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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional 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 proxy form and the reply slip of the extraordinary general meeting received before 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, 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, SUBSCRIPTION FOR THE NON-PUBLICLY ISSUED SHARES OF CINDA REAL ESTATE BY THE COMPANY THROUGH ITS 60% EQUITY INTEREST IN HUAINAN MINING REAL ESTATE, THE REMUNERATION SETTLEMENT SCHEME FOR THE DIRECTORS FOR THE YEAR OF 2016 AND THE REMUNERATION SETTLEMENT SCHEME FOR THE SUPERVISORS FOR THE YEAR OF 2016

The third extraordinary general meeting of China Cinda Asset Management Co., Ltd. in 2017 will be convened at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC on Tuesday, October 31, 2017 at 9:30 a.m., the EGM notice for such meeting, the proxy form and the reply slip have been despatched to Shareholders on Friday, September 15, 2017.

If you wish to appoint a proxy to attend the EGM on your behalf, you are required to complete and return the proxy form despatched on September 15, 2017 by the Company in accordance with the instructions printed thereon no later than 24 hours before the time designated for convening the EGM or any adjourned meeting thereof (as the case may be). If you wish to attend the EGM in person or by proxy, you are required to complete and return the reply slip in accordance with the instructions printed thereon on or before Wednesday, October 11, 2017. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or at any adjourned meeting.

October 16, 2017

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DEFINITIONS

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

“A Share(s)”	ordinary share(s) in the share capital of Cinda Real Estate with nominal value of RMB1.00 each, which are listed on the SSE (Stock Code: 600657)
“Acquisition Agreement”	the Share Issuance and Asset Purchase Agreement entered into among Cinda Real Estate, the Company and Huainan Mining Group on July 19, 2017
“Announcement”	the announcement made by the Company dated July 19, 2017 in relation to the acquisition of the Target Equity Interests by Cinda Real Estate by issuing Consideration Shares
“Articles of Association”	the Articles of Association of China Cinda Asset Management Co., Ltd., currently in effect
“Board”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“CBRC”	China Banking Regulatory Commission
“Cinda Real Estate”	Cinda Real Estate Co., Ltd., a subsidiary of the Company
“(our) Company”	China Cinda Asset Management Co., Ltd.
“Company Law”	the Company Law of the People’s Republic of China
“Consideration Shares”	ordinary shares (A Shares) with nominal value of RMB1.00 each to be issued by Cinda Real Estate to the Company and Huainan Mining Group as payment of the consideration for the acquisition of the Target Equity Interests, which will be listed on the SSE
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company

DEFINITIONS

“EGM”	the third extraordinary general meeting of the Company in 2017 to be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 9:30 a.m. on Tuesday, October 31, 2017
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and subscribed for and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huainan Mining Group”	Huainan Mining Industry (Group) Co., Ltd.
“Huainan Mining Group Overall Restructuring Proposal”	the Overall Restructuring Proposal of Huainan Mining Industry (Group) Co., Ltd., including the Share Repurchase, the Transaction and possible subsequent debt-to-equity transactions between Huainan Mining Group and the Group
“Huainan Mining Real Estate”	Huainan Mining Real Estate Co., Ltd., a subsidiary of the Company upon the taking effect of the Acquisition Agreement and the Indemnity Agreement
“Indemnity Agreement”	the Profit Forecast and Indemnity Agreement entered into among Cinda Real Estate, the Company and Huainan Mining Group on July 19, 2017
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	October 11, 2017
“MOF”	Ministry of Finance of the PRC
“Offshore Preference Shares”	the 160,000,000 Non-Cumulative Offshore Preference Shares with a nominal value of RMB100 each privately issued by the Company outside the PRC on September 30, 2016, which are listed on the Stock Exchange (stock code: 04607)

DEFINITIONS

“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
“Price Determination Date”	the date of announcement of the resolutions of the 29th extraordinary board meeting of the tenth session of the board of directors of Cinda Real Estate (i.e. July 20, 2017)
“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 Repurchase”	the reduction of capital and repurchase of equity interests in Huainan Mining Group held by the Company by Huainan Mining Group pursuant to the Huainan Mining Group Overall Restructuring Proposal where the consideration shall be paid by 60% equity interests of Huainan Mining Group held in Huainan Mining Real Estate and partially in cash. Upon completion of the Share Repurchase, the Company and Huainan Mining Group shall hold, in aggregate, 100% equity interests in Huainan Mining Real Estate
“Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“SSE”	Shanghai Stock Exchange

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription for Shares”	subscription for the Consideration Shares non-publicly issued by Cinda Real Estate by the Company through its 60% equity interests in Huainan Mining Real Estate
“Supervisor(s)”	supervisor(s) of the Company
“Target Equity Interests”	100% equity interests jointly held by the Company and Huainan Mining Group in Huainan Mining Real Estate upon completion of the Share Repurchase
“Transaction”	the acquisition of 60% and 40% equity interests held by the Company and Huainan Mining Group in Huainan Mining Real Estate respectively by China Real Estate pursuant to the Acquisition Agreement and the Indemnity Agreement by issuance of Consideration Shares
“Transition Period”	the period from the Valuation Reference Date to the reference date for completion of audit
“%”	per cent

LETTER FROM THE BOARD



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:

HOU Jianhang
CHEN Xiaozhou

Non-executive Directors:

LI Honghui
SONG Lizhong
XIAO Yuping
YUAN Hong
ZHANG Guoqing
LIU Chong

Independent non-executive Directors:

CHANG Tso Tung, Stephen
XU Dingbo
ZHU Wuxiang
SUN Baowen

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

October 16, 2017

To the Shareholders,

**AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
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,
SUBSCRIPTION FOR THE NON-PUBLICLY ISSUED SHARES
OF CINDA REAL ESTATE BY THE COMPANY THROUGH
ITS 60% EQUITY INTEREST IN HUAINAN MINING REAL ESTATE,
THE REMUNERATION SETTLEMENT SCHEME FOR
THE DIRECTORS FOR THE YEAR OF 2016
AND
THE REMUNERATION SETTLEMENT SCHEME FOR
THE SUPERVISORS FOR THE YEAR OF 2016**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with the information on relevant resolutions to be considered at the EGM to enable you to make informed decisions on whether to vote for or against the resolutions at the EGM.

2. MATTERS TO BE CONSIDERED AT THE EGM

The resolutions to be proposed at the EGM for the Shareholders to consider and approve are: (1) amendments to the Articles of Association; (2) amendments to the Rules of Procedures of General Meetings; (3) amendments to the Rules of Procedures of Board Meetings; (4) amendments to the Rules of Procedures of the Board of Supervisors Meetings; (5) subscription for the non-publicly issued shares of Cinda Real Estate by the Company through its 60% equity interests in Huainan Mining Real Estate; (6) the remuneration settlement scheme for the Directors for the year of 2016; and (7) the remuneration settlement scheme for the Supervisors for the year of 2016. The above resolutions (1) and (5) are special resolutions, and others are ordinary resolutions.

The resolutions to be proposed at the EGM are set out in the notice of EGM despatched to the Shareholders by the Company on September 15, 2017. In order to enable you to have a better understanding of the resolutions to be proposed at the EGM and to make well-informed decisions, the Company have provided detailed information in this circular, including matters to be considered at the EGM (see Appendix I) and details of the Proposed Amendments (see Appendix II to Appendix V).

3. EGM

The EGM will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 9:30 a.m. on Tuesday, October 31, 2017. The notice of EGM was despatched to Shareholders on Friday, September 15, 2017.

In order to determine the holders of H Shares who are entitled to attend the EGM, the register of holders of H Shares of the Company is scheduled to be closed from Sunday, October 1, 2017 to Tuesday, October 31, 2017 (both days inclusive). Shareholders whose names appear on the register of holders of H Shares of the Company at the close of business on Friday, September 29, 2017 are entitled to attend the EGM.

A proxy form and a reply slip for use at the EGM were despatched to Shareholders on Friday, September 15, 2017 and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Holders of H Shares who intend to attend the EGM by proxy shall complete and return the proxy form 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 EGM. Completion and return of the proxy form will not preclude you from attending the EGM and voting in person.

The voting at the EGM shall be taken by way of registered poll.

LETTER FROM THE BOARD

4. RECOMMENDATION

The Directors consider that all resolutions set out in the notice of the EGM for consideration and approval by Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the EGM.

Yours faithfully,
By order of the Board
China Cinda Asset Management Co., Ltd.
HOU Jianhang
Chairman

I. CONSIDERATION AND APPROVAL OF THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with laws and regulations including the Company Law, the Listing Rules and the overall requirements on incorporation of Party-building work into the articles of association, the Company proposes to amend the relevant articles in the Articles of Association with reference to such regulatory provisions as the Guidelines on Corporate Governance of Commercial Banks promulgated by the CBRC and based on its corporate governance practices.

At the Board meeting convened on July 19, 2017, the proposal in relation to the amendments to the Articles of Association was considered and approved, and is now submitted to the EGM for consideration and approval, and a proposal is also submitted to the EGM 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, including but not limited to any word, chapter or section, article, condition for validity and enclosure. Upon consideration and approval at the EGM, the amended Articles of Association shall be subject to approval by the CBRC and come into effect from the date of approval by the CBRC.

For details of the proposed amendments to the Articles of Association, please refer to Appendix II.

II. CONSIDERATION AND APPROVAL OF THE AMENDMENTS TO THE RULES OF PROCEDURES OF GENERAL MEETINGS

In order to meet the requirements on the issuance of Offshore Preference Shares and corporate governance, the Company amended the Articles of Association in 2016. In order to meet the requirements on corporate governance and standard operation after the issuance of Offshore Preference Shares, the Company proposes to amend 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.

At the Board meeting convened on July 19, 2017, 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 EGM for consideration and approval, and a proposal is also submitted to the EGM 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 in accordance with laws and regulations and based on the advice or requirements from competent authorities regarding the Articles of Association. Upon consideration and approval at the EGM, the amended Rules of Procedures of General Meetings shall come into effect from the date on which the amended Articles of Association are approved by the CBRC.

For details of the proposal in relation to the amendments to the Rules of Procedures of General Meetings, please refer to Appendix III.

III. CONSIDERATION AND APPROVAL OF THE AMENDMENTS TO THE RULES OF PROCEDURES OF BOARD MEETINGS

In accordance with laws and regulations including the Company Law, the Listing Rules and the overall requirements on incorporation of Party-building work into the articles of association, the Company proposes to amend the relevant rules in the Rules of Procedures of Board Meetings with reference to such regulatory provisions as the Guidelines on Corporate Governance of Commercial Banks promulgated by the CBRC and based on the amendments to the Articles of Association and the corporate governance practices of the Company.

At the Board meeting convened on July 19, 2017, 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 EGM for consideration and approval, and a proposal is also submitted to the EGM 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 in accordance with laws and regulations and based on the advice or requirements from competent authorities regarding the Articles of Association. Upon consideration and approval at the EGM, the amended Rules of Procedures of Board Meetings shall come into effect from the date on which the amended Articles of Association are approved by the CBRC.

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

IV. CONSIDERATION AND APPROVAL OF THE AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD OF SUPERVISORS MEETINGS

In accordance with the relevant requirements of regulatory authorities and the actual conditions 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 such regulatory provisions as the Guidelines on Corporate Governance of Commercial Banks promulgated by the CBRC 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 July 19, 2017, 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 EGM for consideration and approval. Upon consideration and approval at the EGM, 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 are approved by the CBRC.

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

V. CONSIDERATION AND APPROVAL OF THE SUBSCRIPTION FOR THE NON-PUBLICLY ISSUED SHARES OF CINDA REAL ESTATE BY THE COMPANY THROUGH ITS 60% EQUITY INTEREST IN HUAINAN MINING REAL ESTATE

Reference is made to the Announcement made by the Company dated July 19, 2017 in relation to acquisition of the Target Equity Interests by Cinda Real Estate by issuing Consideration Shares. On July 19, 2017, the Company, Cinda Real Estate (a subsidiary of the Company) and Huainan Mining Group entered into the Acquisition Agreement and the Indemnity Agreement in relation to the Transaction, pursuant to which, Cinda Real Estate proposed to acquire the entire equity interests in Huainan Mining Real Estate by the issuance of Consideration Shares. Details of the Acquisition Agreement, the Indemnity Agreement and other relevant information are set out in the Announcement. As of the Latest Practicable Date, the relevant information in the Announcement remains unchanged.

The Company proposes to subscribe for the non-publicly issued Consideration Shares of Cinda Real Estate, a subsidiary of the Company, with the consideration of the 60% equity interest of Huainan Mining Real Estate the Company obtained through Share Repurchase.

1. Issuance Plan: The shares to be issued by Cinda Real Estate are domestically listed Renminbi ordinary shares (A-shares) with the nominal value of RMB1.00 each. Cinda Real Estate will issue Consideration Shares to the Company and Huainan Mining Group respectively to purchase their 60% and 40% equity interests held in Huainan Mining Real Estate respectively. Upon the completion of the Transaction, Huainan Mining Real Estate will become a wholly-owned subsidiary of Cinda Real Estate.
2. Consideration of the Target Equity Interests: The estimated value of the 100% Target Equity Interests of Huainan Mining Real Estate is RMB7,833.315 million on the valuation reference date of March 31, 2017. The final consideration shall be determined based on the appraisal results approved by/filed with the competent state-owned assets supervision and administration authorities.
3. Issue price of the Consideration Shares: The Price Determination Date for the Consideration Shares to acquire the Target Equity Interest is the date of the board resolution announcement of the 29th extraordinary board meeting of the tenth session of the board of directors of Cinda Real Estate. The issue price of the Consideration Shares to acquire the Target Equity Interest is RMB6.02 per share, representing 90% of the average price of the A Shares of Cinda Real Estate for the 120 trading days prior to the Price Determination Date as adjusted by ex-rights and ex-dividend events.
4. Number of the Consideration Shares to be issued: The number of the Consideration Shares to be issued to acquire the Target Equity Interests shall be finally determined based on the appraisal results approved by/filed with the competent state-owned assets supervision and administration authorities and the issue price of the Consideration Shares issued by Cinda Real Estate, and subject to the final approval of the CSRC.

As of the Latest Practical Date, the estimated value of the assets of Huainan Mining Real Estate is RMB7,833.315 million at the valuation reference date of March 31, 2017. When calculated based on the issue price of RMB6.02 per share as adjusted by ex-right and ex-dividend events, Cinda Real Estate expects to issue approximately 780.73 million and 520.49 million A Shares to the Company and Huainan Mining Group respectively.

5. Profit forecast and performance compensation undertaking: The Company and Huainan Mining Group will make compensation undertakings on the net profit of the 3 consecutive financial years following the completion of the transaction to Huainan Mining Real Estate in the proportions of 60% and 40% respectively. The performance compensation shall be firstly paid by the Consideration Shares yet to be disposed obtained from the Transaction (subject to the requirements in relation to the means of compensation of the regulatory authorities, if any). If the Consideration Shares yet to be disposed are not sufficient for compensation, such difference may then be paid in cash, provided that the paid share compensation or cash compensation shall not exceed the total consideration for the Target Equity Interests.

As of the Latest Practical Date, the audit, valuation and profit forecast review of Huainan Mining Real Estate have not been completed. It is preliminarily estimated that the net profit forecast of the Huainan Mining Real Estate for the 3 consecutive financial years from 2017 to 2019 is RMB2,720.9992 million in total. The net profit undertaking will be further negotiated by the relevant parties when the valuation report and profit forecast review report of Huainan Mining Real Estate are issued. If there is any change to the net profit forecast, a supplementary agreement shall be signed.

6. Impairment compensation undertakings: After 3 financial years upon the completion of the Transactions, Cinda Real Estate shall engage an accounting firm with the securities and futures business qualification to provide the impairment test report on Huainan Mining Real Estate. If the impairment of Huainan Mining Real Estate > number of the compensated shares × issue price of the Consideration Shares + compensated cash, the Company and Huainan Mining Group will provide additional compensation in the proportion of 60% and 40% respectively. The calculation formula for the compensation amount due to the impairment of Huainan Mining Real Estate is as follows: Compensation amount = the ending impairment amount – the compensation paid due to the actual profit is less than the promised profit within the undertaking period.

Pursuant to the Articles of Association, the Subscription for Shares constitutes a substantial equity investment of the Company, which is subject to the Shareholders' approval requirements. A special resolution is hereby submitted to the EGM for considering and approving the proposal in relation to the subscription for the non-publicly issued shares of Cinda Real Estate by the Company through its 60% equity interests in Huainan Mining Real Estate.

To ensure the smooth execution of the Subscription for Shares, the Board proposed to the Shareholders to authorize the Board on the EGM, which shall in turn authorize the Chairman or other authorized persons of the Chairman to jointly or solely handle the matters related to the Subscription for Shares. The contents and scope of the authorization include but are not limited to the following matters:

- (1) To adjust the specific plan for the Subscription for Shares within the scope of the resolution of the general meeting according to the new requirements of the regulatory authorities, the relevant policies and the actual situations of the securities market when there is any change to the requirements of the regulatory authority and the relevant policies or the market conditions, and modify the application materials for the Subscription for Shares according to the advice of the regulatory authorities;

- (2) To develop, modify and implement the specific plan for the Subscription for Shares according to the provisions of the laws, regulations and normative documents as well as the resolution of general meeting, including but not limited to determining or adjusting the price of Target Equity Interests according to the valuation approved by/filed with the competent state-owned asset supervision and administration authority and other situations, the number of Consideration Shares of Cinda Real Estate to be subscribed for, and the profit and loss arrangement in the Transitional Period;
- (3) To sign all the agreements and documents related to the Subscription for Shares, including but not limited to the Acquisition Agreement, and to modify, supplement, submit, present and execute the above transaction documents according to the specific situations;
- (4) To adjust the reference date for audit and evaluation (if necessary) according to the specific scheme for the Subscription for Shares, approve and sign all the documents related to the disposal of the equity interest of Huainan Mining Real Estate to Cinda Real Estate by the Company, including the relevant audit report, evaluation report, and profit forecast review report;
- (5) To approve and sign the undertaking documents related to the Subscription for Shares, including but not limited to the net profit forecast and performance compensation undertaking, impairment compensation undertaking, share lock-up undertaking, Transitional Period profit and loss undertaking, or other undertaking documents that should be issued by the controlling shareholders of Huainan Mining Real Estate according to the relevant laws, regulations and review requirements of the regulatory authority;
- (6) To prepare equity change report and apply for tender offer waiver from the regulatory authority (if necessary) according to the specific situation of the Subscription for Shares and the requirements of the relevant regulatory authority;
- (7) To handle and determine the specific matters related to the Subscription for Shares based on the plan approved by the general meeting according to the approval of the relevant authority and the market situations; and
- (8) To handle other matters related to the Subscription for Shares within the scope of permission of the laws, regulations, normative documents, the Articles of Association and the regulatory authority.

VI. CONSIDERATION AND APPROVAL OF THE REMUNERATION SETTLEMENT SCHEME FOR THE DIRECTORS FOR THE YEAR OF 2016

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 2016. This resolution has been considered and approved at the Board meeting convened on August 29, 2017. In accordance with requirements set forth by the Articles of Association, the resolution is hereby submitted to the EGM for consideration and approval. Details of the scheme are set out below:

Unit: RMB 10,000

Name	Position	Basic annual remuneration	Performance-based annual remuneration	Allowance	Total annual remuneration (before tax)	Benefits	Total remuneration
HOU Jianhang	Chairman and executive Director	29.66	34.99	–	64.65	17.09	81.74
ZANG Jingfan	Executive Director and president	22.25	26.24	–	48.49	13.83	62.32
CHEN Xiaozhou	Executive Director and president	27.93	32.95	–	60.88	16.71	77.59
XIAO Yuping	Non-executive Director	–	–	–	–	–	–
LI Honghui	Non-executive Director	–	–	–	–	–	–
SONG Lizhong	Non-executive Director	–	–	–	–	–	–
YUAN Hong	Non-executive Director	–	–	–	–	–	–
LU Shengliang	Non-executive Director	–	–	–	–	–	–
LI Xikui	Independent non-executive Director	–	–	20.83	20.83	–	20.83
QIU Dong	Independent non-executive Director	–	–	20.83	20.83	–	20.83
CHANG Tso Tung, Stephen	Independent non-executive Director	–	–	25.00	25.00	–	25.00
XU Dingbo	Independent non-executive Director	–	–	25.00	25.00	–	25.00
ZHU Wuxiang	Independent non-executive Director	–	–	4.00	4.00	–	4.00
SUN Baowen	Independent non-executive Director	–	–	4.00	4.00	–	4.00

Notes:

1. Non-executive Directors do not receive remuneration from the Company.
2. Pursuant to the allowance scheme for independent Directors approved at the general meeting of the Company, the basic allowance for independent non-executive Directors is RMB250,000 per person per year before tax and is paid based on their actual term of office.
3. As elected at the annual general meeting for 2015 and approved by CBRC, Mr. Chen Xiaozhou was appointed as the executive Director since November 4, 2016 and Mr. Zhu Wuxiang and Mr. Sun Baowen were appointed as the independent non-executive Directors since October 25, 2016.
4. Since September 14, 2016, Mr. Zang Jingfan ceased to act as an executive Director due to age reason.
5. Since October 25, 2016, Mr. Li Xikui and Mr. Qiu Dong ceased to act as independent non-executive Directors due to the expiration of the term of office.
6. Since November 18, 2016, Mr. Lu Shengliang ceased to act as a non-executive Director due to change of work arrangement.

VII. CONSIDERATION AND APPROVAL OF THE REMUNERATION SETTLEMENT SCHEME FOR THE SUPERVISORS FOR THE YEAR OF 2016

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 2016. The meeting of the Board of Supervisors of the Company convened on August 17, 2017 has considered and approved the proposal on submitting the remuneration settlement scheme of Supervisors for 2016 to the general meeting for approval. In accordance with requirements set forth by the Articles of Association, the resolution is hereby submitted to the EGM for consideration and approval. Details of the scheme are set out below:

Unit: RMB 10,000

Name	Position	Basic annual remuneration	Performance-based annual remuneration	Allowance	Total annual remuneration (before tax)	Benefits	Total remuneration
GONG Jiande	Chairman of the Board of Supervisors and shareholder representative Supervisor	29.66	34.99	–	64.65	16.48	81.13
LIU Yanfen	External Supervisor	–	–	20.00	20.00	–	20.00
LI Chun	External Supervisor	–	–	20.00	20.00	–	20.00
ZHANG Zheng	External Supervisor	–	–	10.00	10.00	–	10.00
GONG Hongbing	Employee representative Supervisor	–	–	2.00	2.00	–	2.00
LIN Dongyuan	Employee representative Supervisor	–	–	1.00	1.00	–	1.00
JIA Xiuhua	Employee representative Supervisor	–	–	1.00	1.00	–	1.00
WEI Jianhui	Employee representative Supervisor	–	–	1.00	1.00	–	1.00

Notes:

1. Pursuant to the allowance scheme for external Supervisors approved at the general meeting of the Company, the basic allowance for external Supervisors is RMB200,000 per person per year before tax and is paid based on their actual term of office.
2. Pursuant to the allowance scheme for employee representative Supervisors approved at the general meeting of the Company, the basic allowance for employee representative Supervisors is RMB20,000 per person per year before tax and is paid based on their actual term of office.
3. Mr. Zhang Zheng was approved at the 2015 annual general meeting of the Company to be an external Supervisor since June 30, 2016.
4. Mr. Lin Dongyuan and Ms. Jia Xiuhua were elected at the third session of the employees' representative meeting of the Company to be employee representative Supervisors since June 24, 2016.
5. Since June 24, 2016, Mr. Wei Jianhui ceased to be an employee representative Supervisor due to the expiration of the term of office.

COMPARISON TABLE OF AMENDMENTS TO THE ARTICLES OF ASSOCIATION

No.	Original Articles of Association	Amendment
1	<p>Article 2.....</p> <p>The Company has undertaken registration with the State Administration for Industry and Commerce and obtained a business license on June 29, 2010. The code of the business license of the Company is 100000000031562.</p>	<p>Article 2.....</p> <p>The Company has undertaken registration with the State Administration for Industry and Commerce and obtained a business license on June 29, 2010. The code of the business license of the Company is 100000000031562. <u>The Company currently holds the business license bearing the unified social credit code of 91110000710924945A.</u></p>
2	<p>Article 4 Domicile of the Company: No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing 100031, PRC Telephone: 86-10-63080000 Fax: 86-10-63080266</p>	<p>Article 4 Domicile of the Company: No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing 100031, PRC Telephone: 86-10-63080000 Fax: 86-10-63080266<u>83329210</u></p>
3		<p>Insert a new article:</p> <p><u>Article 11 In accordance with the relevant regulations of the Constitution of the Communist Party of China and the Company Law of China, organizations of the Communist Party of China (the "Party"); the Party Committee shall play the core leadership role, providing direction, managing the overall situation and ensuring implementation. The working organs of the Party shall be established, equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.</u></p>
		<p>Insert a new chapter:</p> <p><u>CHAPTER 6 PARTY ORGANIZATION (PARTY COMMITTEE)</u></p>

No.	Original Articles of Association	Amendment
4		<p>Article 52 <u>The Committee of the Communist Party of China of China Cinda Asset Management Co., Ltd. (hereinafter referred to as the “Party Committee”) established within the Company. The Party Committee shall consist of one secretary, two deputy secretaries and several other members. The chairman of the board of directors of the Company and the secretary of the Party Committee shall be the same person, and one deputy secretary shall be designated to assist the secretary in carrying out Party-building work. Eligible members of the Party Committee can join the board of directors, the board of supervisors and the senior management through legal procedures, while eligible members of the board of directors, the board of supervisors and the senior management who are Party members can also join the Party Committee in accordance with relevant rules and procedures. Meanwhile, a commission for discipline inspection (hereinafter referred to as the “Discipline Inspection Commission”) shall be established in accordance with relevant requirements.</u></p>
5		<p>Article 53 <u>The Party Committee shall, in accordance with the Constitution of the Communist Party of China and other internal laws and regulations of the Party, perform the following duties:</u></p> <p>(1) <u>to ensure and supervise the Company’s implementation of policies and guidelines of the Party and the State, and implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of higher-level Party organizations;</u></p> <p>(2) <u>to strengthen its leadership and gate keeping role in the management of the process of selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision, and uphold the integration of the principle that the Party manages the cadres with the function of the board of directors in the lawful selection of the management and with the lawful exercise of authority of appointment, promotion and demotion of personnel by the management;</u></p>

No.	Original Articles of Association	Amendment
		<p>(3) <u>to research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employee interests, and put forth comments and suggestions. Support the shareholders' general meeting, the board of directors, the board of supervisors and the senior management of the Company in performing their duties in accordance with laws and support the employees' representative meeting in carrying out its work;</u></p> <p>(4) <u>to assume the primary responsibility to run the Party comprehensively with strict discipline, lead the Company's ideological and political work, the United Front work, the cultural and ethical progress, corporate culture cultivation as well as the work of groups such as the Labor Union and the Communist Youth League, lead the construction of the Party's working style and its clean and honest administration, and support the Discipline Inspection Commission in earnestly performing its supervisory responsibilities;</u></p> <p>(5) <u>to strengthen the building of the Company's grassroots Party organizations and of its contingent of Party members, give full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and unite and lead cadres and employees to devote themselves into the reform and development of the Company;</u></p> <p>(6) <u>other material matters that fall within the duty of the Party Committee.</u></p>
6	<p>Article 128 Independent directors shall be independent and free from the conditions that prohibited a person from serving as an independent director stipulated by the laws, regulations and requirements of the banking regulatory authority of the State Council and the securities regulatory authorities of the place where the shares of the Company are listed.</p>	<p>Article 13128 Independent directors shall be independent and free from the conditions that prohibited a person from serving as an independent director stipulated by the laws, regulations and requirements of the banking regulatory authority of the State Council and the securities regulatory authorities of the place where the shares of the Company are listed.</p> <p><u>Independent directors shall not hold concurrent positions in over two financial asset management companies.</u></p>

No.	Original Articles of Association	Amendment
7	<p>Article 133 Independent directors shall provide objective, fair and independent opinions on the matters discussed at shareholder's general meetings and board meetings, in particular the following matters:</p> <ul style="list-style-type: none"> (1) material connected transactions; (2) profit distribution plans; (3) nomination, appointment and removal of directors; (4) appointment and dismissal of senior management members; (5) remuneration of directors and senior management members; (6) matters that may jeopardize the interests of minority shareholders in the opinion of independent directors; (7) matters that may cause significant losses of the Company in the opinion of independent directors; and (8) any other matters stipulated by laws, regulations, regulatory documents, the requirements of securities regulatory authorities of the place where the shares of the Company are listed, or the Articles. 	<p>Article 1363 Independent directors shall provide objective, fair and independent opinions on the matters discussed at shareholder's general meetings and board meetings, in particular the following matters:</p> <ul style="list-style-type: none"> (1) material connected transactions; (2) profit distribution plans; (3) nomination, appointment and removal of directors; (4) appointment and dismissal of senior management members; (5) remuneration of directors and senior management members; (6) <u>appointment of external auditors;</u> (7) matters that may jeopardize the interests of minority shareholders in the opinion of independent directors; (8) matters that may cause significant losses of the Company in the opinion of independent directors; and (9) any other matters stipulated by laws, regulations, regulatory documents, the requirements of securities regulatory authorities of the place where the shares of the Company are listed, or the Articles.
8		<p>Insert a new article:</p> <p>Article 142 <u>The opinions of the Party Committee shall be heard before the board of directors decides on material issues of the Company.</u></p>

No.	Original Articles of Association	Amendment
9	<p>Article 155 Section 2 The minutes of the board meeting shall specify:</p> <ol style="list-style-type: none"> (1) the venue, date and the names of the convener and chairman of the meeting; (2) names of directors present at the meeting in person, and names of directors present at the meeting as proxy (proxies); (3) agenda of the meeting; (4) key issues in directors' speech (including doubts and dissenting opinions or the opinions of directors in writing in the event that the meetings are held by written resolutions); (5) the method and results of voting on each resolution (including the number of votes for, against and the number of abstention as well as the vote by each director). 	<p>Article 1595 Section 2 The minutes of the board meeting shall specify:</p> <ol style="list-style-type: none"> (1) the venue, date and the names of the convener and chairman of the meeting; (2) names of directors present at the meeting in person, and names of directors present at the meeting as proxy (proxies); (3) agenda of the meeting; (4) key issues in directors' speech (including doubts and dissenting opinions or the opinions of directors in writing in the event that the meetings are held by written resolutions); (5) <u>proposer of each proposal</u>; (6) the method and results of voting on each resolution (including the number of votes for, against and the number of abstention as well as the vote by each director).
10	<p>Article 166 Section 2 The audit committee shall perform the following duties:</p> <p>.....</p> <ol style="list-style-type: none"> (3) to consider and approve the internal control evaluation proposal of the Company, and supervise and evaluate the internal control of the Company; <p>.....</p>	<p>Article 17066 Section 2 The audit committee shall perform the following duties:</p> <p>.....</p> <ol style="list-style-type: none"> (3) to consider and approve the internal control evaluation proposal of the Company, and supervise and evaluate the internal control <u>and risk management</u> of the Company; <p>.....</p>

No.	Original Articles of Association	Amendment
11	<p>Article 167 The risk management committee shall perform the following duties:</p> <ol style="list-style-type: none"> (1) to examine risk management strategy and risk management policies of the Company according to overall development strategic plan, and supervise their implementation and effectiveness; (2) to review overall risk management reports of the Company and supervise the deployment, structure, working procedures and effectiveness of the risk management departments; and to evaluate the risk exposure of the Company and make suggestions to the board of directors on the risk management of the Company; (3) to supervise the risk control of the senior management members in respect of credit, market and operation risks; (4) to formulate and amend the compliance policies of the Company, evaluate and supervise the compliance of the Company and make suggestions to the board of directors; and (5) 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 other matters as authorized by the board of directors. 	<p>Article 17167 The risk management committee shall perform the following duties:</p> <ol style="list-style-type: none"> (1) to examine risk management strategy and risk management policies of the Company according to overall development strategic plan, and supervise their implementation and effectiveness; (2) <u>to continuously supervise the effectiveness of the risk management and internal control systems of the Company;</u> (3) to review overall risk management reports of the Company and supervise the deployment, structure, working procedures and effectiveness of the risk management departments; and to evaluate the risk exposure of the Company and make suggestions to the board of directors on the risk management of the Company; (4) to supervise the risk control of the senior management members in respect of credit, market and operation risks; (5) to formulate and amend the compliance policies of the Company, evaluate and supervise the compliance of the Company and make suggestions to the board of directors; and (6) 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 other matters as authorized by the board of directors.

No.	Original Articles of Association	Amendment
12	<p>Article 208 The supervision committee shall be established under the board of supervisors of the Company. The board of supervisors may, based on the needs of the Company, establish other special committees or restructure the existing committees under the board of supervisors. The special committees under the board of supervisors shall be accountable to the board of supervisors, and assist the board of supervisors to perform its obligations under the authority of the board of supervisors.</p>	<p>Article 21208 The <u>due diligence supervision committee and financial and internal control</u> supervision committee shall be established under the board of supervisors of the Company. The board of supervisors may, based on the needs of the Company, establish other special committees or restructure the existing committees under the board of supervisors. The special committees under the board of supervisors shall be accountable to the board of supervisors, and assist the board of supervisors to perform its obligations under the authority of the board of supervisors.</p> <p><u>The due diligence supervision committee is responsible for supervising the performance of directors, senior management and its members.</u></p> <p><u>The financial and internal control supervision committee is responsible for supervising finance, internal control, risk management, compliance management and other situations. The chairman of committee shall be an external supervisor.</u></p>
13	<p>Article 209 The supervision committee shall comprise of at least three supervisors, of which one or more external supervisors shall be included, and the chairman of the committee shall be an external supervisor. The duties of the supervision committee primarily include:</p> <ol style="list-style-type: none"> (1) to review the financial report of the Company and give advice to the board of the supervisors; (2) to assess the internal control of the Company and give advice to the board of the supervisors; (3) to assess the performance of the directors and senior management members and give advice to the board of the supervisors; (4) to supervise the risk management of the Company; and (5) to perform other duties as authorized by the board of the supervisors. 	Delete this article

Note: The serial numbers involved in relevant chapters, articles and cross references are amended accordingly.

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

No.	Original Rules	Amendment
1	<p>Article 5 Shareholders with holdings of shares in the Company shall be entitled to attend shareholders' general meetings in person or by proxy, as well as to the right to access information, to speak at the meeting, to enquire and to vote in accordance with the law, regulations, normative documents, the Articles of Association and this Rules of Procedures.</p> <p>Shareholders and their proxies attending shareholders' general meetings shall comply with the provisions of relevant laws and regulations, normative documents, the Articles of Association and this Order of Meeting, procure conscientiously that the meeting be maintained in good order and refrain from compromising the lawful interests of other shareholders.</p>	<p>Article 5 Shareholders with holdings of shares in the Company shall be entitled to attend shareholders' general meetings in person or by proxy, as well as to the right to access information, to speak at the meeting, to enquire and to vote in accordance with the law, regulations, normative documents, the Articles of Association and this Rules of Procedures.</p> <p>Shareholders and their proxies attending shareholders' general meetings shall comply with the provisions of relevant laws and regulations, normative documents, the Articles of Association and this Order of Meeting, procure conscientiously that the meeting be maintained in good order and refrain from compromising the lawful interests of other shareholders.</p> <p><u>Unless otherwise specified, references in Chapters 2 to 5 of this Rules of Procedures to "share(s)" and "share certificate(s)" shall refer to ordinary share(s) and ordinary share certificate(s) and references to "shareholder(s)" in Chapters 2 to 5 of this Rules of Procedures shall refer to ordinary shareholder(s).</u></p>
2	<p>Article 7 Section 1 The shareholders' general meeting shall be the organ of authority of the Company. It may exercise the following functions and powers according to laws:</p> <p>.....</p> <p>(19) 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 of Association.</p> <p>.....</p>	<p>Article 7 Section 1 The shareholders' general meeting shall be the organ of authority of the Company. It may exercise the following functions and powers according to laws:</p> <p>.....</p> <p>(19) <u>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;</u></p> <p>(2049) 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 of Association.</p> <p>.....</p>

No.	Original Rules	Amendment
3	<p>Article 64 Section 2 “Interested shareholder(s)” in prior provision shall have the following meaning:</p> <p>(1) if the Company has made a repurchase offer to all shareholders on pro rata basis or made a repurchase by means of public transaction at the stock exchange in accordance with Article 27 of the Articles of Association, “interested shareholder(s)” shall refer to the controlling shareholders as defined in Article 284 of the Articles of Association;</p> <p>(2) if the Company has made a repurchase by means of agreement outside the stock exchange in accordance with Article 27 of the Articles of Association, “interested shareholder(s)” shall refer to the shareholders who are parties to such agreements; or</p> <p>(3) in a restructuring plan of the Company, “interested shareholder(s)” refers to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy interests different from other shareholders of the same class.</p>	<p>Article 64 Section 2 “Interested shareholder(s)” in prior provision shall have the following meaning:</p> <p>(1) if the Company has made a repurchase offer to all shareholders on pro rata basis or made a repurchase by means of public transaction at the stock exchange in accordance with Article 27 of the Articles of Association, “interested shareholder(s)” shall refer to the controlling shareholders as defined in Article 297⁸⁴ of the Articles of Association;</p> <p>(2) if the Company has made a repurchase by means of agreement outside the stock exchange in accordance with Article 27 of the Articles of Association, “interested shareholder(s)” shall refer to the shareholders who are parties to such agreements; or</p> <p>(3) in a restructuring plan of the Company, “interested shareholder(s)” refers to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy interests different from other shareholders of the same class.</p>
		<p>Insert a new chapter:</p> <p><u>Chapter VI Special Provisions of the Holders of the Preference Shares to Participate in Shareholders’ General Meeting</u></p>

No.	Original Rules	Amendment
4		<p><u>Article 75 The holders of the preference shares are not entitled to attend any shareholders' general meeting of the Company nor do the preference shares carry any voting rights in any shareholders' general meeting other than in the following circumstances:</u></p> <ol style="list-style-type: none"> <u>(1) amendments to the Articles of Association that relate to preference shares;</u> <u>(2) reduction of the registered capital of the Company by more than 10% on a single or aggregate basis;</u> <u>(3) merger, division, dissolution or change of corporate form of the Company;</u> <u>(4) issuance of preference shares; and</u> <u>(5) other events specified in laws, administrative regulations and departmental rules and the Articles of Association.</u> <p><u>On the occurrence of any of the above circumstances, the Company shall notify holders of preference shares of the shareholders' general meeting and follow the notice procedures to ordinary shareholders as provided under the Articles of Association. The holders of the preference shares are entitled to vote at a separate class meeting with respect to the above matters and each preference share shall have one vote, however, preference shares held by the Company do not entitle the Company to vote.</u></p> <p><u>Resolutions relating to the above matters shall be approved by more than two-thirds of the votes held by ordinary shareholders present at the meeting (including holders of preference shares with restored voting rights) and by more than two-thirds of the votes held by holders of preference shares present at the meeting (excluding holders of preference shares with restored voting rights).</u></p>

No.	Original Rules	Amendment
5		<p>Article 76 In the event that the Company fails to pay the prescribed dividend to the holders of preference shares for three financial years in aggregate or two consecutive financial years, the holders of preference shares shall have the right to attend and vote at the shareholders' general meetings together with ordinary shareholders from the day immediately after the shareholders' general meeting resolves that the Company will not pay the prescribed dividend for the current dividend period. The voting rights of the holders of preference shares will remain restored until the Company pays the current period dividend in full.</p> <p>The voting rights of the preference shares with restored voting rights are calculated as the formula set out in Article 294 of the Articles of Association.</p> <p>The other provisions of the Articles of Association concerning the restrictions on the shareholders' voting rights shall prevail, if any.</p>
6		<p>Article 77 Only votes of ordinary shares and votes of preference shares with restored voting rights shall be counted when calculating the proportion of shares held by the shareholders in the event of a request to convene an extraordinary general meeting of shareholders; to convene and preside over a general meeting of shareholders; to submit a proposal or an interim proposal to a general meeting of shareholders.</p>

Note: The serial numbers involved in relevant chapters, articles and cross references are amended accordingly.

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

No.	Original Rules	Amendment
1	Article 9 The position of chairman may not be assumed by the legal representative or a key officer of a controlling shareholder.	Article 9 <u>An individual is not allowed to act as the chairman of the board of directors and president of the Company at the same time.</u> The position of chairman may not be assumed by the legal representative or a key officer of a controlling shareholder.
2		Insert a new article: Article 14 <u>The board of directors shall seek advice from the Party Committee before resolving any significant matters.</u>
3	Article 19 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. Each special committee shall consist of at least three members and all of its members shall be directors.	Article 2019 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. Each special committee shall consist of at least three members and all of its members shall be directors. <u>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.</u>
4	Article 22 Section 2 The audit committee shall perform the following duties; (3) to consider and approve the internal control evaluation proposal of the Company, and supervise and evaluate the internal control of the Company; 	Article 232 Section 2 The audit committee shall perform the following duties; (3) to consider and approve the internal control evaluation proposal of the Company, and supervise and evaluate the internal control and <u>risk management</u> of the Company;

No.	Original Rules	Amendment
5	<p>Article 23 The risk management committee shall perform the following duties:</p> <ol style="list-style-type: none"> (1) to examine risk management strategy and risk management policies of the Company according to overall development strategic plan, and supervise their implementation and effectiveness; (2) to review overall risk management reports of the Company and supervise the deployment, structure, working procedures and effectiveness of the risk management departments; and to evaluate the risk exposure of the Company and make suggestions to the board of directors on the risk management of the Company; (3) to supervise the risk control of the senior management members in respect of credit, market and operation risks; (4) to formulate and amend the compliance policies of the Company, evaluate and supervise the compliance of the Company and make suggestions to the board of directors; and (5) 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 of Association, and other matters as authorized by the board of directors. 	<p>Article 243 The risk management committee shall perform the following duties:</p> <ol style="list-style-type: none"> (1) to examine risk management strategy and risk management policies of the Company according to overall development strategic plan, and supervise their implementation and effectiveness; (2) <u>to continuously supervise the effectiveness of the risk management and internal control systems of the Company;</u> (3) to review overall risk management reports of the Company and supervise the deployment, structure, working procedures and effectiveness of the risk management departments; and to evaluate the risk exposure of the Company and make suggestions to the board of directors on the risk management of the Company; (4) to supervise the risk control of the senior management members in respect of credit, market and operation risks; (5) to formulate and amend the compliance policies of the Company, evaluate and supervise the compliance of the Company and make suggestions to the board of directors; and (6) 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 of Association, and other matters as authorized by the board of directors.

No.	Original Rules	Amendment
6	<p>Article 57 Independent directors shall provide objective, fair and independent opinions on the matters discussed at shareholder's general meetings and board meetings, in particular the following matters:</p> <ul style="list-style-type: none"> (1) material connected transactions; (2) profit distribution plans; (3) nomination, appointment and removal of directors; (4) appointment and dismissal of senior management members; (5) remuneration of directors and senior management members; (6) matters that may jeopardize the interests of minority shareholders in the opinion of independent directors; (7) matters that may cause significant losses of the Company in the opinion of independent directors; and (8) any other matters stipulated by laws, regulations, regulatory documents, the requirements of securities regulatory authorities of the place where the shares of the Company are listed, or the Articles of Association. 	<p>Article 587 Independent directors shall provide objective, fair and independent opinions on the matters discussed at shareholder's general meetings and board meetings, in particular the following matters:</p> <ul style="list-style-type: none"> (1) material connected transactions; (2) profit distribution plans; (3) nomination, appointment and removal of directors; (4) appointment and dismissal of senior management members; (5) remuneration of directors and senior management members; (6) <u>the appointment of external auditors;</u> (7) matters that may jeopardize the interests of minority shareholders in the opinion of independent directors; (8) matters that may cause significant losses of the Company in the opinion of independent directors; and (9) any other matters stipulated by laws, regulations, regulatory documents, the requirements of securities regulatory authorities of the place where the shares of the Company are listed, or the Articles of Association.

No.	Original Rules	Amendment
7	<p>Article 68 Minutes shall be maintained for each board meeting. Minutes of the board of directors' meeting are proof of the resolutions on the matters examined at the meeting. Detailed and complete minutes in respect of the matters examined at the meeting shall be recorded by the Secretary of the Board. The minutes of the board meeting shall specify:</p> <ol style="list-style-type: none"> (1) the venue, date and the names of the convener and chairman of the meeting; (2) names of directors present at the meeting in person, and names of directors present at the meeting as proxy (proxies); (3) agenda of the meeting; (4) key issues in directors' speech (including doubts and dissenting opinions, or the opinions of directors in writing in the event that the meetings are held by written resolutions); (5) the method and results of voting on each resolution (including the number of votes for, against and the number of abstention as well as the vote by each director). 	<p>Article 69 Minutes shall be maintained for each board meeting. Minutes of the board of directors' meeting are proof of the resolutions on the matters examined at the meeting. Detailed and complete minutes in respect of the matters examined at the meeting shall be recorded by the Secretary of the Board. The minutes of the board meeting shall specify:</p> <ol style="list-style-type: none"> (1) the venue, date and the names of the convener and chairman of the meeting; (2) names of directors present at the meeting in person, and names of directors present at the meeting as proxy (proxies); (3) agenda of the meeting; (4) key issues in directors' speech (including doubts and dissenting opinions, or the opinions of directors in writing in the event that the meetings are held by written resolutions); (5) <u>proposer of each proposal</u>; (6) the method and results of voting on each resolution (including the number of votes for, against and the number of abstention as well as the vote by each director).

Note: The serial numbers involved in relevant chapters, articles and cross references are amended accordingly.

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

No.	Original Rules	Amendment
1	<p>Article 15 The supervision committee shall be established under the board of supervisors of the Company. The board of supervisors may, based on the needs of the Company, establish other special committees or restructure the existing committees under the board of supervisors. The special committees under the board of supervisors shall be accountable to the board of supervisors, and assist the board of supervisors to perform its obligations under the authority of the board of supervisors.</p>	<p>Article 15 The <u>due diligence supervision committee and financial and internal control</u> supervision committee shall be established under the board of supervisors of the Company. The board of supervisors may, based on the needs of the Company, establish other special committees or restructure the existing committees under the board of supervisors. The special committees under the board of supervisors shall be accountable to the board of supervisors, and assist the board of supervisors to perform its obligations under the authority of the board of supervisors.</p> <p><u>The due diligence supervision committee is responsible for supervising the performance of directors, senior management and its members.</u></p> <p><u>The financial and internal control supervision committee is responsible for supervising finance, internal control, risk management, compliance management and other situations. The chairman of committee shall be an external supervision.</u></p>
2	<p>Article 17 The supervision committee shall comprise of at least three supervisors, of which one or more external supervisors shall be included, and the chairman of the committee shall be an external supervisor. The duties of the supervision committee primarily include:</p> <ol style="list-style-type: none"> (1) to review the financial report of the Company and give advice to the board of the supervisors; (2) to assess the internal control of the Company and give advice to the board of the supervisors; (3) to assess the performance of the directors and senior management members and give advice to the board of the supervisors; (4) to supervise the risk management of the Company; and (5) to perform other duties as authorized by the board of the supervisors. 	Delete this article

Note: The serial numbers involved in relevant chapters, articles and cross references are amended accordingly.