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## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in China Cinda Asset Management Co., Ltd., you should at once hand this circular and the accompanying proxy form and the reply slip of the annual general meeting and the H Share Class Meeting to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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### **China Cinda Asset Management Co., Ltd.** **中國信達資產管理股份有限公司**

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

**(Stock Code: 01359 and 04607 (Preference Shares))**

**AMENDMENTS TO THE ARTICLES OF ASSOCIATION**  
**GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES TO**  
**THE BOARD**  
**EXTERNAL DONATION PLAN FOR 2020**  
**AMENDMENTS TO THE RULES OF PROCEDURES OF GENERAL MEETINGS**  
**AMENDMENTS TO THE RULES OF PROCEDURES OF BOARD MEETINGS**  
**AMENDMENTS TO THE RULES OF PROCEDURES OF**  
**THE BOARD OF SUPERVISORS MEETINGS**  
**REMUNERATION SETTLEMENT SCHEME FOR**  
**THE DIRECTORS FOR THE YEAR OF 2018**  
**REMUNERATION SETTLEMENT SCHEME FOR**  
**THE SUPERVISORS FOR THE YEAR OF 2018**  
**FINAL FINANCIAL ACCOUNT PLAN FOR 2019**  
**PROFIT DISTRIBUTION PLAN FOR 2019**  
**BUDGET OF INVESTMENT IN CAPITAL EXPENDITURE FOR 2020**  
**APPOINTMENT OF ACCOUNTING FIRMS FOR 2020**  
**WORK REPORT OF THE BOARD FOR 2019**  
**REPORT OF THE BOARD OF SUPERVISORS FOR 2019**  
**NOTICE OF AGM FOR 2019**  
**AND**  
**NOTICE OF 2020 FIRST CLASS MEETING FOR H SHAREHOLDERS**

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Notices of convening the AGM and the H Share Class Meeting of China Cinda Asset Management Co., Ltd. at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC on Tuesday, June 30, 2020 at 3:00 p.m. for the AGM and at 3:40 p.m. or immediately after the conclusion of the Domestic Share Class Meeting for the H Share Class Meeting are set out on pages 102 to 108 of this circular.

If you wish to appoint a proxy to attend the AGM and/or the H Share Class Meeting on your behalf, you are required to complete and return the accompanying proxy forms in accordance with the instructions printed thereon no later than 24 hours before the time designated for convening the AGM and the H Share Class Meeting or any adjourned meeting thereof (as the case may be). If you wish to attend the AGM and/or the H Share Class Meeting in person or by proxy, you are required to complete and return the accompanying reply slips in accordance with the instructions printed thereon on or before Wednesday, June 10, 2020. Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM and/or the H Share Class Meeting or at any adjourned meeting should you so wish.

May 15, 2020

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## DEFINITIONS

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

“AGM”	the annual general meeting for 2019 of the Company to be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 3:00 p.m. on Tuesday, June 30, 2020
“Articles of Association”	the articles of association of China Cinda Asset Management Co., Ltd. as amended from time to time
“Board”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“CBIRC”	China Banking and Insurance Regulatory Commission
“Class Meetings”	the Domestic Share Class Meeting and the H Share Class Meeting
“(our) Company”	China Cinda Asset Management Co., Ltd.
“(our) Group”	China Cinda Asset Management Co., Ltd. and its subsidiaries
“Director(s)”	director(s) of the Company
“Domestic Share Class Meeting”	the 2020 first class meeting for Domestic Shareholders of the Company to be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at the later of 3:30 p.m. or immediately after the conclusion of the AGM for 2019 on Tuesday, June 30, 2020
“H Share(s)”	the ordinary share(s) of nominal value of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars
“H Share Class Meeting”	the 2020 first class meeting for H Shareholders of the Company to be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at the later of 3:40 p.m. or immediately after the conclusion of the Domestic Share Class Meeting on Tuesday, June 30, 2020

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## DEFINITIONS

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“MOF”	the Ministry of Finance of the PRC
“NCSSF”	National Council for Social Security Fund
“PRC”	the People’s Republic of China excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Company Law”	the Company Law of the People’s Republic of China
“Proposed Amendments”	the proposed amendments to the Articles of Association, the Rules of Procedures of General Meetings, the Rules of Procedures of Board Meetings and the Rules of Procedures of the Board of Supervisors Meetings
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedures of Board Meetings”	the Rules of Procedures of Board Meetings of China Cinda Asset Management Co., Ltd. currently in effect
“Rules of Procedures of General Meetings”	the Rules of Procedures of General Meeting of China Cinda Asset Management Co., Ltd. currently in effect
“Rules of Procedures of the Board of Supervisors Meetings”	the Rules of Procedures of the Board of Supervisors Meetings of China Cinda Asset Management Co., Ltd. currently in effect
“Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Supervisor(s)”	supervisor(s) of the Company
“%”	percent

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## LETTER FROM THE BOARD

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### China Cinda Asset Management Co., Ltd.

### 中國信達資產管理股份有限公司

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

(Stock Code: 01359 and 04607 (Preference Shares))

*Executive Directors:*

ZHANG Zi'ai  
ZHANG Weidong

*Non-executive Directors:*

HE Jieping  
XU Long  
ZHANG Guoqing  
LIU Chong

*Independent Non-executive Directors:*

ZHU Wuxiang  
SUN Baowen  
LU Zhengfei  
LAM Chi Kuen

*Registered address:*

No. 1 Building  
9 Naoshikou Street,  
Xicheng District  
Beijing  
the PRC

*Principal place of business  
in Hong Kong:*

12/F  
AIA Central  
1 Connaught Road Central  
Central, Hong Kong

May 15, 2020

*To the Shareholders*

*Dear Sir or Madam,*

**AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES TO  
THE BOARD  
EXTERNAL DONATION PLAN FOR 2020  
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NOTICE OF AGM FOR 2019  
AND  
NOTICE OF 2020 FIRST CLASS MEETING FOR H SHAREHOLDERS**

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## LETTER FROM THE BOARD

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### 1. INTRODUCTION

The purpose of this circular is to provide you with the notice of AGM, the notice of the H Share Class Meeting and the information on relevant proposed resolutions to be considered at the AGM and the H Share Class Meeting to enable you to make informed decisions on whether to vote for or against the resolutions at the AGM and the H Share Class Meeting.

### 2. MATTERS TO BE CONSIDERED AT THE AGM AND THE H SHARE CLASS MEETING

The resolutions to be proposed at the AGM for the Shareholders to consider and approve are: (1) the amendments to the Articles of Association; (2) granting of general mandate to issue additional H Shares to the Board; (3) the external donation plan for 2020; (4) the amendments to the Rules of Procedures of General Meetings; (5) the amendments to the Rules of Procedures of Board Meetings; (6) the amendments to the Rules of Procedures of the Board of Supervisors Meetings; (7) the remuneration settlement scheme for the directors for the year of 2018; (8) the remuneration settlement scheme for the supervisors for the year of 2018; (9) the final financial account plan for 2019; (10) the profit distribution plan for 2019; (11) the budget of investment in capital expenditure for 2020; (12) the appointment of accounting firms for 2020; (13) the work report of the Board for 2019; and (14) the report of the Board of Supervisors for 2019. The above resolutions (1) to (3) are special resolutions whereas the remaining resolutions are ordinary resolutions.

Resolution to be proposed at the AGM for Shareholders' consideration only and not for approval is: review of the work report of the independent non-executive directors for 2019.

Resolutions to be proposed at the H Share Class Meeting for H Shareholders to consider and approve are: (1) the amendments to the Articles of Association; and (2) the amendments to the Rules of Procedures of General Meetings. Of which, resolutions (1) is a special resolution.

Details of the matters to be considered at the AGM and the H Share Class Meeting are set out on pages 102 to 105 and pages 106 to 108 in the Notice of AGM for 2019 and the Notice of the H Share Class Meeting, respectively, in this circular. In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and the H Share Class Meeting and to make well-informed decisions, the Company has provided detailed information in this circular, including matters to be considered at the AGM (see Appendix I), details of the Proposed Amendments (see Appendix II and Appendix IV to VI), granting of general mandate to issue additional H Shares to the Board (see Appendix III), the work report of the Board for 2019 (see Appendix VII), the report of the Board of Supervisors for 2019 (see Appendix VIII) and the work report of the independent non-executive directors for 2019 (see Appendix IX).

### 3. AGM AND H SHARE CLASS MEETING

The AGM will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 3:00 p.m. on Tuesday, June 30, 2020, the Domestic Share Class Meeting will be held at the later of 3:30 p.m. on the same day or immediately after the conclusion of the AGM, and the H Share Class Meeting will be held at the later of 3:40 p.m. on the same day or immediately after the conclusion of the Domestic Share Class Meeting. The notice of the AGM and the notice of the H Share Class Meeting are set out in this circular.

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## LETTER FROM THE BOARD

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In order to determine the holders of H Shares who are entitled to attend the AGM and the H Share Class Meeting, the register of holders of H Shares of the Company will be closed from Sunday, May 31, 2020 to Tuesday, June 30, 2020 (both days inclusive). Holders of H Shares of the Company who intend to attend the AGM and/or the H Share Class Meeting shall deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, at or before 4:30 p.m. on Friday, May 29, 2020. Shareholders whose names appear on the register of holders of H Shares of the Company at the close of business on Friday, May 29, 2020 are entitled to attend the AGM and the H Share Class Meeting.

Proxy forms and reply slips for use at the AGM and the H Share Class Meeting are enclosed herein and also published on the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Holders of H Shares who intend to attend the AGM and/or the H Share Class Meeting by proxy shall complete and return the proxy forms to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 24 hours before the time appointed for convening the AGM and the H Share Class Meeting. Completion and return of the proxy forms will not preclude you from attending the AGM and/or the H Share Class Meeting and voting in person. Holders of H Shares who intend to attend the AGM and/or the H Share Class Meeting in person or by proxy should complete and return the reply slips by hand, by post or by fax to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Wednesday, June 10, 2020.

The voting at the AGM and the H Share Class Meeting shall be taken by way of registered poll.

In order to prevent and control the COVID-19 epidemic as well as safeguard public health, the Company encourages Shareholder(s) to consider appointing the chairman of the AGM and the chairman of the H Share Class Meeting as his or her/their respective representative(s) to vote on the relevant resolutions rather than attend the AGM and the H Share Class Meeting in person.

#### **4. RECOMMENDATION**

The Board considers that all resolutions set out in the notice of the AGM and the notice of H Share Class Meeting for consideration and approval by Shareholders are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the AGM and the H Share Class Meeting.

Yours faithfully,  
By order of the Board  
**China Cinda Asset Management Co., Ltd.**  
**ZHANG Zi'ai**  
*Chairman*

**I. TO CONSIDER AND APPROVE THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In order to further consolidate the foundation of corporate governance and improve the corporate governance mechanism, the Company proposes to amend the relevant articles in the Articles of Association in accordance with the PRC Company Law, the Listing Rules and other laws and regulations, as well as the Guidelines on the Corporate Governance of Commercial Banks and other relevant regulatory provisions, in combination with the Company's corporate governance practices.

The amendments to the Articles of Association are mainly aimed at the improvement of the contents regarding share repurchase, shareholders' rights and obligations, date of the notice of shareholders' general meeting, nomination and election procedures of directors, terms of reference of the Board of directors and the Board of Supervisors. 35 articles are amended in these amendments, and no articles are added or deleted. Please refer to Appendix II for details of the proposed amendments to the Articles of Association.

According to the "Notice of the Ministry of Finance and Ministry of Human Resources and Social Security on the Relevant Issues Concerning the Transfer of Certain State-owned Capital of 8 Central Financial Institutions such as Industrial and Commercial Bank of China Limited" (Cai Zi [2019] No. 48) issued on September 9, 2019, the MOF transfers 10% of shares held by it in the Company to the NCSSF. The Company will amend the relevant provisions of the Articles of Association such as the number of shares held by the MOF based on the share transfer.

At the Board meeting convened on December 25, 2019, the proposal in relation to the amendments to the Articles of Association was considered and approved, and is now submitted to the AGM and Class Meetings as a special resolution for consideration and approval, and a proposal is also submitted to the AGM and Class Meetings for authorizing the Board, and approving the Board to reauthorize the Chairman or any other person authorized by the Chairman, to refine or amend the Articles of Association in accordance with laws and regulations and based on the advice from domestic and overseas regulatory authorities regarding the amendments to the Articles of Association and the specific situation of share transfer to the NCSSF by the MOF, including but not limited to any word, chapter or section, article, condition for validity and enclosure. Upon consideration and approval at the AGM and Class Meetings, the amended Articles of Association shall be subject to approval by the CBIRC and come into effect from the date of approval by the CBIRC.



**II. TO CONSIDER AND APPROVE GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES TO THE BOARD**

In order to further improve the efficiency of corporate governance, to meet the business development needs of the Company, to make full use of potential market opportunities and to timely supplement the Company's core tier 1 capital, the Board proposed to the AGM to grant to the Board the general mandate, to issue new shares to no more than 10 external investors in an amount of no more than 20% of the Company's issued H Shares, which is 2,714 million shares, under the appropriate market window. The key points of the Plan of Granting of General Mandate to Issue Additional H Shares to the Board of China Cinda Asset Management Co., Ltd. (see Appendix III) are as follows:

The Board shall be authorized by the AGM to issue, allot or deal with the new shares of the Company's H Shares within the authorized period in an amount of no more than 20% of the Company's issued H Shares. The Board shall be authorized to decide on specific timing of issuance, amount of single issuance, issuance method, target, use of proceeds raised, and other issues that may be related to the issuance of additional shares. The Board shall also be authorized to increase the registered capital of the Company and make corresponding amendments to the Articles of Association when it deems appropriate to reflect the new share capital structure after issuance of shares and additional shares. The Board shall be authorized to further authorize the specific persons to deal with matters related to issuance of shares. Details of this proposal are set out in Appendix III of this circular.

Such resolution has been considered and approved at the meeting of the Board convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

**III. TO CONSIDER AND APPROVE THE EXTERNAL DONATION PLAN FOR 2020**

In order to actively fulfill corporate social responsibilities, the Company has formulated the external donation plan for 2020 based on actual needs. The Company's planned external donation is RMB8.93 million in cash (including epidemic donations of RMB500,000 and poverty alleviation funds of RMB8.43 million). The external donation fund is mainly used for the following aspects:

- (I) Actively respond to the call and support the prevention and control of the COVID-19 epidemic situation. Since the outbreak of the COVID-19 epidemic, the Company has donated RMB500,000 to the Hubei Charity Federation in the first time.

(II) According to the decisions and relevant requirements of the CPC Central Committee and the State Council on winning the tough battle against poverty alleviation , the Company proposes to arrange RMB8.43 million for poverty alleviation funds based on the fund needs for poverty alleviation work in 2020 and the use of poverty alleviation funds in previous years. Details are as follows:

1. Arrange for targeted-area poverty alleviation fund of RMB8.10 million of the Company.
2. Arrange for the poverty alleviation fund of RMB330,000 of Xinjiang Branch.

Such resolution has been considered and approved at the meeting of the Board convened on April 29, 2020, and is hereby submitted to the AGM for consideration and approval, and a proposal is also submitted to the AGM for authorizing the Board, and approving the Board to reauthorize the President or any other person authorized by the President, to deal with specific matters related to external donation for 2020 of the Company in accordance with the Articles of Association and other relevant provisions.

#### **IV. TO CONSIDER AND APPROVE THE AMENDMENTS TO THE RULES OF PROCEDURES OF GENERAL MEETINGS**

In order to further consolidate the foundation of corporate governance and improve the corporate governance mechanism, the Company proposes to amend the relevant rules in the Rules of Procedures of General Meetings in accordance with domestic and overseas laws and regulations and based on the actual conditions of the Company, in combination with the amendments to the Articles of Association and corporate governance practices.

At the Board meeting convened on December 25, 2019, the proposal in relation to the amendments to the Rules of Procedures of General Meetings was considered and approved, and is now submitted to the AGM and Class Meetings as an ordinary resolution for consideration and approval, and a proposal is also submitted to the AGM and Class Meetings for authorizing the Board, and approving the Board to reauthorize the Chairman or any other person authorized by the Chairman, to amend the Rules of Procedures of General Meetings accordingly based on the advice or requirements from competent authorities regarding the Articles of Association. Upon consideration and approval at the AGM and Class Meetings, the amended Rules of Procedures of General Meetings shall come into effect from the date on which the amended Articles of Association is approved by the CBIRC.

For details of the proposed amendments to the Rules of Procedures of General Meetings, please refer to Appendix IV.

**V. TO CONSIDER AND APPROVE THE AMENDMENTS TO THE RULES OF PROCEDURES OF BOARD MEETINGS**

In order to further consolidate the foundation of corporate governance and improve the corporate governance mechanism, the Company proposes to amend the relevant rules in the Rules of Procedures of Board Meetings in accordance with the PRC Company Law, the Listing Rules and other laws and regulations, as well as the Guidelines on the Corporate Governance of Commercial Banks and other relevant regulatory provisions, and based on the amendments to the Articles of Association and the corporate governance practices of the Company.

At the Board meeting convened on December 25, 2019, the proposal in relation to the amendments to the Rules of Procedures of Board Meetings was considered and approved, and is now submitted to the AGM as an ordinary resolution for consideration and approval, and a proposal is also submitted to the AGM for authorizing the Board, and approving the Board to reauthorize the Chairman or any other person authorized by the Chairman, to amend the Rules of Procedures of Board Meetings accordingly based on the advice or requirements from competent authorities regarding the Articles of Association. Upon consideration and approval at the AGM, the amended Rules of Procedures of Board Meetings shall come into effect from the date on which the amended Articles of Association is approved by the CBIRC.

For details of the proposed amendments to the Rules of Procedures of Board Meetings, please refer to Appendix V.

**VI. TO CONSIDER AND APPROVE THE AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD OF SUPERVISORS MEETINGS**

In accordance with relevant requirements of the regulatory authorities and the actual practices of the Company, the Company proposes to amend the relevant rules in the Rules of Procedures of the Board of Supervisors Meetings with reference to the Guidelines on the Corporate Governance of Commercial Banks and the Measures for the Supervision and Administration of Financial Assets Management Companies, and based on the amendments to the Articles of Association and the corporate governance practices of the Company.

At the meeting of the Board of Supervisors convened on December 25, 2019, the proposal in relation to the amendments to the Rules of Procedures of the Board of Supervisors Meetings was considered and approved, and is now submitted to the AGM for consideration and approval as an ordinary resolution. Upon consideration and approval at the AGM, the amended Rules of Procedures of the Board of Supervisors Meetings shall come into effect from the date on which the amended Articles of Association is approved by the CBIRC.

For details of the proposed amendments to the Rules of Procedures of the Board of Supervisors Meetings, please refer to Appendix VI.

## VII. TO CONSIDER AND APPROVE THE REMUNERATION SETTLEMENT SCHEME FOR THE DIRECTORS FOR THE YEAR OF 2018

In accordance with relevant policies and rules of the PRC government, the Company has formulated the remuneration settlement scheme for the directors for the year of 2018. This resolution has been considered and approved at the Board meeting convened on March 31, 2020. In accordance with requirements set forth by the Articles of Association, the resolution is hereby submitted to the AGM for consideration and approval. Details of the scheme are set out below:

*Unit: RMB10,000*

Name	Position in 2018	Basic annual remuneration	Performance-based annual remuneration	Total annual remuneration (before tax)	Allowance	Benefit
ZHANG Zi'ai	Chairman and executive director	19.30	21.47	40.77	–	11.36
CHEN Xiaozhou	Executive director and president	33.09	36.96	70.05	–	18.24
HOU Jianhang	Chairman and executive director	22.06	24.54	46.60	–	12.21
HE Jieping	Non-executive director	–	–	–	–	–
XU Long	Non-executive director	–	–	–	–	–
YUAN Hong	Non-executive director	–	–	–	–	–
ZHANG Guoqing	Non-executive director	–	–	–	–	–
LIU Chong	Non-executive director	–	–	–	–	–
CHANG Tso Tung, Stephen	Independent non-executive director	–	–	–	25.00	–
XU Dingbo	Independent non-executive director	–	–	–	25.00	–
ZHU Wuxiang	Independent non-executive director	–	–	–	25.00	–
SUN Baowen	Independent non-executive director	–	–	–	25.00	–

*Notes:*

1. Non-executive directors do not receive remuneration from the Company.
2. In accordance with the allowance scheme for independent directors approved at the shareholders' general meeting of the Company, the basic annual allowance of each independent non-executive director is RMB250,000 (before tax), which will be calculated according to the actual duration of service.
3. Changes of directors:
  - (1) ZHANG Zi'ai served as the chairman and executive director of the Company since August 2018. The above remuneration is the total remuneration received during his service period in the Company in 2018.

- (2) HOU Jianhang ceased to be the chairman and executive director of the Company since August 2018.
- (3) HE Jieping and XU Long have served as non-executive directors of the Company since July 2018.
- (4) Since July 2018, LI Honghui, SONG Lizhong and XIAO Yuping ceased to be the non-executive directors of the Company.

### VIII. TO CONSIDER AND APPROVE THE REMUNERATION SETTLEMENT SCHEME FOR THE SUPERVISORS FOR THE YEAR OF 2018

In accordance with relevant policies and rules of the PRC government, the Company has formulated the remuneration settlement scheme for the supervisors for the year of 2018. The meeting of Board of Supervisors convened on March 31, 2020 has considered and approved the resolution in relation to the submission of the remuneration settlement scheme for the supervisors for the year of 2018 to the general meeting for consideration. In accordance with requirements set forth by the Articles of Association, the resolution is hereby submitted to the AGM for consideration and approval. Details of the scheme are set out below:

*Unit: RMB10,000*

Name	Position in 2018	Basic annual remuneration	Performance-based annual remuneration	Total annual remuneration (before tax)	Allowance	Benefit
GONG Jiande	Chairman of the Board of Supervisors and shareholder representative supervisor	33.09	36.96	70.05	–	18.24
LIU Yanfen	External supervisor	–	–	–	20.00	–
ZHANG Zheng	External supervisor	–	–	–	20.00	–
LI Chun	External supervisor	–	–	–	20.00	–
GONG Hongbing	Employee representative supervisor	–	–	–	2.00	–
LIN Dongyuan	Employee representative supervisor	–	–	–	2.00	–
JIA Xiuhua	Employee representative supervisor	–	–	–	2.00	–

*Notes:*

- In accordance with the allowance scheme for external supervisors approved at the general meeting of the Company, the basic annual allowance of each external supervisor is RMB200,000 (before tax), which will be calculated according to the actual duration of service.
- In accordance with the allowance scheme for employee representative supervisors approved at the general meeting of the Company, the basic annual allowance for each employee representative supervisor is RMB20,000 (before tax), which will be calculated according to the actual duration of service.

## IX. TO CONSIDER AND APPROVE THE FINAL FINANCIAL ACCOUNT PLAN FOR 2019

According to the 2019 consolidated financial statements and audit report prepared in accordance with the International Financial Reporting Standards, details of the final financial account plan of the Group for 2019<sup>note</sup> are reported as follows:

### I. Overall results of operation

In 2019, the profit before tax, net profit of the Group, and net profit attributable to shareholders of parent company were RMB19,546 million, RMB15,018 million and RMB13,053 million, respectively. Basic earnings per share was RMB0.31, while the return on average total assets, return on average net assets, and the capital adequacy ratio were 1.00%, 8.56% and 16.76%, respectively.

As of the end of 2019, total assets of the Group amounted to RMB1,513,230 million, representing a year-on-year growth of 1.17%. Total liabilities of the Group were RMB1,324,820 million, representing a year-on-year growth of 0.58%.

As of the end of 2019, total equity and equity attributable to shareholders of parent company were RMB188,410 million and RMB164,898 million, representing year-on-year increases of 5.51% and 5.37%, respectively.

The tables below set forth the major operating data:

Table 1 Major operating data (*in RMB millions, except for percentages*)

Item	2019	2018
Total assets	1,513,230.01	1,495,759.21
Total liabilities	1,324,819.55	1,317,190.74
Equity	188,410.46	178,568.47
Equity attributable to shareholders of parent company	164,898.12	156,492.83
Operating income	107,780.76	107,026.03
Total profit	19,545.66	18,788.55
Net profit	15,018.22	11,879.91
Net profit attributable to shareholders of parent company	13,052.95	12,036.13
Return on average shareholders' equity	8.56%	8.32%
Return on average total assets	1.00%	0.82%
Cost-to-income ratio	30.68%	30.51%
Basic earnings per share (RMB)	0.31	0.29
Capital adequacy ratio	16.76%	16.01%

*Note:* In this resolution, unless otherwise specified, the income statement data involved include gains and losses from continuing and discontinued operations.

**II. Major financial income and expenses*****(I) Operating income***

In 2019, operating income was RMB107,781 million, representing an increase of 0.71% as compared with the same period last year. Of which, income from distressed debt assets measured at amortized cost was RMB16,404 million, representing a decrease of RMB2,905 million as compared with last year. Fair value changes on distressed debt assets were RMB13,645 million, representing an increase of RMB2,194 million as compared with last year. Fair value changes on other financial assets and investment income were RMB17,798 million, representing an increase of RMB2,574 million as compared with last year. Other income was RMB59,934 million, representing a decrease of RMB1,109 million as compared with last year.

***(II) Operating expenses***

In 2019, operating expenses were RMB89,945 million, representing a decrease of 0.29% as compared with the same period last year. Of which, interest expense was RMB44,689 million, representing a decrease of RMB1,786 million as compared with last year. Impairment losses on assets were RMB8,963 million, representing an increase of RMB804 million as compared with last year. Employee benefits were RMB6,656 million, representing an increase of RMB509 million as compared with last year. Other expenses were RMB29,638 million, representing an increase of RMB212 million as compared with last year. The Group's net profit attributable to parent company was RMB13,053 million, representing an increase of 8.45% as compared with last year. According to the *Wage and Salary Determination Mechanism for Financial Enterprise* and its implementation rules, the actual total wage and salary expenses for the Group's on-post staff in 2019 amounted to RMB5,246 million, representing an increase of 8.44% as compared with last year.

Table 2 Statement of major incomes and expenses (*in RMB millions, except for percentages*)

Items of major income and expenses	2019		Growth rate	2018
	Amount	Change		
Income from distressed debt assets measured at amortized cost	16,403.57	-2,904.74	-15.04%	19,308.31
Fair value changes on distressed debt assets	13,645.35	2,193.88	19.16%	11,451.47
Fair value changes on other financial instruments	17,315.54	2,246.61	14.91%	15,068.93
Investment income	482.15	327.74	212.26%	154.41
Other income	59,934.16	-1,108.76	-1.82%	61,042.92
Total income	107,780.76	754.73	0.71%	107,026.03
Interest expense	-44,688.67	1,786.30	-3.84%	-46,474.97
Impairment losses on assets	-8,962.76	-803.78	9.85%	-8,158.98
Employee benefits	-6,655.92	-508.82	8.28%	-6,147.10
Other expenses	-29,638.09	-211.57	0.72%	-29,426.52
Total expenses	-89,945.44	262.13	-0.29%	-90,207.57
Change in net assets attributable to other holders of consolidated structured entities	-237.24	289.59	-54.97%	-526.83
Share of results of associates	1,947.58	-549.34	-22.00%	2,496.92
Profit before tax	19,545.66	757.11	4.03%	18,788.55
Income tax expense	-4,527.45	2,381.19	-34.47%	-6,908.64
Net profit for the year	15,018.22	3,138.31	26.42%	11,879.91
Profit attributable to:				
Shareholders of the Company	13,052.95	1,016.82	8.45%	12,036.13
Non-controlling interests	1,965.27	2,121.49	1358.00%	-156.22



**(III) Financial position**

As of the end of 2019, total assets of the Group amounted to RMB1,513,230 million, representing an increase of RMB17,471 million or 1.17% as compared with the beginning of 2019. Of which, the total assets in the two segments including distressed asset management and financial services were RMB945,229 million and RMB597,068 million, representing a decrease of RMB13,137 million as for the total assets of distressed asset management and an increase of RMB30,069 million as for the total assets of financial services as compared with the beginning of 2019, respectively.

As of the end of 2019, total equity was RMB188,410 million, representing an increase of RMB9,842 million or 5.51% as compared with the beginning of 2019. Of which, the net assets in the two segments including distressed asset management and financial services were RMB112,299 million and RMB77,596 million, representing increases of RMB3,358 million and RMB5,113 million as compared with the beginning of 2019, respectively.

Table 3 Changes in total assets and net assets of the business segments (*in RMB millions, except for percentages*)

	As of December 31,							
	2019		2018		2019		2018	
	Percentage		Percentage		Percentage		Percentage	
	Total assets	in total (%)	Total assets	in total (%)	Net assets	in total (%)	Net assets	in total (%)
Distressed asset management	945,229.02	62.46%	958,365.64	64.07%	112,299.48	59.60%	108,941.71	61.01%
Financial service	597,067.99	39.46%	566,999.16	37.91%	77,595.86	41.18%	72,482.67	40.59%
Elimination	-29,067.01	-1.92%	-29,605.58	-1.98%	-1,484.87	-0.79%	-2,855.91	-1.60%
Total amount allocatable to segments	1,513,230.01	100.00%	1,495,759.21	100.00%	188,410.46	100.00%	178,568.47	100.00%

Such resolution has been considered and approved at the meeting of the Board convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

**X. TO CONSIDER AND APPROVE THE PROFIT DISTRIBUTION PLAN FOR 2019**

According to the audited financial report for 2019 of the Company, the Group recorded a net profit attributable to shareholders of parent company of RMB13,053 million, and the Company recorded a net profit of RMB6,523 million in 2019. Proposed profit distribution plan for 2019 is as follows:

- I. In accordance with the PRC Company Law and the Articles of Association, an appropriation of RMB652 million, or 10% of the net profit for 2019 of the Company of RMB6,523 million, was made to the statutory surplus reserve.

- II. Pursuant to the Administrative Measures for the Provision of Reserves of Financial Enterprises (Caijin [2012] No. 20) issued by the MOF, the balance of the general reserve shall be maintained at not less than 1.5% of the balance of the risk assets at the end of the reporting period. According to such requirement, no additional risk reserve need to be provided in 2019 as the balance of the risk assets at the end of 2019 of the Company declined as compared with that as at the end of 2018.
- III. Cash dividends for 2019 of RMB1.026 per 10 shares (tax inclusive), totaling approximately RMB3,916 million, would be distributed to all Shareholders (Shareholders whose names appear in the register of shareholders on Sunday, July 12, 2020).

Such resolution has been considered and approved at the meeting of the Board convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

#### **XI. TO CONSIDER AND APPROVE THE BUDGET OF INVESTMENT IN CAPITAL EXPENDITURE FOR 2020**

According to the Articles of Association and relevant provisions, the Company has drawn up the budge of investment in capital expenditure of the Company (at parent company level, the same below) for 2020. The budget of capital expenditure for 2020 is RMB105.00 million, including:

1. budget for daily equipment purchase of RMB21.00 million;
2. budget for information construction of RMB66.00 million;
3. budget for business office decoration and renovation of RMB18.00 million.

The budget of investment in capital expenditure for 2019 was RMB 145.34 million, and the actual completion for the year was RMB 60.61 million, with a budget implementation rate of 42%. The main reason is that in 2019, with the exploration of the “extensive distressed asset” business model transformation, the Company suspended the implementation of the information budget, and optimized and adjusted the Group’s information technology planning.

Such resolution has been considered and approved at the meeting of the Board convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

**XII. TO CONSIDER AND APPROVE THE APPOINTMENT OF ACCOUNTING FIRMS FOR 2020**

In accordance with the requirements under the Administrative Measures of the Tendering Procedures for the Appointment of Accounting Firms by Financial Enterprises (Provisional) (Caijin [2010] No. 169) issued by the MOF and Rules for Centralized Procurement Management of the Company, the Company appointed Ernst & Young Hua Ming LLP and Ernst & Young as the onshore and offshore accounting firms in 2015 by means of invited tendering to take charge of the audit of annual financial statements, review of the interim financial statements, audit of internal control and other professional services. As of the year of 2019, Ernst & Young Hua Ming LLP and Ernst & Young had been engaged as auditors by the Company for 5 years.

In accordance with the requirements under the Administrative Measures for the Appointment of Accounting Firms by State-owned Financial Enterprises (Caijin [2020] No. 6) issued by the MOF, a financial enterprise shall appoint the same accounting firm (including the relevant members of the firm) in principle for no more than 5 years. Upon the expiration of such 5 years, the financial enterprise may, based on the audit quality of the accounting firm in its previous audits, shareholders' evaluations, and opinions of the financial regulators, properly extend the appointment period after performing the decision-making procedures stipulated in the Measures, provided that the continuous appointment period shall not exceed 8 years, and no tendering procedures is required within the above-mentioned period.

The Company proposed to continue the appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the onshore and offshore accounting firms for 2020 to take charge of the audit of financial report, review of the interim financial report, audit of internal control and other professional services for 2020. The total audit fees will be RMB13.80 million (excluding audit fees of subsidiaries), which is the same as last year, which includes the audit (review) fees of financial reports of RMB12.20 million, and the audit fees of internal control of RMB1.60 million.

Such resolution has been considered and approved at the meeting of the Board convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

**XIII. TO CONSIDER AND APPROVE WORK REPORT OF THE BOARD FOR 2019**

In accordance with the applicable regulatory requirements, the Articles of Association and other relevant provisions, and based on the actual work of the Board in 2019, the Company formulated the Work Report of the Board for 2019 of China Cinda Asset Management Co., Ltd. (see Appendix VII).

Such report has been considered and approved at the meeting of the Board convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

**XIV. TO CONSIDER AND APPROVE REPORT OF THE BOARD OF SUPERVISORS FOR 2019**

In accordance with the applicable regulatory requirements, the Articles of Association and other relevant provisions, and based on the actual work of the Board of Supervisors in 2019, the Company formulated the Report of the Board of Supervisors for 2019 of China Cinda Asset Management Co., Ltd. (see Appendix VIII).

Such report has been considered and approved at the meeting of the Board of Supervisors convened on March 31, 2020, and is hereby submitted to the AGM for consideration and approval in accordance with the relevant provisions in Articles of Association.

**XV. TO REVIEW THE WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2019**

In accordance with the Articles of Association and other relevant provisions, the independent non-executive directors of the Company are required to submit a work report to the shareholders' general meeting on an annual basis. The work report of the independent non-executive directors of the Company has been reviewed and finalized by each independent non-executive director.

The work report of the independent non-executive directors for 2019 is hereby submitted to the AGM, the full text of which is set out in Appendix IX of this circular for the Shareholders to review. However, it is not subject to the approval of Shareholders.

TABLE OF THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original Articles of Association	Amended Articles of Association
1	<p><b>Article 1</b> The Articles of Association (hereinafter referred to as the “Articles”) is formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China, the Regulations on Financial Assets Management Companies, Special Provisions on Companies Limited by Shares Issuing Shares and Offshore Public Listing, which were promulgated by the State Council (hereinafter referred to as the “Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) and other relevant laws, regulations and regulatory documents, for the purpose of protecting the legitimate rights and interests of China Cinda Asset Management Co., Ltd. (herein after referred to as the “Company”), its shareholders and creditors, and regulating the organization and activities of the Company.</p>	<p><b>Article 1</b> The Articles of Association (hereinafter referred to as the “Articles”) is formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Regulations on Financial Assets Management Companies, Special Provisions on Companies Limited by Shares Issuing Shares and Offshore Public Listing, which were promulgated by the State Council (hereinafter referred to as the “Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) and other relevant laws, regulations and regulatory documents, for the purpose of protecting the legitimate rights and interests of China Cinda Asset Management Co., Ltd. (herein after referred to as the “Company”), its shareholders and creditors, and regulating the organization and activities of the Company.</p>
2	<p><b>Article 7</b> The Articles shall be passed at the shareholders’ general meeting by resolution and approved by the banking regulatory authority of the State Council before becoming effective upon the initial public offering and listing date of the shares of the Company. The original articles of association shall automatically expire upon the effective date of the Articles. The Articles shall become a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date on which it becomes effective.</p>	<p><b>Article 7</b> The Articles shall be passed at the shareholders’ general meeting by resolution and approved by the banking regulatory authority of the State Council before becoming effective <del>upon the initial public offering and listing date of the shares of the Company.</del> The original articles of association shall automatically expire upon the effective date of the Articles. The Articles shall become a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date on which it becomes effective.</p>

No.	Original Articles of Association	Amended Articles of Association
3	<p><b>Article 27</b> The Company may repurchase its shares in the following circumstances in accordance with the laws, regulations and provisions of the Articles and subject to the approval of the relevant authorities of the State:</p> <ol style="list-style-type: none"> <li>(1) cancelling the shares for the purposes of reducing its registered capital of the Company;</li> <li>(2) merging with any other companies holding the shares in the Company;</li> <li>(3) giving the shares to employees of the Company as a reward;</li> <li>(4) being requested to repurchase the shares of the Company by the shareholders who object to the resolutions adopted at the shareholders' general meeting concerning merger or division of the Company; or</li> <li>(5) other circumstances permitted by the laws and regulations.</li> </ol> <p>Other than the abovementioned circumstances, the Company may not purchase or sell its own shares.</p> <p>Where the Company repurchases its shares under items (1) to (3) above, it shall obtain approval from shareholders' general meeting. Where the Company repurchases its shares under item (1), it shall cancel the shares within 10 days from the date of repurchase. Where the Company repurchases its shares under items (2) and (4), the Company shall transfer or cancel the shares within six months.</p> <p>The shares repurchased by the Company pursuant to item (3) of the first clause shall not exceed 5% of the total issued shares of the Company. The funds for repurchase shall be paid from the after-tax profits of the Company. The shares redeemed shall be transferred to the employees within one year.</p>	<p><b>Article 27</b> The Company may repurchase its shares in the following circumstances in accordance with the laws, regulations and provisions of the Articles and subject to the approval of the relevant authorities of the State:</p> <ol style="list-style-type: none"> <li>(1) <del>cancelling the shares for the purposes of</del> reducing its registered capital of the Company;</li> <li>(2) merging with any other companies holding the shares in the Company;</li> <li>(3) <u>utilising the shares for employee shareholding plan or share incentive scheme giving the shares to employees of the Company as a reward;</u></li> <li>(4) being requested to repurchase the shares of the Company by the shareholders who object to the resolutions adopted at the shareholders' general meeting concerning merger or division of the Company; or</li> <li>(5) <u>utilising shares for conversion of convertible corporate bonds issued by the Company; other circumstances permitted by the laws and regulations.</u></li> <li>(6) <u>as necessary for maintenance of the Company's value and shareholders' rights and interests;</u></li> <li>(7) <u>other circumstances permitted by the laws and regulations.</u></li> </ol> <p>Other than the abovementioned circumstances, the Company may not purchase or sell its own shares.</p> <p>Where the Company repurchases its shares under items (1) or (2) <del>to (3)</del> above, it shall obtain approval from shareholders' general meeting. <u>Where the Company repurchases its shares under the circumstances stipulated by items (3), (5) or (6) above, it shall be subject to a board resolution which more than two-thirds of the directors attend the meeting.</u></p>

No.	Original Articles of Association	Amended Articles of Association
		<p>Where the Company repurchases its shares under item (1), it shall cancel the shares within 10 days from the date of repurchase. Where the Company repurchases its shares under items (2) or (4), the Company shall transfer or cancel the shares within six months; <u>where the Company repurchases its shares under the circumstances in items(3), (5) or (6), the aggregate shareholding of the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years.</u></p> <p><u>After repurchasing the Company's shares, the Company shall perform information disclosure obligation in accordance with the relevant provisions of the Securities Law and the Hong Kong Listing Rules. The shares repurchased by the Company pursuant to item (3) of the first clause shall not exceed 5% of the total issued shares of the Company. The funds for repurchase shall be paid from the after-tax profits of the Company. The shares redeemed shall be transferred to the employees within one year.</u></p>
4	<p><b>Article 28</b> The Company may repurchase its shares in accordance with the laws in any of the following ways after being approved by the relevant authorities of the State:</p> <ol style="list-style-type: none"> <li>(1) making a repurchase offer to all shareholders on a pro rata basis;</li> <li>(2) repurchasing by means of public dealing on a stock exchange;</li> <li>(3) repurchasing by an off-market agreement;</li> <li>(4) other methods permitted by laws and regulations or by the relevant authorities of the State.</li> </ol>	<p><b>Article 28</b> The Company may repurchase its shares in accordance with the laws in any of the following ways after being approved by the relevant authorities of the State:</p> <ol style="list-style-type: none"> <li>(1) making a repurchase offer to all shareholders on a pro rata basis;</li> <li>(2) repurchasing by means of public dealing on a stock exchange;</li> <li>(3) repurchasing by an off-market agreement;</li> <li>(4) other methods permitted by laws and regulations or by the relevant authorities of the State.</li> </ol> <p><u>Where the Company repurchases its shares under the circumstances stipulated by items (3), (5) or (6) of the first clause of Article 27 of the Articles of Association, the repurchase shall be conducted in a public and centralized manner.</u></p>

No.	Original Articles of Association	Amended Articles of Association
5	<p><b>Article 45</b> No modifications of registration in the register of members caused by transfer of shares shall be carried out within 30 days prior to convening of shareholder's general meeting or within five days prior to the date for the determination of the basic of dividend distributions.</p> <p>If the securities regulatory authorities of the place where the shares of the Company are listed have other requirements on the change in the register of members, such requirements shall be followed.</p>	<p><b>Article 45</b> <del>No modifications of registration in the register of members caused by transfer of shares shall be carried out within 30 days prior to convening of shareholder's general meeting or within five days prior to the date for the determination of the basic of dividend distributions.</del> <u>If the laws, administrative regulations, departmental rules, other regulatory documents and the securities regulatory authorities of the place where the shares of the Company are listed have other requirements on the period of closure of the register of share transfer prior to the convening of the shareholders' general meeting or prior to the date for the determination of the basis of dividend distributions</u> <del>the change in the register of members,</del> such requirements shall be followed.</p>
6	<p><b>Article 55</b> The ordinary shareholders of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> <li>(1) the right to dividends and other types of interest distributed in proportion to the number of shares held;</li> <li>(2) the right to attend or appoint a proxy to attend shareholders' general meetings and to vote thereat;</li> <li>(3) the right of supervisory management over the Company's business operations, and the right to present proposals or to raise enquiries;</li> <li>(4) the right to transfer, bestow or pledge shares in accordance with laws, regulations, regulatory documents, relevant requirements of the securities regulatory authorities of the place where the Company's shares are listed and provisions of the Articles;</li> </ol>	<p><b>Article 55</b> The ordinary shareholders of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> <li>(1) the right to dividends and other types of interest distributed in proportion to the number of shares held;</li> <li>(2) the right to attend or appoint a proxy to attend shareholders' general meetings and to vote thereat;</li> <li>(3) the right of supervisory management over the Company's business operations, and the right to present proposals or to raise enquiries;</li> <li>(4) the right to transfer, bestow or pledge shares in accordance with laws, regulations, regulatory documents, relevant requirements of the securities regulatory authorities of the place where the Company's shares are listed and provisions of the Articles;</li> </ol>



No.	Original Articles of Association	Amended Articles of Association
	<p>(5) the right to obtain relevant information in accordance with the laws, regulations and provisions of the Articles, including:</p> <ol style="list-style-type: none"> <li>1. the right to obtain a copy of the Articles, subject to payment of the cost of such copy;</li> <li>2. the right to inspect and, subject to payment of a reasonable charge, obtain a copy of the following information in the specified place during the business hours of the Company: <ol style="list-style-type: none"> <li>(1) the particulars of each of the Company's directors, supervisors and senior management members;</li> <li>(2) minutes of shareholders' general meetings;</li> <li>(3) all parts of the register of members;</li> <li>(4) the state of the Company's share capital;</li> <li>(5) the latest audited financial statements, and the reports of the board of directors and the board of supervisors;</li> <li>(6) special resolutions of the shareholders' general meetings;</li> <li>(7) reports showing the aggregate par value, quantity, and maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the previous accounting year and the total expenses incurred by the Company for this purpose.</li> </ol> </li> </ol>	<p>(5) the right to obtain relevant information in accordance with the laws, regulations and provisions of the Articles, including:</p> <ol style="list-style-type: none"> <li>1. the right to obtain a copy of the Articles, subject to payment of the cost of such copy;</li> <li>2. the right to inspect and, subject to payment of a reasonable charge, obtain a copy of the following information in the specified place during the business hours of the Company: <ol style="list-style-type: none"> <li>(1) the particulars of each of the Company's directors, supervisors and senior management members;</li> <li>(2) minutes of shareholders' general meetings;</li> <li>(3) all parts of the register of members;</li> <li>(4) the state of the Company's share capital;</li> <li>(5) the latest audited financial statements, and the reports of the board of directors and the board of supervisors;</li> <li>(6) special resolutions of the shareholders' general meetings;</li> <li>(7) reports showing the aggregate par value, quantity, and maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the previous accounting year and the total expenses incurred by the Company for this purpose.</li> </ol> </li> </ol>

No.	Original Articles of Association	Amended Articles of Association
	<p>If any shareholder requests a copy of the minutes of a shareholders' general meeting, the Company shall deliver such copy after seven days upon the receipt of a reasonable cost.</p> <p>The Company may refuse any inspecting or copying request which involves commercial secrets and price sensitive information of the Company.</p> <p>(6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;</p> <p>(7) the right to request the Company to purchase the shares of the shareholder who raises objection to the resolution on merger or division made at the shareholders' general meeting;</p> <p>(8) other rights conferred by the laws, regulations, regulatory documents and the Articles.</p> <p>If any person holding interest directly or indirectly exercises his right based on the shares of the Company without revealing this right to the Company, the Company shall not compromise such person's right based on the shares of the Company by freezing it or otherwise.</p>	<p>If any shareholder requests a copy of the minutes of a shareholders' general meeting, the Company shall deliver such copy after seven days upon the receipt of a reasonable cost.</p> <p>The Company may refuse any inspecting or copying request which involves commercial secrets and price sensitive information of the Company.</p> <p>(6) in the event of the termination or liquidation of the Company, the right to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;</p> <p>(7) the right to request the Company to purchase the shares of the shareholder who raises objection to the resolution on merger or division made at the shareholders' general meeting;</p> <p>(8) other rights conferred by the laws, regulations, regulatory documents and the Articles.</p> <p>If any person holding interest directly or indirectly exercises his right based on the shares of the Company without revealing this right to the Company, the Company shall not compromise such person's right based on the shares of the Company by freezing it or otherwise.</p> <p><u>Shareholders who shall have but have not been approved by the regulatory authorities or who shall have but have not reported to the regulatory authorities may not exercise the rights to request to convene a shareholders' general meeting, to vote, to nominate, to propose resolutions, to dispose, etc.</u></p> <p><u>For shareholders who made false statements, abused shareholders' rights or had other acts that jeopardized the interests of the Company, the banking regulatory authority of the State Council or its local offices may restrict or prohibit such shareholders from conducting connected transactions with the Company, restrict their quota on holding the Company's equity, on the proportion of equity pledge, etc., and may restrict their rights to request to convene a shareholders' general meeting, to vote, to nominate, to propose resolutions, to dispose, etc.</u></p>

No.	Original Articles of Association	Amended Articles of Association
7	<p><b>Article 58</b> Holders of the ordinary shares of the Company shall have the following obligations:</p> <ol style="list-style-type: none"> <li>(1) to abide by the Articles;</li> <li>(2) to contribute to the share capital according to the number of shares subscribed by them and the methods of capital contribution;</li> <li>(3) not to withdraw their contributed share capital unless in such circumstances as stipulated by the laws and regulations;</li> <li>(4) not to abuse the Company's independent status as a legal person and the shareholders' limited liability to damage the interest of the creditors of the Company;</li> <li>(5) other obligations imposed by the laws, regulations, regulatory documents and the Articles.</li> </ol> <p>Shareholders shall not be liable for making any additional contribution to the share capital other than according to the terms as agreed as a subscriber of the shares at the time of subscription.</p>	<p><b>Article 58</b> Holders of the ordinary shares of the Company shall have the following obligations:</p> <ol style="list-style-type: none"> <li>(1) to abide by <u>the laws and regulations, regulatory requirements and</u> the Articles;</li> <li>(2) to contribute to the share capital according to the number of shares subscribed by them and the methods of capital contribution, <u>to perform capital contribution obligation in strict compliance with the requirements of the laws and regulations and the requirements of the banking regulatory authority of the State Council, purchase shares of the Company with their own funds and ensure the funds are obtained from legal sources, rather than entrusted funds, debt funds and other funds not owned by themselves, unless otherwise prescribed by laws and regulations;</u></li> <li>(3) not to withdraw their contributed share capital unless in such circumstances as stipulated by the laws and regulations;</li> <li>(4) not to abuse the Company's independent status as a legal person and the shareholders' limited liability to damage the interest of the creditors of the Company;</li> <li>(5) <u>to perform their fiduciary duties to the Company;</u></li> </ol>

No.	Original Articles of Association	Amended Articles of Association
		<p>(6) <u>to support the reasonable capital plans formulated by the board of directors of the Company to enable the Company to meet regulatory capital requirements constantly;</u></p> <p>(7) <u>other obligations imposed by the laws, regulations, regulatory documents and the Articles.</u></p> <p>Shareholders shall not be liable for making any additional contribution to the share capital other than according to the terms as agreed as a subscriber of the shares at the time of subscription.</p> <p><u>Shareholders shall nominate candidates for directors and supervisors in strict compliance with the conditions and procedures required by laws, regulations and the Articles.</u></p>
8	<p><b>Article 60</b> The controlling shareholders shall have fiduciary duties to the Company. The controlling shareholder shall exercise his/her/its rights as an investor in strict compliance with the laws, regulations, regulatory documents and the Articles, and shall not seek improper interests or impair the legal rights of the Company by leveraging its controlling position.</p>	<p><del><b>Article 60</b> The controlling shareholders shall have fiduciary duties to the Company.</del> The controlling shareholder shall exercise his/her/its rights as an investor in strict compliance with the laws, regulations, regulatory documents and the Articles, and shall not seek improper interests or impair the legal rights of the Company <u>or other shareholders by leveraging its controlling position.</u></p>

No.	Original Articles of Association	Amended Articles of Association
	<p>The controlling shareholder and de facto controller of the Company shall not impair the Company's interests with his/her/its related relations. In breach of any regulations, compensation for the loss incurred to the Company shall be assumed by the controlling shareholder and/or the de facto controller.</p> <p>Other than obligated by laws, regulations, regulatory documents or the listing rules of the stock exchange where the Company's shares are listed, the controlling shareholder, when exercising his/her/its rights as a shareholder, shall not vote to bring about decisions that would impair the interest of all or part of the shareholders on the following matters:</p> <ol style="list-style-type: none"> <li>(1) to release the obligation of a director or supervisor to act honestly in the best interests of the Company;</li> <li>(2) to allow directors and supervisors for the interest of themselves or others, to expropriate the Company's property, including (without limitation) opportunities advantageous to the Company;</li> <li>(3) to allow directors and supervisors for the interest of themselves or others, to expropriate the rights of shareholders, including (without limitation) rights to distributions and voting rights, save pursuant to a restructuring of the Company submitted to shareholders' general meeting for approval in accordance with the Articles.</li> </ol>	<p>The controlling shareholder and de facto controller of the Company shall not impair the Company's interests with his/her/its related relations. In breach of any regulations, compensation for the loss incurred to the Company shall be assumed by the controlling shareholder and/or the de facto controller.</p> <p>Other than obligated by laws, regulations, regulatory documents or the listing rules of the stock exchange where the Company's shares are listed, the controlling shareholder, when exercising his/her/its rights as a shareholder, shall not vote to bring about decisions that would impair the interest of all or part of the shareholders on the following matters:</p> <ol style="list-style-type: none"> <li>(1) to release the obligation of a director or supervisor to act honestly in the best interests of the Company;</li> <li>(2) to allow directors and supervisors for the interest of themselves or others, to expropriate the Company's property, including (without limitation) opportunities advantageous to the Company;</li> <li>(3) to allow directors and supervisors for the interest of themselves or others, to expropriate the rights of shareholders, including (without limitation) rights to distributions and voting rights, save pursuant to a restructuring of the Company submitted to shareholders' general meeting for approval in accordance with the Articles.</li> </ol>
9	<p><b>Article 61</b> If any shareholder who holds 5% or more of the Company's shares pledges such shares or such shares are involved in any litigation or arbitration, he/she/it shall report to the Company in writing on the day of its occurrence.</p>	<p><b>Article 61</b> If any shareholder <u>pledges the Company's shares as collateral for himself/herself/itself or others who holds 5% or more of the Company's shares</u> <del>pledges such shares or 5% or more of the Company's shares</del> held by the shareholder are involved in any litigation or arbitration, he/she/it shall <u>notify the board of directors of the Company in advance and shall in strict accordance with laws and regulations and the requirements of the regulatory authorities report to the Company in writing on the day of its occurrence.</u> <del>report to the Company in writing on the day of its occurrence.</del></p>

No.	Original Articles of Association	Amended Articles of Association
10	<p><b>Article 62</b> The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:</p> <ol style="list-style-type: none"> <li>(1) to decide the Company's operating policies and investment plans;</li> <li>(2) to elect and replace the directors and supervisors who are not representative of the employees of the Company, and to decide on matters related to the emoluments of directors and supervisors;</li> <li>(3) to consider and approve the reports of the board of directors;</li> <li>(4) to consider and approve the reports of the board of supervisors;</li> <li>(5) to consider and approve the annual financial budget and final account statement of the Company;</li> <li>(6) to consider and approve the Company's profit distribution plan and loss recovery plan;</li> <li>(7) to resolve on any increase or reduction in the Company's registered capital;</li> <li>(8) to resolve on the issuance of corporate bonds, any class of shares, warrants or other marketable securities of the Company and their listing;</li> <li>(9) to resolve on matters related to merger, separation, dissolution, liquidation of the Company or alternation on the form of the Company;</li> <li>(10) to amend the Articles, the procedural rules of the shareholders' general meeting, and the meetings of the board of directors and the board of supervisors;</li> <li>(11) to decide the engagement, dismissal or replacement of accounting firms of the Company;</li> </ol>	<p><b>Article 62</b> The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:</p> <ol style="list-style-type: none"> <li>(1) to decide the Company's operating policies and investment plans;</li> <li>(2) to elect and replace the directors and supervisors who are not representative of the employees of the Company, and to decide on matters related to the emoluments of directors and supervisors;</li> <li>(3) to consider and approve the reports of the board of directors;</li> <li>(4) to consider and approve the reports of the board of supervisors;</li> <li>(5) to consider and approve the annual financial budget and final account statement of the Company;</li> <li>(6) to consider and approve the Company's profit distribution plan and loss recovery plan;</li> <li>(7) to resolve on any increase or reduction in the Company's registered capital;</li> <li>(8) to resolve on the issuance of corporate bonds, any class of shares, warrants or other marketable securities of the Company and their listing;</li> <li>(9) to resolve on matters related to merger, separation, dissolution, liquidation of the Company or alternation on the form of the Company;</li> <li>(10) to amend the Articles, the procedural rules of the shareholders' general meeting, and the meetings of the board of directors and the board of supervisors;</li> <li>(11) to decide the engagement, dismissal or replacement of accounting firms of the Company;</li> </ol>

No.	Original Articles of Association	Amended Articles of Association
	<p>(12) to resolve on matters related to repurchase of shares of the Company;</p> <p>(13) to consider and approve major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, write-off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(14) to consider and approve matters in relation to the change of use of the raised fund;</p> <p>(15) to consider and approve share incentive scheme;</p> <p>(16) to consider and approve any purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</p> <p>(17) to consider and approve connected transactions required to be approved by the shareholders' general meeting under the law, regulations, regulatory documents and the securities regulatory authorities of the place where the Company's shares are listed;</p> <p>(18) to consider any motion raised by shareholders, individually or in aggregate, holding more than 3% of issued shares of the Company with voting rights;</p> <p>(19) to determine the issuance of preference shares; to determine or authorize the board of directors to determine matters relating to preference shares issued by the Company, including but not limited to redemption, conversion and distribution of dividends;</p>	<p>(12) to resolve on matters related to repurchase of shares of the Company <u>under the circumstances stipulated by items (1) or (2) of the first clause of Article 27 of the Articles</u>;</p> <p>(13) to consider and approve major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, write-off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(14) to consider and approve matters in relation to the change of use of the raised fund;</p> <p>(15) to consider and approve share incentive scheme;</p> <p>(16) to consider and approve any purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</p> <p>(17) to consider and approve connected transactions required to be approved by the shareholders' general meeting under the law, regulations, regulatory documents and the securities regulatory authorities of the place where the Company's shares are listed;</p> <p>(18) to consider any motion raised by shareholders, individually or in aggregate, holding more than 3% of issued shares of the Company with voting rights;</p> <p>(19) to determine the issuance of preference shares; to determine or authorize the board of directors to determine matters relating to preference shares issued by the Company, including but not limited to redemption, conversion and distribution of dividends;</p>

No.	Original Articles of Association	Amended Articles of Association
	<p>(20) to consider and approve all other matters which are required to be determined by the shareholders' general meeting under the laws, regulations, regulatory documents, applicable requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Articles.</p> <p>The above matters which are within the scope of authority of the shareholders' general meeting shall be considered and approved by the shareholders' general meetings. However, the shareholders' general meeting may delegate power to the board of directors to decide on such matters under necessary, reasonable and lawful circumstances.</p>	<p>(20) to consider and approve all other matters which are required to be determined by the shareholders' general meeting under the laws, regulations, regulatory documents, applicable requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Articles.</p> <p>The above matters which are within the scope of authority of the shareholders' general meeting shall be considered and approved by the shareholders' general meetings. However, the shareholders' general meeting may delegate power to the board of directors to decide on such matters under necessary, reasonable and lawful circumstances.</p>
11	<p><b>Article 74</b> When the Company is to convene a shareholders' general meeting, the board of directors shall notify all shareholders in writing 45 days before the meeting. Shareholders who intend to attend the shareholders' general meeting shall send a written reply to the Company 20 days before the meeting.</p>	<p><b>Article 74</b> When the Company is to convene an annual general meeting, the board of directors shall notify all shareholders in writing <u>4520 working days</u> before the meeting. <del>Shareholders who intend to attend the shareholders' general meeting shall send a written reply to the Company 20 days before the meeting;</del> <u>when to convene an extraordinary general meeting, the board of directors shall notify all shareholders in writing 10 working days or 15 days (whichever is longer) before the meeting.</u></p>
12	<p><b>Article 75</b> The Company shall, based on the written replies received 20 days before the date of the shareholders' general meeting from shareholders, calculate the number of voting shares represented by shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting has reached half or more of the Company's total voting shares, the Company may hold the shareholders' general meeting. Otherwise, the Company shall within five days notify the shareholders again by public notice of the matters to be considered, the date and the place of the meeting. The Company may then convene the meeting after the publication of such public notice.</p> <p>An extraordinary general meeting shall not resolve on a proposal not listed in the notice.</p>	<p><b>Article 75</b> The Company shall, based <del>on the written replies received 20 days before the date of the shareholders' general meeting from shareholders;</del> <u>calculate the number of voting shares represented by shareholders who intend to attend the meeting.</u> If the number of voting shares represented by the shareholders who intend to attend the meeting has reached half or more of the Company's total voting shares, the Company may hold the shareholders' general meeting. <del>Otherwise, the Company shall within five days notify the shareholders again by public notice of the matters to be considered, the date and the place of the meeting. The Company may then convene the meeting after the publication of such public notice.</del></p> <p>An <del>extraordinary</del> general meeting shall not resolve on a proposal not listed in the notice.</p>



No.	Original Articles of Association	Amended Articles of Association
13	<p><b>Article 77</b> Notice of shareholders' general meeting shall be served on shareholders (whether or not entitled to vote at the shareholders' general meeting) by personal delivery or prepaid mail to their addresses as shown in the register of members. 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 within the period between 45 days and 50 days before the date of the meeting. 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 shareholders' general meeting.</p> <p>For holders of overseas listed shares, subject to the compliance with the laws, regulations, regulatory documents and the relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed, the notice of a general meeting may be published on the website of the Company and the Hong Kong Stock Exchange in place of personal delivery or prepaid mail to the holders of overseas listed shares.</p> <p>The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting or any resolution adopted at that meeting.</p>	<p><b>Article 77</b> Notice of shareholders' general meeting shall be served on shareholders (whether or not entitled to vote at the shareholders' general meeting) by personal delivery or prepaid mail to their addresses as shown in the register of members. 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 <del>within the period between 45 days and 50 days before the date of the meeting</del>. 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 shareholders' general meeting.</p> <p>For holders of overseas listed shares, subject to the compliance with the laws, regulations, regulatory documents and the relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed, the notice of a general meeting may be published on the website of the Company and the Hong Kong Stock Exchange in place of personal delivery or prepaid mail to the holders of overseas listed shares.</p> <p>The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting or any resolution adopted at that meeting.</p>

No.	Original Articles of Association	Amended Articles of Association
14	<p><b>Article 95</b> The following matters shall be approved by shareholders' general meeting by special resolution:</p> <ol style="list-style-type: none"> <li>(1) increase or reduce of the Company's registered capital;</li> <li>(2) merger, division, dissolution, liquidation and change of corporate form of the Company;</li> <li>(3) issuance and listing of corporate bonds, any class of shares, warrants and other marketable securities;</li> <li>(4) repurchase of Company's shares;</li> <li>(5) amendments to the Articles;</li> <li>(6) share incentive scheme;</li> <li>(7) purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</li> <li>(8) major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations and major decisions of legal corporations;</li> <li>(9) alteration of profit distribution policy;</li> <li>(10) other matters stipulated by laws, administrative regulations, regulatory documents, the requirements of the securities regulatory authorities of the place where the Company's shares are listed or the Articles, which shall be approved by special resolutions or matters which are significant to the Company and are determined by ordinary resolution of shareholders' general meeting to be approved by special resolutions.</li> </ol>	<p><b>Article 95</b> The following matters shall be approved by shareholders' general meeting by special resolution:</p> <ol style="list-style-type: none"> <li>(1) increase or reduce of the Company's registered capital;</li> <li>(2) merger, division, dissolution, liquidation and change of corporate form of the Company;</li> <li>(3) issuance and listing of corporate bonds, any class of shares, warrants and other marketable securities;</li> <li>(4) repurchase of Company's shares <u>under the circumstances stipulated by items (1) or (2) of the first clause of Article 27 of the Articles;</u></li> <li>(5) amendments to the Articles;</li> <li>(6) share incentive scheme;</li> <li>(7) purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</li> <li>(8) major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations and major decisions of legal corporations;</li> <li>(9) alteration of profit distribution policy;</li> <li>(10) other matters stipulated by laws, administrative regulations, regulatory documents, the requirements of the securities regulatory authorities of the place where the Company's shares are listed or the Articles, which shall be approved by special resolutions or matters which are significant to the Company and are determined by ordinary resolution of shareholders' general meeting to be approved by special resolutions.</li> </ol>

No.	Original Articles of Association	Amended Articles of Association
	Apart from the aforementioned matters, any other matters requiring approval at shareholders' general meeting shall be approved by ordinary resolutions.	Apart from the aforementioned matters, any other matters requiring approval at shareholders' general meeting shall Be approved by ordinary resolutions.
15	<p><b>Article 115</b> The Company shall give written notice 45 days before the convening of a class meeting to notify all shareholders in the share register of such class of the matters to be considered, the date and the venue of the class meeting. A shareholder who intends to attend the class meeting shall deliver his/her written reply to the Company 20 days before the convening of the class meeting.</p> <p>The Company may convene the class meeting if the number of shares with voting rights held by shareholders who are going to attend the meeting reaches half of the total of shares entitled to voting rights at the meeting. Otherwise, the Company may convene the class meeting after issuing an announcement within five days, informing the shareholders again of the matters to be discussed in the meeting as well as the date and venue of the meeting.</p>	<p><b>Article 115</b> <u>When convening a class meeting, the Company shall determine the notice period according to the corresponding annual general meeting or extraordinary general meeting of the class meeting, and the written notice of the annual general meeting shall be given 20 working days before the meeting, 10 working days or 15 days (whichever is longer) before the extraordinary general meeting. The Company shall give written notice 45 days before the convening of a class meeting to notify all shareholders in the share register of such class of the matters to be considered, the date and the venue of the class meeting.</u><del>A shareholder who intends to attend the class meeting shall deliver his/her written reply to the Company 20 days before the convening of the class meeting.</del></p> <p><del>The Company may convene the class meeting if the number of shares with voting rights held by shareholders who are going to attend the meeting reaches half of the total of shares entitled to voting rights at the meeting. Otherwise, the Company may convene the class meeting after issuing an announcement within five days, informing the shareholders again of the matters to be discussed in the meeting as well as the date and venue of the meeting.</del></p>
16	<p><b>Article 118</b> Directors shall be natural persons and may not hold shares of the Company. The directors of the Company include executive directors and non-executive directors. Non-executive directors include independent directors, the provisions of which are set out in Section 2 of this chapter.</p>	<p><b>Article 118</b> Directors shall be natural persons and may not hold shares of the Company. The directors of the Company include executive directors and non-executive directors.</p> <p><u>Executive director means a director holding other senior operation and management positions in addition to holding directorship of the Company.</u></p> <p><u>Non-executive director means a director who does not hold an operation and management position. Non-executive directors include independent directors, the provisions of which are set out in Section 2 of this chapter.</u></p>

No.	Original Articles of Association	Amended Articles of Association
17	<p><b>Article 119</b> Directors shall be elected at the shareholders' general meeting. The term of office of a director is three years commencing from the date of approval by the banking regulatory authority of the State Council. The director shall be eligible for re-election upon expiry of his/her term of office. The term of office of any re-elected directors shall commence from the date of election at the shareholders' general meeting. The term of office of any person who fills the casual vacancy on, or as an addition to the board of directors shall expire at the end of the term of the current session of the board of directors.</p>	<p><b>Article 119</b> Directors shall be elected at the shareholders' general meeting. <u>The term of office of a director is three years commencing from the date of approval by the banking regulatory authority of the State Council. The director shall be eligible for re-election upon expiry of his/her term of office. The term of office of any re-elected directors shall commence from the date of election at the shareholders' general meeting.</u> <del>The term of office of any person who fills the casual vacancy on, or as an addition to the board of directors shall expire at the end of the term of the current session of the board of directors.</del></p>
18	<p><b>Article 122</b> The nomination and election procedures of directors (other than independent directors) are set forth as follows:</p> <ol style="list-style-type: none"> <li>(1) the candidates of directors shall be nominated by proposals submitted by the board of directors or the shareholders individually or jointly holding 5% or more of the total number of the shares of the Company with voting rights, attached with written materials including their basic information and biographies;</li> <li>(2) a candidate of director shall, prior to the convening of the shareholders' general meeting, give a written undertaking letter that he/she agrees to accept the nomination and that the personal information as publicly disclosed is true and complete, and warrants that he/she will duly perform his/her obligations as a director after he/she is elected. A written notice of the intention to nominate a candidate of director and the candidate's willingness to be elected and the written materials of the candidate's basic information shall be delivered to the Company no later than 10 days prior to the convening of the shareholder's general meeting;</li> </ol>	<p><b>Article 122</b> The nomination and election procedures of directors (other than independent directors) are set forth as follows:</p> <ol style="list-style-type: none"> <li>(1) <u>within the range of number of members, the nomination and remuneration committee of the board of directors can nominate candidates for directors of the board of directors as specified by the Articles; or shareholders individually or jointly holding 3% or more of the total number of the shares of the Company with voting rights can also nominate candidates for directors to the board of directors,</u> <del>the candidates of directors shall be nominated by proposals submitted by the board of directors or the shareholders individually or jointly holding 5% or more of the total number of the shares of the Company with voting rights,</del> the nomination shall be attached with written materials including their basic information and biographies;</li> <li>(+) (2) <u>the nomination and remuneration committee of the board of directors shall conduct preliminary verification on the qualifications and conditions of the candidates for directors, and propose the qualified candidates to the board of directors for consideration. The board of directors shall propose the candidates for directors to the shareholders' general meeting by way of written proposal after they are considered and approved by the board of directors;</u></li> </ol>

No.	Original Articles of Association	Amended Articles of Association
	<p>(3) the Company shall disclose the detailed information on the candidates of directors to shareholders at least seven days before the convening of the shareholder's general meeting, to ensure shareholders to obtain adequate knowledge about the candidates when casting their votes;</p> <p>(4) The Company shall give at least seven days for relevant nominators and candidates of directors for submission of the written notice and materials set forth as above;</p> <p>(5) The shareholders' general meeting shall review and vote on the election of the candidates one by one.</p>	<p>(2) (3) a candidate of director shall, prior to the convening of the shareholders' general meeting, give a written undertaking letter that he/she agrees to accept the nomination and that the personal information as publicly disclosed is true and complete, and warrants that he/she will duly perform his/her obligations as a director after he/she is elected. A written notice of the intention to nominate a candidate of director and the candidate's willingness to be elected and the written materials of the candidate's basic information shall be delivered to the board of directors <del>the Company</del> no later than 10 days prior to the convening of the shareholder's general meeting;</p> <p>(3) (4) the board of directors <del>the Company</del> shall disclose the detailed information on the candidates of directors to shareholders at least seven days before the convening of the shareholder's general meeting, to ensure shareholders to obtain adequate knowledge about the candidates when casting their votes;</p> <p>(4) (5) the board of directors <del>the Company</del> shall give at least seven days for relevant nominators and candidates of directors for submission of the written notice and materials set forth as above; and</p> <p>(6) The shareholders' general meeting shall review and vote on the election of the candidates one by one. <del>(4)</del></p> <p>(7) <u>in the case of temporary addition or supplement of any director, the nomination and remuneration committee of the board of directors or the shareholders satisfying the conditions for making such nomination shall propose a candidate to the board of directors for consideration. The shareholders' general meeting elects or replaces the director.</u></p>

No.	Original Articles of Association	Amended Articles of Association
19	<p><b>Article 125</b> A director may resign before the expiry of his/her term of office. The resigning director shall submit a written resignation to the board of directors.</p> <p>In case that the number of directors falls below the quorum as a result of delayed reelection upon expiry of the terms of directors of the current session or resignation of directors, the existing directors shall continue to perform his/her duties as a director in accordance with the laws, regulations, regulatory documents and the Articles till a new director takes his/her office. The resignation of director shall not take effect until the new director is elected to take the place of the resigning director. 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 letter by the board of directors. Under the aforesaid circumstances, the board of directors shall convene an extraordinary general meeting immediately to elect a new director to fill the vacancy.</p>	<p><b>Article 125</b> A director may resign before the expiry of his/her term of office. The resigning director shall submit a written resignation to the board of directors.</p> <p>In case that <del>the number of directors falls below the quorum as a result of delayed reelection</del> no timely reelection takes place upon expiry of the <del>term</del><u>term</u> of a director of <del>the current session</del> or resignation of a director <u>during his term of office affects the normal operation of the Company, or makes the number of directors fall below the quorum,</u> the existing <del>directors</del><u>director</u> shall continue to perform his/her duties as a director in accordance with the laws, regulations, regulatory documents and the Articles till a new director takes his/her office. The resignation of director shall not take effect until the new director is elected to take the place of the resigning director. 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 letter by the board of directors. Under the aforesaid circumstances, the board of directors shall convene an extraordinary general meeting immediately to elect a new director to fill the vacancy.</p>
20	<p><b>Article 134</b> An independent director shall work for the Company for at least 15 working days each year.</p> <p>An independent director may appoint another independent director to act as his/her proxy to attend a board meeting, provided that he/she shall personally attend not less than two-thirds of the total number of the board meetings every year.</p>	<p><b>Article 134</b> An independent director shall work <del>for</del><u>in</u> the Company for at least 15 working days each year.</p> <p>An independent director may appoint another independent director to act as his/her proxy to attend a board meeting, provided that he/she shall personally attend not less than two-thirds of the total number of the board meetings every year.</p>

No.	Original Articles of Association	Amended Articles of Association
21	<p><b>Article 141</b> The board of directors shall perform the following duties in accordance with laws:</p> <ul style="list-style-type: none"> <li>(1) to convene and report its work to the shareholders' general meeting;</li> <li>(2) to implement the resolutions of the shareholders' general meetings;</li> <li>(3) to determine the development strategies, operation plans and investment plans of the Company;</li> <li>(4) to formulate annual financial budget and final account statement of the Company;</li> <li>(5) to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(6) to formulate plans for the increase or reduction of the registered capital;</li> <li>(7) to formulate plans for merger, division, dissolution and change of the form of the Company;</li> <li>(8) to formulate plans for the issuance of corporate bonds, any types of shares, warrants or other marketable securities and listing of the Company;</li> <li>(9) to formulate share repurchase plans of the Company;</li> <li>(10) to formulate amendments to the Articles, the rules of procedures of the shareholders' general meeting and the rules of procedures of the board of directors;</li> <li>(11) to consider and approve the terms of reference of the president;</li> <li>(12) to appoint or dismiss the president and the board secretary of the Company;</li> <li>(13) to appoint or dismiss vice presidents, assistants to president and other senior management members (excluding the board secretary) as nominated or suggested by the president;</li> </ul>	<p><b>Article 141</b> The board of directors shall perform the following duties in accordance with laws:</p> <ul style="list-style-type: none"> <li>(1) to convene and report its work to the shareholders' general meeting;</li> <li>(2) to implement the resolutions of the shareholders' general meetings;</li> <li>(3) to determine the development strategies, operation plans and investment plans of the Company, <u>and supervise the implementation;</u></li> <li><del>(3)</del> <u>(4)</u> to formulate capital plans;</li> <li><del>(4)</del> <u>(5)</u> to formulate annual financial budget and final account statement of the Company;</li> <li><del>(5)</del> <u>(6)</u> to formulate profit distribution plan and loss recovery plan of the Company;</li> <li><del>(6)</del> <u>(7)</u> to formulate plans for the increase or reduction of the registered capital;</li> <li><del>(7)</del> <u>(8)</u>to formulate plans for merger, division, dissolution and change of the form of the Company;</li> <li><del>(8)</del> <u>(9)</u>to formulate plans for the issuance of corporate bonds, any types of shares, warrants or other marketable securities and listing of the Company;</li> <li><u>(10)</u> to formulate share repurchase plans of the Company <u>under the circumstances stipulated by items (1) or (2) of the first clause of Article 27 of the Articles;</u></li> <li><u>(11)</u> to resolve on matters related to repurchase of shares of the Company <u>under the circumstances stipulated by items (3), (5) or (6) of the first clause of Article 27 of the Articles;</u></li> </ul>



No.	Original Articles of Association	Amended Articles of Association
	<p>(14) to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;</p> <p>(15) to formulate the assessment methods and remuneration package of directors for the approval by the shareholders' general meeting;</p> <p>(16) to determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;</p> <p>(17) to formulate the basic management system of the Company and supervise its implementation;</p> <p>(18) to determine the risk management, compliance and internal control policies of the Company and formulate systems in relation to the internal control and compliance management of the Company;</p> <p>(19) to determine the structure of internal departments and branches of the Company;</p> <p>(20) to evaluate and improve the corporate governance of the Company;</p> <p>(21) to formulate share incentive schemes;</p> <p>(22) to manage the information disclosure and investors' relation management of the Company;</p> <p>(23) to propose the appointment, dismissal or termination of appointment of accounting firm to the shareholders' general meeting;</p> <p>(24) to consider and approve, or authorize the connected transaction control committee under the board of directors to approve, connected transactions, except for those which shall be considered and approved by the shareholders' general meeting as required by laws;</p>	<p><del>(10)</del> (12) to formulate amendments to the Articles, the rules of procedures of the shareholders' general meeting and the rules of procedures of the board of directors;</p> <p><del>(11)</del> (13) to consider and approve the terms of reference of the president;</p> <p><del>(12)</del> (14) to appoint or dismiss the president and the board secretary of the Company;</p> <p><del>(13)</del> (15) to appoint or dismiss vice presidents, assistants to president and other senior management members (excluding the board secretary) as nominated or suggested by the president;</p> <p><del>(14)</del> (16) to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;</p> <p><del>(15)</del> (17) to formulate the assessment methods and remuneration package of directors for the approval by the shareholders' general meeting;</p> <p><del>(16)</del> (18) to determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;</p> <p><del>(17)</del> (19) to formulate the basic management system of the Company and supervise its implementation;</p> <p><del>(18)</del> (20) to determine the risk management, compliance and internal control policies of the Company and formulate systems in relation to the internal control and compliance management of the Company;</p> <p><del>(19)</del> (21) to determine the structure of internal departments and branches of the Company;</p>



No.	Original Articles of Association	Amended Articles of Association
	<p>(25) within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(26) to consider and approve the proposals of each special committee of the board of directors;</p> <p>(27) to consider the work reports of the president to ensure that each director obtains the information related to the fulfillment of his/her duties in accordance with the relevant regulatory requirement in a timely manner; to review the work of senior management members to ensure their effective performance of management duty;</p> <p>(28) to approve internal audit management system and regulations, medium-to-long term audit plan, annual working plan and internal audit system, determine or authorize the audit committee to determine the internal audit budget, remuneration of staff and the appointment and removal of major officers in charge, and ensure the independence of internal audit;</p> <p>(29) to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles and as authorized by the shareholders' general meeting.</p>	<p><del>(20)</del> (22) to evaluate and improve the corporate governance of the Company;</p> <p><del>(21)</del> (23) to formulate share incentive schemes;</p> <p><del>(22)</del> (24) to manage the information disclosure and investors' relation management of the Company, and <u>assume the ultimate responsibility for the truthfulness, accuracy, completeness and timeliness of the accounting and financial reports of the Company;</u></p> <p><del>(23)</del> (25) to propose the appointment, dismissal or termination of appointment of accounting firm to the shareholders' general meeting;</p> <p><del>(24)</del> (26) to consider and approve, or authorize the connected transaction control committee under the board of directors to approve, connected transactions, except for those which shall be considered and approved by the shareholders' general meeting as required bylaws;</p> <p><del>(25)</del> (27) within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p><del>(26)</del> (28) to consider and approve the proposals of each special committee of the board of directors;</p> <p><del>(27)</del> (29) to consider the work reports of the president to ensure that each director obtains the information related to the fulfillment of his/her duties in accordance with the relevant regulatory requirement in a timely manner; to review the work of senior management members to ensure their effective performance of management duty;</p>

No.	Original Articles of Association	Amended Articles of Association
	<p>The above issues within the power of the board of directors shall be reviewed and decided by the board meetings but may be delegated to the chairman or the president for making decision thereon provided that it is necessary, reasonable and lawful. The matters for delegation shall be approved either by a majority or two-thirds of the directors if the matters are so provided under the Articles.</p> <p>The content of the delegation by the board of directors shall be specific, and the terms and conditions of the delegation shall be determined in writing.</p>	<p>(30) to approve internal audit management system and regulations, medium-to-long term audit plan, annual working plan and internal audit system, determine or authorize the audit committee to determine the internal audit budget, remuneration of staff and the appointment and removal of major officers in charge, and ensure the independence of internal audit;</p> <p>(31) to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles and as authorized by the shareholders' general meeting.</p> <p>The above issues within the power of the board of directors shall be reviewed and decided by the board meetings but may be delegated to the chairman or the president for making decision thereon provided that it is necessary, reasonable and lawful. The matters for delegation shall be approved either by a majority or two-thirds of the directors if the matters are so provided under the Articles.</p> <p>The content of the delegation by the board of directors shall be specific, and the terms and conditions of the delegation shall be determined in writing.</p>
22	<p><b>Article 148</b> Board meetings are divided into regular board meetings and extraordinary board meetings.</p>	<p><b>Article 148</b> Board meetings are divided into regular board meetings and extraordinary board meetings.</p> <p><u>When the board of directors convenes a board meeting, it shall notify the board of supervisors to send members to attend the meeting.</u></p>

No.	Original Articles of Association	Amended Articles of Association
23	<p><b>Article 153</b> A board meeting shall be held only if more than half of the directors (including those who appoint other directors to attend the meeting on their behalf) are present.</p> <p>If some of the directors have significant interest in any matters to be discussed, the director shall not exercise his/her voting right on the matter or exercise any voting right on behalf of any other directors. The board meeting shall only be held if a simple majority of the directors who do not have any material interest are present.</p>	<p><b>Article 153</b> Unless otherwise provided in the Articles, a board meeting shall be held only if more than half of the directors (including those who appoint other directors to attend the meeting on their behalf) are present.</p> <p>If some of the directors have significant interest in any matters to be discussed, the director shall not exercise his/her voting right on the matter or exercise any voting right on behalf of any other directors. The board meeting shall only be held if a simple majority of the directors who do not have any material interest are present.</p>
24	<p><b>Article 154</b> The board meeting may be held by on site meeting or by way of correspondence. For the convenience of the directors, onsite meetings may be held by telephone, video or others means, and directors present at the meetings by such means shall be deemed to attend the meeting in person.</p>	<p><b>Article 154</b> The board meeting may be held by onsite meeting or by way of correspondence. For the convenience of the directors, onsite meetings may be held by telephone, video or others means of instant communication, and directors present at the meetings by such means shall be deemed to attend the meeting in person. <u>Reasons shall be provided for a board meeting held by circulation of written resolution.</u></p>
25	<p><b>Article 155</b> Resolutions of the board of directors shall be passed by a majority vote of all directors, whereas resolutions concerning the following shall be passed by two-thirds or more of all directors, and the meeting of the board of directors may not be held by way of directors signing written resolutions:</p> <ol style="list-style-type: none"> <li>(1) to formulate annual financial budget and final account statement of the Company;</li> <li>(2) to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(3) to formulate plans for increase or reduction of the registered capital;</li> <li>(4) to formulate plans for merger, division, dissolution and changes of the form of the Company;</li> <li>(5) to formulate plans for issuance of corporate bonds, any types of shares, warrants or other securities by the Company and listing of the Company;</li> </ol>	<p><b>Article 155</b> Resolutions of the board of directors shall be passed by a majority vote of all directors, whereas resolutions concerning the following shall be passed by two-thirds or more of all directors, and the meeting of the board of directors may not be held by way of directors signing written resolutions:</p> <ol style="list-style-type: none"> <li>(1) to formulate annual financial budget and final account statement of the Company;</li> <li>(2) to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(3) <del>to formulate plans for increase or reduction of the registered capital;</del></li> <li>(3) (4) to formulate plans for <u>capital replenishment</u>;</li> <li>(5) <del>to formulate plans for merger, division, dissolution, and changes of the form of the Company;</del></li> <li>(4) (6) <u>major equity changes and financial restructuring</u> <del>to formulate plans for</del>;</li> </ol>

No.	Original Articles of Association	Amended Articles of Association
	<p>(6) to formulate plans for share repurchase plans of the Company;</p> <p>(7) to formulate amendments to the Articles;</p> <p>(8) to appoint or dismiss senior management members of the Company and determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;</p> <p>(9) to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;</p> <p>(10) to propose the appointment, dismissal and termination of appointment of accounting firm to the general meeting;</p> <p>(11) within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(12) other matters that after being passed by the board of directors as ordinary resolutions, to be of a material effects on the Company, have to be passed by not less than two-thirds of the directors;</p> <p>(13) to approve any annual cap or one-off donations for the relief of regions with material contingencies which are beyond the scope of approval by the shareholders' general meeting;</p>	<p><del>(5)</del> <u>(7)</u> to formulate plans for issuance of corporate bonds, any types of shares, warrants or other securities by the Company and listing of the Company;</p> <p><del>(6)</del> <u>(8)</u> to formulate plans for share repurchase plans of the Company;</p> <p><del>(7)</del> <u>(9)</u> to formulate amendments to the Articles;</p> <p><del>(8)</del> <u>(10)</u> to appoint or dismiss senior management members of the Company and determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;</p> <p><del>(9)</del> <u>(11)</u> to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;</p> <p><del>(10)</del> <u>(12)</u> to propose the appointment, dismissal and termination of appointment of accounting firm to the general meeting;</p> <p><del>(11)</del> <u>(13)</u> within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p><del>(12)</del> <u>(14)</u> other matters that after being passed by the board of directors as ordinary resolutions, to be of a material effects on the Company, have to be passed by not less than two-thirds of the directors;</p> <p><del>(13)</del> <u>(15)</u> to approve any annual cap or one-off donations for the relief of regions with material contingencies which are beyond the scope of approval by the shareholders' general meeting;</p>

No.	Original Articles of Association	Amended Articles of Association
	(14) to approve other resolutions which shall be passed by not less than two-thirds of the directors as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.	<del>(14)</del> (16) to approve other resolutions which shall be passed by not less than two-thirds of the directors as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.
26	<p><b>Article 158</b> Directors shall attend board meetings in person. If a director is unable to attend a meeting for any reason, he/she may appoint another director in writing to attend the meeting on his/her behalf. A proxy form shall state the name of the proxy, the scope of authorization, the authority of the proxy and the period of validity, and also be signed or affixed by the principal and the proxy. The number of board meetings attended by each director in person every year shall be no less than two-thirds of the total number of board meetings.</p> <p>The director attending the meeting on behalf of another director shall exercise his/her power within the scope of authorization. Any director who does not attend a board meeting either in person or by proxy shall be deemed to have waived his/her voting right at the meeting.</p>	<p><b>Article 158</b> Directors shall attend board meetings in person. If a director is unable to attend a meeting for any reason, he/she may appoint another director <u>of the same class</u> in writing to attend the meeting on his/her behalf. A proxy form shall state the name of the proxy, the scope of authorization, the authority of the proxy and the period of validity, and also be signed or affixed by the principal and the proxy. The number of board meetings attended by each director in person every year shall be no less than two-thirds of the total number of board meetings.</p> <p>The director attending the meeting on behalf of another director shall exercise his/her power within the scope of authorization. Any director who does not attend a board meeting either in person or by proxy shall be deemed to have waived his/her voting right at the meeting.</p> <p><u>Directors shall independently, professionally and objectively express opinions at the board meetings.</u></p>

No.	Original Articles of Association	Amended Articles of Association
27	<p><b>Article 167</b> Special committees including the strategic development committee, audit committee, risk management committee, nomination and remuneration committee and connected transaction control committee are set up under the board of directors of the Company. The board of directors may set up other special committees and restructure the existing committees as necessary. Each special committee shall be accountable to the board of directors and assist the board of directors to perform their duties as authorized by the board of directors.</p> <p>Each special committee shall consist of at least three members and all of its members shall be directors.</p> <p>Directors acting in their capacity as the chairmen of the audit committee, risk management committee and connected transaction control committee shall work at the Company at least 25 working days each year.</p>	<p><b>Article 167</b> Special committees including the strategic development committee, audit committee, risk management committee, nomination and remuneration committee and connected transaction control committee are set up under the board of directors of the Company. The board of directors may set up other special committees and restructure the existing committees as necessary. Each special committee shall be accountable to the board of directors, <u>provide professional opinions to the board of directors, or make decisions in respect of professional issues in accordance with the authorization of the board of directors</u> and assist the board of directors to perform their duties <del>as authorized by the board of directors.</del></p> <p>Each special committee shall consist of at least three members, <u>who shall be directors with expertise and working experience commensurate with the duties of relevant special committees and all of its members shall be directors.</u> <u>In principle, the chairman of each special committee shall not be the chairman of other special committees.</u></p> <p>Directors acting in their capacity as the chairmen of the audit committee, risk management committee and connected transaction control committee shall work at the Company at least 25 working days each year.</p>

No.	Original Articles of Association	Amended Articles of Association
28	<p><b>Article 183</b> The term of office of a supervisor shall be three years. The term of office of the Shareholder Representative Supervisors and external supervisors shall commence from the date of election at the shareholders' general meeting and expire at the end of the term of the current session of the board of supervisors or the date of the annual general meeting of the final year of the term of his/her office. The term of office of the Employee Representative Supervisors of the Company shall commence from the date of election at the employees' general meeting or by other democratic procedures and expire at the end of the term of the current session of the board of supervisors. A supervisor may be re-elected after the expiration of his/her term of office. Supervisors cannot be removed without reason before the expiry of their terms of office.</p>	<p><b>Article 183</b> The term of office of a supervisor shall be three years. <u>The term of office of a supervisor shall be calculated from the date on which the resolution is approved by the shareholders' general meeting or the date on which he or she is elected at the employee representatives' general meeting or by other democratic procedures</u> <del>The term of office of the Shareholder Representative Supervisors and external supervisors shall commence from the date of election at the shareholders' general meeting and expire at the end of the term of the current session of the board of supervisors or the date of the annual general meeting of the final year of the term of his/her office. The term of office of the Employee Representative Supervisors of the Company shall commence from the date of election at the employees' general meeting or by other democratic procedures and expire at the end of the term of the current session of the board of supervisors. A supervisor may be re-elected after the expiration of his/her term of office. Supervisors cannot be removed without reason before the expiry of their terms of office.</del></p> <p><u>The accumulated term for an external supervisor in the Company shall not exceed six years.</u></p> <p><u>A shareholder representative supervisor shall work in the Company for at least 15 working days each year.</u></p>



No.	Original Articles of Association	Amended Articles of Association
29	<p><b>Article 185</b> Supervisors shall perform their duties as supervisors faithfully in accordance with the laws, regulations, regulatory documents and the Articles.</p> <p>A supervisor who fails to attend two consecutive meetings of the board of supervisors in person or appoint another supervisor to attend such meetings on his/her behalf, or attends in person less than two-thirds of all meetings of the board of supervisors in a year shall be deemed unable to perform his/her duties, and the board of supervisors shall propose to the general meeting of shareholders to remove the supervisor or suggest that the supervisor be removed through employee representatives meeting or other forms of employee democratic procedures.</p>	<p><b>Article 185</b> Supervisors shall perform their duties as supervisors faithfully in accordance with the laws, regulations, regulatory documents and the Articles.</p> <p>A supervisor who fails to attend two consecutive meetings of the board of supervisors in person or appoint another supervisor to attend such meetings on his/her behalf, or attends in person less than two-thirds of all meetings of the board of supervisors in a year shall be deemed unable to perform his/her duties, and the board of supervisors shall propose to the general meeting of shareholders to remove the supervisor or suggest that the supervisor be removed through employee representatives meeting or other forms of employee democratic procedures.</p> <p><u>Supervisors shall proactively participate in the supervision and inspection activities organized by the board of supervisors, and shall have the right to conduct investigations and obtain evidence independently in accordance with laws, and raise queries and put forward supervisory opinions honestly.</u></p> <p><u>Employee representative supervisor shall have the right to participate in the formulation of rules and regulations involving the vital interests of employees of the Company, and shall proactively participate in the supervision and inspection on the implementation of such rules and regulations.</u></p>



No.	Original Articles of Association	Amended Articles of Association
30	<p><b>Article 188</b> Each external supervisor shall work for not less than 15 working days for the Company each year.</p> <p>An external supervisor may appoint another external supervisor to attend a meeting of the board of supervisor on his/her behalf, but the number of times he/she attends the meeting in person shall not be less than two-thirds of the total number of the meetings of the board of supervisors.</p>	<p><b>Article 188</b> Each external supervisor shall work for not less than 15 working days <u>in</u> the Company each year.</p> <p>An external supervisor may appoint another external supervisor to attend a meeting of the board of supervisor on his/her behalf, but the number of times he/she attends the meeting in person shall not be less than two-thirds of the total number of the meetings of the board of supervisors.</p>
31	<p><b>Article 195</b> The board of supervisors shall perform the following duties:</p> <p>(1) to examine and supervise the financial condition of the Company, and review the financial information including the financial reports and the profit distribution plan of the Company;</p> <p>(2) to supervise the performance of the board of directors and senior management members and to propose the removal of directors and senior management members who are in breach of the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting;</p> <p>(3) to urge directors and senior management members to correct their acts which have impaired the interests of the Company;</p> <p>(4) to propose the convening of extraordinary shareholders' general meeting and to convene and preside over shareholders' general meetings when the board of directors fails to perform its duty of convening and presiding over the shareholders' general meeting under laws, regulations and the Articles;</p>	<p><b>Article 195</b> The board of supervisors shall perform the following duties:</p> <p>(1) <u>to supervise the adoption by the board of directors of prudent business philosophy and value standards and formulate development strategies in line with the actual situations of the Company;</u></p> <p>(2) <u>to assess the scientificity, rationality and effectiveness of the development strategies formulated by the board of directors on a regular basis and form assessment reports;</u></p> <p>(4) (3) <u>to examine and supervise the financial condition of the Company, and review the financial information including the financial reports and the profit distribution plan of the Company;</u></p> <p>(4) <u>to conduct overall assessment on the performance of duties by directors, supervisors and senior management members of the Company, and to report the final assessment results to the banking regulatory authority of the State Council and report the same to the shareholders' general meeting;</u></p>

No.	Original Articles of Association	Amended Articles of Association
	<p>(5) to submit proposals to the shareholders' general meeting;</p> <p>(6) to propose to convene an extraordinary meeting of the board of directors;</p> <p>(7) to initiate litigation against directors or senior management members in accordance with the Company Law;</p> <p>(8) to formulate the assessment methods and remuneration package of supervisors and carry out appraisal of supervisors for approval at the shareholders' general meeting;</p> <p>(9) to monitor the risk management and internal control of the Company and supervise the internal audit department of the Company;</p> <p>(10) to formulate amendments to the rule of procedures of the board of supervisors;</p> <p>(11) to nominate Shareholder Representative Supervisors, external supervisors and independent directors;</p> <p>(12) to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.</p>	<p><del>(2) to supervise the performance of the board of directors and senior management members and to propose the removal of directors and senior management members who are in breach of the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting;</del></p> <p>(3) <u>(5) to urge directors and senior management members to correct their acts which have impaired the interests of the Company; to propose the removal of directors and senior management members who are in breach of the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting; to initiate litigation against directors or senior management members in accordance with the Company Law;</u></p> <p>(6) <u>to submit proposals to the shareholders' general meeting; to propose the convening of extraordinary shareholders' general meeting and to convene and preside over shareholders' general meetings when the board of directors fails to perform its duty of convening and presiding over the shareholders' general meeting under laws, regulations and the Articles; to propose to convene an extraordinary meeting of the board of directors;</u></p>

No.	Original Articles of Association	Amended Articles of Association
	<p>Supervisors may attend the meetings of the board of directors and the senior management members and may make enquiries or suggestions on the resolutions. The board of supervisors may carry out investigation if any irregularities of the operation of the Company are identified. The board of supervisors may exercise its right, if necessary, to engage intermediaries and professionals for assistance at the reasonable expense of the Company.</p>	<p>(7) to monitor, <u>review and supervise the ratification of the operational decision-making, risk management and internal control of the Company; and supervise and direct the internal audit department of the Company;</u></p> <p>(8) to <u>nominate shareholder representative supervisors, external supervisors and independent directors; and supervise the election and appointment procedures of directors;</u></p> <p>(9) <u>to appraise the scientificity and rationality of the remuneration system and policy of the Company as well as the remuneration scheme of senior management members; and formulate assessment methods and remuneration scheme of supervisors and submit to the shareholders' general meeting for approval;</u></p> <p>(4) (10) to formulate amendments to the rule of procedures of the board of supervisors;</p> <p>(5) (11) to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.</p> <p>Supervisors may attend the meetings of the board of directors and the senior management members and may make enquiries or suggestions on the resolutions. The board of supervisors may carry out investigation if any irregularities of the operation of the Company are identified. The board of supervisors may exercise its right, if necessary, to engage intermediaries and professionals for assistance at the reasonable expense of the Company.</p>

No.	Original Articles of Association	Amended Articles of Association
32	<p><b>Article 197</b> Comprehensive auditing results regarding other internal departments and branches of the Company prepared by the internal audit department shall be submitted to the board of supervisors in a timely manner. The board of supervisors shall be entitled to request the board of directors or internal audit department to make explanations in case of any doubt on the auditing results.</p> <p>The profit distribution proposal formulated by the board of directors shall be submitted to the board of supervisors in advance and the board of supervisors shall provide feedback within five working days upon receipt. If the board of supervisors fails to provide any feedback within the specific period, such proposal shall be deemed to be approved thereby.</p>	<p><b>Article 197</b> <u>The internal audit department of the Company shall regularly report to the board of supervisors on the progress of its audit work, prepare and submit comprehensive</u> <del>Comprehensive</del>-auditing results regarding other internal departments and branches of the Company <del>prepared by the internal audit department shall be submitted to the</del> board of supervisors in a timely manner. The board of supervisors shall be entitled to request the board of directors or internal audit department to make explanations in case of any doubt on the auditing results.</p> <p>The profit distribution proposal formulated by the board of directors shall be submitted to the board of supervisors in advance and the board of supervisors shall provide feedback within five working days upon receipt. If the board of supervisors fails to provide any feedback within the specific period, such proposal shall be deemed to be approved thereby.</p>
33	<p><b>Article 198</b> The board of supervisors shall have the rights of information, suggestion and report as conferred by the laws and regulations. The Company shall take measures to safeguard the rights of information of the supervisors and provide relevant information to the board of supervisors according to the rules in a timely manner. The board of supervisors may give advice to the board of directors and senior management and submit reports to the shareholders' general meeting as necessary.</p>	<p><b>Article 198</b> The board of supervisors shall have the rights of information, suggestion and report as conferred by the laws and regulations. The Company shall take measures to safeguard the rights of information of the supervisors and provide relevant information to the board of supervisors according to the rules in a timely manner. The board of supervisors may give advice to the board of directors and senior management and submit reports to the shareholders' general meeting as necessary, <u>and regularly communicate with banking regulatory authority of the State Council to update them of the Company's conditions.</u></p>

No.	Original Articles of Association	Amended Articles of Association
	Directors, senior management members and other internal departments shall provide relevant materials and explanations to the board of supervisors at its request in performing its duties. The board of supervisors shall be entitled to access the accounts, records and documents of the Company as well as the relevant officers, departments and authorities, which shall provide necessary assistance in respect thereof from time to time.	Directors, senior management members and other internal departments shall provide <del>relevant</del> <u>necessary</u> materials and explanations <u>regarding information disclosure and auditing</u> to the board of supervisors at its request in performing its duties. The board of supervisors shall be entitled to access the accounts, records and documents of the Company as well as the relevant officers, departments and authorities, which shall provide necessary assistance in respect thereof from time to time.
34	<b>Article 201</b> Regular meetings of the board of supervisors shall be convened at least once every six months. Regular meetings of the board of supervisors shall not be convened by way of correspondence. The board of supervisors should inform all supervisors in writing 10 days prior to the holding of the regular meeting.	<b>Article 201</b> Regular meetings of the board of supervisors shall be convened at least once <del>every six months</del> <u>a quarter</u> . Regular meetings of the board of supervisors shall not be convened by way of correspondence. The board of supervisors should inform all supervisors in writing 10 days prior to the holding of the regular meeting.
35	<b>Article 297</b> Definitions  (1) “Controlling shareholder” shall be any person who meets any of the following conditions:  1. a person who when acting alone or in concert with others may elect not less than half of the directors;  2. a person who when acting alone or in concert with others may exercise 30% or above of the voting right or may control the exercise of 30% or above of the voting right;	<b>Article 297</b> Definitions  (1) “Controlling shareholder” shall be any person who meets any of the following conditions:  1. a person who when acting alone or in concert with others may elect not less than half of the directors;  2. a person who when acting alone or in concert with others may exercise 30% or above of the voting right or may control the exercise of 30% or above of the voting right;

No.	Original Articles of Association	Amended Articles of Association
	<p>3. a person who when acting alone or in concert with others holds 30% or above of the issued shares of the Company;</p> <p>4. a person who when acting alone or in concert with others is in de facto control of the Company.</p> <p>The above phrase “acting in concert” means two or more persons who, by way of agreement (whether verbal or in writing), cooperation or connected relationship or other legal ways, enlarge the proportion of the shares in the Company which are under their control or consolidate their control over the Company, so that when a vote is taken, the same expression of opinions will be made (including joint proposal of motions, joint nomination of directors, entrustment of the exercise of voting right attached to shares without giving instruction on how to vote, provided that open proxy solicitation is to be excluded).</p> <p>(2) A “De facto controller” means a person who, though not a shareholder of the Company, is entitled to the de facto control of the Company through investment relationships, agreement or other arrangements.</p>	<p>3. a person who when acting alone or in concert with others holds 30% or above of the issued shares of the Company;</p> <p>4. a person who when acting alone or in concert with others is in de facto control of the Company.</p> <p>The above phrase “acting in concert” means two or more persons who, by way of agreement (whether verbal or in writing), cooperation or connected relationship or other legal ways, enlarge the proportion of the shares in the Company which are under their control or consolidate their control over the Company, so that when a vote is taken, the same expression of opinions will be made (including joint proposal of motions, joint nomination of directors, entrustment of the exercise of voting right attached to shares without giving instruction on how to vote, provided that open proxy solicitation is to be excluded).</p> <p><u>(2)</u> A “De facto controller” means a person who, though not a shareholder of the Company, is entitled to the de facto control of the Company through investment relationships, agreement or other arrangements.</p>

No.	Original Articles of Association	Amended Articles of Association
	<p>(3) “Connected relationship” means the relationship between the controlling shareholders, de facto controllers, directors, supervisors, senior management members of the Company and the enterprises under their direct or indirect control, and other relationships which may result in transfer of interests of the Company, provided however that connected relationships shall not be considered to be in existence between state-controlled enterprises solely because they are under the common control of the PRC government.</p> <p>(4) The specific criteria for the word “major” as used in the expressions “major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges and guarantee of assets, purchases and disposal of fixed assets, disposal of debt equity swap assets, write-off of assets, external donation” and “major decisions of legal corporations” shall be determined by specific authority granted by the shareholders’ general meeting to the board of directors and by the board of directors to the president.</p> <p>(5) For purposes of the Articles, an “accounting firm” has the same meaning as an “auditor” and “related” has the same meaning as “connected” as defined in the Hong Kong Listing Rules.</p> <p>Reference to any article stated herein shall mean the corresponding article of the Articles unless the context otherwise requires.</p>	<p><del>(2)</del> (3) A “Substantial shareholder” refer to a shareholder who can <u>directly, indirectly, or jointly hold or control more than 5% of the shares or voting rights of the Company, or who holds less than 5% of the total capital or total shares but has a significant influence upon the operations and management of the Company. The “significant influence” above includes, but is not limited to, appointing directors, supervisors or senior management to the Company, affecting the Company’s decision-making on financial and operational management affairs through agreement or by other means, and other circumstances identified by the banking regulatory authority of the State Council or its local branches.</u></p> <p><del>(3)</del> (4) “Connected relationship” means the relationship between the controlling shareholders, de facto controllers, directors, supervisors, senior management members of the Company and the enterprises under their direct or indirect control, and other relationships which may result in transfer of interests of the Company, provided however that connected relationships shall not be considered to be in existence between state-controlled enterprises solely because they are under the common control of the PRC government.</p>

No.	Original Articles of Association	Amended Articles of Association
		<p>(4) <u>(5)</u> The specific criteria for the word “major” as used in the expressions “major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges and guarantee of assets, purchases and disposal of fixed assets, disposal of debt equity swap assets, write-off of assets, external donation” and “major decisions of legal corporations” shall be determined by specific authority granted by the shareholders’ general meeting to the board of directors and by the board of directors to the president.</p> <p>(5) <u>(6)</u> For purposes of the Articles, an “accounting firm” has the same meaning as an “auditor” and “related” has the same meaning as “connected” as defined in the Hong Kong Listing Rules.</p> <p>Reference to any article stated herein shall mean the corresponding article of the Articles unless the context otherwise requires.</p>



**GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES  
TO THE BOARD OF CHINA CINDA ASSET MANAGEMENT CO., LTD.**

In order to meet the long-term development needs of the Company, and to enhance the efficiency of relevant corporate governance processes, so that the Company may make full use of the opportunities that favorable market conditions may bring to supplement the core tier 1 capital of the Company, with reference to the operating practices of H-share listed companies, Strategic Development Committee of the Board recommended that the Board proposes to the shareholders' general meeting to grant the Board a general mandate to issue ordinary shares in an amount of no more than 20% of issued H shares of the Company, and to authorized the Board to make corresponding amendments to the Articles so as to reflect the capital structure after the completion of the issuance. The above mandate allowed the Board to issue new shares to no more than 10 external investors under the appropriate market window, so as to supplement core tier 1 capital of the Company.

**PARTICULARS OF THE GENERAL MANDATE**

Particulars of the general mandate are set out as follows:

- (I) To authorize the Board to issue additional overseas listed foreign shares ("H Shares") (additional H shares referred to as "New Shares") after taking into account the market conditions and the Company's needs, in an amount of no more than 20% of the issued H Shares of the Company as at the date of passing of this general mandate resolution at the shareholders' general meeting.
- (II) Particulars of the mandate include but are not limited to:
  - 1. To authorize the Board to individually or simultaneously allot, issue and dispose of New Shares in accordance with the Company Law of the PRC and the regulatory requirements of the jurisdictions in which the Shares of the Company are listed based on the market conditions and the needs of the Company, after obtaining the approval of the China Securities Regulatory Commission and other relevant PRC government departments. The number of the New Shares to be allotted and issued (whether pursuant to a share option or otherwise) shall not exceed 20% of the total issued H Shares of the Company as at the date of passing of this resolution.
  - 2. To authorize the Board to exercise all the powers of the Company, to determine the terms and conditions for the allotment and issuance of the New Shares, which include the following:
    - (1) the class and number of the New Shares to be allotted and (or) issued;

- (2) issuance method;
  - (3) the target of the issuance and the use of proceeds raised;
  - (4) pricing method and (or) the issue price (including the price range and the final price) of the New Shares;
  - (5) the commencing and closing dates of the issuance;
  - (6) the class and number of the New Shares to be issued to existing Shareholders; and
  - (7) the making or granting of offers for sale, agreements and options which may require the exercise of such powers.
3. To authorize the Board to execute all necessary documents, to complete the necessary formalities and to take other necessary actions in order to complete the allotment, issuance and listing of the New Shares, provided that there is no violation of the relevant laws, administrative regulations, the regulatory requirements of the jurisdictions in which the Shares of the Company are listed and the Articles of Association, including but not limited to:
- (1) to consider, approve and execute, on behalf of the Company, the agreements in relation to the issuance, including but not limited to the placing underwriting agreement and engagement agreement of intermediaries;
  - (2) to consider, approve and execute, on behalf of the Company, legal documents in relation to the issuance which shall be submitted to the relevant regulatory authorities, and to fulfill the relevant approval processes according to the requirements of the regulatory authorities and the jurisdictions in which the Shares of the Company are listed;
  - (3) to amend the relevant agreements and legal documents mentioned in (1) and (2) above in accordance with the requirements of domestic and overseas regulatory authorities;
  - (4) to decide on the affixing of the Company's seal on the agreements and legal documents in relation to the issuance;
  - (5) to engage intermediaries related to the issuance, to approve and execute all necessary, appropriate, desirable or relevant acts, deeds, documents and other related matters.

4. Subject to the approval of the relevant PRC authorities and in accordance with the Company Law of the PRC, to authorize the Board to increase the registered capital of the Company to the required amount pursuant to the share issuance method, class and number and the actual condition of the Company's shareholding structure upon the completion of issuance, and take any other required actions and procedures to handle changes in registered capital (including, but not limited to, obtaining approval from relevant regulatory authorities and filing procedures for industrial and commercial registration, etc.).
5. Upon the completion of the allotment and issuance of new shares, to authorize the Board to make amendments to the Articles as appropriate and necessary pursuant to the share issuance method, class and number and the actual condition of the Company's shareholding structure upon the completion of issuance, in order to reflect the changes in the share capital structure, the registered capital and any other changes of the Company caused by this authorization, and take any other required actions and fulfil the required procedures (including, but not limited to, obtaining approval from relevant regulatory authorities and fulfilling procedures for industrial and commercial registration, etc.).

The Board may further authorize the specific authorized persons to deal with the relevant issuance matters.

(III) The general mandate shall come into force as of the date of passing of this resolution at the shareholders' general meeting and shall continue in force until the earlier of the following two dates:

1. the expiration of the 12-month period following the passing of this resolution at the shareholders' general meeting; or
2. the date on which the authorization granted under this resolution is revoked or amended by a special resolution of the Shareholders of the Company in the shareholders' general meeting.

(IV) For avoidance of doubts, the shares, stocks, and securities mentioned in this resolution shall refer to ordinary shares and stocks, excluding preference shares.

COMPARISON TABLE OF AMENDMENTS TO THE RULES OF  
PROCEDURES OF GENERAL MEETINGS

No.	Original Rules	Amendment
1	<p><b>Article 7</b> The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:</p> <ul style="list-style-type: none"> <li>(1) to decide the Company's operating policies and investment plans;</li> <li>(2) to elect and replace the directors and supervisors who are not representative of the employees of the Company, and to decide on matters related to the emoluments of directors and supervisors;</li> <li>(3) to consider and approve the reports of the board of directors;</li> <li>(4) to consider and approve the reports of the board of supervisors;</li> <li>(5) to consider and approve the annual financial budget and final account statement of the Company;</li> <li>(6) to consider and approve the Company's profit distribution plan and loss recovery plan;</li> <li>(7) to resolve on any increase or reduction in the Company's registered capital;</li> <li>(8) to resolve on the issuance of corporate bonds, any class of shares, warrants or other marketable securities of the Company and their listing;</li> <li>(9) to resolve on matters related to merger, separation, dissolution, liquidation of the Company or alternation on the form of the Company;</li> </ul>	<p><b>Article 7</b> The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with laws:</p> <ul style="list-style-type: none"> <li>(1) to decide the Company's operating policies and investment plans;</li> <li>(2) to elect and replace the directors and supervisors who are not representative of the employees of the Company, and to decide on matters related to the emoluments of directors and supervisors;</li> <li>(3) to consider and approve the reports of the board of directors;</li> <li>(4) to consider and approve the reports of the board of supervisors;</li> <li>(5) to consider and approve the annual financial budget and final account statement of the Company;</li> <li>(6) to consider and approve the Company's profit distribution plan and loss recovery plan;</li> <li>(7) to resolve on any increase or reduction in the Company's registered capital;</li> <li>(8) to resolve on the issuance of corporate bonds, any class of shares, warrants or other marketable securities of the Company and their listing;</li> <li>(9) to resolve on matters related to merger, separation, dissolution, liquidation of the Company or alternation on the form of the Company;</li> </ul>

No.	Original Rules	Amendment
	<p>(10) to amend the Articles, the procedural rules of the shareholders' general meeting, and the meetings of the board of directors and the board of supervisors;</p> <p>(11) to decide the engagement, dismissal or replacement of accounting firms of the Company;</p> <p>(12) to resolve on matters related to repurchase of shares of the Company;</p> <p>(13) to consider and approve major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, write-off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(14) to consider and approve matters in relation to the change of use of the raised fund;</p> <p>(15) to consider and approve share incentive scheme;</p> <p>(16) to consider and approve any purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</p> <p>(17) to consider and approve connected transactions required to be approved by the shareholders' general meeting under the law, regulations, regulatory documents and the securities regulatory authorities of the place where the Company's shares are listed;</p>	<p>(10) to amend the Articles, the procedural rules of the shareholders' general meeting, and the meetings of the board of directors and the board of supervisors;</p> <p>(11) to decide the engagement, dismissal or replacement of accounting firms of the Company;</p> <p>(12) to resolve on matters related to repurchase of shares of the Company <u>under the circumstances specified in item (1) and (2) of the first clause of Article 27 of the Articles;</u></p> <p>(13) to consider and approve major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, write-off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(14) to consider and approve matters in relation to the change of use of the raised fund;</p> <p>(15) to consider and approve share incentive scheme;</p> <p>(16) to consider and approve any purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</p> <p>(17) to consider and approve connected transactions required to be approved by the shareholders' general meeting under the law, regulations, regulatory documents and the securities regulatory authorities of the place where the Company's shares are listed;</p>

No.	Original Rules	Amendment
	<p>(18) to consider any motion raised by shareholders, individually or in aggregate, holding more than 3% of issued shares of the Company with voting rights;</p> <p>(19) to determine the issuance of preference shares; to determine or authorize the board of directors to determine matters relating to preference shares issued by the Company, including but not limited to redemption, conversion and distribution of dividends;</p> <p>(20) to consider and approve all other matters which are required to be determined by the shareholders' general meeting under the laws, regulations, regulatory documents, applicable requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Articles.</p> <p>The above matters which are within the scope of authority of the shareholders' general meeting shall be considered and approved by the shareholders' general meetings. However, the shareholders' general meeting may delegate power to the board of directors to decide on such matters under necessary, reasonable and lawful circumstances.</p>	<p>(18) to consider any motion raised by shareholders, individually or in aggregate, holding more than 3% of issued shares of the Company with voting rights;</p> <p>(19) to determine the issuance of preference shares; to determine or authorize the board of directors to determine matters relating to preference shares issued by the Company, including but not limited to redemption, conversion and distribution of dividends;</p> <p>(20) to consider and approve all other matters which are required to be determined by the shareholders' general meeting under the laws, regulations, regulatory documents, applicable requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Articles.</p> <p>The above matters which are within the scope of authority of the shareholders' general meeting shall be considered and approved by the shareholders' general meetings. However, the shareholders' general meeting may delegate power to the board of directors to decide on such matters under necessary, reasonable and lawful circumstances.</p>

No.	Original Rules	Amendment
2	<p><b>Article 24</b> When the Company is to convene a shareholders' general meeting, the board of directors shall notify all shareholders in writing 45 days before the meeting. Shareholders who intend to attend the shareholders' general meeting shall send a written reply to the Company 20 days before the meeting.</p>	<p><b>Article 24</b> When the Company is to Convene <del>a shareholders'</del> <u>an annual</u> general meeting, <del>the board of directors</del> <u>written notice shall notify all</u> <del>shareholders in writing 45</del> <u>be given 20</u> <del>working days before the date of the</del> <u>meeting.</u> <u>When the Company is to convene an extraordinary general</u> <u>meeting, written notice shall be given 10</u> <u>working days or 15 days, which ever is</u> <u>longer, before the date of the meeting.</u> <del>Shareholders who intend to attend the</del> <del>shareholders' general meeting shall send</del> <del>a written reply to the Company 20 days</del> <del>before the meeting.</del></p>
3	<p><b>Article 25</b> The Company shall, based on the written replies received 20 days before the date of the shareholders' general meeting from shareholders, calculate the number of voting shares represented by shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting has reached half or more of the Company's total voting shares, the Company may hold the shareholders' general meeting. Otherwise, the Company shall within five days notify the shareholders again by public notice of the matters to be considered, the date and the place of the meeting. The Company may then convene the meeting after the publication of such public notice.</p> <p>An extraordinary general meeting shall not resolve on a proposal not listed in the notice.</p>	<p><b>Article 25</b> <del>The Company shall, based on the written replies received 20 days before the date of the shareholders' general meeting from shareholders, calculate the number of voting shares represented by shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting has reached half or more of the Company's total voting shares, the Company may hold the shareholders' general meeting. Otherwise, the Company shall within five days notify the shareholders again by public notice of the matters to be considered, the date and the place of the meeting. The Company may then convene the meeting after the publication of such public notice.</del></p> <p><del>An extraordinary</del> <u>A shareholders' general</u> meeting shall not resolve on a proposal not listed in the notice.</p>

No.	Original Rules	Amendment
4	<p><b>Article 27</b> Notice of shareholders' general meeting shall be served on shareholders (whether or not entitled to vote at the shareholders' general meeting) by personal delivery or prepaid mail to their addresses as shown in the register of members. 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 within the period between 45 days and 50 days before the date of the meeting. 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 shareholders' general meeting.</p> <p>For holders of overseas listed shares, subject to the compliance with the laws, regulations, regulatory documents and the relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed, the notice of a general meeting may be published on the website of the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") in place of personal delivery or prepaid mail to the holders of overseas listed shares.</p>	<p><b>Article 27</b> Notice of shareholders' general meeting shall be served on shareholders (whether or not entitled to vote at the shareholders' general meeting) by personal delivery or prepaid mail to their addresses as shown in the register of members. 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 <del>within the period between 45 days and 50 days before the date of the meeting.</del> 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 shareholders' general meeting.</p> <p>For holders of overseas listed shares, subject to the compliance with the laws, regulations, regulatory documents and the relevant requirements of the securities regulatory authorities of the place where the shares of the Company are listed, the notice of a general meeting may be published on the website of the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") in place of personal delivery or prepaid mail to the holders of overseas listed shares.</p>



No.	Original Rules	Amendment
5	<p><b>Article 46</b> The following matters shall be approved by shareholders' general meeting by special resolution:</p> <ol style="list-style-type: none"> <li>(1) increase or reduce of the Company's registered capital;</li> <li>(2) merger, division, dissolution, liquidation and change of corporate form of the Company;</li> <li>(3) issuance and listing of corporate bonds, any class of shares, warrants and other marketable securities;</li> <li>(4) repurchase of Company's shares;</li> <li>(5) amendments to the Articles;</li> <li>(6) share incentive scheme;</li> <li>(7) purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</li> <li>(8) major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations and major decisions of legal corporations;</li> <li>(9) alteration of profit distribution policy;</li> </ol>	<p><b>Article 46</b> The following matters shall be approved by shareholders' general meeting by special resolution:</p> <ol style="list-style-type: none"> <li>(1) increase or reduce of the Company's registered capital;</li> <li>(2) merger, division, dissolution, liquidation and change of corporate form of the Company;</li> <li>(3) issuance and listing of corporate bonds, any class of shares, warrants and other marketable securities;</li> <li>(4) repurchase of Company's shares <u>under the circumstances specified in item (1) and (2) of the first clause of Article 27 of the Articles</u>;</li> <li>(5) amendments to the Articles;</li> <li>(6) share incentive scheme;</li> <li>(7) purchase, disposal or provision of guarantee with aggregate value of more than 30% of the total assets of the Company within a period of a year;</li> <li>(8) major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations and major decisions of legal corporations;</li> <li>(9) alteration of profit distribution policy;</li> </ol>

No.	Original Rules	Amendment
	<p>(10) other matters stipulated by laws, administrative regulations, regulatory documents, the requirements of the securities regulatory authorities of the place where the Company's shares are listed or the Articles, which shall be approved by special resolutions or matters which are significant to the Company and are determined by ordinary resolution of shareholders' general meeting to be approved by special resolutions.</p> <p>Apart from the aforementioned matters, any other matters requiring approval at shareholders' general meeting shall be approved by ordinary resolutions.</p>	<p>(10) other matters stipulated by laws, administrative regulations, regulatory documents, the requirements of the securities regulatory authorities of the place where the Company's shares are listed or the Articles, which shall be approved by special resolutions or matters which are significant to the Company and are determined by ordinary resolution of shareholders' general meeting to be approved by special resolutions.</p> <p>Apart from the aforementioned matters, any other matters requiring approval at shareholders' general meeting shall be approved by ordinary resolutions.</p>
6	<p><b>Article 66</b> The Company shall give written notice 45 days before the convening of a class meeting to notify all shareholders in the share register of such class of the matters to be considered, the date and the venue of the class meeting. A shareholder who intends to attend the class meeting shall deliver his/her written reply to the Company 20 days before the convening of the class meeting.</p>	<p><b>Article 66</b> The Company shall give written notice <del>45 days</del> before the convening of a class meeting <u>in accordance to the required notification period of respective class meetings</u> to notify all shareholders in the share register of such class of the matters to be considered, the date and the venue of the class meeting; <u>for annual general meetings, 20 working days before the date of the meeting; for extraordinary general meetings, 10 working days or 15 days, whichever is longer, before the date of the meeting.</u> <del>A shareholder who intends to attend the class meeting shall deliver his/her written reply to the Company 20 days before the convening of the class meeting.</del></p>

No.	Original Rules	Amendment
	The Company may convene the class meeting if the number of shares with voting rights held by shareholders who are going to attend the meeting reaches half of the total of shares entitled to voting rights at the meeting. Otherwise, the Company may convene the class meeting after issuing an announcement within five days, informing the shareholders again of the matters to be discussed in the meeting as well as the date and venue of the meeting.	<del>The Company may convene the class meeting if the number of shares with voting rights held by shareholders who are going to attend the meeting reaches half of the total of shares entitled to voting rights at the meeting. Otherwise, the Company may convene the class meeting after issuing an announcement within five days, informing the shareholders again of the matters to be discussed in the meeting as well as the date and venue of the meeting.</del>
7	<b>Article 79</b> This Rules of Procedures shall be passed at the shareholders' general meeting before becoming effective upon the initial public offering and listing date of the shares of the Company. The modifications and amendments to this Rules of Procedures shall require the approval at the shareholders' general meeting by ordinary resolutions.	<b>Article 79</b> This Rules of Procedures shall be passed at the shareholders' general meeting before becoming effective <del>upon the initial public offering and listing date of the shares of the Company.</del> The modifications and amendments to this Rules of Procedures shall require the approval at the shareholders' general meeting by ordinary resolutions.

COMPARISON TABLE OF AMENDMENTS TO THE RULES OF  
PROCEDURES OF BOARD MEETINGS

No.	Original Rules	Amendment
1	<p><b>Article 4</b> Directors shall be elected at the shareholders' general meeting. The term of office of a director is three years commencing from the date of approval by the banking regulatory authority of the State Council. The director shall be eligible for re-election upon expiry of his/her term of office. The term of office of any re-elected directors shall commence from the date of election at the shareholders' general meeting. The term of office of any person who fills the casual vacancy on, or as an addition to the board of directors shall expire at the end of the term of the current session of the board of directors.</p>	<p><b>Article 4</b> Directors shall be elected at the shareholders' general meeting, with a term of three years commencing from the date of approval by the banking regulatory authority of the State Council. The director shall be eligible for re-election upon expiry of his/her term of office. The term of office of any re-elected directors shall commence from the date of election at the shareholders' general meeting. <del>The term of office of any person who fills the casual vacancy on, or as an addition to the board of directors shall expire at the end of the term of the current session of the board of directors.</del></p>
2	<p><b>Article 6</b> A director may resign before the expiry of his/her term of office. The resigning director shall submit a written resignation to the board of directors.</p> <p>In case that the number of directors falls below the quorum as a result of delayed reelection upon expiry of the terms of directors of the current session or resignation of directors, the existing directors shall continue to perform his/her duties as a director in accordance with the laws, regulations, regulatory documents and the Articles till a new director takes his/her office. The resignation of director shall not take effect until the new director is elected to take the place of the resigning director. Other than the circumstances specified in the preceding paragraph of the Article, the resignation of a director shall take effect upon receipt of the resignation letter by the board of directors. Under the aforesaid circumstances, the board of directors shall convene an extraordinary general meeting immediately to elect a new director to fill the vacancy.</p>	<p><b>Article 6</b> A director may resign before the expiry of his/her term of office. The resigning director shall submit a written resignation to the board of directors.</p> <p>In case that <u>the normal operation of the Company is affected</u>, or the number of directors falls below the quorum as a result of delayed reelection upon expiry <del>of the terms of directors</del> of the terms of office of directors or resignation of directors <u>prior to the expiry of his/her term of office</u>, the existing directors shall continue to perform his/her duties as a director in accordance with the laws, regulations, regulatory documents and the Articles till a new director takes his/her office. The resignation of director shall not take effect until the new director is elected to take the place of the resigning director. Other than the circumstances specified in the preceding paragraph of the Article, the resignation of a director shall take effect upon receipt of the resignation letter by the board of directors. Under the aforesaid circumstances, the board of directors shall convene an extraordinary general meeting immediately to elect a new director to fill the vacancy.</p>

No.	Original Rules	Amendment
3	<p><b>Article 10</b> The chairman of the board of directors shall perform the following duties:</p> <ol style="list-style-type: none"> <li>(1) to preside over the shareholders' general meetings and to report to the shareholders' general meeting on behalf of the board of directors;</li> <li>(2) to convene and preside over the board meetings, to formulate and approve the agenda of the board meetings;</li> <li>(3) to supervise and inspect the implementation of the resolutions of the board of directors;</li> <li>(4) to sign the share certificate, bonds and other marketable securities issued by the Company;</li> <li>(5) to exercise the functions and powers in the capacity of the legal representative of the Company;</li> <li>(6) in the event of force majeure such as severe natural disasters or other emergencies, to take immediate actions in the interest of the Company and report immediately thereafter to the board of directors and the shareholders' general meeting;</li> <li>(7) any such other functions and powers as provided for by relevant laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the Company's shares are listed and the Articles and as granted by the board of directors.</li> </ol>	<p><b>Article 10</b> The chairman of the board of directors shall perform the following duties:</p> <ol style="list-style-type: none"> <li>(1) to preside over the shareholders' general meetings and to report to the shareholders' general meeting on behalf of the board of directors;</li> <li>(2) to convene and preside over the board meetings, to formulate and approve the agenda of the board meetings;</li> <li>(3) to supervise and inspect the implementation of the resolutions of the board of directors;</li> <li>(4) to sign the share certificate, bonds and other marketable securities issued by the Company;</li> <li>(5) to exercise the functions and powers in the capacity of the legal representative of the Company;</li> <li>(6) in the event of force majeure such as severe natural disasters or other emergencies, to take immediate actions in the interest of the Company and report immediately thereafter to the board of directors and the shareholders' general meeting;</li> <li>(7) any such other functions and powers as provided for by relevant laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the Company's shares are listed and the Articles and as granted by the board of directors.</li> </ol>

No.	Original Rules	Amendment
	<p>The Chairman shall at least annually hold meetings with the non-executive directors (including independent directors) without the presence of executive directors.</p> <p>In the event that the chairman is unable or fails to perform his/her duties, the vice chairman shall perform his/her functions and powers on his/her behalf. In the event that the vice chairman is unable or fails to perform his/her duties, a director shall be elected by more than half of the directors to perform the chairman's functions and powers.</p>	<p>The Chairman shall at least annually hold <del>meetings</del> <u>one meeting</u> with the <del>non-executive directors</del> <u>(including independent directors)</u> without the presence of <del>executive</del> <u>other</u> directors.</p> <p>In the event that the chairman is unable or fails to perform his/her duties, the vice chairman shall perform his/her functions and powers on his/her behalf. In the event that the vice chairman is unable or fails to perform his/her duties, a director shall be elected by more than half of the directors to perform the chairman's functions and powers.</p>
4	<p><b>Article 13</b> The board of directors shall perform the following duties in accordance with laws:</p> <ol style="list-style-type: none"> <li>(1) to convene and report its work to the shareholders' general meeting;</li> <li>(2) to implement the resolutions of the shareholders' general meetings;</li> <li>(3) to determine the development strategies, operation plans and investment plans of the Company;</li> <li>(4) to formulate annual financial budget and final account statement of the Company;</li> <li>(5) to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(6) to formulate plans for the increase or reduction of the registered capital;</li> <li>(7) to formulate plans for merger, division, dissolution and change of the form of the Company;</li> <li>(8) to formulate plans for the issuance of corporate bonds, any types of shares, warrants or other marketable securities and listing of the Company;</li> </ol>	<p><b>Article 13</b> The board of directors shall perform the following duties in accordance with laws:</p> <ol style="list-style-type: none"> <li>(1) to convene and report its work to the shareholders' general meeting;</li> <li>(2) to implement the resolutions of the shareholders' general meetings;</li> <li>(3) to determine the development strategies, operation plans and investment plans of the Company <u>and supervise its implementation</u>;</li> <li>(4) <u>to formulate capital plans</u>;</li> <li>(4) <u>(5)</u> to formulate annual financial budget and final account statement of the Company;</li> <li>(5) <u>(6)</u> to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(6) <u>(7)</u> to formulate plans for the increase or reduction of the registered capital;</li> </ol>

No.	Original Rules	Amendment
	(9) to formulate share repurchase plans of the Company;	<del>(7)</del> <u>(8)</u> to formulate plans for merger, division, dissolution and change of the form of the Company;
	(10) to formulate amendments to the Articles, the rules of procedures of the shareholders' general meeting and the rules of procedures of the board of directors;	<del>(8)</del> <u>(9)</u> to formulate plans for the issuance of corporate bonds, any types of shares, warrants or other marketable securities and listing of the Company;
	(11) to consider and approve the terms of reference of the president;	<u>(10)</u> to formulate share repurchase plans of the Company <u>under the circumstances specified in item (1) and (2) of the first clause of Article 27 of the Articles;</u>
	(12) to appoint or dismiss the president and the board secretary of the Company;	
	(13) to appoint or dismiss vice presidents, assistants to president and other senior management members (excluding the board secretary) as nominated or suggested by the president;	<del>(9)</del> <u>(11)</u> to resolve on matters related to repurchase of shares of the Company under the circumstances specified in item (3), (5) and (6) of the first clause of Article 27 of the Articles;
	(14) to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;	<del>(10)</del> <u>(12)</u> to formulate amendments to the Articles, the rules of procedures of the shareholders' general meeting and the rules of procedures of the board of directors;
	(15) to formulate the assessment methods and remuneration package of directors for the approval by the shareholders' general meeting;	<del>(11)</del> <u>(13)</u> to consider and approve the terms of reference of the president;
	(16) to determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;	<del>(12)</del> <u>(14)</u> to appoint or dismiss the president and the board secretary of the Company;
	(17) to formulate the basic management system of the Company and supervise its implementation;	<del>(13)</del> <u>(15)</u> to appoint or dismiss vice presidents, assistants to president and other senior management members (excluding the board secretary) as nominated or suggested by the president;
	(18) to determine the risk management, compliance and internal control policies of the Company and formulate systems in relation to the internal control and compliance management of the Company;	<del>(14)</del> <u>(16)</u> to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;

No.	Original Rules	Amendment
	(19) to determine the structure of internal departments and branches of the Company;	<del>(15)</del> <u>(17)</u> to formulate the assessment methods and remuneration package of directors for the approval by the shareholders' general meeting;
	(20) to evaluate and improve the corporate governance of the Company;	<del>(16)</del> <u>(18)</u> to determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;
	(21) to formulate share incentive schemes;	
	(22) to manage the information disclosure and investors' relation management of the Company;	<u>(19)</u> to formulate the basic management system of the Company and supervise its implementation;
	(23) to propose the appointment, dismissal or termination of appointment of accounting firm to the shareholders' general meeting;	<del>(17)</del> <u>(20)</u> to determine the risk management, compliance and internal control policies of the Company and formulate systems in relation to the internal control and compliance management of the Company;
	(24) to consider and approve, or authorize the connected transaction control committee under the board of directors to approve, connected transactions, except for those which shall be considered and approved by the shareholders' general meeting as required bylaws;	<del>(18)</del> <u>(21)</u> to determine the structure of internal departments and branches of the Company;
	(25) within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;	<del>(19)</del> <u>(22)</u> to evaluate and improve the corporate governance of the Company; <del>(20)</del> <u>(23)</u> to formulate share incentive schemes; <del>(21)</del> <u>(24)</u> to manage the information disclosure and investors' relation management of the Company, and <u>assume ultimate responsibilities for the truthfulness, accuracy, completeness and timeliness of the accounting and financial reports of the Company;</u>



No.	Original Rules	Amendment
	<p>(26) to consider and approve the proposals of each special committee of the board of directors;</p> <p>(27) to consider the work reports of the president to ensure that each director obtains the information related to the fulfillment of his/her duties in accordance with the relevant regulatory requirement in a timely manner; to review the work of senior management members to ensure their effective performance of management duty;</p> <p>(28) to approve internal audit management system and regulations, medium-to-long term audit plan, annual working plan and internal audit system, determine or authorize the audit committee to determine the internal audit budget, remuneration of staff and the appointment and removal of major officers in charge, and ensure the independence of internal audit;</p> <p>(29) to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles and as authorized by the shareholders' general meeting.</p> <p>The above issues within the power of the board of directors shall be reviewed and decided by the board meetings but may be delegated to the chairman or the president for making decision thereon provided that it is necessary, reasonable and lawful. The matters for delegation shall be approved either by a majority or two-thirds of the directors if the matters are so provided under the Articles.</p>	<p><del>(22)</del> <u>(25)</u> to propose the appointment, dismissal or termination of appointment of accounting firm to the shareholders' general meeting;</p> <p><del>(23)</del> <u>(26)</u> to consider and approve, or authorize the connected transaction control committee under the board of directors to approve, connected transactions, except for those which shall be considered and approved by the shareholders' general meeting as required bylaws;</p> <p><del>(24)</del> <u>(27)</u> within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p><del>(25)</del> <u>(28)</u> to consider and approve the proposals of each special committee of the board of directors;</p> <p><del>(26)</del> <u>(29)</u> to consider the work reports of the president to ensure that each director obtains the information related to the fulfillment of his/her duties in accordance with the relevant regulatory requirement in a timely manner; to review the work of senior management members to ensure their effective performance of management duty;</p>

No.	Original Rules	Amendment
	<p>The content of the delegation by the board of directors shall be specific, and the terms and conditions of the delegation shall be determined in writing.</p> <p>The board of directors shall fully take into consideration the opinions of external auditors when performing its duties, and may engage intermediaries or professionals for advice, at reasonable expense of the Company.</p>	<p><u>(30)</u> to approve internal audit management system and regulations, medium-to-long term audit plan, annual working plan and internal audit system, determine or authorize the audit committee to determine the internal audit budget, remuneration of staff and the appointment and removal of major officers in charge, and ensure the independence of internal audit;</p> <p><u>(31)</u> to establish an identification, investigation and management mechanism for the conflict of interest between the Company and shareholders, especially substantial shareholders;</p> <p><u>(32)</u> to safeguard the legitimate rights of stakeholders;</p> <p><del>(27)</del> <u>(33)</u> to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles and as authorized by the shareholders' general meeting.</p> <p>The above issues within the power of the board of directors shall be reviewed and decided by the board meetings but may be delegated to the chairman or the president for making decision thereon provided that it is necessary, reasonable and lawful. The matters for delegation shall be approved either by a majority or two-thirds of the directors if the matters are so provided under the Articles.</p> <p>The content of the delegation by the board of directors shall be specific, and the terms and conditions of the delegation shall be determined in writing.</p> <p>The board of directors shall fully take into consideration the opinions of external auditors when performing its duties, and may engage intermediaries or professionals for advice, at reasonable expense of the Company.</p>

No.	Original Rules	Amendment
5	<p><b>Article 20</b> Special committees including the strategic development committee, audit committee, risk management committee, nomination and remuneration committee and connected transaction control committee are set up under the board of directors of the Company. The board of directors may set up other special committees and restructure the existing committees as necessary. Each special committee shall be accountable to the board of directors and assist the board of directors to perform their duties as authorized by the board of directors.</p> <p>Each special committee shall consist of at least three members and all of its members shall be directors.</p> <p>Directors acting in their capacity as the chairmen of the audit committee, risk management committee and connected transaction control committee shall work at the Company at least 25 working days each year.</p>	<p><b>Article 20</b> Special committees including the strategic development committee, audit committee, risk management committee, nomination and remuneration committee and connected transaction control committee are set up under the board of directors of the Company. The board of directors may set up other special committees and restructure the existing committees as necessary. Each special committee shall be accountable to the board of directors, <u>provide professional opinions to the board of directors or make decisions in respect of professional issues as authorized by the board of directors,</u> and assist the board of directors to perform their duties as <del>authorized by the board of directors.</del></p> <p>Each special committee shall consist of at least three members and all of its members shall be directors <u>who possess professional knowledge and working experience corresponding to the functions of the respective special committee.</u> <u>The chairman of a special committee in principle shall not serve concurrently as the chairman of another committee.</u></p> <p>Directors acting in their capacity as the chairmen of the audit committee, risk management committee and connected transaction control committee shall work at the Company at least 25 working days each year.</p>
6	<p><b>Article 34</b> Board meetings are divided into regular board meetings and extraordinary board meetings.</p>	<p><b>Article 34</b> Board meetings are divided into regular board meetings and extraordinary board meetings.</p> <p><u>Notice shall be given to the board of supervisors for their observation prior to the convening of board meetings.</u></p>

No.	Original Rules	Amendment
7	<p><b>Article 37</b> The board meeting may be held by onsite meeting or by way of correspondence.</p> <p>For the convenience of the directors, onsite meetings may be held by telephone, video or others means, and directors present at the meetings by such means shall be deemed to attend the meeting in person.</p> <p>For board meetings convened via conference call or video conference, shall enable all attending directors to clearly hear and communicate with each other.</p>	<p><b>Article 37</b> The board meeting may be held by onsite meeting or by way of correspondence.</p> <p>For the convenience of the directors, onsite meetings may be held by telephone, video or <u>by others—means of instant communication</u>, and directors present at the meetings by such means shall be deemed to attend the meeting in person. <u>Explanations shall be made when board meetings are to be held by way of directors signing written resolutions.</u></p> <p>For board meetings convened via conference call or video conference, shall enable all attending directors to clearly hear and communicate with each other.</p>
8	<p><b>Article 44</b> A board meeting shall be held only if more than half of the directors (including those who appoint other directors to attend the meeting on their behalf) are present.</p> <p>If some of the directors have significant interest in any matters to be discussed, the director shall not exercise his/her voting right on the matter or exercise any voting right on behalf of any other directors. The board meeting shall only be held if a simple majority of the directors who do not have any material interest are present.</p>	<p><b>Article 44</b> Unless otherwise provided by the Articles, <u>A</u> a board meeting shall be held only if more than half of the directors (including those who appoint other directors to attend the meeting on their behalf) are present.</p> <p>If some of the directors have significant interest in any matters to be discussed, the director shall not exercise his/her voting right on the matter or exercise any voting right on behalf of any other directors. The board meeting shall only be held if a simple majority of the directors who do not have any material interest are present.</p>
9	<p><b>Article 46</b> Directors shall attend board meetings in person. If a director is unable to attend a meeting for any reason, he/she may appoint another director in writing to attend the meeting on his/her behalf. The number of board meetings attended by each director in person every year shall be no less than two-thirds of the total number of board meetings.</p> <p>The director attending the meeting on behalf of another director shall exercise his/her power within the scope of authorization. Any director who does not attend a board meeting either in person or by proxy shall be deemed to have waived his/her voting right at the meeting.</p>	<p><b>Article 46</b> Directors shall attend board meetings in person. If a director is unable to attend a meeting for any reason, he/she may appoint another director <u>of the same class</u> in writing to attend the meeting on his/her behalf. The number of board meetings attended by each director in person every year shall be no less than two-thirds of the total number of board meetings.</p> <p>The director attending the meeting on behalf of another director shall exercise his/her power within the scope of authorization. Any director who does not attend a board meeting either in person or by proxy shall be deemed to have waived his/her voting right at the meeting.</p>

No.	Original Rules	Amendment
10	<p><b>Article 66</b> Resolutions of the board of directors shall be passed by a majority vote of all directors, whereas resolutions concerning the following shall be passed by two-thirds or more of all directors:</p> <ol style="list-style-type: none"> <li>(1) to formulate annual financial budget and final account statement of the Company;</li> <li>(2) to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(3) to formulate plans for increase or reduction of the registered capital;</li> <li>(4) to formulate plans for merger, division, dissolution and changes of the form of the Company;</li> <li>(5) to formulate plans for issuance of corporate bonds, any types of shares, warrants or other securities by the Company and listing of the Company;</li> <li>(6) to formulate plans for share repurchase plans of the Company;</li> <li>(7) to formulate amendments to the Articles;</li> <li>(8) to appoint or dismiss senior management members of the Company and determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;</li> <li>(9) to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;</li> </ol>	<p><b>Article 66</b> Resolutions of the board of directors shall be passed by a majority vote of all directors, whereas resolutions concerning the following shall be passed by two-thirds or more of all directors, <u>and the meeting of the board of directors may not be held by way of directors signing written resolutions:</u></p> <ol style="list-style-type: none"> <li>(1) to formulate annual financial budget and final account statement of the Company;</li> <li>(2) to formulate profit distribution plan and loss recovery plan of the Company;</li> <li>(3) to <u>propose to formulate plans for</u> increase or <u>reduce</u> <del>reduction of</del> the registered capital;</li> <li>(4) <u>to formulate a capital replenishment plan;</u></li> <li>(4) <del>(5) to formulate plans for merger, division, dissolution and changes of the form of the Company;</del></li> <li>(5) <u>(6) material changes in equity and financial restructuring;</u></li> <li>(7) to formulate plans for issuance of corporate bonds, any types of shares, warrants or other securities by the Company and listing of the Company;</li> <li>(6) <u>(8) to formulate plans for share repurchase plans of the Company;</u></li> <li>(7) <u>(9) to formulate amendments to the Articles;</u></li> <li>(8) <u>(10) to appoint or dismiss senior management members of the Company and determine the remuneration, performance review and award and punishment mechanism of the senior management members of the Company;</u></li> </ol>

No.	Original Rules	Amendment
	<p>(10) to propose the appointment, dismissal and termination of appointment of accounting firm to the general meeting;</p> <p>(11) within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p>(12) other matters that after being passed by the board of directors as ordinary resolutions, to be of a material effects on the Company, have to be passed by not less than two-thirds of the directors;</p> <p>(13) to approve any annual cap or one-off donations for the relief of regions with material contingencies which are beyond the scope of approval by the shareholders' general meeting;</p> <p>(14) to approve other resolutions which shall be passed by not less than two-thirds of the directors as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.</p>	<p><del>(9)</del> <u>(11)</u> to determine the chairman (other than the chairman of the strategic development committee) and members of each special committee under the board of directors;</p> <p><u>(12)</u> to propose the appointment, dismissal and termination of appointment of accounting firm to the general meeting;</p> <p><del>(11)</del> <u>(13)</u> within the scope of approval by a shareholders' general meeting, to consider and approve the major investment and disposal of equity interests, investment and disposal of debentures, financing, pledges (securities) and guarantee of assets, purchases and disposal of fixed assets, disposal of debt-to-equity swap assets, writing off of assets, external donations of the Company and major decisions of legal corporations;</p> <p><del>(12)</del> <u>(14)</u> other matters that after being passed by the board of directors as ordinary resolutions, to be of a material effects on the Company, have to be passed by not less than two-thirds of the directors;</p> <p><del>(13)</del> <u>(15)</u> to approve any annual cap or one-off donations for the relief of regions with material contingencies which are beyond the scope of approval by the shareholders' general meeting;</p> <p><del>(14)</del> <u>(16)</u> to approve other resolutions which shall be passed by not less than two-thirds of the directors as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.</p>

No.	Original Rules	Amendment
11	<b>Article 78</b> This Rules of Procedures shall be passed at the shareholders' general meeting by resolution before becoming effective upon the initial public offering and listing date of the shares of the Company. The modifications and amendments to this Rules of Procedures shall require the approval at the shareholders' general meeting by ordinary resolutions.	<b>Article 78</b> This Rules of Procedures shall be passed at the shareholders' general meeting by resolution before becoming effective <del>upon the initial public offering and listing date of the shares of the Company.</del> The modifications and amendments to this Rules of Procedures shall require the approval at the shareholders' general meeting by ordinary resolutions.



COMPARISON TABLE OF AMENDMENTS TO THE RULES OF PROCEDURES OF  
THE BOARD OF SUPERVISORS

No.	Original Rules	Amendment
1	<p><b>Article 4</b> Shareholder Representative Supervisors and external supervisor shall be elected, replaced or removed by the shareholders' general meeting. Employee Representative Supervisors of the Company shall be elected, replaced or removed at the employees' representative meeting by the employees of the Company. Directors and senior management members of the Company shall not be the supervisors concurrently.</p> <p>The term of office of a supervisor shall be three years. The term of office of the Shareholder Representative Supervisors and external supervisors shall commence from the date of election at the shareholders' general meeting and expire at the end of the term of the current session of the board of supervisors or the date of the annual general meeting of the final year of the term of his/her office. The term of office of the Employee Representative Supervisors of the Company shall commence from the date of election at the employees' general meeting or by other democratic procedures and expire at the end of the term of the current session of the board of supervisors. The term of office of any person who fills the casual vacancy on, or as an addition to the board of supervisors shall expire at the end of the term of the current session of the board of supervisors.</p> <p>A supervisor may be re-elected after the expiration of his/her term of office. Supervisors cannot be removed without reason before the expiry of their terms of office.</p>	<p><b>Article 4</b> Shareholder Representative Supervisors and external supervisors shall be elected, replaced or removed by the shareholders' general meeting. Employee Representative Supervisors of the Company shall be elected, replaced or removed at the employees' representative meeting by the employees of the Company. Directors and senior management members of the Company shall not be the supervisors concurrently.</p> <p>The term of office of a supervisor shall be three years. <del>The term of office of the Shareholder Representative Supervisors and external supervisors shall commence from the date of election at the shareholders' general meeting and expire at the end of the term of the current session of the board of supervisors or the date of the annual general meeting of the final year of the term of his/her office.</del> The term of office of the Employee Representative Supervisors of the Company shall commence from the date of election at the employees' general meeting or by other democratic procedures and expire at the end of the term of the current session of the board of supervisors. The term of office of any person who fills the casual vacancy on, or as an addition to the board of supervisors shall expire at the end of the term of the current session of the board of supervisors. The term of office of a supervisor shall commence from the date of approval by passing a resolution at a shareholder's general meeting, an employees' general meeting or by other democratic procedures. A supervisor may be re-elected after the expiration of his/her term of office. Supervisors cannot be removed without reason before the expiry of their terms of office.</p> <p><u>The term of office of an external supervisor shall not exceed 6 years in the aggregate.</u></p> <p><u>A shareholder representative supervisor or an external supervisor shall work in the Company for at least 15 working days each year.</u></p>



No.	Original Rules	Amendment
2	<p><b>Article 9</b> The board of supervisors shall perform the following duties:</p> <p>(1) to examine and supervise the financial condition of the Company, and review the financial information including the financial reports and the profit distribution plan of the Company;</p> <p>(2) to supervise the performance of the board of directors and senior management members and to propose the removal of directors and senior management members who are in breach of the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting;</p> <p>(3) to urge directors and senior management members to correct their acts which have impaired the interests of the Company;</p> <p>(4) to propose the convening of extraordinary shareholders' general meeting and to convene and preside over shareholders' general meetings when the board of directors fails to perform its duty of convening and presiding over the shareholders' general meeting under laws, regulations and the Articles;</p> <p>(5) to submit proposals to the shareholders' general meeting;</p> <p>(6) to propose to convene an extraordinary meeting of the board of directors;</p> <p>(7) to initiate litigation against directors or senior management members in accordance with the Company Law;</p>	<p><b>Article 9</b> The board of supervisors shall perform the following duties:</p> <p>(1) <u>to supervise that the board of directors formulate prudent operation philosophy, value standards and development strategies conforming to the actual conditions of the Company;</u></p> <p>(2) <u>to periodically appraise the scientificity, rationality and effectiveness of the development strategies formulated by the board of directors and produce an assessment report;</u></p> <p>(+)(3) to examine and supervise the financial condition of the Company, and review the financial information including the financial reports and the profit distribution plan of the Company;</p> <p>(4) <u>to conduct overall assessment on the performance of duties by directors, supervisors and senior management members, and report the final assessment results to the banking regulatory authority of the State Council and report the same to the shareholders' general meeting;</u></p> <p>(3)(5) to urge directors and senior management members to correct their acts which have impaired the interests of the Company; <del>(2) to supervise the performance of the board of directors and senior management members and to propose the removal of directors and senior management members who are in breach of the laws, administrative regulations, the Articles or resolutions of the shareholders' general meeting;</del> <del>(7) and to initiate litigation against directors or senior management members in accordance with the Company Law;</del></p>

No.	Original Rules	Amendment
	<p>(8) to formulate the assessment methods and remuneration package of supervisors and carry out appraisal of supervisors for approval at the shareholders' general meeting;</p> <p>(9) to monitor and assess the risk management and internal control of the Company and direct the job of the internal audit department of the Company;</p> <p>(10) to formulate amendments to the rule of procedures of the board of supervisors;</p> <p>(11) to nominate Shareholder Representative Supervisors, external supervisors and independent directors;</p> <p>(12) to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.</p> <p>Supervisors may attend the meetings of the board of directors and the senior management members and may make enquiries or suggestions on the resolutions. The board of supervisors may carry out investigation if any irregularities of the operation of the Company are identified. The board of supervisors may exercise its right, if necessary, to engage intermediaries and professionals for assistance at the reasonable expense of the Company.</p>	<p>(4) <del>(6)(5)</del> to submit proposals to the shareholders' general meeting; to propose the convening of extraordinary shareholders' general meeting and to convene and preside over shareholders' general meetings when the board of directors fails to perform its duty of convening and presiding over the shareholders' general meeting under laws, regulations and the Articles;<del>(6)</del>to propose to convene an extraordinary meeting of the board of directors;</p> <p>(9) <del>(7)</del> to monitor, review and supervise the ratification of the operational decision-making, and assess the risk management and internal control of the Company and <del>direct the job of</del> to supervise the internal audit department of the Company;</p> <p><del>(11)</del> (8) to nominate Shareholder Representative Supervisors, external supervisors and independent directors; and to supervise the election and appointment procedures of directors;</p> <p>(8) <del>(9)</del> to appraise the scientificity and rationality of the remuneration system and policy of the Company as well as the remuneration scheme of senior management members; to formulate the assessment methods and remuneration packagescheme of supervisors and carry out appraisal of supervisors for approval at the shareholders' general meeting; and submit to the shareholders' general meeting for approval;</p>

No.	Original Rules	Amendment
	<p>The board of supervisors shall monitor the independence and effectiveness of external audit.</p> <p>The supervisors who attend board meetings shall report the details of the board meetings to the board of supervisors. The supervisors may attend the meetings of the board committees.</p>	<p>(10) to formulate amendments to the rule of procedures of the board of supervisors;</p> <p><del>(12)</del> <u>(11)</u> to perform other duties as provided for by laws, regulations, regulatory documents, the rules of the securities regulatory authorities of the place where the shares of the Company are listed and the requirements of the Articles.</p> <p>Supervisors may attend the meetings of the board of directors and the senior management members and may make enquiries or suggestions on the resolutions. The board of supervisors may carry out investigation if any irregularities of the operation of the Company are identified. The board of supervisors may exercise its right, if necessary, to engage intermediaries and professionals for assistance at the reasonable expense of the Company.</p> <p>The board of supervisors shall monitor the independence and effectiveness of external audit.</p> <p>The supervisors who attend board meetings shall report the details of the board meetings to the board of supervisors. The supervisors may attend the meetings of the board committees.</p>

No.	Original Rules	Amendment
3	<p><b>Article 10</b> The work report of the board of supervisors shall be read at the annual general meeting, with content including:</p> <p>(1) the meetings of the board of supervisors;</p> <p>(2) the implementation of relevant laws, regulations, other regulatory documents, Articles of Association and resolutions of the general meeting, and performance of duties by directors and senior management members of the Company;</p> <p>(3) other significant issues that the board of supervisors consider shall be reported in the general meeting.</p>	<p><del><b>Article 10</b></del> The work report of the board of supervisors shall be read at the annual general meeting, with content including:</p> <p>(1) <del>the meetings of the board of supervisors;</del></p> <p>(2) <del>the implementation of relevant laws, regulations, other regulatory documents, Articles of Association and resolutions of the general meeting, and performance of duties by directors and senior management members of the Company;</del></p> <p>(3) <del>other significant issues that the board of supervisors consider shall be reported in the general meeting.</del></p>
4	<p><b>Article 12</b> Comprehensive auditing results regarding other internal departments and branches of the Company prepared by the internal audit department shall be submitted to the board of supervisors in a timely manner. The board of supervisors shall be entitled to request the board of directors or internal audit department to make explanations in case of any doubt on the auditing results.</p>	<p><b>Article 1211</b> <u>The internal audit department of the Company shall regularly report to the board of supervisors on the progress of its audit work, prepare and submit comprehensive</u><del>Comprehensive</del> auditing results regarding other internal departments and branches of the Company <del>prepared by the internal audit department shall be submitted to the</del> board of supervisors in a timely manner. The board of supervisors shall be entitled to request the board of directors or internal audit department to make explanations in case of any doubt on the auditing results.</p>

No.	Original Rules	Amendment
5	<p><b>Article 14</b> The board of supervisors shall have the rights of information, suggestion and report as conferred by the laws and regulations. The Company shall take measures to safeguard the rights of information of the supervisors and provide relevant information to the board of supervisors according to the rules in a timely manner. The board of supervisors may give advice to the board of directors and senior management and submit reports to the shareholders' general meeting as necessary.</p> <p>Directors, senior management members and other internal departments shall provide relevant materials and explanations to the board of supervisors at its request in performing its duties. The board of supervisors shall be entitled to access the accounts, records and documents of the Company as well as the relevant officers, departments and authorities, which shall provide necessary assistance in respect thereof from time to time.</p>	<p><b>Article 1413</b> The board of supervisors shall have the rights of information, suggestion and report as conferred by the laws and regulations. The Company shall take measures to safeguard the rights of information of the supervisors and provide relevant information to the board of supervisors according to the rules in a timely manner. The board of supervisors may give advice to the board of directors and senior management and submit reports to the shareholders' general meeting as necessary, and regularly <u>communicate with the banking regulatory authority of the State Council.</u></p> <p>Directors, senior management members and other internal departments shall provide <u>relevant-necessary</u> materials and explanations <u>regarding information disclosure and auditing</u> to the board of supervisors at its request in performing its duties. The board of supervisors shall be entitled to access the accounts, records and documents of the Company as well as the relevant officers, departments and authorities, which shall provide necessary assistance in respect thereof from time to time.</p>
6	<p><b>Article 19</b> Regular meetings of the board of supervisors shall be convened at least once every six months. Regular meetings of the board of supervisors shall not be convened by way of correspondence. The board of supervisors should inform all supervisors in writing 10 days prior to the holding of the regular meeting.</p>	<p><b>Article 1918</b>Regular meetings of the board of supervisors <u>shall be convened at least once a quarter</u> <del>shall be convened at least once every six months</del>. Regular meetings of the board of supervisors shall not be convened by way of correspondence. The board of supervisors should inform all supervisors in writing 10 days prior to the holding of the regular meeting.</p>

*Note:* Serial numbers of relevant chapters, articles and cross references have been adjusted accordingly.

**CHINA CINDA ASSET MANAGEMENT CO., LTD.****WORK REPORT OF THE BOARD FOR 2019**

In 2019, facing increasingly complicated and changeable domestic and overseas economic and financial situation, the Board of the Company, by unswervingly adhering to the general guidelines of steady progress and the ideas of high-quality development, and following the principle of “relative concentration, focusing on main business”, deepened the development of its distressed assets business which is its main business, accelerated reform and innovation, so as to earnestly fulfill its professional responsibilities in mitigating financial risks, serving the real economy and supporting supply-side structural reforms. The Board improved its corporate governance system and mechanism, strengthened risk prevention and risk resolution, and consolidated its foundation for internal control and compliance to ensure stable and compliant operations and a firmly sustainable development with efficiency, quality and safety in priority.

As of December 31, 2019, the consolidated total assets of the Group amounted to RMB1,513.230 billion, representing an increase of 1.17% as compared to the previous year; equity and net profit attributable to shareholders of the Company were RMB164.898 billion and RMB13.053 billion, representing an increase of 5.37% and 8.45% respectively as compared to the previous year; return on average shareholders’ equity (ROE) was 8.56% and return on average total assets (ROA) was 1.0%.

The major work completed by the Board in 2019 was set out as follows:

**I. STRENGTHENING THE ROLE OF STRATEGIC LEADERSHIP, AND CONSOLIDATING THE ADVANTAGES OF THE MAIN BUSINESS OF DISTRESSED ASSETS**

**(I) Strengthening the strategic leadership, and monitoring the strategy implementation**

In 2019, the Board of the Company strengthened the role of strategic leadership, and scientifically made decisions on major operation and management affairs by closely focusing on the mid-and-long term strategy planning of the Company. It considered and approved resolutions such as the 2019 consolidated operation plan, the budget of investment in capital expenditure for 2019 and major equity disposal, to lead the Company’s business development towards to its strategy planning. Meanwhile, the Board appraised the implementation of the strategy planning by reviewing reports from the management and conducting grass-roots surveys to ensure the strategy planning is implemented in a undistorted and unbiased manner, and provided suggestions and opinions on the problems in the implementation of the strategy planning.

**(II) Fulfilling its duties as an assets management company, and practicing the ideas of high-quality development**

Keeping in mind the responsibilities, missions and business positioning as an asset management company, the Board of the Company increased its efforts on supporting for its main business of distressed assets through annual business plans, capital allocation, risk appetite, and other starting points, and supported the Company's participation in the risk mitigation of local small and medium-sized banks, and regional finance, bailout for listed companies, etc., and actively explored and improved business models for "extensive distressed assets", so as to effectively fulfill the professional duties of an asset management company in mitigating financial risks, serving the real economy, and supporting supply-side structural reforms.

The Board of the Company practiced the high-quality development idea of "professional operation, efficiency first and value creation". To this end, it urged the management to adhere to the priority of quality and efficiency, optimize structure and make effective investment, accelerate the turnover of stock assets, and reduce concentration ratio of industry, achieving a strict control of incremental risks and an effective resolution of stock risks. It supported the management to deepen the system and mechanism reform, promoted the reforms of direct management departments in the headquarters, and implemented centralized management on different business lines under the key concept of customer orientation, to take a bigger role of the headquarters in business guidance and coordination. It also instructed the management to improve operating efficiency by focusing on internal management, cost control, and efficiency improvement, so as to seek better economic returns for Shareholders.

**(III) Accelerating resource integration among subsidiaries, and promoting market-oriented reforms**

Firstly, the Board of the Company continued to optimize and adjust the subsidiary structure in accordance with the criterion of "having room for growth, having profit contribution, and having basis for collaboration", so as to accelerate the integration and optimization of subsidiaries. In 2019, the Company completed the integration of Cinda International and Cinda Securities, promoted the equity transfer of Happy Life. It urged the management to accelerate the reduction of the levels of affiliated legal entities and the clearing of institutions, to prevent diversification risks, which laid a foundation for strengthening the Group's management and control. It also guided its subsidiaries to focus on their core businesses and return to their original profession through capital allocation, profit planning and arrangements, etc. and continued to strengthen collaboration with the core business of distressed assets.

Secondly, promoting market-oriented reform of subsidiaries. With the help of the Board, the Company actively promoted market-oriented reform of subsidiaries, to motivate their internal vitalities, strengthen their competitiveness and improve quality and efficiency of development. To improve the enterprise system and corporate governance mechanism under the orientation of market; implemented terminable service agreements with management members which specified the performance evaluation targets for their respective terms, identified and hired professional and specialized talents from market within pilot subsidiary. The Board insisted on risk matching, and emphasized both on incentives and constraints, to optimize the internal salary distribution mechanism of subsidiaries based on performance evaluation and risk compliance.



## II. STRENGTHENING COMPREHENSIVE RISK MANAGEMENT, AND IMPROVING INTERNAL COMPLIANCE

### (I) Strengthening comprehensive risk management to improve the informatization level in risk management

The Board attached great importance of comprehensive risk management, kept their eyes on the new situation and changes in economic development, and adjusted the risk management strategy if applicable, to firmly prevent systemic risks which is our bottom line. **Firstly, setting up prudent and sound risk appetite, and urging the implementation of the transmission of risk appetite.** The Board considered and approved the 2019 risk appetite statement with reference to the external environment and its actual business development, continuously monitored and evaluated the operation of the risk appetite system, and urged the management to effectively implement the transmission of risk appetite, thereby further exerting the guiding roles of risk preference on the business management throughout the Group. **Secondly, strengthening the supervision and evaluation on risk management.** The Board regularly listened to the comprehensive risk management reports prepared by the management, in which it focused on the impact of liquidity risk, credit risk, market risk, interest rate risk and other factors on the Company's operation, and made recommendations and requirements to the Company's risk management to ensure the effectiveness of the Company's comprehensive risk management system. **Thirdly, reinforcing the management efforts on connected transactions and internal transactions.** The Board of the Company strictly abode by the regulatory requirements of the Hong Kong Stock Exchange and the CBIRC, actively managed connected transactions and internal transactions, and considered and approved major connected transactions and internal transactions. The Connected Transaction Control Committee of the Board considered and determined connected persons of the Company, regularly listened to management reports on connected transactions and internal transactions, and urged the management to continue to manage the connected transactions and internal transactions properly. **Fourthly, paying attention to the role of information technology in the construction of risk management systems.** The Board of the Company actively promoted the construction of risk management information system, monitored the optimization and improvement of the Company's internal rating system, connected transaction management system, collateral management system and risk warning system, to further improve the informatization level in risk management.

### (II) Strengthening internal control, and building a strong defensive line for compliance

The Board of the Company has continuously strengthened the management structure of the three defensive lines for internal control, focused on improving the effectiveness of internal control, strengthening the construction of compliance systems, to build a strong defensive line for compliance operations. **Firstly, exerting the roles of internal control evaluation and internal audit.** The Board considered and approved the 2018 internal control evaluation report, during which it evaluated the effectiveness and sufficiency of the Company's internal control, and proposed relevant recommendations for improvement. The Board also approved the 2019 internal audit work plan, and given some guidelines to the audit department, according to



which the audit department conducted regular audits and special audits on branches by focusing on key business, major projects, important procedures, and finance, internal management and control following the Company's strategic development goals. **Secondly, urging the implementation of rectification.** In order to further improve the internal control system, the Board of the Company urged the management to attach great importance to the problems identified in the external audit, supervision and inspection conducted by the CBIRC and internal control evaluation, and analyzed deep reasons of the problems to determine the gaps in the internal control links, and actively implement the rectification measures. **Thirdly, improving compliance management system.** The Board considered and revised the management system for compliance affairs to continuously improve the system for compliance management; supported the management to set up an independent compliance department to further improve the organization system for compliance management. **Fourthly, fulfilling anti-money laundering duties.** To effectively prevent and control compliance risks on anti-money laundering, the Board of the Company implemented the latest regulatory policies by improving the organizational structure and operating mechanism for anti-money laundering management, and strengthening the construction of the anti-money laundering management team. The Board urged the management to carry out the assessment of institutional money laundering risk and refined the operation requirements of anti-money laundering in various businesses. The Board also developed the training and publicity channels to expand audience coverage, enhance employees' anti-money laundering awareness.

### III. CONTINUING TO IMPROVE CORPORATE GOVERNANCE, AND LEADING INDUSTRY BEST PRACTICES

#### (I) Improving the corporate governance system

The Board of the Company continued to pay attention to changes in the Listing Rules, domestic laws and regulations as well as the regulatory requirements. In 2019, the Board revised the Company's Articles of Association and related governance systems with high standards and strict requirements in accordance with regulatory regulations, so as to continuously improve the scientific, standardized and effective governance system, and further build a strong legal foundation for corporate governance. In 2019, the Board of the Company organized the amendment work to corporate governance documents such as the Articles of Association, the Rules of Procedures of General Meetings, and the Rules of Procedures of Board Meetings, which mainly focused on the amendment of provisions such as notice period of the shareholders' general meetings, shareholders' rights and obligations, terms of reference of the Board and terms of reference of the Board of Supervisors, to further enhance the standardization of corporate governance.

#### (II) Optimizing the operation mechanism of corporate governance

The Board of the Company continued to optimize the corporate governance mechanism consisting of the shareholders' general meeting, the Board, the Board of Supervisors and the management, and actively explored and practiced to introduce the party's leadership into all aspects of corporate governance. **Firstly, adhering to the unity of the party's leadership and**

the modern corporate governance mechanism, and strictly implementing the decision-making system on “Three-Major and One-Large”. The major matters considered by the Board shall be required to be submitted to the party committee for research and discussion in advance. **Secondly, improving the transparency in corporate governance to protect directors’ rights to be informed on the operation condition of the Company.** The Board strengthened its communication with the management through various ways such as holding regular business briefings, attending management meetings, and conducting chairman and independent director seminars to ensure that directors understand the Company’s operations in a timely manner. The Board consciously accepted the supervision of the Board of Supervisors, and continuously optimized and improved the corporate governance mechanism so that it can perform its duties and responsibilities and realize coordinated operation and effective reviews and balances.

**(III) Improving the transparency in information disclosure, and promoting the in-depth communication with capital markets**

**Firstly, continuing to improve the transparency in information disclosure to protect the lawful rights of investors.** In 2019, following the principles of truthfulness, accuracy, completeness, timeliness and fairness, the Board of the Company earnestly disclosed various information in strict accordance with the regulatory requirements for information disclosure domestic and abroad. According to industry development trends and the Company’ operating changes, the Board adjusted and improved the disclosure of contents in regular reports to effectively enhance the disclosure effectiveness and transparency of regular report. The Board actively published voluntary announcements, so as to timely and accurately disclose major operation matters and protect investors’ right of information. It continued to improve the working mechanism and process of information disclosure to improve the quality and efficiency of information disclosure. The Board also strictly implemented a insider registration and filing system with respect to insider information to strengthen the confidentiality of the Company’s inside information.

**Secondly, improving the quality of communication with investors, and actively conducting in-depth communication with the capital market.** The Board of the Company has always regarded sufficiency, timeliness, compliance, fairness and efficiency as the standards for its investor relationship management. The Board attached great importance to communication with investors, and required the Company to actively listen to the opinions and suggestions of investors, to conduct bilateral communication. To this end, the Board provided a variety of convenient and interactive communication methods, including holding performance release and non-deal road shows, participating in investment forums and investment banking summits, receiving investor visits and hot lines in daily work, to introduce the industry development, company strategy, business philosophy, competitive advantage and business development to investors, help investors aware of the Company’s operating style and capabilities, social responsibilities and commitments, enhance investors’ investment confidence on the Company, and further maintain and improve the Company’s influence and investment value in capital market.

In 2019, the Company was awarded the “Best Corporate Governance in Listed Companies” of the China Securities Golden Bauhinia Awards, which is the recognition the Company has received again in its process of constantly exploring the best practices of corporate governance.

#### **IV. STRENGTHENING THE CONSTRUCTION OF THE BOARD TO IMPROVE DIRECTORS’ CAPABILITIES IN DUTY FULFILLMENT**

##### **(I) Performing the decision-making functions of the Board according to laws**

The Board performed the decision-making functions of the Company in accordance with laws. While each special committees under the Board seriously considered all proposals within its terms of reference in accordance with the authorization of the Board, listened to relevant reports, and provided suggestions to the Board to support it in fulfilling duties scientifically. In 2019, the Company convened a total of 3 shareholders’ meetings at which 15 proposals were considered and approved, and 1 matter was reported; 11 meetings of the Board at which 46 proposals were considered, and 17 matters were reported; 24 special committee meetings of the Board at which 36 proposals (reports) were considered and 15 reports were briefed. The Board earnestly implemented the resolutions passed at the shareholders general meetings in accordance with the relevant requirements of such resolutions. As changes in the market environment, the Board of the Company adopted the recommendations of senior management and suspended the transfer of certain equity in Jingu Trust through listing system. The Company will formulate subsequent equity transfer plan of Jingu Trust based on market conditions, and perform corresponding approval procedures.

##### **(II) Completion of the Board succession, and optimization of the structure of the Board**

The Board of the Company orderly performed various corporate governance procedures related to the succession and election of the Board in strict accordance with the laws and regulations and the Articles of Association. The Board of the Company, in accordance with the diversity policy of the Board, promptly selected director candidates who meet the Listing Rules and regulatory requirements based on the existing structure of the Board, and successfully completed the Board succession. Mr. Zhang Weidong, Mr. Lu Zhengfei and Mr. Lam Chi Kuen joined the new Board, while Mr. Chen Xiaozhou, Ms. Yuan Hong, Mr. Chang Tso Tung, Stephen and Mr. Xu Dingbo resigned. The Board of the Company reasonably arranged proper positions in the special committees of the Board for new directors based on their respective professional capabilities and work experience, which further enriched the professional strength of the special committees and optimized the structure of the Board.

**(III) Strengthening the performance evaluation on directors, and enhancing their abilities to fulfill their duties**

The Board of the Company conducted 2019 performance evaluation on directors in accordance with the relevant requirements in the Articles of Association and the Implementation Plan of the Board for the Evaluation of the Performance of directors. According to the results of the performance evaluation on directors, 11 directors participating in the 2019 performance evaluation were appraised as “competent”. In 2019, all directors of the Company fulfilled their duties conscientiously and diligently, were able to attend the meetings of the Board and meetings of special committees in accordance with stipulations, and regularly review various operation reports, financial reports and risk management related reports of the Company. The directors also continued to actively monitor the changes in the Company’s internal and external environment, studied and analyzed the Company’s operation and development, fully understood the comments on the Company from regulatory agencies, external audit institutions and the public, therefore made independent and professional judgments on the Company’s operation and management, and provided opinions and suggestions, which provides a basis for scientific decision-making of the Board, and reflects a high sense of responsibility and good professional quality of our directors.

The Board of the Company attached great importance to the improvement of directors’ abilities in duties performance and actively organized directors to participate in various trainings. In 2019, the Board organized directors to participate in the training provided by The Hong Kong Institute of Chartered Secretaries with respect to the governance and regulatory framework of the Hong Kong capital market, the board governance and duty performance by directors. The Board also organized training programs for new directors on directors’ functions and power as well as responsibilities, and collectively discussed and learned the basic principles of the OECD on corporate governance. The directors had a comprehensive understanding of the Company’s operations by participating in grass-roots surveys and attending management meetings, which also brought them with constant improvement in their duty performance.

In 2020, the Board of the Company, by sticking closely to the Company’s tasks, including preventing and mitigating financial risks, serving the real economy, supporting supply-side structural reforms, adhering to the general guidelines to achieve steady progress, and adhering to the new development concepts, will focus on its major responsibility and core business, operate business prudently, continue to optimize corporate governance mechanism, improve capacities and efficiency in scientific decision-making, and solidly promote the Company’s high-quality transformation and development under the philosophy of “professional operation, efficiency first and value creation”, for the purpose of continuous returns to shareholders and society with good operating results!

**CHINA CINDA ASSET MANAGEMENT CO., LTD.****REPORT OF THE BOARD OF SUPERVISORS FOR 2019**

In 2019, pursuant to the laws, regulations and the requirements of the Articles of Association, the Board of Supervisors earnestly performed its supervisory duty, constantly improved the supervisory mechanism, continuously improved the effectiveness of supervision, promoted the Company to improve corporate governance and promoted business compliance and sound management.

**I. Major Work Completed**

**Hold the meetings of the Board of Supervisors in accordance with the law.** The Board of Supervisors held six meetings of the Board of Supervisors all year round, and considered 21 resolutions, including the Company's regular reports, internal control evaluation reports, performance evaluation reports and nomination of supervisors. The Board of Supervisors also debriefed a number of thematic reports, including the Company's operation reports, the implementation of the system of "Three-Major and One-Large", risk management, the reduction of subsidiary levels and the implementation and rectification of regulatory opinions. The Board of Supervisors held three meetings of the Performance and Due Diligence Supervision Committee and six meetings of the Finance and Internal Control Supervision Committee. In accordance with laws, the Board of Supervisors complied to express the independent opinions on the Company's legal operations, financial reports, performance of duties, and internal control in 2019.

**Earnestly perform its supervisory duty.** The Board of Supervisors actively attended important meetings such as the working meetings of the Board of directors and their special committees, corporate working meetings and quarterly regulatory briefings. The Board of Supervisors carefully reviewed the meeting materials, paid attention to the proceedings, decision-making process and results, and expressed the opinions in due course. The Board of Supervisors further improved the evaluation mechanism for the performance of their duties, strengthened supervision of the performance and due diligence of the Board of directors and senior management and their members, and paid attention to the relevant key work related to the regulatory opinions in the fields in which they are responsible. The Board of Supervisors carried out the annual performance evaluation, formulated the evaluation reports on the annual performance of the duties of the Board of directors, the Board of Supervisors, senior management and their members, and reported the evaluation of the performance of duties to the general meeting and the supervisory authorities in accordance with the regulations.

**Practically strengthen the financial supervision.** The Board of Supervisors earnestly performed the supervisory duty over the financial reports, regularly debriefed the reports of operations and reviewed results, paid attention to effects on major adjustments of financial reports and changes of accounting policies. The Board of Supervisors carried out the supervisory duties of the Company's allowance, capital and liquidity management and overseas liability management, paid attention to the capital plan and capital adequacy management,

debriefed the reports on the Company's overseas liability and liquidity management, and paid attention to the impact of exchange rate fluctuations, and prompted to prevent liquidity risks caused by the mismatch of foreign currency assets and liabilities. The Board of Supervisors followed up the ratification and implementation of financial issues identified from the prior supervision and inspection since 2018, and concerned the Company's financial condition.

**Constantly enhance the risk and internal control supervision.** The Board of Supervisors facilitated the Company to enhance the management and strengthen the asset quality. By paying attention to the existing asset risk-mitigating and the new asset risk-controlling, the Board of Supervisors constantly followed up and figured out the classification and examination of the asset risk, debriefed the Company's risk management report for many times, combed the risk condition of the Company in the whole year, analysed through multi-dimension and put forward suggestions and measures. The Board of Supervisors carried out the supervision and examination with the help of the agencies, constantly paid attention to the construction of internal control and compliance management system of the Company, debriefing the Company's internal control and compliance management, internal and external audit sifts issues and ratification, rectification of inspection and regulatory notification issues. The Board of Supervisors put forward advices and suggestions by paying attention to swindle prevention control of the Company and emphasizing the use of internal audit results. The Board of Supervisors urged to consolidate the achievements of anti-chaos work and analyze and summarize the cause of the problem so as to strengthen the long-term and effective mechanism of compliance operations.

**Focus on strengthening self-construction.** The Board of Supervisors amended the Rules of Procedures of the Board of Supervisors and relevant regulations to further optimize and improve the responsibilities of the Board of Supervisors, formulated the Management Measures for the Implementation of the Board of Supervisors' Supervision Advice and Suggestion, and promoted the rectification and implementation of the Board of Supervisors' supervision advice and suggestion. The Board of Supervisors optimized its structure and completed its reelection. Through strengthening communication with the Board of directors and the operating personnel as well as carrying out in-depth research and inspection, the Board of Supervisors improved the understanding of the Company's operations. By targeting to organize the supervisors to constantly participate such special training as on regulatory policies, corporate governance capabilities and business-related issues, the Board of Supervisors further enhanced the effectiveness of the performance of the duties.

## **II. Independent Opinions on Relevant Matters**

### **Lawful operation**

During the reporting period, the operation of the Company was in compliance with laws and regulations, and its decision-making procedures were in compliance with relevant laws, regulations and the requirements of the Articles of Association. The Board of Supervisors had no objection to the matters submitted to the shareholders' general meetings for consideration. The Board duly implemented the resolutions approved at the shareholders' general meetings.

Directors and senior management duly performed their duties. The Board of Supervisors is not aware of any breach of laws, regulations and the Articles of Association or any act detrimental to the interests of the Company by any of the directors or senior management in performing their duties.

**Financial reports**

The financial reports for the year reflected the financial position and operating results of the Company truthfully and fairly.

**Opinions on the performance evaluation of directors, supervisors and senior management**

The results of the performance evaluation of all directors, supervisors and senior management for 2019 were competent.

**Internal control**

During the reporting period, the Company continued to improve internal control and the Board of Supervisors had no disagreement with the evaluation opinions on internal control of the Company for 2019.



**CHINA CINDA ASSET MANAGEMENT CO., LTD.****WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2019**

The independent non-executive directors of the Company strictly complied with the relevant provisions of domestic and foreign laws, regulations and regulatory documents, such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Measures for the Supervision of Financial Asset Management Companies, the Listing Rules, the Articles of Association, and working rules for independent directors of the Company, as well as the inherent requirements of good corporate governance for independent directors, performed their duties rigorously and diligently on an objective, independent and impartial position, actively focused on and supervised the implementation of corporate strategies and kept up with the operation of the Company in time, and fully exerted their independence and their professional advantages, promoting the compliance operation and the continuous improvement of corporate governance system of the Company, and earnestly safeguard the legitimate rights and interests of all Shareholders and the Company, during their performing duties in 2019. The performance is reported as follows:

**I. INFORMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS**

On June 25, 2019, the members of the new session of the Board were elected on the annual general meeting for 2018 of the Company. The terms of office of Mr. Chang Tso Tung, Stephen and Mr. Xu Dingbo were expired, and Mr. Lu Zhengfei and Mr. Lam Chi Kuen were elected as independent non-executive directors. In order to ensure the the Company's compliance regarding its Board composition and the normal performance of duties of the special committees of the Board, Mr. Chang Tso Tung, Stephen and Mr. Xu Dingbo continued to perform their duties until the qualifications of Mr. Lu Zhengfei and Mr. Lam Chi Kuen (the newly elected independent non-executive directors) were approved by the CBIRC. On September 30, 2019 and November 8, 2019, Mr. Lu Zhengfei and Mr. Lam Chi Kuen officially assumed their offices after obtaining the qualification approval from the CBIRC.

As of December 31, 2019, there were four independent non-executive directors of the Company, namely Mr. Zhu Wuxiang, Mr. Sun Baowen, Mr. Lu Zhengfei and Mr. Lam Chi Kuen. The number of independent non-executive directors accounted for over one-third of the members of the Board, which complied with the Articles of Association, the Rules of Procedures of Board Meetings and relevant regulatory requirements. The three special committees of the Board, namely the Audit Committee, the Connected Transaction Control Committee and the Nomination and Remuneration Committee all have independent non-executive directors as chairmen.



**(I) Biographies of independent non-executive directors**

Please refer to the announcements of the Company for the biographies of independent non-executive directors.

**(II) Independence of independent non-executive directors**

The qualification, number and proportion of the independent non-executive directors of the Company have complied with the requirements of regulatory authorities. The independent non-executive directors do not have any business or financial interest in the Company and its subsidiaries and do not hold any management position in the Company. The Company has received annual confirmation letters from each of the independent non-executive directors to confirm their independence and consider them to be independent.

**II. ANNUAL PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS****(I) Attendance of meetings and relevant resolutions**

During the reporting period, the Company held three general meetings, 11 Board meetings and 24 meetings of special committees of the Board. The independent non-executive directors of the Company pre-reviewed the relevant matters of the meeting and conducted communications for them, listened with due care to and considered each resolution in the meetings, gave full play to their professional expertise to actively participate in discussion and decision-making in line with the actual operation of the Company, exercised voting rights in an independent, objective and prudent manner, and had no objection to the resolutions of the Board and its special committees. In 2019, the independent non-executive directors of the Company provided constructive and professional suggestions and opinions in strategic planning, corporate governance, risk management and internal control, as well as external and internal auditing, and expressed independent opinions on significant matters such as profit distribution plan, connected transaction, nomination of director candidates and appointment of senior management, in order to facilitate the Board's scientific decision making, compliance operation and long-term development.

The attendance of independent non-executive directors of the Company at shareholders' general meetings, and meetings of the Board and its special committees during the reporting period is as follows:

Independent non-executive directors	Number of meetings attended/required to attend						
	Meetings of special committees under the Board						Connected transaction control committee
	Shareholders' general meetings	Board meetings	Strategic development committee	Audit committee	Risk management committee	Nomination and remuneration committee	
Chang Tso Tung,							
Stephen	2/2	7/9	4/6	4/4			
Xu Dingbo	0/2	7/8		4/4	3/3		2/2
Zhu Wuxiang	2/3	11/11				5/5	3/3
Sun Baowen	3/3	10/11	7/7	4/4		5/5	
Lu Zhengfei	0/1	3/3			1/1		1/1
Lam Chi Kuen	1/1	2/2	1/1				

*Notes:*

- (1) "Number of meetings attended" includes attendance at the scene, participation in the conference by telephone, and video.
- (2) During the reporting period, the directors of the Company who were unable to attend the meetings of the Board and the special committees had entrusted other directors to attend and vote on their behalf.

## (II) Operation of the Board and its special committees

1. The Board. In 2019, the Company convened 11 Board meetings to consider and approve 46 resolutions and review 17 reports. The resolutions which were approved by the Board included 15 resolutions on operation and management matters, one resolutions on major transaction, five resolutions on work reports, 11 resolutions on nomination of candidates, one resolution on remuneration and insurance and 13 other resolutions. The resolutions involve numerous aspects of the Company's strategic planning, disposal of equity of subsidiaries, operation and management, bond issue, and revision of the system and nomination of candidates and the Company's significant projects.
2. Special committees of the Board. The operation of special committees of the Board in 2019 was as follows:

The Strategic Development Committee held seven meetings to consider 10 resolutions, mainly including the 2018 final financial account plan, the 2019 annual consolidated operation plan, the budget of investment in capital expenditure for 2019, the resolution on capital management plan for years from 2019 to 2021, the resolution on the plan for transfer of equity interest in Happy Life Insurance Co., Ltd. by the Company and the

resolution on the plan for issuance of tier-II capital bonds of the Company, and reviewed the reports on the 2018 corporate governance report and the strategic development plan implementation evaluation report of the Company (2018).

The Audit Committee held four meetings to review six resolutions including the 2018 annual report (2018 Annual Results Announcement), the internal control evaluation report for 2018, the risk management report for 2018, the internal audit work plan for 2019, the appointment of external accounting firms, and the 2019 interim report (Interim Results Announcement), and reviewed four reports including the report on internal audit work for 2018, external auditor's report on the Company's 2018 management recommendations, and 2019 interim financial statement review plan.

The Risk Management Committee held five meetings to consider and review nine resolutions, mainly including reviewing the 2018 risk management report and the evaluation report on internal control for 2018, amending the Corporate Compliance Work Management Procedures and Risk Appetite Statement of the Group (2019), and reviewing the quarterly risk management reports of the Company and report on anti-money laundering efforts.

The Nomination and Remuneration Committee held five meetings to consider 11 resolutions, mainly including the nomination of candidates for the directors of the Company to the Board, the nomination of chairman and members for special committees of the Board, preliminary review on the qualifications of President, the assistant to the President, and renewal of liability insurance for directors, supervisors and senior management.

The Connected Transaction Control Committee held three meetings to consider and review nine resolutions that mainly included matters relating to identification of connected persons of the Company, to consider the 2018 connected transaction management report, to consider and approve the related connected transaction of equity disposal project of Huainan Mining Industry (Group) Co., Ltd., and to debrief the report on internal transactions of the Group for 2018 and report on the Company's special rectification work on equity and connected transactions.

### **(III) Cooperation between the Company and independent non-executive directors in work implementation**

The Company has given cautious cooperation and adequate support during the performance of duties by independent non-executive directors to assist them to convene and attend the meetings of Management; organized research and training activities for directors including independent non-executive directors, which facilitated the improvement of performance duties of directors. In order to ensure that the independent non-executive directors enjoyed the same right to know as other directors, the Company continued to improve the information communication mechanism on operation, while senior management, such as Board

secretary, maintained smooth and timely daily communication with independent directors and provided the relevant information about the major issues such as the operation of the Company, regulation policies, business development, risks management and internal control compliance which directors were concerned about, so as to enable independent non-executive directors to better understand the operation and management about the Company, which facilitated the Board to make scientific and efficient decisions and to pay high attention to and reasonably adopt suggestions and opinions on the relevant matters which independent non-executive directors expressed.

### **III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE YEAR**

The independent non-executive directors of the Company attached great importance to multiple key tasks including corporate strategic planning, integration of the Group's strategic resources, qualification of the directors and senior management, control of connected transactions, information disclosure, external auditing, implementation of internal control and appointment of accounting firms. They made clear judgment on relevant key matters in accordance with laws and regulations and provided the Company with independent and objective opinions and suggestions.

#### **(I) Overview on the Strategic Planning of the Company**

In 2019, the Company closely focused on forestalling financial risks in new times, serving the real economy and supporting supply-side structural reform, and followed the new development philosophy of “professional operation, efficiency first and value creation”. With insistence on deepening reform and emphasis on our primary duty and core business, the Company's business therefore experienced an all-out transformation from scale-and quantity-oriented to quality-and profit-oriented.

The independent non-executive directors attached more importance to the implementation of the Company's strategic planning, and participated in the special research, seminars with non-executive directors and meetings of Strategic Development Committee of the Board to look into the implementation of the Company's strategic planning and put forward many valuable guidance and opinions regarding the future development of the Company. The independent non-executive directors considered that the Company should firmly seize the opportunity to give full play to the counter-cyclical role of financial assets management companies and further dig deeply the intrinsic value of distressed enterprises, so as to encourage restructuring, merger and acquisition within the industry and realize the optimization and integration of resources. Meanwhile, the independent non-executive directors, in line with experience and expertise from disposal of distressed assets by the Company, further strengthened business innovation capacity, actively explored more extensive new business opportunities and promoted the transformation and upgrading of “extensive distressed asset” of the Company.

**(II) Integration of strategic resources of the Group**

In 2019, according to the regulatory requirements, the Company continued to firmly pushed the restructure and clearing of certain legal entities affiliated to the Group, seek appropriate opportunity to exit from the financial subsidiaries which have no strong synergy with primary business nor high operating efficiency so as to further prevent diversification risks. Following the transfer of equity interest in Cinda P&C in 2018, the Company transferred the equity interest in Happy Life Insurance in 2019. Independent non-executive directors formed independent and professional judgments on relevant major matters according to the actual situation of the Company, and provided constructive opinions and suggestions based on forward-looking consideration for strategic resource integration of the Group. The independent non-executive directors agreed to the resolutions of relevant major matters.

**(III) Qualification of the directors and senior management**

During the reporting period, there were certain changes to the composition of the member of the Board and senior management of the Company. The independent non-executive directors made careful assessment on the composition of the Board and senior management and conducted conscientious review on the qualifications of the candidates for directors and senior management in strict compliance with the laws and regulations and the requirements of the Articles of Association. The independent non-executive directors agreed to the nomination of members of the Board and senior management of the Company.

**(IV) Connected transactions**

During the reporting period, the independent non-executive directors paid close attention to the development of domestic and overseas supervisory regulations and standards in respect of connected transactions, earnestly reviewed the matters concerning confirmation of connected parties of the Company, recommended that the Company constantly improved the management system of connected transactions in a strict supervision environment, strengthened the review and supervision over the management of connected transactions, and attached great importance to the optimization and upgrading of connected transactions information system so as to enable it to meet different regulatory requirements, further promoted the advancement of management and technology of connected transactions, and ensured the compliance of connected transactions. During the reporting period, the independent non-executive directors issued their independent opinions on proposal of approving the connected transaction of equity disposal project of Huainan Mining Industry (Group) Co., Ltd. in the principle of impartiality, fairness, objectiveness and independence.

**(V) Implementation of information disclosure**

During the reporting period, the Company prepared and disclosed 2018 annual report, 2019 interim report and interim announcements according to the regulatory requirements and information disclosure requirements of listed companies. The independent non-executive directors actively fulfilled their duties in the preparation and disclosure of the annual report, conducted supervision and examination over the disclosure of announcement, urged the Company to perform duties of information disclosure in a due, accurate, true and complete manner by strict compliance with the regulatory requirements, and ensured that there were no false records, misleading statements or major omission. Moreover, they would require that the Company further strengthened the management of insiders to protect investors' equal right to know the major matters.

**(VI) Risk management and implementation of internal control**

In 2019, the Company took the quality of assets as its priority in its management with completing special inspection on classification of systemic assets risk. Under the principle of "amount control, overall management, comprehensive coverage and activation of existing assets", the Company increased its efforts in risk management. Moreover, the Company focused on the role of internal auditing in its internal control and risk management, and continued to promote solidly the standardized establishment, organization and implementation of internal control, so as to strengthen the bottom line of risk control. Leveraging their working experience and expertise, the independent non-executive directors carefully studied risk management reports, internal control evaluation report, work plan of risk management and internal auditing, and management recommendations from external auditors of the Company, and comprehensively and carefully communicated with the external auditing firm about the annual auditing of the Company by on-site meeting. The independent non-executive directors recognized the effectiveness of the Company's risk management and internal control, and were of the view that the Company had no major defects in internal control of financial reports and no major defects identified in internal control of non-financial reports.

**(VII) Appointment of accounting firms**

Through reviewing the relevant information about Ernst & Young Hua Ming LLP and Ernst & Young which the independent non-executive directors have made in-depth study and careful check at practical and realistic attitude, they considered that the reports issued by the domestic and international accounting firms engaged by the Company during their appointment term truly and accurately reflected the financial condition and operating results of the Company, and accounting firms were independent, objective and fair in the auditing and completed all work assigned by the Company, and therefore agreed to appointed Ernst & Young Hua Ming LLP and Ernst & Young as the auditors for 2019.

**(VIII) Cash dividend and other returns to investors**

The formulation and implementation of policy of cash dividend of the Company complied with the requirements of the Articles of Association and the resolutions passed at the shareholders' general meeting. The standards and proportion of dividends were clear and definite and the procedures and mechanism of decision-making were complete, which ensured reasonable returns for shareholders and were not detrimental to the interests of the shareholder of the Company, especially that of minority shareholders, and therefore were considered and approved by the independent non-executive directors.

**IV. GENERAL EVALUATION**

In 2019, the independent non-executive directors of the Company complied with the laws and regulations, the Articles of Association and the inherent requirements of good corporate governance for independent directors, focused on the work related to the Board and performed the duties of independent directors carefully, diligently, and in good faith. They actively paid more attention to and participated in the major matters such as the development strategies, risk management and internal control, as well as connected transactions, gave full play to their professional advantages, expressed the independent and objective opinions, promoted the scientific operation and effective decision-making of the Board of the Company, and safeguarded the legitimate rights and interests of the Company and Shareholders.

In 2020, the independent non-executive directors will continuously and closely monitor the regulatory requirements, keep abreast of changes in regulatory policies, and strengthen communication with the other members of the Board, Board of Supervisors and senior management. They also increase their knowledge, improve their ability to perform their duties and make due efforts to further promote the improvement and optimization of corporate governance structure and safeguard the interests of the Company in whole and the legitimate rights and interests of Shareholders.

*Independent Non-executive Directors:*  
**Zhu Wuxiang, Sun Baowen, Lu Zhengfei, Lam Chi Kuen**

April, 2020

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## NOTICE OF AGM FOR 2019

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### China Cinda Asset Management Co., Ltd.

### 中國信達資產管理股份有限公司

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

**(Stock Code: 01359 and 04607 (Preference Shares))**

## NOTICE OF AGM FOR 2019

**NOTICE IS HEREBY GIVEN** that the annual general meeting of China Cinda Asset Management Co., Ltd. (the “**Company**”) for 2019 (the “**AGM**”) will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the People's Republic of China (the “**PRC**”) at 3:00 p.m. on Tuesday, June 30, 2020 for considering and, if thought fit, passing the following resolutions:

#### **Special Resolutions**

1. To consider and approve the amendments to the Articles of Association of China Cinda Asset Management Co., Ltd.
2. To consider and approve the granting of general mandate to issue additional H Shares to the Board
3. To consider and approve the external donation plan for 2020

#### **Ordinary Resolutions**

4. To consider and approve the amendments to the Rules of Procedures of General Meetings of China Cinda Asset Management Co., Ltd.
5. To consider and approve the amendments to the Rules of Procedures of Board Meetings of China Cinda Asset Management Co., Ltd.
6. To consider and approve the amendments to the Rules of Procedures of the Board of Supervisors Meetings of China Cinda Asset Management Co., Ltd.
7. To consider and approve the remuneration settlement scheme for the directors for the year of 2018
8. To consider and approve the remuneration settlement scheme for the supervisors for the year of 2018
9. To consider and approve the final financial account plan for 2019



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## NOTICE OF AGM FOR 2019

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10. To consider and approve the profit distribution plan for 2019
11. To consider and approve the budget of investment in capital expenditure for 2020
12. To consider and approve the appointment of accounting firms for 2020
13. To consider and approve the work report of the Board for 2019
14. To consider and approve the report of the Board of Supervisors for 2019

### **As Reporting Document**

1. To review the work report of the independent non-executive directors for 2019

### **Notice of Closure of Register of Members**

The register of holders of H Shares of the Company will be closed from Sunday, May 31, 2020 to Tuesday, June 30, 2020 (both days inclusive), during which period no transfer of H Shares will be registered. Any holder of H Shares of the Company who wishes to attend the AGM shall deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited no later than 4:30 p.m. on Friday, May 29, 2020. Shareholders whose names appear on the register of holders of H Shares of the Company at the close of business on Friday, May 29, 2020 will be entitled to attend and vote at the AGM.

The address of the H Share Registrar of the Company:

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

Details of the above resolutions are set out in the circular for the AGM of the Company dated May 15, 2020. Unless otherwise stated, terms defined in the circular shall have the same meanings in this notice.

By order of the Board  
**China Cinda Asset Management Co., Ltd.**  
**ZHANG Zi'ai**  
*Chairman*

Beijing, the PRC  
May 15, 2020

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## NOTICE OF AGM FOR 2019

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### *Notes:*

1. The register of members of the Company will be closed from Sunday, May 31, 2020 to Tuesday, June 30, 2020 (both days inclusive). Holders of H Shares and domestic shares whose names appear on the register of members of the Company at the close of business on Friday, May 29, 2020 shall be entitled to attend and vote at the AGM. Holders of H Shares of the Company who wish to attend and vote at the AGM shall lodge all transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, May 29, 2020.
2. The register of members of the Company will be closed from Tuesday, July 7, 2020 to Sunday, July 12, 2020 (both days inclusive). Holders of H Shares and domestic shares whose names appear on the register of members of the Company on Sunday, July 12, 2020, Hong Kong time shall be entitled to receive cash dividend of RMB1.026 (tax inclusive) per 10 shares for 2019 subject to the approval of the Shareholders at the AGM. Dividend for H Shares will be paid in Hong Kong dollars, the actual amount of which shall be calculated on the basis of the average benchmark exchange rate between RMB and Hong Kong dollars as announced by the People's Bank of China in one week prior to the date of the AGM (including the date of the AGM). Holders of H Shares of the Company who wish to receive the cash dividend for 2019 shall lodge all transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, July 6, 2020, Hong Kong time. The last trading day for H Shares of the Company before ex-dividend will be Thursday, July 2, 2020, and the ex-dividend shall start from Friday, July 3, 2020.

### **Withholding and Payment of Enterprise Income Tax (also referred to as “withholding tax” hereinafter) for Foreign Nonresident Enterprise Shareholders**

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementation regulations and other relevant rules and regulations, the Company is required to withhold enterprise income tax at the rate of 10% when distributing the annual dividend for 2019 to non-resident enterprise shareholders whose names appear on the H Shares register of members of the Company. Any shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding of the enterprise income tax. A Non-PRC Resident Enterprise shareholder which is entitled to a preferential tax rate under a tax agreement or an arrangement may, directly or through its entrusted agent or withholding agent, apply to the competent tax authorities for a refund of the excess amount of tax withheld.

### **Withholding and Payment of Individual Income Tax for Individual Foreign Shareholders**

Pursuant to the PRC Individual Income Tax Law, the Implementation Regulations of the PRC Individual Income Tax Law, the Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative) (Guo Shui Fa [2009] No. 124), the Notice of the State Administration of Taxation on the Questions Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) and other relevant laws and regulations and regulatory documents, the Company shall, as a withholding agent, withhold and pay individual income tax for the individual holders of H Shares in respect of the final dividend for the year 2019 to be distributed to them. However, the individual holders of H Shares may be entitled to certain tax preferential treatments pursuant to the tax treaties between the People's Republic of China (“PRC”) and the countries (regions) in which the individual holders of H Shares are domiciled and the tax arrangements between mainland China and Hong Kong (or Macau). In this regard, the Company will implement the following arrangements in relation to the withholding and payment of dividend as individual income tax for the individual holders of H Shares:

- For individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of the annual dividend for 2019.
- For individual H Shareholders whose country (region) of domicile has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of the annual dividend for 2019.

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## NOTICE OF AGM FOR 2019

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- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax on behalf of the individual H Shareholders at the effective tax rate stipulated in the relevant tax treaty in the distribution of the annual dividend for 2019.
- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders in the distribution of the annual dividend for 2019.

### **Dividend Distribution for Investors of Southbound Trading**

For investors of the Shanghai Stock Exchange or Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company (the “Southbound Trading”), the Company will distribute the cash dividend for 2019 to China Securities Depository and Clearing Corporation Limited which, as the nominee of the investors of H Shares of Southbound Trading, will then distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) and the Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program (Cai Shui [2016] No. 127), for domestic individual investors, the Company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For domestic securities investment funds, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends for domestic enterprise investors which shall report and pay the relevant tax themselves.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders of the Company. Should the H Shareholders of the Company have any doubts in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for the relevant tax impacts in mainland China, Hong Kong (or Macau) and other countries (regions) on the possession and disposal of the H Shares of the Company.

3. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a Shareholder of the Company, but he/she must attend the AGM in person to represent the relevant Shareholder.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
5. In order to be valid, the proxy form for the AGM, the notarized power of attorney or other authorization document (if any) must be delivered to the Board of Directors’ Office of the Company for holders of domestic shares and at the 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 for holders of H Shares not less than 24 hours before the time designated for convening the AGM or any adjournment thereof (as the case may be) (i.e. no later than 3:00 p.m. on Monday, June 29, 2020, Hong Kong time). Completion and return of a proxy form will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof.
6. Holders of domestic shares and holders of H Shares who intend to attend the AGM in person or by proxy should deliver the reply slip for the AGM at the Board of Directors’ Office of the Company and at the 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 respectively on or before Wednesday, June 10, 2020 by hand, by post or by fax (fax no: (852) 28650990).
7. Pursuant to the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. As such, all resolutions set out in the notice of the AGM will be voted on by poll.
8. The AGM is expected to last for half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity documents.
9. In the case of joint Shareholders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s), and for this purpose, seniority will be determined by the order in which the names stand on the register of members in respect of the relevant joint Shareholders.
10. In order to prevent and control the COVID-19 epidemic as well as safeguard public health, the Company encourages shareholder(s) to consider appointing the chairman of the AGM as his or her/their respective representative(s) to vote on the relevant resolutions rather than attend the AGM in person.

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## NOTICE OF 2020 FIRST CLASS MEETING FOR H SHAREHOLDERS

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### China Cinda Asset Management Co., Ltd.

### 中國信達資產管理股份有限公司

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

**(Stock Code: 01359 and 04607 (Preference Shares))**

#### NOTICE OF 2020 FIRST CLASS MEETING FOR H SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the 2020 first class meeting for holders of H Shares (the “**H Share Class Meeting**”) of China Cinda Asset Management Co., Ltd. (the “**Company**”) will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at the later of 3:40 p.m. or immediately after the conclusion of the 2020 first class meeting for domestic shareholders on Tuesday, June 30, 2020 for the following purposes of considering and, if thought fit, passing the following resolutions:

#### **Special Resolution**

1. To consider and approve the amendments to the Articles of Association of China Cinda Asset Management Co., Ltd.

#### **Ordinary Resolution**

2. To consider and approve the amendments to the Rules of Procedures of General Meetings of China Cinda Asset Management Co., Ltd.

#### **Notice of Closure of Register of Members**

The register of holders of H Shares of the Company will be closed from Sunday, May 31, 2020 to Tuesday, June 30, 2020 (both days inclusive), during which period no transfer of H Shares will be registered. Any holder of H Shares of the Company who wishes to attend the H Share Class Meeting shall deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited no later than 4:30 p.m. on Friday, May 29, 2020. Shareholders whose names appear on the H Share register of members of the Company at the close of business on Friday, May 29, 2020 will be entitled to attend and vote at the H Share Class Meeting.

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## NOTICE OF 2020 FIRST CLASS MEETING FOR H SHAREHOLDERS

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The address of the H Share Registrar of the Company:

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

Details of the above resolutions are set out in the circular for the AGM and H Share Class Meeting of the Company dated May 15, 2020. Unless otherwise stated, terms defined in the circular shall have the same meanings in this notice.

By order of the Board  
**China Cinda Asset Management Co., Ltd.**  
**ZHANG Zi'ai**  
*Chairman*

Beijing, the PRC  
May 15, 2020

*Notes:*

1. The register of members of the Company will be closed from Sunday, May 31, 2020 to Tuesday, June 30, 2020 (both days inclusive). Holders of H Shares whose names appear on the register of members of the Company at the close of business on Friday, May 29, 2020 shall be entitled to attend and vote at the H Share Class Meeting. Holders of H Shares of the Company who wish to attend and vote at the H Share Class Meeting shall deposit the share certificate together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, May 29, 2020.
2. A holder of H Share entitled to attend and vote at the H Share Class Meeting may appoint one or more proxies to attend and vote on his/her behalf. A proxy needs not to be a Shareholder of the Company, but he/she must attend the H Share Class Meeting in person to represent the relevant holder of H Share.
3. The instrument appointing a proxy must be in writing under the hand of a holder of H Shares or his/her attorney duly authorized in writing. If the holder of H Shares is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorized attorney. If that instrument is signed by an attorney of the holder of H Shares, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
4. In order to be valid, the proxy form for the H Share Class Meeting, the notarized power of attorney or other authorization document (if any) must be delivered to the 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 for holders of H Shares not less than 24 hours before the time appointed for the holding of the H Share Class Meeting or any adjournment thereof (as the case may be) (i.e. no later than 3:40 p.m. on Monday, June 29, 2020, Hong Kong time). Completion and return of a proxy form for the H Share Class Meeting will not preclude a holder of H Shares from attending and voting in person at the H Share Class Meeting or any adjournment thereof if he/she so wishes.

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## NOTICE OF 2020 FIRST CLASS MEETING FOR H SHAREHOLDERS

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5. Holders of H Shares who intend to attend the H Share Class Meeting in person or by proxy should deliver the reply slip for the H Share Class Meeting at 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 on or before Wednesday, June 10, 2020 by hand, by post or by fax (fax no: (852) 2865 0990 for Computershare Hong Kong Investor Services Limited).
6. Pursuant to the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of the H Share Class Meeting will be voted by poll.
7. The H Share Class Meeting is expected to last for half a day. Holders of H Shares (in person or by proxy) attending the H Share Class Meeting are responsible for their own transportation and accommodation expenses. Holders of H Shares or their proxies attending the H Share Class Meeting shall produce their identity documents.
8. In the case of joint holders of H Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) of H Shares, and for this purpose seniority will be determined by the order in which the names stand on the register of members in respect of the relevant joint holding.
9. In order to prevent and control the COVID-19 epidemic as well as safeguard public health, the Company encourages shareholder(s) to consider appointing the chairman of the H Share Class Meeting as his or her/their respective representative(s) to vote on the relevant resolutions rather than attend the H Share Class Meeting in person.