at any general meeting: <u>the voting at the shareholders' meeting shall be conducted by a registered poll.</u></p> <p>(1) the chairman of the meeting;</p> <p>(2) at least 2 shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding 10% or more of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise stipulated by the applicable securities listing rules or other securities laws and regulations or a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>
15.	<p>Article 41 A poll demanded on such matters as the election of chairman or the adjournment of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.</p>	Deleted.
16.	<p>Article 42 On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.</p>	Deleted.

No.	Original	Revised
17.	Article 43 In the case there is an equality of votes, whether the vote is taken by a show of hands or by poll, the chairman of the meeting is entitled to a casting vote.	Deleted.
18.	Article 47 Statistic of voting results Before voting takes place on a proposal at a general meeting, two shareholders' representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and his proxy shall not participate in the vote counting and scrutinizing. When voting takes place on a proposal at a general meeting, auditors, H share register or qualified external auditors shall be responsible for vote counting and scrutinizing. The chairman of the meeting shall determine whether resolution has been passed and announcing the voting results on the spot, and the decision is final and shall be announced in the meeting and recorded in the meeting minutes.	Article 474 Statistic of voting results Before voting takes place on a proposal at a general shareholders' meeting, two shareholders' representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder has an interest in a matter to be considered, the relevant shareholder and his proxy shall not participate in the vote counting and scrutinizing. When voting takes place on a proposal at a general shareholders' meeting, auditors, H share register or qualified external auditors, or a supervisor of the Company shall be responsible for vote counting and scrutinizing. The chairman of the meeting shall announce the results of the voting on the spot, and the results of the voting on the resolution shall be recorded in the meeting minutes. Shareholders of the Company or their proxies shall have the right to check the results of their votes through the corresponding voting system if they vote via the Internet or other means. determine whether resolution has been passed and announcing the voting results on the spot, and the decision is final and shall be announced in the meeting and recorded in the meeting minutes.

No.	Original	Revised
19.	<p>Article 49 The chairman of the meeting shall announce details and results of the voting on each proposal, and announce whether a proposal is passed according to the voting results. Before announcing the voting results officially, the Company, the vote-counter, the voting scrutineer, Shareholders and the Company involved in the voting at the general meeting shall assume confidentiality obligations.</p>	<p>Article 496 The chairman of the meeting shall announce details and results of the voting on each proposal, and announce whether a proposal is passed according to the voting results. Before announcing the voting results officially, the Company, the vote-counter, the voting scrutineer, Shareholders, <u>internet service providers</u> and the Company providers involved in the voting at the <u>shareholders' meeting, through the internet or other method</u> shall assume confidentiality obligations.</p>
20.	<p>Article 50 The resolutions of the general meeting</p> <p>The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions.</p> <p>Ordinary resolutions put forward in the general meeting shall be adopted by more than half of shareholders (including their proxies) with voting rights attending the meeting.</p> <p>Special resolutions put forward in the general meeting shall be adopted by more than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.</p>	<p>Article 5047 The resolutions of the general<u>shareholders'</u> meeting</p> <p>The resolutions of the general<u>shareholders'</u> meeting shall be classified as ordinary resolutions and special resolutions.</p> <p>Ordinary resolutions put forward in the general<u>shareholders'</u> meeting shall be adopted by more than half of shareholders (including their proxies) with voting rights attending the meeting.</p> <p>Special resolutions put forward in the general<u>shareholders'</u> meeting shall be adopted by more than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.</p>

No.	Original	Revised
21.	<p>Article 51 The following resolutions shall be adopted as ordinary resolutions at a general meeting:</p> <p>(1) working reports of the board of directors and board of supervisors;</p> <p>(2) profit distribution proposals and plans for making up losses formulated by the board of directors;</p> <p>(3) election and dismissal of directors and non-employee representative supervisors, and their remuneration and payment method;</p> <p>(4) corporate policy and investment plans of the Company;</p> <p>(5) annual financial budgets, final accounts, balance sheets, profit and loss accounts and other financial statements of the Company;</p> <p>(6) other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws and regulations or these Articles.</p>	<p>Article 5148 The following resolutions shall be adopted as ordinary resolutions at a <u>generalshareholders'</u> meeting:</p> <p>(1) working reports of the board of directors and board of supervisors;</p> <p>(2) profit distribution proposals and plans for making up losses formulated by the board of directors;</p> <p>(3) election and dismissal of directors and non-employee representative supervisors, and their remuneration and payment method;</p> <p>(4) corporate policy and investment plans of the Company;</p> <p>(5) annual financial budgets, final accounts, balance sheets, profit and loss accounts and other financial statements of the Company;</p> <p>(6) other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws and regulations or these Articles.</p>
22.	<p>Article 52 The following resolutions shall be adopted as special resolutions at a general meeting:</p> <p>(1) increase or reduction of share capital, repurchase of the Company's shares and issuance of shares of any class, warrants and other similar securities of the Company;</p> <p>(2) issuance of debentures of the Company;</p> <p>(3) division, merger, dissolution, liquidation and changes to the form of the Company;</p> <p>(4) amendments to the Articles of Associate;</p> <p>(5) acquisition or disposal of major assets or provision of guarantee with the amount exceeding 30% of the Company's latest audited total assets within a year;</p> <p>(6) share option scheme;</p> <p>(7) other matters approved by ordinary resolution of the general meeting believing that they could materially affect the Company and need to be approved by special resolution.</p>	<p>Article 5249 The following resolutions shall be adopted as special resolutions at a <u>generalshareholders'</u> meeting:</p> <p>(1) increase or reduction of share capital, repurchase of the Company's shares and issuance of shares of any class, warrants and other similar securities of the Company;</p> <p>(2) issuance of debentures of the Company;</p> <p>(3) division, merger, dissolution, liquidation and changes to the form of the Company;</p> <p>(4) amendments to the Articles of Associate;</p> <p>(5) acquisition or disposal of major assets or provision of guarantee with the amount exceeding 30% of the Company's latest audited total assets within a year;</p> <p>(6) share option scheme;</p> <p>(7) other matters as stipulated by laws, administrative regulations or the Articles of Association, and approved by ordinary resolution of the <u>generalshareholders'</u> meeting believing that they could materially affect the Company and need to be approved by special resolution.</p>

No.	Original	Revised
23.	Article 54 The general meeting may, after considering the proposals submitted, resolve a resolution on all issues together, or resolve a sub resolution or a single resolution.	Deleted.
24.	Article 62 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 63 to 68.	Article 6258 Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general shareholders' meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 63 59 to 68 4
25.	Article 64 Shareholders of the affected class, whether or not having the right to vote at general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning paragraphs (2) to (8), (11) and (12) of Article 63, but interested shareholder(s) shall not be entitled to vote at class meetings. The interested shareholders referred to in the preceding paragraph have the following meanings: (1) In the case of acquiring its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with the Articles of Association, "interested shareholder" shall refer to the controlling shareholder as defined in the Articles of Association;	Article 604 Shareholders of the affected class, whether or not having the right to vote at general shareholders' meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning paragraphs (2) to (8), (11) and (12) of Article 63 59 , but interested shareholder(s) shall not be entitled to vote at class meetings. The interested shareholders referred to in the preceding paragraph have the following meanings: (1) In the case of acquiring its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with the Articles of Association, laws and administrative regulations , "interested shareholder" shall refer to the controlling shareholder as defined in the Articles of Association;

No.	Original	Revised
	<p>(2) In the case of acquiring its own shares by the Company through an off-market agreement in accordance with the provisions of the Articles of Association, “interested shareholder” shall refer to the shareholder to which the proposed agreement relates;</p> <p>(3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>	<p>(2) In the case of acquiring its own shares by the Company through an off-market agreement in accordance with the provisions of the Articles of Association, <u>laws and administrative regulations</u>, “interested shareholder” shall refer to the shareholder to which the proposed agreement relates;</p> <p>(3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.</p>
<p>26.</p>	<p>Article 65 A resolution of a class meeting shall only be passed in accordance with Article 64 by shareholders present at the class meeting who represent more than two-thirds of voting rights.</p>	<p>Article 651 A resolution of a class meeting shall only be passed in accordance with Article 604 by shareholders present at the class meeting who represent more than two-thirds of voting rights.</p> <p><u>The quorum for a class meeting (other than an adjournment) held for any variation of the rights of any class of shares shall at least be one third of the holders of the issued shares of such class.</u></p>
<p>27.</p>	<p>Article 66 When a class meeting is convened by the Company, written notices of a class meeting convened by the company shall be dispatched in accordance with the notice period in relation to the convening of a general meeting under these Articles to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the date and venue of the meeting.</p> <p>.....</p>	<p>Article 662 When a class meeting is convened by the Company, written notices of a class meeting convened by the company shall be dispatched in accordance with the notice period in relation to the convening of a generalshareholders' meeting under these Articles <u>of Association</u> to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the date and venue of the meeting.</p> <p>.....</p>

No.	Original	Revised
28.	<p>Article 68 In addition to holders of other class shares, holders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>(1) where the Company issues, upon approval by special resolution of its shareholders in general meeting, domestic shares and overseas listed foreign shares once every twelve months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of the respective numbers of the issued domestic shares and overseas listed foreign shares;</p> <p>(2) where the Company completes, within 15 months from the date on which approval is given by the securities regulatory authorities of the State Council, its plan (made at the time of its establishment) to issue domestic shares and foreign shares.</p> <p>(3) where the whole or part of shares of the Company registered on our domestic share register may be transferred to overseas investors, and such transferred Shares may be listed or traded on an overseas stock exchange; or the whole or part of domestic shares held by holders of the domestic shares are converted into foreign shares, which are listed and traded on overseas stock exchanges, subject to the approval of the securities authority of the State Council.</p>	<p>Article 684 In addition to holders of other class shares, holders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply in the following circumstances:</p> <p>(1) where the Company issues, upon approval by special resolution of its shareholders in generalshareholders' meeting, domestic shares and overseas listed foreign shares once every twelve months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of the respective numbers of the issued domestic shares and overseas listed foreign shares; or</p> <p>(2) where the Company completes, within 15 months from the date on which approval is given by the securities regulatory authorities of the State Council, its plan (made at the time of its establishment) to issue domestic shares and foreign shares.</p> <p>(3) where the whole or part of shares of the Company registered on our domestic share register may be transferred to overseas investors, and such transferred Shares may be listed or traded on an overseas stock exchange; or the whole or part of domestic shares held by holders of the domestic shares are converted into foreign shares, which are listed and traded on overseas stock exchanges, subject to the approval of the securities authority of the State Council subject to the filing with the CSRC.</p>

No.	Original	Revised
29.	<p>Article 70 For the authorization to the board of directors by the general meeting, if matters authorized are those that shall be adopted by the general meeting by means of general resolution as specified in the Articles of Association, they shall be adopted by more than half of the voting rights held by the shareholders (including shareholder proxies) present at the meeting. If matters authorized are those that shall be adopted by the general meeting by means of special resolution as specified in the Articles of Association, they shall be adopted by more than two-thirds of the voting rights held by the shareholders (including shareholder proxies) present at the meeting.</p>	<p>Article 7066 For the authorization to the board of directors by the generalshareholders' meeting, if matters authorized are those that shall be adopted by the generalshareholders' meeting by means of general resolution as specified in the Articles of Association, they shall be adopted by more than half of the voting rights held by the shareholders (including shareholder proxies) present at the meeting. If matters authorized are those that shall be adopted by the generalshareholders' meeting by means of special resolution as specified in the Articles of Association, they shall be adopted by more than two-thirds of the voting rights held by the shareholders (including shareholder proxies) present at the meeting.</p>
30.	<p>Article 72 Resolutions of the general meeting which violate laws or administrative regulations shall be deemed invalid. If the procedure of convening or the way of voting at the general meeting violate laws, administrative regulations or the Articles of Association, or the content of resolutions violate the Articles of Association, shareholders shall have the right to request the People's Court to revoke such resolutions within 60 days since the date it was resolved.</p>	<p>Article 7268 Resolutions of the generalshareholders' meeting which violate laws or administrative regulations shall be deemed invalid. If the procedure of convening or the way of voting at the generalshareholders' meeting violate laws, administrative regulations or the Articles of Association, or the content of resolutions violate the Articles of Association, shareholders shall have the right to request the People's Court to revoke such resolutions within 60 days since the date it was resolved; <u>unless there is only a slight defect in the procedure of convening or the method of voting at the shareholders' meetings of the Company, which has no substantive impact on the resolution.</u></p>

No.	Original	Revised
		<p><u>A shareholder who has not been notified to attend the shareholders' meetings may request the People's Court to revoke such resolution within 60 days from the date on which the shareholder knows or should know that the resolution has been made; if the right of revocation is not exercised within one year from the date on which the resolution is made, the right of revocation shall be extinguished.</u></p> <p><u>Resolutions of a shareholders' meeting of the Company shall not be established in any of the following circumstances: (1) the shareholders' meeting was not convened to make the resolution; (2) the resolution was not voted at a shareholders' meeting; (3) the number of attenders of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association; (4) the number of attenders in favour of the resolution or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association.</u></p>
31.	/	<p><u>Article 69 Where a resolution of a shareholders' meeting of the Company is declared invalid, revoked or confirmed to be invalid by a People's Court, the Company shall apply to the company registration authority for revocation of the registration that has been processed pursuant to such resolution.</u></p>
32.	<p>In view of the fact that the "general meeting" in the Company Law has been uniformly adjusted to "shareholders' meeting", all references to "general meeting" in the Rules of Procedures for the Shareholders' Meetings shall be changed to "shareholders' meeting". This amendment applies uniformly throughout the entire text of the Rules of Procedures for the Shareholders' Meetings and is not presented individually in this table.</p>	

No.	Original	Revised
1.	<p>Article 3 The Company shall have a board of directors which shall be accountable to the general meeting. The board of directors consists of 15 directors, including one chairman and five independent directors.</p>	<p>Article 3 The Company shall have a board of directors which shall be accountable to the general meeting. The board of directors consists of 15 directors, including one chairman and five independent directors.</p>
2.	<p>Article 4 The board of directors shall be accountable to the general meetings, and exercise the following powers:</p> <p>(1) to convene and report its work to the general meeting;</p> <p>(2) to implement resolutions of the general meeting;</p> <p>(3) to decide on the business plans and investment plans of the Company;</p> <p>(4) to formulate the plans for annual financial budgets and final accounts of the Company;</p> <p>(5) to formulate the plans for profit distribution and making up losses of the Company;</p> <p>(6) to formulate proposals for the increase or reduction of registered capital and the issue of shares, debentures or other securities and the listing project of the Company;</p> <p>(7) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company;</p> <p>(8) to decide on matters such as external investment, acquisition and disposal of assets, pledge of assets, external guarantee, bank facilities, entrusted wealth management and connected transactions, except those which shall be approved by the general meeting of the Company as prescribed by laws, administrative regulations, ministerial rules or the Articles of Association;</p>	<p>Article 4 The board of directors shall be accountable to the general meetings, and exercise the following powers:</p> <p>(1) to convene and report its work to the general<u>shareholders'</u> meeting;</p> <p>(2) to implement resolutions of the general<u>shareholders'</u> meeting;</p> <p>(3) to decide on the business direction, business plans, investment plans and investment proposals investment plans of the Company;</p> <p>(4) to formulate consider and approve the plans for annual financial budgets and final accounts of the Company;</p> <p>(5) to formulate the plans for profit distribution and making up losses of the Company;</p> <p>(6) to formulate proposals for the increase or reduction of registered capital and the issue of shares, debentures or other securities and the listing project of the Company;</p> <p>(7) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company;</p> <p>(8) to decide on matters such as external investment, acquisition and disposal of assets, pledge of assets, external guarantee, bank facilities, entrusted wealth management and connected transactions, except those which shall be approved by the general<u>shareholders'</u> meeting of the Company as prescribed by laws, administrative regulations, ministerial rules or the Articles of Association;</p>

No.	Original	Revised
	<p>(9) to decide on the establishment of the internal management organization of the Company;</p> <p>(10) to appoint or remove the president and secretary of the board of directors of the Company; to appoint or remove the senior management, such as the vice president and financial officer of the Company pursuant to the nominations of the president and decide on their remuneration as well as reward and punishment;</p> <p>(11) to formulate the basic management system of the Company;</p> <p>(12) to prepare plans for amending the Articles of Association;</p> <p>(13) to manage information disclosure matters of the Company;</p> <p>(14) to propose to the general meetings as to the appointment or change of the accounting firm for the auditing of annual financial statements of the Company and decide on its auditing fee;</p> <p>(15) to receive the work reports of the president of the Company and to review the work of the president;</p> <p>(16) to decide the establishment of special committees and their compositions;</p> <p>(17) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at general meetings and the Articles of Association.</p>	<p>(9) to decide on the establishment of the internal management organization of the Company;</p> <p>(10) to appoint or remove the president and secretary of the board of directors of the Company; to appoint or remove the senior management, such as the vice president and financial officer and general counsel of the Company pursuant to the nominations of the president and decide on their remuneration as well as reward and punishment;</p> <p>(11) to formulate the basic management system of the Company;</p> <p>(12) to prepare plans for amending the Articles of Association;</p> <p>(13) to manage information disclosure matters of the Company;</p> <p>(14) to propose to the generalshareholders' meetings as to the appointment or change of the accounting firm for the auditing of annual financial statements of the Company and decide on its auditing fee;</p> <p>(15) to receive the work reports of the president of the Company and to review the work of the president;</p> <p>(16) to decide the establishment of special committees and their compositions;</p> <p>(17) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at generalshareholders' meetings and the Articles of Association.</p>
3.	<p>Article 11 Convener of the meeting</p> <p>The board meeting shall be convened by the chairman of the Board. When the chairman is unable to perform or fails to perform his duties, more than half of the directors shall jointly elect a director to convene and preside over the meeting.</p>	<p>Article 11 Convener of the meeting</p> <p>The board meeting shall be convened by the chairman of the Board. When the chairman is unable to perform or fails to perform his duties, more than half of the directors shall jointly elect a director to convene and preside over the meeting.</p>

No.	Original	Revised
4.	<p>Article 15 When the Company intends to convene regular board meeting or special board meeting, the secretary to the Board shall send notice of board meeting to all the directors, supervisors and presidents 14 days and 5 days respectively before the proposed date of a regular board meeting and a special board meeting.</p> <p>In case of an emergency, an extraordinary board meeting may be convened without adhering to the notice period and content requirements stipulated in these Articles. The meeting notice can be sent via email at any time and may be supplemented by a phone call. However, the convener must provide an explanation during the meeting. To avoid ambiguity, the notice for an extraordinary board meeting in an emergency situation must still include the items specified in Article 21 (1), (2), (4), and (5) of these Articles, as well as reasonably necessary information regarding the meeting’s purpose and agenda.</p>	<p>Article 15 When the Company intends to convene regular board meeting or special board meeting, the secretary to the Board shall send notice of board meeting to all the directors, supervisors and presidents 14 days and 5 days respectively before the proposed date of a regular board meeting and a special board meeting.</p> <p>In case of an emergency, an extraordinary board meeting may be convened without adhering to the notice period and content requirements stipulated in these Articles. The meeting notice can be sent via email at any time and may be supplemented by a phone call. However, the convener must provide an explanation during the meeting. To avoid ambiguity, the notice for an extraordinary board meeting in an emergency situation must still include the items specified in Article 2116 (1), (2) and (4); and (5) of these Articles, as well as reasonably necessary information regarding the meeting’s purpose and agenda.</p>
5.	<p>Article 16 The contents of the meeting notice generally include:</p> <ul style="list-style-type: none"> (1) the time, place, and duration of the meeting; (2) the convener of the meeting; (3) the method of convening the meeting; (4) the purpose and agenda of the meeting; (5) the contact person and contact information for the meeting; (6) the date of issuance of the notice. <p>Proposals and related explanatory materials to be reviewed at the board meeting shall be delivered to all directors and other participants together with the written meeting notice.</p>	<p>Article 16 The contents of the meeting notice generally include:</p> <ul style="list-style-type: none"> (1) the time, place, and duration date and place of the meeting; (2) the convener of the meeting; (3) the method of convening duration of the meeting; (4) the purpose and agenda of the meeting; (5) the contact person and contact information for the meeting; (6) the date of issuance of the notice; (5) The method of convening the meeting. <p>Proposals and related explanatory materials to be reviewed at the board meeting shall be delivered to all directors and other participants together with the written meeting notice.</p>

No.	Original	Revised
6.	<p>Article 25 Board meetings shall, in principle, be held on-site. When necessary, and with the consent of the convener, an extraordinary board meeting may be held and resolutions made by written circulation, provided that directors can attend and fully express their opinions.</p>	<p>Article 25 Board meetings shall, in principle, <u>be convened and voted on-site or by electronic communication.</u> When necessary, and with the consent of the convener, an extraordinary board meeting may be held and resolutions made by written circulation, provided that directors can attend and fully express their opinions.</p>
7.	<p>Article 26 The following matters shall not be decided by written circulation: (1) formulating the Company’s annual financial budget and final accounts; (2) formulating the Company’s profit distribution plan and loss recovery plan; (3) formulating plans for increasing or decreasing the Company’s registered capital, issuance of shares, bonds, or other securities, and listing plans; (4) drafting plans for major acquisitions, repurchasing the Company’s shares, mergers, divisions, dissolutions, or changes in the Company’s form; (5) other significant matters that the Board deems inappropriate for decision by written circulation.</p>	<p>Article 26 The following matters shall not be decided by written circulation: (1) formulating <u>consider and approve</u> the Company’s annual financial budget and final accounts; (3) formulating the Company’s profit distribution plan and loss recovery plan; (3) formulating plans for increasing or decreasing the Company’s registered capital, issuance of shares, bonds, or other securities, and listing plans; (4) drafting plans for major acquisitions, repurchasing the Company’s shares, mergers, divisions, dissolutions, or changes in the Company’s form; (5) other significant matters that the Board deems inappropriate for decision by written circulation.</p>
8.	<p>Article 27 Board meetings shall be held only if more than half of the directors are present. The Secretary of the Board shall attend board meetings, the President shall attend board meetings, and Supervisors may attend board meetings. Depending on the needs of the work and the content of the meeting proposals, the convener may notify other relevant personnel to attend board meetings, but such attendees shall not participate in voting.</p>	<p>Article 27 Board meetings shall be held only if more than half of the directors are present. The Secretary of the Board shall attend board meetings, the President shall attend board meetings, and Supervisors may attend board meetings. Depending on the needs of the work and the content of the meeting proposals, the convener may notify other relevant personnel to attend board meetings, but such attendees shall not participate in voting.</p>

No.	Original	Revised
9.	<p>Article 28 Board meetings shall be presided by the Chairman. If the Chairman is unable to preside the meeting, the Chairman shall authorize another director in writing to chair the meeting.</p>	<p>Article 28 Board meetings shall be presided by the Chairman. If the Chairman is unable to preside the meeting, the Chairman shall authorize another director in writing to chair the meeting. <u>the meeting shall be presided over by a director elected by more than half of the directors.</u></p>
10.	<p>Article 33 Voting Voting at board meetings shall be conducted on a one-person-one-vote basis. In case of an equality of votes, the Chairman shall have the right to cast an additional vote. Voting shall be conducted by written ballot, unless otherwise specified in these Articles. directors’ voting intentions shall be categorized as for, against and abstain. Votes that are unmarked, incorrectly marked, marked with more than one intention, or illegible, as well as votes not submitted, shall be deemed as abstentions. When meetings are held on-site, directors present shall complete their voting on proposals within a reasonable time determined by the chairman of the meeting. Failure to submit votes within the reasonable time shall be deemed as abstentions. For meetings attended via electronic communication, the provisions of Article 30 of these Articles shall apply.</p>	<p>Article 33 Voting Voting at board meetings shall be conducted on a one-person-one-vote basis. In case of an equality of votes, the Chairman shall have the right to cast an additional vote. Voting shall be conducted by written ballot, unless otherwise specified in these Articles. directors’ voting intentions shall be categorized as for, against and abstain. Votes that are unmarked, incorrectly marked, marked with more than one intention, or illegible, as well as votes not submitted, shall be deemed as abstentions. When meetings are held on-site, directors present shall complete their voting on proposals within a reasonable time determined by the chairman of the meeting. Failure to submit votes within the reasonable time shall be deemed as abstentions. For meetings attended via electronic communication, the provisions of Article 3025 of these Articles shall apply.</p>

No.	Original	Revised
11.	<p>Article 34 Abstention from Voting When the directors has connected relationship with the enterprise involved in the resolution to be passed at the board meeting, he/she shall not vote in respect of such resolution and shall not vote on behalf of other directors. Such board meeting shall be held in the attendance of more than half of the directors without connected relationship. All resolutions to be passed at the general meeting shall be passed by a majority of the directors without connected relationship. If number of the directors without connected relationship attending the meeting is less than 3, such matter shall be resolved at the general meeting.</p>	<p>Article 34 Abstention from Voting When the directors has connected relationship with the enterprise <u>or individual</u> involved in the resolution to be passed at the board meeting, <u>the Director shall promptly report in writing to the board of directors.</u> He/she shall not vote in respect of such resolution and shall not vote on behalf of other directors. Such board meeting shall be held in the attendance of more than half of the directors without connected relationship. All resolutions to be passed at the general<u>shareholders'</u> meeting shall be passed by a majority of the directors without connected relationship. If number of the directors without connected relationship attending the meeting is less than 3, such matter shall be resolved at the general<u>shareholders'</u> meeting.</p>
12.	<p>Article 36 Postponement of voting If more than half of the attending directors consider the proposal unclear, unspecific, or lacking sufficient materials to make a judgment, the chairman of the meeting shall require the proposal to be postponed for review and voting. If the chairman of the meeting believes that there is a significant disagreement among the attending directors on the proposal, which concerns the major interests of the Company and is difficult to decide, the chairman may decide to postpone the review and voting on the proposal.</p>	<p>Article 36 Postponement of voting If more than half of the attending directors consider the proposal unclear, unspecific, or lacking sufficient materials to make a judgment, the chairman of the meeting shall require the proposal to be postponed for review and voting. If the chairman of the meeting believes that there is a significant disagreement among the attending directors on the proposal, which concerns the major interests of the Company and is difficult to decide, the chairman may decide to postpone the review and voting on the proposal.</p>

No.	Original	Revised
13.	<p>Article 37 Counting of votes For on-site meetings, the chairman of meeting shall designate a vote counter and a vote supervisor before the meeting. The chairman of meeting shall announce the voting results on the spot. For meetings held and resolutions made by written circulation, valid votes received by fax or email within the deadline specified in the meeting notice and within two days after a written reminder from the board office as per Article 30 of these Articles shall be considered. The counting of votes shall refer to the provisions of Article 38. Votes cast by directors after the announcement of the voting results by the chairman of meeting or after the end of the specified voting period shall not be counted.</p>	<p>Article 37 Counting of votes For on-site meetings, the chairman of meeting shall designate a vote counter and a vote supervisor before the meeting. The chairman of meeting shall announce the voting results on the spot. For meetings held and resolutions made by written circulation, valid votes received by fax or email within the deadline specified in the meeting notice and within two days after a written reminder from the board office as per Article 3025 of these Articles shall be considered. The counting of votes shall refer to the provisions of Article 3833. Votes cast by directors after the announcement of the voting results by the chairman of meeting or after the end of the specified voting period shall not be counted.</p>
14.	<p>Article 38 Board resolutions Board resolutions are divided into ordinary resolutions and special resolutions. Ordinary resolutions shall be passed by a majority of all directors. Special resolutions shall be passed by at least two-thirds of all directors.</p>	<p>Article 38 Board resolutions Board resolutions are divided into ordinary resolutions and special resolutions. Ordinary resolutions shall be passed by a majority more than half of all directors. Special resolutions shall be passed by at least two-thirds of all directors.</p>
15.	<p>Article 39 Ordinary resolutions The following matters shall be passed by ordinary resolutions of the Board: (1) convening the general meeting and reporting to the general meeting; (2) implementing the resolutions of the general meeting; (3) deciding on the Company's business plans and investment proposals;</p>	<p>Article 39 Ordinary resolutions The following matters shall be passed by ordinary resolutions of the Board: (1) convening the generalshareholders' meeting and reporting to the generalshareholders' meeting; (2) implementing the resolutions of the generalshareholders' meeting; (3) deciding on the Company's business direction, business plans, investment plans and investment proposals business plans and investment proposals;</p>

No.	Original	Revised
	<p>(4) formulating the Company's annual financial budget and final accounts;</p> <p>(5) formulating the Company's profit distribution plan and loss recovery plan;</p> <p>(6) deciding on the Company's external investments, acquisition and sale of assets, asset mortgages, external guarantees, bank credit, entrusted financial management, and related transactions, except where laws, administrative regulations, departmental rules, or the Company's Articles of Association clearly stipulate that such matters shall be approved by the general meeting;</p> <p>(7) deciding on the establishment of the Company's internal management structure;</p> <p>(8) appointing or dismissing the Company's president and secretary of the board; appointing or dismissing the Company's vice presidents, financial officer, and other senior management personnel based on the president's nomination, and deciding on their remuneration and rewards and punishments;</p> <p>(9) formulating the Company's basic management system;</p> <p>(10) managing the Company's information disclosure matters;</p> <p>(11) proposing to the general meeting the appointment or replacement of the accounting firm providing annual financial statement audit services for the Company and deciding on its audit fees;</p> <p>(12) hearing the president's work report and inspecting the president's work;</p> <p>(13) deciding on the establishment of special committees of the Board and their members;</p> <p>(14) other powers stipulated by laws, regulations, the listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association, as well as those granted by the general meeting.</p>	<p>(4) consider and approveformulating the Company's annual financial budget and final accounts;</p> <p>(5) formulating the Company's profit distribution plan and loss recovery plan;</p> <p>(6) deciding on the Company's external investments, acquisition and sale of assets, asset mortgages, external guarantees, bank credit, entrusted financial management, and related transactions, except where laws, administrative regulations, departmental rules, or the Articles of Association clearly stipulate that such matters shall be approved by the generalshareholders' meeting of shareholders;</p> <p>(7) deciding on the establishment of the Company's internal management structure;</p> <p>(8) appointing or dismissing the Company's president and secretary of the board; appointing or dismissing the Company's vice presidents, financial officer, general counsel and other senior management personnel based on the president's nomination, and deciding on their remuneration and rewards and punishments;</p> <p>(9) formulating the Company's basic management system;</p> <p>(10) managing the Company's information disclosure matters;</p> <p>(11) proposing to the generalshareholders' meeting the appointment or replacement of the accounting firm providing annual financial statement audit services for the Company and deciding on its audit fees;</p> <p>(12) hearing the president's work report and inspecting the president's work;</p> <p>(13) deciding on the establishment of special committees of the Board and their members;</p> <p>(14) other powers stipulated by laws, regulations, the listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association, as well as those granted by the generalshareholders' meeting.</p>

No.	Original	Revised
16.	<p>Article 40 Special resolutions</p> <p>The following matters shall be passed by special resolutions of the Board:</p> <p>(1) formulating plans for increasing or decreasing the Company’s registered capital, issuance of shares, bonds, or other securities, and listing plans;</p> <p>(2) drafting plans for major acquisitions, repurchasing the Company’s shares, mergers, divisions, dissolutions, or changes in the Company’s form;</p> <p>(3) formulating plans for amendments to the Articles of Association.</p>	<p>Article 40 Special resolutions</p> <p>The following matters shall be passed by special resolutions of the Board:</p> <p>(1) formulating plans for increasing or decreasing the Company’s registered capital, issuance of shares, bonds, or other securities, and listing plans;</p> <p>(2) drafting plans for major acquisitions, repurchasing the Company’s shares, mergers, divisions, dissolutions, or changes in the Company’s form;</p> <p>(3) formulating plans for amendments to the Articles of Association.;</p> <p><u>(4) other matters required by laws, administrative regulations or the Articles of Association.</u></p>
17.	<p>Article 44 Minutes</p> <p>The Board shall record the decisions made at on-site meetings. The minutes of the board meetings shall include the following:</p> <p>(1) the session and the time, venue and manner of convening the meeting;</p> <p>(2) the names of the convener and the chair, the names of attendees and invitees, and the status of proxies;</p> <p>(3) the agenda and proposals of the meeting;</p> <p>(4) key points of directors’ speeches;</p> <p>(5) the voting method and results for each proposal (the results should indicate the number of votes for, against, or abstain);</p> <p>(6) the names of the vote counter and vote supervisor;</p> <p>(7) other matters that the attending directors consider necessary to record;</p> <p>(8) the name of the recorder.</p>	<p>Article 44 Minutes</p> <p>The Board shall record the decisions made at on-site meetings. The minutes of the board meetings shall include the following:</p> <p>(1) the session and the time, venue and manner <u>date, place and name of the convener</u> of the meeting;</p> <p>(2) <u>the name of directors present at the meeting and the name of directors (proxies) present at the meeting on behalf of others</u> the names of the convener and the chair, the names of attendees and invitees, and the status of proxies;</p> <p>(3) the agenda and proposals of the meeting;</p> <p>(4) key points of directors’ speeches;</p> <p>(5) <u>the voting method and results of each matter of resolution (the voting results shall state the number of votes for, against or abstain)</u> the voting method and results for each proposal (the results should indicate the number of votes for, against, or abstain);</p> <p>(6) the names of the vote counter and vote supervisor;</p> <p>(7) other matters that the attending directors consider necessary to record;</p> <p>(8) the name of the recorder.</p>

No.	Original	Revised
18.	<p>Article 49 Resolutions of the board meetings which violate laws or administrative regulations shall be deemed invalid. If the procedure of convening or the way of voting at the board meeting violate laws, administrative regulations or the Articles of Association, or the content of resolutions violates the Articles of Association, shareholders shall have the right to request the People’s Court to revoke such resolutions within 60 days since the date it was resolved.</p>	<p>Article 49 Resolutions of the board meetings which violate laws or administrative regulations shall be deemed invalid. If the procedure of convening or the way of voting at the board meeting violate laws, administrative regulations or the Articles of Association, or the content of resolutions violates the Articles of Association, shareholders shall have the right to request the People’s Court to revoke such resolutions within 60 days since the date it was resolved;, <u>unless there is only a slight defect in the procedure of convening or the method of voting at the board meetings of the Company, which has no substantive impact on the resolution.</u></p> <p><u>A board resolution shall not be established in any of the following circumstances:</u></p> <p><u>(1) the board meeting was not convened to make the resolution;</u></p> <p><u>(2) the resolution was not voted at the board meeting;</u></p> <p><u>(3) the number of attenders of the meeting or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association;</u></p> <p><u>(4) the number of attenders in favour of the resolution or their voting rights do not meet the quorum or the number of voting rights as required by the Company Law or the Articles of Association.</u></p>
19.	/	<p><u>Article 50</u> Where a board resolution is declared invalid, revoked, or unestablished by the People’s Court, the Company shall apply to the company registration authority for revocation of the registration that has been processed pursuant to such resolution.</p>
20.	<p>In view of the fact that the “general meeting” in the Company Law has been uniformly adjusted to “shareholders’ meeting”, all references to “general meeting” in the Rules of Procedures for the Board Meetings shall be changed to “shareholders’ meeting”. This amendment applies uniformly throughout the entire text of the Rules of Procedures for the Board Meetings and is not presented individually in this table.</p>	

NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING

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北京汽車股份有限公司

BAIC MOTOR CORPORATION LIMITED*

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

(Stock Code: 1958)

NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 third extraordinary general meeting (the “**EGM**”) of BAIC Motor Corporation Limited (the “**Company**”) will be held at 9:30 a.m. on Thursday, 17 October 2024 at Multi-purpose Hall, 1st Floor, the South Tower of Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC for the purpose of considering, among others, and if thought fit, passing the following resolutions (with or without amendments). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 30 September 2024:

ORDINARY RESOLUTIONS

1. (a) to approve the Framework Agreement and the Subscription contemplated thereunder; and

(b) to authorize the Board, and the Board to delegate to the chairman and the management of the Company, to take responsibility for the matters relating to the Subscription in accordance with the specific situation of the Share Issuance and market conditions, including but not limited to the negotiation, amendment, execution, delivery and performance of a formal share subscription agreement.
2. Proposed appointment of non-executive Director.
3. Proposed amendments to the Rules of Procedures for the Shareholders' Meetings.
4. Proposed amendments to the Rules of Procedures for the Board.

* *For identification purposes only*

NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING

SPECIAL RESOLUTION

5. Proposed amendments to the Articles of Association.

By Order of the Board
BAIC Motor Corporation Limited
Chen Wei
Chairman of the Board

Beijing, the PRC, 30 September 2024

NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING

Notes:

- (A) The register of members of the Company will be closed from Monday, 14 October 2024 to Thursday, 17 October 2024 (both days inclusive), during which period no transfer of Shares will be effected. Holders of H Shares whose names appear on the register of H Shares as maintained by Computershare Hong Kong Investor Services Limited at the close of business hours on Thursday, 10 October 2024 are entitled to attend and vote at the EGM following completion of the registration procedures. To be eligible to attend and vote at the EGM, all the transfer documents of H Shares and Domestic Shares must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares no later than 4:30 p.m. on Thursday, 10 October 2024 or the China Securities Depository and Clearing Corporation Limited at 23 Floor, Shenzhen Stock Exchange Square, Futian District, Shenzhen, Guangdong Province, the PRC for holders of Domestic Shares no later than 4:00 p.m. on Thursday, 10 October 2024.
- (B) Each Shareholder entitled to attend and vote at the EGM may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM on its behalf. A proxy need not be a Shareholder. With respect to any Shareholder who has appointed more than one proxy, the proxies may only vote on a poll.
- (C) A proxy shall be appointed by a Shareholder by a written instrument signed by the appointor or his/her attorney duly authorised in writing. In case of a corporation, the same must be either under its common seal or under the hand of its legal representative or duly authorised attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorisation of such attorney shall be notarised.
- (D) To be valid, the form of proxy and the relevant notarised power of attorney (if any) and other relevant documents of authorisation (if any) as mentioned in Note (C) above must be delivered to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares or the Board of Directors' Office at Room 3-038, Tower A, Beijing Automotive Industry Research and Development Base, No. 99 Shuanghe Street, Shunyi District, Beijing, the PRC for holders of Domestic Shares, not later than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the meeting if he/she so desires.
- (E) A Shareholder or his/her proxy should produce proof of identity when attending the EGM. Where a Shareholder is a legal person, the legal representative of that Shareholder or the person authorised by its board of directors or other governing body shall produce a copy of the authorisation documents of the board of directors or other governing body of such Shareholder appointing such person to attend the meeting.
- (F) The EGM is expected to last for half a day. Shareholders who attend the EGM shall bear their own travelling and accommodation expenses.

As at the date of this notice, the Board comprises Mr. Chen Wei, as Chairman of the Board and non-executive Director; Mr. Hu Hanjun and Mr. Chen Hongliang, as non-executive Directors; Mr. Song Wei, as executive Director; Mr. Ye Qian, Mr. Paul Gao, Mr. Kevin Walter Binder, Mr. Gu Tiemin and Mr. Sun Li, as non-executive Directors; and Ms. Yin Yuanping, Mr. Xu Xiangyang, Mr. Tang Jun, Mr. Edmund Sit and Mr. Ji Xuehong, as independent non-executive Directors.