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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 advisor.

If you have sold or transferred all your shares in Sichuan Expressway Company Limited* (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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四川成渝高速公路股份有限公司 Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00107)

I. MAJOR TRANSACTION AND CONNECTION TRANSACTION – ESTABLISHMENT OF JOINT VENTURE FOR THE DEVELOPMENT OF THE CHENGYA EXPRESSWAY EXPANSION PROJECT; II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND OTHER RULES AND PROPOSED ABOLISHMENT OF THE ESTABLISHMENT OF THE SUPERVISORY COMMITTEE; AND III. NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Advisor
to the Independent Board Committee and the Independent Shareholders**



The terms used in this cover shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 6 to 19 of this circular. A letter from the Independent Board Committee to the Independent Shareholders is set out on page IBC-1 of this circular. A letter from the Independent Financial Advisor containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages IFA-1 to IFA-22 of this circular.

A notice convening the EGM of the Company to be held at 3:00 p.m. on Wednesday, 13 August 2025 at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the People's Republic of China is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited and the Company. If you intend to appoint a proxy to attend the EGM, you are required to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon. For the holders of H Shares, the form of proxy should be returned to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong and in any event not less than 24 hours before the time appointed for holding the EGM (or any adjournment thereof) or 24 hours before the time appointed for the voting on the resolution. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

* For identification purposes only

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DEFINITIONS

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

“A Share(s)”	ordinary share(s) with a nominal value of RMB1.00 each issued by the Company in the PRC, which are subscribed for and listed and traded on the SSE in RMB
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee under the Board
“Board”	the board of Directors of the Company
“Chengya Expressway”	Sichuan Chengya (Chengdu-Ya’an) Expressway
“Chengya Expressway Expansion Project”	the expansion project for the Chengdu-Ya’an section of G5 Jingkun Expressway
“China Huashi”	China Huashi Enterprises Co., Ltd. (中國華西企業股份有限公司)
“Company”	Sichuan Expressway Company Limited* (四川成渝高速公路股份有限公司), a joint-stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 00107) and A Shares on the SSE (stock code: 601107)
“Company Law”	the Company Law of the PRC
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Cooperation Agreement”	the cooperation agreement entered into between the Company, China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT on 22 July 2025, which mainly involves the setting up of the Project Company for the operation of the Chengya Expressway Expansion Project

DEFINITIONS

“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Detailed Implementation Rules for the Audit Committee”	the Detailed Implementation Rules for the Audit Committee
“Detailed Implementation Rules for the Nomination Committee”	the Detailed Implementation Rules for the Nomination Committee
“Detailed Implementation Rules for the Remuneration and Appraisal Committee”	the Detailed Implementation Rules for the Remuneration and Appraisal Committee
“Detailed Implementation Rules for the Strategic and Sustainable Development Committee”	the Detailed Implementation Rules for the Strategic and Sustainable Development Committee
“Gaolu IT”	Sichuan Gaolu Information Technology Co., Ltd.* (四川高路信息科技有限公司)
“EGM”	the extraordinary general meeting to be convened by the Company, the notice of which is set out in pages EGM-1 to EGM-3 of this circular
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) with a nominal value of RMB1.00 each issued by the Company in Hong Kong, which are subscribed for and listed and traded on the Main Board of the Stock Exchange in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors

DEFINITIONS

“Independent Financial Advisor” or “Octal Capital”	Octal Capital Limited, a licensed corporation under the Securities and Futures Commission to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial advisor to the Independent Board Committee and the Independent Shareholders in respect of the Cooperation Agreement and the transaction contemplated thereunder. The relevant appointment has been approved by the Independent Board Committee
“Independent Shareholder(s)”	the Shareholder(s) who are not required to abstain from voting on the relevant resolution at the EGM due to their material interests in the Cooperation Agreement and the transaction contemplated thereunder
“Jingkun Expressway”	Beijing – Kunming Expressway
“Latest Practicable Date”	23 July 2025, being the latest practicable date for ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange and/or the Rules Governing the Listing of Stocks on SSE, as the case may be
“Nomination Committee”	the nomination committee under the Board
“PRC” or “China”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project Company”	the project company to be established under the Cooperation Agreement
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee under the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Road & Bridge Group”	Sichuan Road & Bridge (Group) Co. Ltd.* (四川公路橋樑建設集團有限公司)
“ROT”	Renovate-Operate-Transfer

DEFINITIONS

“Rules of Procedure for the Board Meetings”	the Rules of Procedure for the Board Meetings
“Rules of Procedure for Shareholders’ Meetings”	the Rules of Procedure for Shareholders’ Meetings
“SCIM”	Sichuan Chuanxi Investment Management Co., Ltd.* (四川川西投資管理有限責任公司), a limited liability company established under the laws of the PRC
“SECD”	Sichuan Expressway Construction and Development Group Co., Ltd.* (四川高速公路建設開發集團有限公司), a limited liability company incorporated under the laws of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	A Share(s) and/or H Share(s), as the case may be
“Shareholder(s)”	registered holder(s) of the Shares
“SHGCL”	SICHUAN HUASHI GROUP CORPORATION LIMITED (四川華西集團有限公司)
“SHGBM”	Sichuan Huaxi Greenhouse Building Materials Co., Ltd. (四川華西綠舍建材有限公司)
“Shudao Investment”	Shudao Investment Group Company Limited* (蜀道投資集團有限責任公司), the controlling shareholder of the Company
“Shudao Investment Group”	Shudao Investment and its subsidiaries (other than the Group)
“SRB Group”	Sichuan Road & Bridge Group Co., Ltd.* (四川路橋建設集團股份有限公司), a joint stock limited company established under the laws of the PRC, and its shares are listed on the SSE
“SSE”	the Shanghai Stock Exchange

DEFINITIONS

“SSITG”	Sichuan Shudao Intelligent Transportation Group Co., Ltd.* (四川蜀道智慧交通集團有限公司), a limited liability company established under the laws of the PRC
“STAE”	Sichuan Tibetan Area Expressway Co., Ltd.* (四川藏區高速公路有限責任公司), a limited liability company established under the laws of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic and Sustainable Development Committee”	the strategic and sustainable development committee under the Board
“Supervisory Committee”	the supervisory committee of the Company
“SYTE”	Sichuan Yidatong Transportation Engineering Co., Ltd.* (四川億達通交通工程有限責任公司), a limited liability company established under the laws of the PRC
“Tenderees”	Sichuan Ya’an Municipal People’s Government, Chengdu Municipal People’s Government and Meishan Municipal People’s Government
“Transportation Construction Group”	Sichuan Transportation Construction Group Co., Ltd.* (四川省交通建設集團有限責任公司)
“Yakang Expressway”	Ya’an – Kangding Expressway
“Yaxi Expressway”	Ya’an – Xichang Expressway
“Supervisor(s)”	the supervisor(s) of the Company
“%”	per cent

* For identification purposes only

LETTER FROM THE BOARD



四川成渝高速公路股份有限公司 Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00107)

Executive Directors:

Mr. Luo Zuyi (Chairman)
Mr. You Zhiming (Vice Chairman)
Madam Ma Yonghan
Mr. Yao Jiancheng
Madam Mao Yurong

Legal Address:

252 Wuhouci Da Jie
Chengdu
Sichuan Province
the PRC
Postal code: 610041

Non-executive Directors:

Mr. Yang Shaojun (Vice Chairman)
Mr. Li Chengyong
Mr. Chen Chaoxiong

*Principal Place of Business
in Hong Kong:*

40th Floor
Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

Independent Non-executive Directors:

Mr. Yu Haizong
Madam Bu Danlu
Mr. Zhou Hua
Mr. Jiang Tao

25 July 2025

To the Shareholders

Dear Sir or Madam,

**I. MAJOR TRANSACTION AND CONNECTION TRANSACTION –
ESTABLISHMENT OF JOINT VENTURE FOR THE DEVELOPMENT OF
THE CHENGYA EXPRESSWAY EXPANSION PROJECT;
II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND OTHER RULES AND PROPOSED ABOLISHMENT OF THE
ESTABLISHMENT OF THE SUPERVISORY COMMITTEE;
AND
III. NOTICE OF EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

References are made to the announcement of the Company dated 22 July 2025 in relation to the Cooperation Agreement and the transaction contemplated thereunder; and the announcement dated 27 June 2025 in relation to the proposed amendments to the Articles of Association and other rules and proposed abolishment of the establishment of the Supervisory Committee.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding the resolution to be proposed at the EGM in relation to (i) further details of the Cooperation Agreement and the transaction contemplated thereunder; (ii) recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Cooperation Agreement and the transaction contemplated thereunder; (iii) a letter of opinion from the Independent Financial Advisor to the Independent Board Committee and Independent Shareholders in respect of the Cooperation Agreement and the transaction contemplated thereunder; (iv) details of the proposed amendments to the Articles of Association, Rules of Procedure for Shareholders' Meetings, Rules of Procedure for the Board Meetings and other rules; and (v) a notice convening the EGM.

II. BACKGROUND INFORMATION OF THE CHENGYA EXPRESSWAY AND ITS EXPANSION PROJECT

Chengya Expressway

Chengya Expressway, also known as Chengdu-Ya'an Expressway, is located in Sichuan Province, the PRC. It commences at Yongfeng Interchange in Chengdu Municipality and ends at Duiyan in Ya'an Municipality, passing through Gaoxin District, Shuangliu District, Xinjin District, Qionglai City and Pujiang County in Chengdu Municipality, Pengshan District in Meishan Municipality, and Mingshan District and Yucheng District in Ya'an Municipality. Chengya Expressway forms part of the G5 Jingkun Expressway within China's national expressway network and serves as a major arterial route in the Western Development Initiatives, linking Sichuan Province with Yunnan Province and the Tibet Autonomous Region. It is also a radial route extending from Chengdu within the expressway network of Sichuan Province, serving as a major passageway connecting the three major cities of Chengdu, Meishan and Ya'an. Chengya Expressway holds a critical position within both national and regional road networks.

Chengya Expressway has a total length of 144.2 kilometers and is wholly-owned by Sichuan Expressway Company Limited Operation and Management Branch III with an operating period from 1 January 2000 to 31 December 2029. As disclosed in the annual report of the Company for the year ended 31 December 2024 dated 17 April 2025, Chengya Expressway recorded an average daily traffic volume of 38,476 vehicles per day and a toll income of RMB1,050.781 million, making it the expressway with the highest toll income among all expressways of the Company.

Chengya Expressway Expansion Project

The Chengya Expressway Expansion Project consists of the expanded section of Chengya Expressway and a newly constructed Lushan branch line. The entire Chengya Expressway Expansion Project spans nine districts and counties across three cities (Shuangliu District, Xinjin District, Qionglai City and Pujiang County in Chengdu Municipality; Pengshan District and Dongpo District in Meishan Municipality; Mingshan District, Yucheng District and Lushan County in Ya'an Municipality). The expansion of Chengya Expressway commences at Baijia

LETTER FROM THE BOARD

Interchange Hub of Chengdu Ring Expressway and, along the existing route, passes through Shuangliu District and Xinjin District in Chengdu Municipality; Pengshan District and Dongpo District in Meishan Municipality; Qionglai City and Pujiang County in Chengdu Municipality; and Mingshan District and Yucheng District in Ya'an Municipality, before terminating at Duiyan Interchange in Ya'an Municipality, where it connects with Yaxi Expressway and Yakang Expressway. The Lushan branch line originates near Luojiaba in Lushan County, Ya'an Municipality, and connects with the Qionglai-Lushan-Yingjing Expressway, passing through Yucheng District before terminating at Mingshan District, where it connects with Chengya Expressway.

The Chengya Expressway Expansion Project covers a total length of 159.115 kilometers, of which 134.748 kilometers are covered by the expanded section of the Chengya Expressway along the original route. The section from the starting point to Qinglongchang is eight-lane dual carriageways with a roadbed width of 42 meters, spanning 35.07 kilometers with a design speed of 120 km/h. The section from Qinglongchang to Gongyi is eight-lane dual carriageways with a roadbed width of 41.5 meters spanning 7.8 kilometers with a design speed of 120 km/h. The section from Gongyi to Shuiniamba is eight-lane dual carriageways with a roadbed width of 41 meters spanning 74.13 kilometers with a design speed of 100 km/h. The section from Shuiniamba to Duiyan is eight-lane dual carriageways with a roadbed width of 40.5 meters spanning 17.748 kilometers with a design speed of 80 km/h. The Lushan branch line is four-lane dual carriageways with a roadbed width of 25.5 meters spanning 24.367 kilometers with a design speed of 80 km/h. There are also eight connecting roads, with a total length of 12.813 kilometers. Asphalt concrete pavement is adopted throughout the entire route.

To further implement the overarching development strategy of the Company by constantly reinforcing the growth of the Company's core business and strengthening the competitive edge of its expressway segment, the Company participated in the tender for the Chengya Expressway Expansion Project. (i) To meet the evaluation requirements set out in the tender document and enhance the likelihood of successful bid award, China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT were introduced as co-investors; (ii) the introduction of China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT is beneficial to the Company in alleviating its financial pressure associated with the Chengya Expressway Expansion Project and maintaining a robust asset-liability structure; and (iii) China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT have core business operations related to construction activities and possess key qualifications for construction works, highway management and maintenance and highway electromechanical engineering. Their involvement is expected to facilitate smooth and safe traffic flow during the construction phase following the establishment of the Project Company, and to contribute positively to the quality assurance and cost control of the Chengya Expressway Expansion Project. On the basis of the above, a consortium was formed between the Company, China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT to bid for the Chengya Expressway Expansion Project.

LETTER FROM THE BOARD

The total investment in the Chengya Expressway Expansion Project is estimated to be approximately RMB28,548 million, which will cover all construction investments and expenses from project planning, engineering feasibility studies, survey and design, land acquisition and resettlement, and construction works through to completion acceptance. The said total investment amount was set out in the tender document as determined by the Tenderers, taking into account the engineering feasibility study report approved by Sichuan Provincial Development and Reform Commission and Sichuan Provincial Department of Transportation. The construction is expected to last for four years. For the sole purpose of the bid for the Chengya Expressway Expansion Project, the Company intended to enter into the Cooperation Agreement with China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT for the establishment of the Project Company.

The project will adopt the ROT, that is Renovate-Operate-Transfer, model.

III. COOPERATION AGREEMENT

Date 22 July 2025

Parties

1. the Company;
2. China Huashi;
3. Transportation Construction Group;
4. Road & Bridge Group; and
5. Gaolu IT.

Investors' Capital Commitment and Total Registered Capital of the Project Company The core business of the Project Company is proposed to be the construction, operation, management and transfer of the Chengya Expressway Expansion Project.

(a) Pursuant to the Cooperation Agreement, the investors' capital commitment will be RMB5.767 billion (which represents 20.2% of the total investment amount of the Chengya Expressway Expansion Project, as required by the tender document and determined by the parties), of which:

(i) RMB4.902 billion will be contributed in cash by the Company, representing 85% of the investors' capital commitment;

(ii) RMB0.577 billion will be contributed in cash by China Huashi, representing 10% of the investors' capital commitment;

(iii) RMB0.173 billion will be contributed in cash by Transportation Construction Group, representing 3% of the investors' capital commitment;

LETTER FROM THE BOARD

- (iv) RMB0.058 billion will be contributed in cash by Road & Bridge Group, representing 1% of the investors' capital commitment; and
 - (v) RMB0.058 billion will be contributed in cash by Gaolu IT, representing 1% of the investors' capital commitment.
- (b) Pursuant to the Cooperation Agreement, the total registered capital of the Project Company will be RMB100 million (which represents approximately 1.73% of the investors' capital commitment as above-mentioned, as determined by the parties), of which:
- (i) RMB85 million will be contributed in cash by the Company, representing 85% of the total registered capital of the Project Company;
 - (ii) RMB10 million will be contributed in cash by China Huashi, representing 10% of the total registered capital of the Project Company;
 - (iii) RMB3 million will be contributed in cash by Transportation Construction Group, representing 3% of the total registered capital of the Project Company;
 - (iv) RMB1 million will be contributed in cash by Road & Bridge Group, representing 1% of the total registered capital of the project Company; and
 - (v) RMB1 million will be contributed in cash by Gaolu IT, representing 1% of the total registered capital of the Project Company.

The Project Company will be held as to 85% by the Company, 10% by China Huashi, 3% by Transportation Construction Group, 1% by Road & Bridge Group and 1% by Gaolu IT. China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT were introduced by the Company as co-investors and each party's contribution was determined by after arm's length negotiation and taking into account the Company's financial condition. The Project Company will become a non-wholly owned subsidiary of the Company.

LETTER FROM THE BOARD

The investors' capital commitment should be contributed by parties in installments over four years from 2025 onwards, with proportions of 20%, 30%, 30%, and 20% respectively. According to the abovementioned instalment proportion for each year, the expected contributions to be completed by the Company will be RMB4.902 billion in total, where approximately RMB980 million for 2025, RMB1,470 million for 2026, RMB1470 million for 2027 and RMB980 million for 2028, respectively. The Company will consider its' financial position from time to time to satisfy the contribution of the investors' capital commitment, and it is expected that the amount will be sourced from the Group's current and future internal resources.

In respect of the future capital commitment constituting the remaining portion of the total investment and further funding requirements of the Chengya Expressway Expansion Project, it is expected that details of which will be determined in the further agreements to be entered into by the Project Company. It is currently anticipated that such commitment will be financed by debt financing. The Company will make further announcements as and when appropriate in accordance with the Listing Rules.

Performance Bond

A performance bond in the amount of RMB170 million was undertaken by the Company in respect of the Chengya Expressway Expansion Project.

Governance and Management of the Project Company

1. Governance structure

The Project Company shall set up its shareholders' meetings, board of directors and management in accordance with the applicable laws.

2. Composition of the board of directors and the management

The board of directors of the Project Company shall consist of seven members, with six of which to be nominated by the Company and one by China Huashi. The legal representative of the Project Company shall be the chairman of the board of directors, who shall be nominated by the Company for election by the board of directors.

There shall be in the Project Company one general manager, who shall be nominated by the Company; one chief financial officer, who shall be nominated by the Company; and a number of senior management members, one of which shall be nominated by China Huashi and the remaining by the Company.

The detailed arrangements shall be set out in the articles of association of the Project Company.

LETTER FROM THE BOARD

**Restrictions on
Shareholding
Changes**

Pursuant to the tender document, no transfer of shareholdings in the Project Company may be effected by any party before acceptance of completion of the Chengya Expressway Expansion Project. Subsequent to acceptance of completion of the Chengya Expressway Expansion Project, shareholdings in the Project Company may be transferred through relevant procedures.

Conditions Precedent

The Cooperation Agreement will come into effect upon fulfillment of all conditions set out below:

1. The notice of winning bid was issued by the Tenderers;
2. The completion of necessary internal approval procedures and execution by seal of the Cooperation Agreement by the Company, China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT respectively; and
3. The compliance by the Company with relevant requirements under the Listing Rules in respect of the Cooperation Agreement and the transaction contemplated thereunder, including but not limited to reporting to the Stock Exchange and SSE, publishing of announcement and obtaining of Independent Shareholders' approval in respect of the Cooperation Agreement.

As at the Latest Practicable Date, save for item 2 above, none of the conditions have been fulfilled. None of the above conditions may be waived by any party to the Cooperation Agreement.

**Proposed term of
toll collection
rights and
concession
agreement**

Pursuant to the tender document, the Project Company, upon establishment, will enter into a concession agreement with the Tenderers. In principle, the concession period will not exceed 40 years and will consist of three periods, namely the preparation period, the construction period and the operation period (including the toll collection period). Among these, the operation period (including the toll collection period) will commence on the date of acceptance of completion of the project and end on the expiry date of the toll collection. The toll collection period, which will start from the approved commencement date of toll collection and end on the expiry date of toll collection, will be subject to the statutory limit (the maximum period prescribed by the prevailing national regulations is 30 years). The actual commencement and expiry dates are subject to the approval of the Sichuan Provincial People's Government.

LETTER FROM THE BOARD

IV. REASONS FOR AND EXPECTED BENEFITS OF PARTICIPATING IN THE CHENGYA EXPRESSWAY EXPANSION PROJECT AND CARRYING OUT TRANSACTION CONTEMPLATED THEREUNDER

Chengya Expressway is a core asset of the Company and its current toll collection right will expire on 31 December 2029. Participation in the Chengya Expressway Expansion Project will renew the toll collection term and unit toll charge of Chengya Expressway, thereby securing the growth of cashflow stream, profit and asset portfolio of the Company. This will be conducive for the Company in further growing and strengthening its core business, optimizing the operation term structure of its road asset portfolio and enhancing its operational sustainability, reinforcing its foundation for long-term development. Furthermore, this will allow the Company to continue to capitalize on the road network resources of Chengya Expressway, enabling economy of scale and synergy between various road networks and promoting the co-development of other segments such as integrated energy and expressway derivative service businesses.

Chengya Expressway has been operated by the Company for over 24 years. Prior to entering into the Cooperation Agreement, the Company conducted an analysis of the Chengya Expressway, based on the Company's regular internal systematic management reports (such as annual reports and financial budget reports of the Company), including but not limited to, (i) the current traffic volume of Chengya Expressway, (ii) the existing revenue generated by the Chengya Expressway, and (iii) the potential expenditures associated with the Chengya Expressway Expansion Project.

The Directors (including all the independent non-executive Directors whose opinions are set out in the letter from the Independent Board Committee contained in this circular), based on the above-mentioned analysis, performance and prospect of the Chengya Expressway and the investment payback period of the Chengya Expressway Expansion Project, are of the view that participating in the Chengya Expressway Expansion Project is beneficial to the Company and its Shareholders.

Given the foregoing, the Directors (including all the independent non-executive Directors whose opinions are set out in the letter from the Independent Board Committee contained in this circular) are of the opinion that the Cooperation Agreement and the transaction contemplated thereunder are entered into on normal commercial terms, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

V. INFORMATION OF THE COMPANY, CHINA HUASHI, TRANSPORTATION CONSTRUCTION GROUP, ROAD & BRIDGE GROUP AND GAOLU IT

The Group

The Group is principally engaged in the investment, construction, operation and management of certain expressway projects in the province, green energy investment business and integrated development of resources along the routes.

LETTER FROM THE BOARD

Independent Third Party

China Huashi

China Huashi is a joint stock company established in the PRC with limited liability. It is principally engaged in general contracting of projects (including housing construction and municipal utilities), real estate development, construction financing and overseas project contracting. As at the Latest Practicable Date, China Huashi is held as to 99.28% by the SHGCL and 0.72% by SHGBM (which is wholly owned by the SHGCL). SHGCL is held as to 90% by the State-owned Assets Supervision and Administration Commission of Sichuan Province (四川省政府國有資產監督管理委員會) and 10% by the Sichuan Provincial Department of Finance (四川省財政廳).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, China Huashi and its ultimate beneficial owner are third parties independent from the Company and its connected persons.

Connected Parties

Transportation Construction Group

Transportation Construction Group is a joint stock company established in the PRC with limited liability. It is principally engaged in construction works; highway management and maintenance; construction engineering survey; construction engineering design; specialized equipment design; specialized equipment manufacturing; specialized equipment installation, modification and repair; and specialized equipment inspection and testing.

Road & Bridge Group

Road & Bridge Group is a joint stock company established in the PRC with limited liability. It is principally engaged in construction works; construction engineering design; construction engineering survey; construction engineering quality inspection; highway management and maintenance; specialized construction works; surveying and mapping services; and construction demolition works.

Gaolu IT

Gaolu IT is a joint stock company established in the PRC with limited liability. It is principally engaged in professional contracting for highway engineering (highway electromechanical engineering) and professional contracting for highway engineering (highway safety facilities).

LETTER FROM THE BOARD

As at the Latest Practicable Date,

- (i) Transportation Construction Group, Road & Bridge Group and Gaolu IT are indirect non-wholly owned subsidiaries of Shudao Investment.
 - (a) Transportation Construction Group and Road & Bridge Group are direct wholly-owned subsidiaries of SRB Group;
 - (b) SRB Group, a joint stock limited company established under the laws of the PRC, and its shares are listed on the SSE, is mainly owned as to 56.87%, 10.04% and 7.43% by Shudao Investment, SECD and STAE, respectively; and
 - (c) SECD and STAE are direct wholly-owned subsidiaries of Shudao Investment.
- (ii) Gaolu IT is owned as to 81.1765%, 10% and 8.8235% by SSITG, SYTE and SCIM, respectively;
 - (a) SSITG is an indirect wholly-owned subsidiary of Shudao Investment;
 - (b) SYTE is owned as to 51% and 49% by SSITG and Institute of Transportation Development Strategy and Planning of Sichuan Province (四川省交通運輸發展戰略和規劃科學研究院), respectively; and
 - (c) SCIM is an indirect wholly-owned subsidiary of Shudao Investment.
- (iii) Shudao Investment, the controlling shareholder of the Company, is a wholly-owned subsidiary of Sichuan Development Holding Co., Ltd.* (四川發展(控股)有限責任公司), which is wholly owned by the Sichuan Provincial People's Government.

VI. IMPLICATIONS UNDER THE LISTING RULES

As one or more applicable percentage ratios (as defined under the Listing Rules) are higher than 25% but below 100%, the Cooperation Agreement and the transaction contemplated thereunder constitute a major transaction of the Company according to Chapter 14 of the Listing Rules and are subject to the requirements in respect of reporting, announcement and Shareholders' approval under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, the controlling shareholder of the Company is Shudao Investment (which holds an aggregate of 1,218,979,662 Shares, comprising 1,035,915,462 A Shares and 183,064,200 H Shares, representing 39.861% of the total issued shares of the Company). Transportation Construction Group, Road & Bridge Group and Gaolu IT are indirect non-wholly owned subsidiaries of Shudao Investment, the controlling shareholder of the Company. Accordingly, Transportation Construction Group, Road & Bridge Group and Gaolu IT are connected persons of the Company under the Listing Rules. Therefore, the

LETTER FROM THE BOARD

Cooperation Agreement and the transaction contemplated thereunder constitute a connected transaction of the Company and are subject to the requirements in respect of reporting, announcement and Independent Shareholders' approval under Chapters 14A of the Listing Rules.

The Independent Board Committee comprising all independent non-executive Directors has been formed to advise the Independent Shareholders on the Cooperation Agreement and the transaction contemplated thereunder. Octal Capital has been appointed as the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders in this regard.

VII. ABSTENTION FROM VOTING ON RESOLUTION AND AT THE EGM

Mr. Li Chengyong and Mr. Chen Chaoxiong, both non-executive Directors, hold positions in Shudao Investment Group. Mr. Li Chengyong, non-executive Director, is the director of the fund management centre of the financial management department (fund management centre) of Shudao Investment; and Mr. Chen Chaoxiong, non-executive Director, is a class II director of Shudao Investment, i.e. a director of a subsidiary nominated and appointed by Shudao Investment for its subsidiaries including the Company. Accordingly, they have abstained from voting on the resolution of the Board for approving the Cooperation Agreement. Save as disclosed above, none of the Directors of the Company have any material interests in the Cooperation Agreement and are required to abstain from voting on the resolution of the Board for approving the Cooperation Agreement.

As it is interested in the Cooperation Agreement and the transaction contemplated thereunder, Shudao Investment (the controlling shareholder of the Company, which holds 1,035,915,462 A Shares and 183,064,200 H Shares, totaling 1,218,979,662 Shares, representing approximately 39.861% of the total issued share capital of the Company) and its associates will abstain from voting on the relevant resolutions to be proposed at the EGM for approving the Cooperation Agreement and the transaction contemplated thereunder.

VIII. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND OTHER RULES AND PROPOSED ABOLISHMENT OF THE ESTABLISHMENT OF THE SUPERVISORY COMMITTEE

Pursuant to the Company Law, which took effect from 1 July 2024 and the Transitional Arrangements for the Implementation of Supporting Rules under the New Company Law (《關於新公司法配套制度規則實施相關過渡期安排》) promulgated by the CSRC, listed companies are required to include provisions in their Articles of Association for establishing an audit committee under the board to perform the original duties of the supervisory committee and to abolish the supervisory committee or supervisors, in accordance with the Company Law, the Provisions of the State Council on the Implementation of the Registration Management System for Registered Capital under the Company Law (《國務院關於實施<公司法>註冊資本登記管理制度的規定》), and the supporting rules of the CSRC by 1 January 2026. On 28 March 2025,

LETTER FROM THE BOARD

the CSRC promulgated the revised Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》) and the Rules for Shareholders' Meetings of Listed Companies (《上市公司股東會規則》), which came into effect from the date of promulgation.

The Company intends to implement the above-mentioned requirements of the CSRC, by abolishing the Supervisory Committee, and delegating the powers of the Supervisory Committee under the Company Law to the Audit Committee, with the relevant proposed amendments to be made.

To comply with the aforementioned legal and regulatory requirements, the Company proposes to amend the Articles of Association. The major contents of the proposed amendments include:

- (1) abolishing the Supervisory Committee and clarification of the functional positioning of the Audit Committee; and
- (2) other corresponding and miscellaneous amendments.

The Company further announces its proposal to make certain corresponding amendments to the existing Rules of Procedure for Shareholders' Meetings, Rules of Procedure for the Board Meetings, Detailed Implementation Rules for the Audit Committee, Detailed Implementation Rules for the Strategic and Sustainable Development Committee, Detailed Implementation Rules for the Nomination Committee, and Detailed Implementation Rules for the Remuneration and Appraisal Committee, and to abolish the Rules of Procedures for the Supervisory Committee to, among other matters, align with the proposed amendments to the Articles of Association. The proposed amendments will not affect the existing rights of any class of Shareholders of the Company or the existing arrangements for class meetings.

Shareholders' approval is required for the proposed amendments to the Articles of Association, the Rules of Procedure for Shareholders' Meetings and the Rules of Procedure for the Board Meetings. In particular, the proposed amendments to the Articles of Association are subject to the consideration and approval by the Shareholders at the EGM by way of special resolution; and the proposed amendments to the Rules of Procedure for Shareholders' Meetings and the Rules of Procedure for the Board Meetings are subject to the consideration and approval by the Shareholders at the EGM by way of ordinary resolution. The Detailed Implementation Rules for the Audit Committee, the Detailed Implementation Rules for the Strategic and Sustainable Development Committee, the Detailed Implementation Rules for the Nomination Committee and the Detailed Implementation Rules for the Remuneration and Appraisal Committee will take effect simultaneously upon Shareholders' approval of the amendments to the Articles of Association at the EGM.

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

LETTER FROM THE BOARD

For details of the proposed amendments to the Rules of Procedure for Shareholders' Meetings, please refer to Appendix III of this circular.

For details of the proposed amendments to the Rules of Procedure for the Board Meetings, please refer to Appendix IV of this circular.

For details of the amendments to the Detailed Implementation Rules for the Audit Committee, the Detailed Implementation Rules for the Strategic and Sustainable Development Committee, the Detailed Implementation Rules for the Nomination Committee and the Detailed Implementation Rules for the Remuneration and Appraisal Committee, please refer to Appendix V of this circular.

IX. VOTING BY POLL

According to the Listing Rules, each of the resolutions to be proposed at the EGM will be voted on by poll. Results of the poll voting will be published on the Company's website (www.cygs.com) and the website of the Stock Exchange (www.hkexnews.hk) after the EGM.

X. EGM

The Company proposes to convene the EGM at 3:00 p.m. on Wednesday, 13 August 2025 at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC.

A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For the holders of H Shares, the form of proxy should be returned to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by hand or by post not less than 24 hours before the time appointed for holding the EGM or any adjourned meeting thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any adjourned meeting should you so wish, but in such event the instrument appointing a proxy shall be deemed to be revoked.

XI. CLOSURE OF REGISTER OF MEMBERS OF H SHARES

The register of members of H Shares of the Company will be closed from Monday, 11 August 2025 to Wednesday, 13 August 2025, both days inclusive, during which period no transfer of H Shares will be effected. In order to qualify for attending the EGM, unregistered holders of H Shares shall ensure that all transfer documents of H Shares accompanied by the relevant share certificates and the appropriate transfer documents be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 8 August 2025. The record date for the purpose of determining the eligibility of the Shareholders to attend and vote at the EGM is therefore 13 August 2025.

LETTER FROM THE BOARD

XII. RECOMMENDATION

The Company has appointed Octal Capital as the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders in respect of the Cooperation Agreement and the transaction contemplated thereunder. The letter of advice from Octal Capital to the Independent Board Committee and the Independent Shareholders is set out on pages IFA-1 to IFA-22 of this circular. The Independent Board Committee comprising all the independent non-executive Directors has been established to give advice to the Independent Shareholders in respect of the Cooperation Agreement and the transaction contemplated thereunder. The letter from the Independent Board Committee, which contains its recommendation to the Independent Shareholders in respect of the Cooperation Agreement and the transaction contemplated thereunder, is set out on page IBC-1 of this circular.

The Directors (including all the independent non-executive Directors, whose views in respect of the Cooperation Agreement and the transaction contemplated thereunder are set out in the letter from the Independent Board Committee contained in this circular) consider that: (1) the Cooperation Agreement and the transaction contemplated thereunder is fair and reasonable and in the best interest of the Company and its Shareholder as a whole; and (2) the proposed amendments to the Articles of Association, Rules of Procedure for Shareholders' Meetings and Rules of Procedure for the Board Meetings are in the best interest of the Company and its shareholders as a whole.

Accordingly, the Board recommends that: (1) the Independent Shareholders vote in favour of the ordinary resolution for approving the Cooperation Agreement and the transaction contemplated thereunder; (2) the Shareholders vote in favour of the special resolution for approving the proposed amendments to the Articles of Association; (3) the Shareholders vote in favour of the ordinary resolution for approving the proposed amendments to the Rules of Procedure for Shareholders' Meetings; and (4) the Shareholders vote in favour of the ordinary resolution for approving the proposed amendments to the Rules of Procedure for the Board Meetings.

XIII. RESPONSIBILITY STATEMENT

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

By Order of the Board
Sichuan Expressway Company Limited*
Yao Jiancheng
Executive Director and Company Secretary

* For identification purposes only

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



四川成渝高速公路股份有限公司 Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00107)

25 July 2025

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION AND CONNECTION TRANSACTION

We have been appointed as members of the Independent Board Committee to give our advice on the Cooperation Agreement and the transaction contemplated thereunder, details of which are set out in the letter from the Board included in the circular to the Shareholders dated 25 July 2025 (the “**Circular**”), of which this letter forms a part. Terms used herein shall have the same meanings as those defined in the Circular unless the context otherwise requires.

Octal Capital has been appointed as the Independent Financial Advisor to advise us on the Cooperation Agreement and the transaction contemplated thereunder. The letter from the Independent Financial Advisor is set out on pages IFA-1 to IFA-22 of the Circular.

Having considered the terms and conditions of the Cooperation Agreement, the advice given by Octal Capital and the principal factors and reasons taken into consideration by them in arriving at their advice, we are of the view that the terms of the Cooperation Agreement and the transaction contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution at the EGM to approve the Cooperation Agreement and the transaction contemplated thereunder.

Yours faithfully,
Independent Board Committee

Mr. Yu Haizong
*Independent
Non-executive
Director*

Madam Bu Danlu
*Independent
Non-executive
Director*

Mr. Zhou Hua
*Independent
Non-executive
Director*

Mr. Jiang Tao
*Independent
Non-executive
Director*

* *For identification purposes only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

The following is the letter of advice from Octal Capital Limited to the Independent Board Committee and the Independent Shareholders prepared for the purpose of inclusion in this circular.



25 July 2025

801-805, 8/F, Nan Fung Tower,
88 Connaught Road Central,
Hong Kong

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

**MAJOR TRANSACTION AND CONNECTED TRANSACTION
– ESTABLISHMENT OF JOINT VENTURE
FOR THE DEVELOPMENT OF
THE CHENGYA EXPRESSWAY EXPANSION PROJECT**

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Cooperation Agreement, particulars of which are set out in the Letter from the Board (the “**Letter from the Board**”) of the circular of the Company dated 25 July 2025 (the “**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined under the definition section of the Circular.

According to the Announcement of the Company dated 22 July 2025, the Company entered into the Cooperation Agreement in respect of the establishment of the Project Company for the development of the Chengya Expressway Expansion Project.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all independent non-executive Directors, namely Mr. Yu Haizong, Madam Bu Danlu, Mr. Zhou Hua and Mr. Jiang Tao, has been formed to advise the Independent Shareholders on the Cooperation Agreement and the transaction contemplated thereunder. We, Octal Capital, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

During the last two years, we were engaged as the independent financial adviser to the Company (the “**Previous Engagement**”) in respect of the major and connected transaction in relation to acquiring 100% equity interest in the Sichuan Rongcheng Second Ring Expressway Development Co., Ltd. (details of which are set out in the circular of the Company dated 10 March 2023). Under the Previous Engagement, we were required to express our opinion on and give recommendation to the then independent board committee and the then independent shareholders.

As at the Latest Practicable Date, we are not connected with the Group, China Huashi, Transportation Construction Group, Road & Bridge Group, Gaolu IT or where applicable, any of their respective substantial shareholders, directors or chief executives, or any of their respective subsidiaries or associates and do not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. During the last two years, there has been no other engagement entered into between the Company and us. We are therefore considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders.

Apart from normal professional fees payable to us by the Company in connection with the Previous Engagement and this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company or the directors, chief executive and substantial shareholders of the Company, China Huashi, Transportation Construction Group, Road & Bridge Group, Gaolu IT or any of their respective subsidiaries or associates that could reasonably be regarded as relevant to our independence. As such, we do not consider that the Previous Engagements would affect our independence to act as the Independent Financial Advisor under the current appointment. Accordingly, we consider that we are independent to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the Cooperation Agreement pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the accuracy of the information and representations contained in the Circular and have assumed that all information and representations made or referred to in the Circular as provided by the management of the Company were true at the time they were made and continue to be true as at the date of the Circular. We have also relied on our discussion with the management of the Company regarding the Cooperation Agreement, and the information and representations contained in the Circular. We have also assumed that all statements of belief, opinion and intention made by the management of the Company in the Circular were reasonably made after due enquiry. We consider that we have reviewed sufficient information, among other things, (i) the Cooperation Agreement; (ii) the tender document; (iii) the annual report of the Group for the financial years ended 31 December 2023 and 2024 (respectively the “**2023 Annual Report**” and the “**2024 Annual Report**”); and (iv) other information as set out in the Circular, to reach an informed view and justify our reliance on the accuracy of the information contained in the Circular and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained or opinions expressed in the Circular nor to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Company. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Group, the Project Company, and any of their respective subsidiaries and their respective associates, nor have we carried out any independent verification of the information supplied to us.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinions and recommendations in respect of the Cooperation Agreement, we have taken into consideration of the following principal factors and reasons:

1. Background information of the Group

The Group is principally engaged in investment, construction, operation and management of expressway projects in the province, green energy investment business and integrated development of resources along the routes.

The revenue of the Group is generated from (i) the expressway segment which comprises the operation of expressways and a high-grade toll bridge in the PRC; (ii) the construction services segment which comprises the provision of construction and upgrade services under the service concession arrangements and construction contracts; (iii) the transportation services segment which comprises the provision of advertising services, the rental of properties along expressways, the operation of gas stations along expressways and the sale of oil products; (iv) the transportation logistics segment which comprises the sale of commodity logistics trade business; (v) the new energy technologies segment which comprises the provision of charging services for electric vehicles and the sale of charge modules; and (vi) other segment mainly refers to financial investments. Details of the major eight expressways operated by and contributing toll income to the Group which are situated in Sichuan Province are set out below:

	Expressway	Origin/ destination	Approximate length (kilometer)	Toll Collection Rights	
				Year of commencement	Year of expiry
1	Chengbei Exit Expressway	Qinglongchang/Baihelin	10	1998	2025
2	Chengyu Expressway	Chengdu/Shangjiapo	226	1997	2027
3	Chengya Expressway	Chengdu/Duiyan	144	2000	2029
4	Chengle Expressway	Qinglongchang/Guliba	86	2000	2029 ^(Note)
5	Chengren Expressway	Jiangjia/Zhichanggou	107	2012	2042

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

	Expressway	Origin/ destination	Approximate length (kilometer)	Toll Collection Rights	
				Year of commencement	Year of expiry
6	Suixi Expressway	Jixiang Town/Taiping Town, Xichong County	68	2016	2046
7	Suiguang Expressway	Jinqiao interchange/ Hongtudi interchange	103	2016	2046
8	Second Ring (Western) Expressway	Yongxing Town/ Mengyang Town	114	2016	2046

Note: According to the 2024 Annual Report, the Chengle Expressway is undergoing an expansion construction project. The Group intends to apply for an extension of toll collection rights following the completion of the construction project.

Tianqiong Expressway is currently under trial operations and not included above.

The table below summarises the major financial information of the Group for the financial years ended 31 December 2022, 2023 and 2024 (“FY2022”, “FY2023” and “FY2024”) extracted from the 2023 Annual Report and 2024 Annual Report.

RMB’ million	FY2022 (audited)	FY2023 (audited)	FY2024 (audited)
Chengya Expressway (<i>Note 1</i>)	891	1,040	1,051
Other revenue from expressway segment	2,874	3,681	3,726
Expressway segment	3,765	4,721	4,777
Construction services segment (<i>Note 2</i>)	4,193	4,116	2,806
Others	2,461	2,744	2,664
Total revenue	10,419	11,581	10,247
Profit before net finance costs and tax	1,783	2,414	2,684
Profit for the year	679	1,267	1,540

Source: 2023 Annual Report and 2024 Annual Report

Note 1: The amounts represent toll income contributed by Chengya Expressway.

Note 2: The segment revenue was recognised mainly in respect of the construction services provided by the Group for the Chengle Expressway Expansion Construction Project and Tianqiong Expressways BOT Project using the input method. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

The Group operates nine expressways with a total mileage of approximately 900 kilometers in Sichuan Province (including the total toll mileage of approximately 858 kilometers and Tianqiong Expressway (approximately 42 kilometers, currently under trial operations)). As shown above, the toll collection rights of Chengbei Exit Expressway and Chengyu Expressway (being 236 kilometers in aggregate and 26.2% of the Group's expressway portfolio) will be expired by 2025 and 2027. Upon expiry of the toll collection rights of Chengya Expressway and Chengle Expressway in 2029, the Group's expressway portfolio will be decreased by another 230 kilometers in aggregate, or 25.6% of the Group's expressway portfolio. The toll collection rights of the abovementioned four expressways with a total length of approximately 466 kilometers (51.8% of the total length) will be expired in or before 2029. Being one of the major revenue sources among the expressways under the Group's operation, toll income from Chengya Expressway contributed 23.7%, 22.0%, 22.0% of the Group's expressway segment in FY2022, FY2023 and FY2024 respectively.

FY2023 vs FY2024

The revenue of the Group decreased from approximately RMB11,581 million in FY2023 to approximately RMB10,247 million in FY2024 by approximately 11.5% which was mainly attributable to the reduction in revenue of construction services segment. The revenue recognition of the construction services segment was based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the construction services. During FY2024, 46.6% of the total revenue was derived from toll income of the expressway segment and the toll revenue maintained stable during FY2023 and FY2024.

The Group recorded the profit after tax of approximately RMB1,540 million in FY2024 as compared to that of approximately RMB1,267 million in FY2023, representing an improvement of approximately RMB273 million or 21.5%. The improvement of profitability was mainly attributable to the increment in operating profit by approximately RMB225 million as well as the reduction in finance cost by approximately RMB86 million. The interest coverage calculated as profit before net finance costs and tax divided by net finance costs in FY2024 was 3.3X.

FY2022 vs FY2023

The revenue of the Group increased from approximately RMB10,419 million in FY2022 to approximately RMB11,581 million in FY2023 by approximately 11.2% which was mainly attributable to the growth in expressway segment revenue. The expressway segment revenue increased from RMB3,765 million to RMB4,721 million, representing a growth of 25.4%. During FY2023, 40.8% of the total revenue was derived from toll income of the expressway segment, while the construction services segment remained relatively stable with a slight decrease of 1.8% from RMB4,193 million to RMB4,116 million.

The Group recorded the profit after tax of approximately RMB1,267 million in FY2023 as compared to that of approximately RMB679 million in FY2022, representing a improvement of approximately RMB588 million or 86.6%. The improvement in profitability was mainly

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

contributed by strong performance of the expressway segment due to rebound in traffic volume and increased demand for personnel travel during FY2023. The interest coverages calculated by profit before net finance costs and tax divided by net finance costs in FY2022 and FY2023 were 2.1X and 2.9X respectively.

The major items of the audited consolidated financial position of the Company as at 31 December 2023 and 2024 are summarised as below:

	As at 31 December	
	2023	2024
	<i>(audited)</i>	<i>(audited)</i>
RMB' million		
Non-current assets		
Property, plant and equipment	992	1,120
Service concession arrangements	49,646	51,821
Other non-current assets	3,884	3,967
	54,522	56,908
Current assets		
Trade and other receivables	1,016	1,136
Cash and cash equivalents	1,983	2,957
Other current assets	120	31
	3,119	4,124
Total assets	57,641	61,032
Non-current liabilities		
Interest-bearing bank and other borrowings	34,393	35,835
Other non-current liabilities	257	278
	34,650	36,113
Current liabilities		
Trade and other payables	2,819	2,709
Interest-bearing bank and other borrowings	3,388	2,590
Other current liabilities	111	124
	6,318	5,423
Total liabilities	40,968	41,536
Net assets	16,673	19,496
Total interest-bearing bank and other borrowings	37,781	38,425
Gearing ratio (total interest-bearing bank and other borrowings divided by total assets)	65.6%	63.0%

Source: 2023 Annual Report and 2024 Annual Report

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

As at 31 December 2024, the Group's core assets are the service concession arrangements in relation to the nine expressways operated by the Group of approximately RMB51,821 million, representing approximately 84.9% of the total assets. As at 31 December 2024, the Group recorded approximately RMB2,957 million of cash and cash equivalents.

The Group's liabilities mainly include interest-bearing bank and other borrowings of approximately RMB38,425 million, representing approximately 92.5% of total liabilities as at 31 December 2024. The Group's gearing ratio (as defined above) as at 31 December 2024 was approximately 63.0%, indicating the Group has been indebted. We noted that the amount of net current liabilities of the Group as at 31 December 2024 was decreased as compared to that as at 31 December 2023, indicating an improvement of short-term liquidity.

2. Background information of Chengya Expressway

Chengya Expressway is located in Sichuan Province, the PRC. It commences at Yongfeng Interchange in Chengdu Municipality and ends at Duiyan in Ya'an Municipality, passing through Gaoxin District, Shuangliu District, Xinjin District, Qionglai City and Pujiang County in Chengdu Municipality, Pengshan District in Meishan Municipality, and Mingshan District and Yucheng District in Ya'an Municipality. Chengya Expressway forms part of the G5 Jingkun Expressway within China's national expressway network and serves as a major arterial route in the Western Development Initiatives, linking Sichuan Province with Yunnan Province and the Tibet Autonomous Region. It is also a radial route extending from Chengdu within the expressway network of Sichuan Province, serving as a major passageway connecting the three major cities of Chengdu, Meishan and Ya'an. Chengya Expressway holds a critical position within both national and regional road networks.

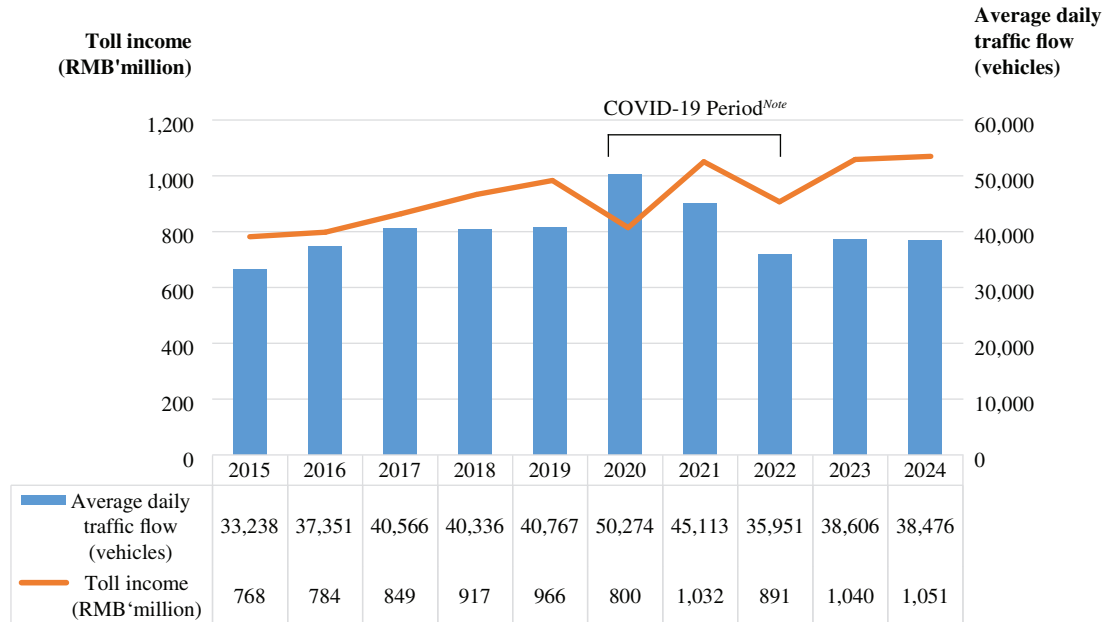
Chengya Expressway has total length of 144.2 kilometers and is wholly-owned by Sichuan Expressway Company Limited Operation and Management Branch III with an operating period from 1 January 2000 to 31 December 2029.

As one of the main expressway infrastructure for the Western Development initiative, Chengya Expressway not only facilitates regional economic growth but also enhances connectivity between Chengdu and its surrounding areas. Chengya Expressway is particularly significant in Sichuan's expressway network, acting as a vital link radiating from Chengdu, which greatly facilitates transportation and the movement of people.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISOR

According to the annual reports of the Company from 2015 to 2024, the average daily traffic flow and toll income of Chengya Expressway in the past 10 years are illustrated below.

Average Traffic Volume and Toll Income



Note: During the period from 2020 to 2022, toll revenue of Chengya Expressway was affected by the regional traffic controls and prevention measures in relation to COVID-19 pandemic.

The toll income of Chengya Expressway shows an increasing trend in the past decade with a record-high of RMB1,051 million in 2024. The average daily traffic volume increased from approximately 33,238 vehicles per day in 2015 to approximately 50,274 vehicles per day in 2020 and then dropped to 38,476 vehicles per day in 2024. The fluctuation of traffic flow is mainly caused by the temporary closure of certain expressway section due to maintenance work or upgrade work. Besides, the toll income shows a general upward trend from RMB768 million in 2015 to RMB1,051 million in 2024, representing a compound annual growth rate of approximately 3.2%. During the years from 2020 to 2022, the toll revenue was fluctuating due to the regional traffic controls in relation to and the prevention measures of COVID-19 pandemic; as well as the toll-free policy during February to May 2020 due to the impact of the COVID-19 pandemic.

3. Background information of Chengya Expressway Expansion Project

The Chengya Expressway Expansion Project covers a total length of 159.115 kilometers, consisting of the expanded section of Chengya Expressway and a newly constructed Lushan branch line (collectively New Chengya Expressway). The entire Chengya Expressway Expansion Project spans nine districts and counties across three cities. The expanded section of the Chengya Expressway along the original route has a total length of 134.748 kilometers which will be expanded to eight-lane dual carriageways. The Lushan branch line originates near Luojiaba in Lushan County, Ya'an Municipality, and connects with the Qionglai-Lushan-Yingjing Expressway, passing through Yucheng District before terminating at Mingshan District, where it connects with Chengya Expressway. The Lushan branch line will be approximately 24.367 kilometers and is four-lane dual carriageways.

The total investment in the Chengya Expressway Expansion Project has been estimated to be approximately RMB28,548 million which will cover all construction investments and expenses from project planning, engineering feasibility studies, survey and design, land acquisition and resettlement, and construction works through to completion acceptance. The said total investment amount was set out in the tender document as determined by the Tenderers. The construction process of the Chengya Express Expansion Project is expected to last for four years.

As advised by the management of the Company, the current road conditions of Chengya Expressway can no longer support the busy traffic pressure. Pursuant to the tender document, the Project Company, upon establishment, will enter into a concession agreement with the Tenderers. In principle, the concession period will not exceed 40 years and will consist of three periods, namely the preparation period, the construction period and the operation period (including the toll collection period). Among these, the operation period (including the toll collection period) will commence on the date of acceptance of completion of the project and end on the expiry date of the toll collection. The toll collection period, which will start from the approved commencement date of toll collection and end on the expiry date of toll collection, will be subject to the statutory limit (the maximum period prescribed by the prevailing national regulations is 30 years). The actual commencement and expiry dates are subject to the approval of the Sichuan Provincial People's Government.

4. Background information of partners of the Project Company

China Huashi

China Huashi is a joint stock company established in the PRC with limited liability. It is principally engaged in general contracting of projects (including housing construction and municipal utilities), real estate development, construction financing and overseas project contracting. As at the Latest Practicable Date, China Huashi is held as to 99.28% by the SHGCL and 0.72% by SHGBM (which is wholly owned by the SHGCL). SHGCL is held as to 90% by the State-owned Assets Supervision and Administration Commission of Sichuan Province (四川省政府國有資產監督管理委員會) and 10% by the Sichuan Provincial Department of Finance (四川省財政廳).

Transportation Construction Group

Transportation Construction Group is a joint stock company established in the PRC with limited liability. It is principally engaged in construction works; highway management and maintenance; construction engineering survey; construction engineering design; specialized equipment design; specialized equipment manufacturing; specialized equipment installation, modification and repair; and specialized equipment inspection and testing.

Road & Bridge Group

Road & Bridge Group is a joint stock company established in the PRC with limited liability. It is principally engaged in construction works; construction engineering design; construction engineering survey; construction engineering quality inspection; highway management and maintenance; specialized construction works; surveying and mapping services; and construction demolition works.

Gaolu IT

Gaolu IT is a joint stock company established in the PRC with limited liability. It is principally engaged in professional contracting for highway engineering (highway electromechanical engineering) and professional contracting for highway engineering (highway safety facilities).

As at the Latest Practicable Date,

- (i) Transportation Construction Group, Road & Bridge Group and Gaolu IT are indirect non-wholly owned subsidiaries of Shudao Investment, where:
 - (a) Transportation Construction Group and Road & Bridge Group are direct wholly-owned subsidiaries of SRB Group;

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- (b) SRB Group, a joint stock limited company established under the laws of the PRC, and its shares are listed on the SSE, is mainly owned as to 56.87%, 10.04% and 7.43% by Shudao Investment, SECD and STAE, respectively; and
- (c) SECD and STAE are direct wholly-owned subsidiaries of Shudao Investment.
- (ii) Gaolu IT is owned as to 81.1765%, 10% and 8.8235% by SSITG, SYTE and SCIM, respectively, where:
 - (a) SSITG is an indirect wholly-owned subsidiary of Shudao Investment;
 - (b) SYTE is owned as to 51% and 49% by SSITG and Institute of Transportation Development Strategy and Planning of Sichuan Province (四川省交通運輸發展戰略和規劃科學研究院), respectively; and
 - (c) SCIM is an indirect wholly-owned subsidiary of Shudao Investment.
- (iii) Shudao Investment, the controlling shareholder of the Company, is a wholly-owned subsidiary of Sichuan Development Holding Co., Ltd.* (四川發展(控股)有限責任公司), which is wholly owned by the Sichuan Provincial People's Government.

5. Economic and industry development of Sichuan Province

Chengya Expressway has total length of 144.2 kilometers. Approximately 100 kilometers of Chengya Expressway is a dual four-lane expressway and the remaining approximately 40 kilometers of Chengya Expressway is a dual six-lane expressway. Chengya Expressway serves as a major route connecting Sichuan to Yunnan and Tibet, playing a crucial role in the development of the western region of the PRC. Chengya Expressway is an integral part of the transportation network of Chengdu, which passes through Meishan Municipality and Ya'an Municipality in Sichuan.

The table below sets out the annual growth rate of the nominal gross domestic product (“**Nominal GDP**”) and urbanisation rate from 2016 to 2024 of the PRC, Sichuan Province and Chengdu:

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Nominal GDP growth Rate									
PRC	8.4%	11.3%	10.5%	7.5%	2.9%	13.4%	5.1%	4.9%	4.2%
Sichuan Province	9.2%	14.4%	13.2%	8.1%	4.6%	11.5%	4.7%	6.2%	7.6%
Chengdu	11.4%	17.3%	12.7%	8.4%	4.1%	11.9%	4.1%	6.2%	6.5%
Meishan Municipality	5.5%	13.5%	10.5%	7.6%	2.7%	11.0%	5.1%	6.2%	8.8%
Ya'an Municipality	8.3%	8.4%	7.2%	10.7%	4.4%	12.3%	10.4%	7.9%	7.2%

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Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Urbanisation Rate ^(Note)									
PRC	58.8%	60.2%	61.5%	62.7%	63.9%	64.7%	65.2%	66.2%	67.0%
Sichuan Province	50.0%	51.8%	53.5%	55.4%	56.7%	57.8%	58.3%	59.5%	60.1%
Chengdu	74.0%	75.3%	76.6%	78.0%	78.8%	79.5%	79.9%	80.5%	80.8%
Meishan Municipality	43.5%	45.4%	47.1%	48.9%	50.1%	51.1%	51.6%	52.8%	53.2%
Ya'an Municipality	45.5%	47.4%	49.4%	51.5%	52.8%	53.6%	54.0%	55.2%	56.0%

Source: National Bureau of Statistics of China and Sichuan Provincial Bureau of Statistics

Note: Urbanisation rate represents the percentage of urban population to total population.

Chengdu-Chongqing economic circle, being one of four major economic circles recognised by the PRC government, Chengdu plays a vital role in the development of national transportation network and implementation of the “Belt and Road” initiative of the PRC government. Chengdu is a logistics and railway transportation hub in south western China and also has a well-developed highway network. Chengdu Tianfu International Airport, the second airport in Chengdu, commenced operation since June 2021, which also makes Chengdu being the only city in western China that has two airports.

According to the statistics from the National Bureau of Statistics of China, Sichuan Provincial Bureau of Statistics and Chengdu Bureau of Statistics, the Nominal GDP in the PRC has been increasing at a CAGR of approximately 6.7% between 2016 to 2024, while the Nominal GDP in Sichuan Province and Chengdu have been increasing at CAGR of approximately 7.9% and 8.1% between 2016 to 2024, respectively, exceeding the national growth rate in the past ten years. Sichuan Province is ranked fifth in term of Nominal GDP among different PRC provinces in 2024. Chengdu being the capital city of Sichuan Province recorded a Nominal GDP of approximately RMB2,351 billion in 2024 which was the highest among all the cities in Sichuan Province. Chengdu ranked seventh in the country in PRC by GDP in 2024.

According to the National Bureau of Statistics of the PRC, the urbanisation rate of Sichuan Province reached approximately 60.1% in 2024; and the urbanisation rate of Chengdu reached approximately 80.8% in 2024. The continuous urbanization indicates the growth in population in the well-developed area in Chengdu and will drive the traffic demand in Sichuan Province, therefore stimulating the development of transportation infrastructure in the Sichuan Province.

In January 2022, Department of Transportation of Sichuan Province and Development and Reform Commission of Sichuan Province published Sichuan Provincial Expressway Network Layout Planning (2022-2035) (《四川省高速公路網佈局規劃(2022-2035年)》), in which expressway network of Sichuan Province will be covered by 20 Chengdu radial lines, 13 vertical lines, 13 horizontal lines, 4 circular lines and 44 contact lines in 2035 (the “**Expressway Network Plan**”). The Expressway Network Plan will have a total length of approximately 20,000 kilometers which has increased by 3,900 kilometers as compared to the

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previous expressway network plan initiated in 2019. Chengya Expressway has been included in the Expressway Network Plan as one of the key expressway development project. Chengdu has managed to maintain its pioneer position as a center of southwest China, therefore the transportation infrastructure is a key element to support the continuous economic development in Chengdu.

6. Reasons for and benefits of entering into the Cooperation Agreement

Chengya Expressway's contribution to the Group

The Company has operated and managed Chengya Expressway for over two decades since 2000. Chengya Expressway has been one of the major toll income sources of the Group. During the three years ended 31 December 2024, the toll income of Chengya Expressway accounted for around 10% of the Group's total revenue and accounted for around 23% of the total revenue of the expressway segment. Among the eight expressways owned by and contributing toll income to the Group, Chengya Expressway contributed the highest toll income to the Group in FY2024.

Besides, Chengya Expressway is owned and operated by a wholly-owned subsidiary of the Company, Sichuan Expressway Company Limited Operation and Management Branch III (formerly known as "Sichuan Expressway Company Limited Chengya Branch") ("**Branch III**"). Branch III is profitable in the past three financial years, generating a net profit after taxation of around RMB467 million, RMB567 million and RMB629 million in FY2022, FY2023 and FY2024, respectively. The Group's expressway segment recorded segment profit of RMB2,038 million, in which around 30.9% of segment profit was contributed by Branch III.

In view of the historical revenue and profit contribution of Chengya Expressway, we consider it is beneficial to the Group to continue its operation role in Chengya Expressway if the existing expressway operation rights could be extended further. Participating in the Chengya Expressway Expansion Project allows the Project Company to renew the toll collection rights of the New Chengya Expressway and prolong the toll income stream of New Chengya Expressway for not more than of 30 years (according to the prevailing national regulations).

We noted that the Company performed internal assessment on the investment payback period in the Chengya Expressway Expansion Project including, inter alias, the traffic volume of the Chengya Expressway after the completion of expansion construction work, comparative advantages against nearby expressways in terms of driving distance and driving duration, an assessment on the construction and operating costs after the said completion and the overall financial impacts.

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In-line with development strategy of the Group

As disclosed in the 2024 Annual Report, the Company has formulated a business development plan of “integrating industrial resources and consolidating the core business”. This strategy involves two key approaches: enhancing existing assets through improved maintenance quality, security efficiency, and technical capabilities; while expanding the portfolio through strategic acquisitions, asset consolidation, and routine upgrades of road properties. These initiatives aim to promote cross-sector collaboration and drive sustainable growth.

The Group’s expressway network includes nine expressways, covering a total network mileage of approximately 900 kilometers. After the completion of the expansion project, the total network mileage of Chengya Expressway will increase by approximately 24 kilometers, providing a total mileage of approximately 159 kilometers. The Chengya Expressway will continue to connect with Chengle Expressway and Second Ring (Western) Expressway (collectively “**Connected Expressways**”), connecting a number of major cities in Sichuan and leading to Chengdu. The expanded sections of Chengya Expressway will be increased to eight-lanes dual carriageways, increasing the overall traffic capacity of Chengya Expressway to relieve the prolonged congestion issue. The connection of Chengya Expressway with the Connected Expressways could increase the market share and competitive strength of the Company in Sichuan Province. Moreover, the Chengya Expressway and the Connected Expressways will form a hub and interchange which will enhance the efficiency of the Company in coordinating and responding to road emergencies and improve the road access service capacity. It is beneficial for the Group to further constructing additional lanes and building the Lushan branch line.

On the other hand, apart from Chengya Expressway, the toll collection right of Chengbei Exit Expressway and Chengyu Expressway will be expired in 2025 and 2027 respectively. As advised by the management of the Company, the Company is actively striving for the participation of the expansion project and obtaining its toll collection rights for a long term basis (subject to the final approval of the relevant authorities).

Positive market outlook in Sichuan

According to the Sichuan Provincial Strategy and the “Fourteenth Five-Year” Plan on Comprehensive Traffic Transport Development of Sichuan Province (《四川省“十四五”綜合交通運輸發展規劃》), Sichuan Government planned to invest approximately RMB1,200 billion in the construction of the integrated transportation facilities, in which RMB700 billion will be used for highway and waterway. It is expected that the total mileage of high-speed expressways will increase from approximately 8,140 kilometers in 2020 to approximately 11,000 kilometers in 2025. The Sichuan Government will continue to accelerate the construction of expressways and further strengthen the interconnection of the expressways within the Sichuan Province, in order to establish the expressways connection of 152 counties, cities and districts of Sichuan Province. In a long term prospective, as discussed in the section headed “5. Economic and industry development of Sichuan Province”, the Department of Transportation of Sichuan

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Province and Development and Reform Commission of Sichuan Province have initiated the Expressway Network Plan which the total length of expressway network of Sichuan Province is planned to reach approximately 20,000 kilometers in 2035.

Given the provincial plan and the continuous improvement of the expressway facilities, the Directors are optimistic of the prospect of the toll road infrastructure in Sichuan and its future tariff volume. Therefore, it is strategically critical for the Group to continue operating Chengya Expressway and its expanded branch line in order to maintain its market leadership position in Sichuan.

We understand that (i) Chengya Expressway is an integral part of the highway network planning in Sichuan Province and Chengdu's integrated traffic and transportation system; (ii) Chengya Expressway not only generated the highest toll income among the nine expressways owned by the Group but was also profit-making in the past three years; (iii) the expansion project is in-line with the business strategy of the Group to focus on its principal expressway business in Sichuan Province; (iv) the Chengya Expressway has been well-established with stable traffic flow and it is more cost-effective and time-saving to continue the operation of Chengya Expressway; and (v) an internal analysis and assessment on the Chengya Expressway Expansion Project by the Group. Having considered the above, we concur with the Directors that there is a commercial justification for the Company to enter into the Cooperation Agreement.

7. Principal terms of the Cooperation Agreement

Major terms of the Cooperation Agreement are summarised as below:

Date: 22 July 2025

Parties:

1. the Company
2. China Huashi
3. Transportation Construction Group
4. Road & Bridge Group
5. Gaolu IT

Establishment of Project Company:

The core business of the Project Company is proposed to be the construction, operation, management and transfer of the Chengya Expressway Expansion Project.

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The capital commitment of the Project Company will be RMB5.767 billion (which represents 20.2% of the total investment amount of the Chengya Expressway Expansion Project, as required by the tender document and determined by the parties), of which:

- (i) RMB4.902 billion will be contributed in cash by the Company, representing 85% of the total capital commitment of the Project Company;
- (ii) RMB0.577 billion will be contributed in cash by China Huashi, representing 10% of the total capital commitment of the Project Company;
- (iii) RMB0.173 billion will be contributed in cash by Transportation Construction Group, representing 3% of the total capital commitment of the Project Company;
- (iv) RMB0.058 billion will be contributed in cash by Road & Bridge Group, representing 1% of the total capital commitment of the Project Company; and
- (v) RMB0.058 billion will be contributed in cash by Gaolu IT, representing 1% of the total capital commitment of the Project Company.

The registered capital of the Project Company will be RMB100 million (which represents approximately 1.73% of the total capital commitment as above-mentioned, as determined by the parties), of which:

- (i) RMB85 million will be contributed in cash by the Company, representing 85% of the total registered capital of the Project Company;
- (ii) RMB10 million will be contributed in cash by China Huashi, representing 10% of the total registered capital of the Project Company;
- (iii) RMB3 million will be contributed in cash by Transportation Construction Group, representing 3% of the total registered capital of the Project Company;
- (iv) RMB1 million will be contributed in cash by Road & Bridge Group, representing 1% of the total registered capital of the project Company; and
- (v) RMB1 million will be contributed in cash by Gaolu IT, representing 1% of the total registered capital of the Project Company.

The Project Company will be held as to 85% by the Company, therefore the Project Company will become a non-wholly owned subsidiary of the Company. China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT were introduced by the Company as co-investors and each party's contribution was determined by after arm's length negotiation and taking into account the Company's financial condition.

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Pursuant to the Cooperation Agreement, the capital commitment should be fulfilled by parties in installments over four years, with proportions of 20%, 30%, 30%, and 20% respectively. In respect of the future capital commitment constituting the remaining portion of the total investment and further funding requirements of the Chengya Expressway Expansion Project, it is expected that details of which will be determined in the further agreements to be entered into by the Project Company. It is currently anticipated that such commitment could be financed by debt financing by the Project Company. The Company will make further announcements as and when appropriate in accordance with the Listing Rules.

Performance Bond:

A performance bond in RMB170 million was undertaken by the Company in respect of the Chengya Expressway Expansion Project on proportional to the shareholding of the Project Company owned by the Group.

Governance and Management of the Project Company:

1. Governance structure

The Project Company shall set up its shareholders' meetings, board of directors and management in accordance with the laws.

2. Composition of the board of directors and executive management

The board of directors of the Project Company shall consist of 7 members, with 6 of which to be nominated by the Company and 1 by China Huashi. The legal representative of the Project Company shall be the chairman of the board of directors, who shall be nominated by the Company for election by the board of directors.

There shall be one general manager in the Project Company, who shall be nominated by the Company; one chief financial officer, who shall be nominated by the Company; and a number of senior management members, one of which shall be nominated by China Huashi and the remaining by the Company.

The detailed arrangements shall be set out in the articles of association of the Project Company.

Restrictions on Shareholding Changes:

Pursuant to the tender document, no transfer of shareholdings in the Project Company may be effected by any party before acceptance of completion of the Chengya Expressway Expansion Project. Subsequent to acceptance of completion of the Chengya Expressway Expansion Project, shareholdings in the Project Company may be transferred through relevant procedures.

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Condition Precedents:

The Cooperation Agreement will be completed upon full completion of all conditions set out below:

1. The notice of winning bid was issued by the Tenderers;
2. The completion of necessary internal approval procedures and execution by seal of the Cooperation Agreement by the Company, China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT respectively; and
3. The compliance by the Company with relevant requirements under the Listing Rules in respect of the Cooperation Agreement and the transaction contemplated thereunder, including but not limited to reporting to the Stock Exchange and SSE, publishing of announcement and obtaining of Independent Shareholders' approval in respect of the Cooperation Agreement.

As at the Latest Practicable Date, save for item 2 above, none of the conditions have been fulfilled.

None of the above conditions may be waived by any party to the Cooperation Agreement.

Proposed term of toll collection rights and concession agreement

Pursuant to the tender document, the Project Company, upon establishment, will enter into a concession agreement with the Tenderers. In principle, the concession period will not exceed 40 years and will consist of three periods, namely the preparation period, the construction period and the operation period (including the toll collection period). Among these, the operation period (including the toll collection period) will commence on the date of acceptance of completion of the project and end on the expiry date of the toll collection. The toll collection period, which will start from the approved commencement date of toll collection and end on the expiry date of toll collection, will be subject to the statutory limit (the maximum period prescribed by the prevailing national regulations is 30 years). The actual commencement and expiry dates are, subject to the approval of the Sichuan Provincial People's Government.

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8. Analysis of the principal terms in the Cooperation Agreement

We have set out below our analysis on the fairness and reasonableness of the principal terms in the Cooperation Agreement.

a. Analysis of equity commitment

The Company is committed to contribute RMB4,902 million to the Project Company in total by four instalment during the four years of construction period pursuant to the Cooperation Agreement, with an estimation of approximately RMB980 million in 2025, RMB1,470 million in 2026, RMB1,470 million in 2027 and RMB980 million in 2028. Based on the information from the Company, the Group's unaudited cash balance as at 31 March 2025 amounted to approximately RMB4,513 million which is sufficient to cover the total amount of the first three installments due over the next three years of approximately RMB3,920 million. Additionally, considering the historical net cash flow from operating activities of approximately RMB988 million in FY2024 and assuming the Group could continue to generate similar amount of cash flow, we concur with the Directors that the Group could in general have sufficient internal resources for the Project Company.

b. Board composition of the Project Company

The business of the Project Company is to be managed by the board of the Project Company which comprises seven directors, of which six directors will be appointed by the Company and one director will be appointed by China Huashi. Those six directors nominated by the Company could exercise control on the business decision, operation and financial control of the Project Company and monitor the assets of the Project Company. Therefore, we consider that the board composition is in the interest of the Company.

c. Management of the Project Company

The senior management of the Project Company include a general manager, a chief financial officer and other senior management members. China Huashi will appoint one of the senior management members as its representative. The general manager, chief financial officer and the remaining senior management members will be appointed by the Company, therefore the representatives of the Company will manage the day to day operation of the Project Company and directly monitor the financial position and use of fund of the Project Company. Being the single largest shareholder of the Project Company, it is fair and reasonable for the Company to exert direct control on the operation of Project Company.

d. Comparative advantage to form a consortium with China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT

As disclosed in the Letter from the Board, China Huashi, Transportation Construction Group, Road & Bridge Group and Gaolu IT have core business operations related to construction activities, and possess key qualifications such as general contracting qualification

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for construction works, highway management and maintenance and highway electromechanical engineering. Their expertise and competitiveness, particularly in the field of expressway construction, were evidenced by their recent success in winning three similar expressway project tenders in Sichuan Province in 2025. As the Group does not possess such qualifications for highway construction, the involvement of these partners with strong highway construction background, the Group will enhance the likelihood to win the tendering. Establishing the Project Company with them as co-investors will also alleviate the Company's financial pressure associated with the Chengya Expressway Expansion Project while the Company maintains its controlling stakeholder in the Project Company. Leveraging on the industry knowledge and expertise of these partners, the collaborations could allow the Chengya Expressway Expansion Project to run efficiently.

9. Financial effect of the Project Company

Upon completion of the formation of the Project Company, the amount of capital contribution provided by the Company will be recognized in the financial statement of the Project Company and the financial position and financial result of the Project Company will be consolidated in the consolidated financial statement of the Company as a non-wholly-owned subsidiary. It is expected that there will be no material change in the net assets position of the Group as a result of the establishment of the Project Company.

As the Project Company will be newly formed and the capital injection is expected to be funded from the internal resources of the Group, the establishment of the Joint Venture Company and the capital injection by the Company are not expected to have any material impact on the earnings position of the Group.

It should be noted that the aforementioned analyses are for illustrative purpose only and do not purport to represent how the financial results and the financial position of the Group will be upon the successful establishment of the Project Company.

10. Risk Factors

There are certain risks and uncertainties involved in the Chengya Expressway Expansion Project, some of which are beyond the Company's control:

a. Financial risk

With reference to the existing level of internal resources available to and the liquidity of the Group, the Chengya Expressway Expansion Project requires substantial capital investment without immediate return during the construction phase, which may further increase the Company's short-term and long-term debt burden. Potential fluctuations in loan interest rates may lead to risks of higher financing costs, which may set off against the incremental toll income from the Chengya Expressway Expansion Project. Furthermore, inefficient fund management could result in construction delays, opportunity costs, and increased construction expenses.

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b. Operational risk

The toll income may be affected by various factors, including national macroeconomic trend, regional economic growth, future transportation infrastructure development, road network modifications and projected traffic volume not meeting expectations. Additionally, if construction and operation costs cannot be effectively and reasonably controlled, there could be risk of budget overruns, adjustments to internal rate of return, and impacts on financial net present value. These factors could adversely affect the financial performance of the Chengya Expressway Expansion Project.

c. Engineering and construction risk

The construction period of the Chengya Expressway Expansion Project is expected to span 4 years pursuant to the tender document. The Lushan branch line of the Chengya Expressway Expansion Project traverses terrain with challenging geological conditions, predominantly mountainous and hilly areas. These geological conditions presents significant technical challenges for tunnel and bridge construction and may introduce uncertainty regarding construction time and costs. Moreover, the expansion work on the heavily trafficked New Chengya Expressway poses operational challenges in maintaining traffic flow while ensuring construction safety. Besides, expressway construction projects generally require continued coordination with affected local communities to ensure smooth construction progress.

d. Policy risk

The standard toll rates and toll collection period for the Chengya Expressway Expansion Project are subject to approval from the relevant PRC government authorities. Any future changes in industry policies may create uncertainties in the operations of Chengya Expressway Expansion Project.

OPINION AND RECOMMENDATION

Having balanced the risks associated with the Chengya Expressway Expansion Project (details of which are set out under the section headed “10. Risk Factors”) and the potential benefits of the Chengya Expressway Expansion Project to the Group, in particular:

1. avoiding further potential reduction of the Group’s expressway portfolio given the expected expiry of existing toll collection rights of Chengbei Exit Expressway and Chengyu Expressway by 2025 and 2027 respectively;
2. the Chengya Expressway is the major toll income source of the Company and the Chengya Expressway Expansion Project could extend the toll collection rights beyond 2029, which could guarantee its toll income in long term with the toll collection period pursuant to the tender document of 30 years in maximum as prescribed by the prevailing national regulation; and

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3. the entering into Cooperation Agreement is in line with the Group's business strategy to maintain the competitiveness of the expressway portfolio and increase its market share in Sichuan Province,

we are of the opinion that (i) the terms of the Cooperation Agreement are fair and reasonable so far as the Independent Shareholders are concerned; (ii) the transactions contemplated thereunder are on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the entering into the Cooperation Agreement is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders and we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Cooperation Agreement and the transaction contemplated thereunder.

Yours faithfully,
For and on behalf of
Octal Capital Limited
Wong Wai Leung
Executive Director

Mr. Wong Wai Leung has been a responsible officer of Type 1 (dealing in securities), Type 6 (advising on corporate finance) regulated activities since 2008 and is also a responsible officer of Type 9 (asset management) regulated activities. Mr. Wong has experience in corporate finance and investment banking and has completed various advisory transactions of listed companies in Hong Kong in respect of the Listing Rules and the Takeovers Code.

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three financial years ended 31 December 2024 has been disclosed in the following documents published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (<https://www.cygs.com/>).

- (i) Annual report of the Company for the year ended 31 December 2022:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0420/2023042001353.pdf>
- (ii) Annual report of the Company for the year ended 31 December 2023:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0418/2024041801706.pdf>
- (iii) Annual report of the Company for the year ended 31 December 2024:
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0417/2025041701721.pdf>

2. INDEBTEDNESS STATEMENT

As at 15 June 2025, for the purpose of this indebtedness statement, the Group had the following outstanding indebtedness:

(a) Bank Loans, Other Borrowings, Medium Term Notes and Corporate Bonds

- (i) As at 15 June 2025, the Group had total interest-bearing bank loans and other borrowings amounting to approximately RMB35,683,219,000, of which approximately RMB9,064,000,000 were secured and guaranteed, approximately RMB19,835,780,000 were secured, approximately RMB102,139,000 were guaranteed, and approximately RMB6,681,300,000 were unsecured and unguaranteed; and
- (ii) As at 15 June 2025, the Group had outstanding medium term notes totalling approximately RMB100,000,000, which were unsecured and unguaranteed; and
- (iii) As at 15 June 2025, the Group had outstanding corporate bonds of approximately RMB2,000,000,000, which were unsecured and unguaranteed.

(b) Contingent Liabilities

As at 15 June 2025, the Group had no material contingent liabilities and guarantees.

(c) Lease Liabilities

As at 15 June 2025, Group had lease liabilities of approximately RMB109,225,000. These lease liabilities were unsecured and unguaranteed.

Save as those disclosed above or elsewhere in this circular and except for the inter-group liabilities during the ordinary course of business and normal trade payables, as at 15 June 2025, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, finance leases commitments, guarantees or other contingent liabilities.

3. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the investment, construction, operation and management of certain expressway projects in the province, green energy investment business and integrated development of resources along the routes. As disclosed in the Company's annual report for 2024, the net revenue of the Group amounted to approximately RMB10,247,400,000, representing a year-on-year decrease of approximately 11.51%. In particular, the expressway segment achieved net revenue of approximately RMB4,777,135,000, representing a year-on-year increase of approximately 1.18%; the new energy technology segment achieved net revenue of approximately RMB114,056,000, representing a year-on-year increase of approximately 75.89%; the transportation services segment achieved net revenue of approximately RMB2,266,635,000, representing a year-on-year increase of approximately 15.66%; the transportation logistics segment achieved net revenue of approximately RMB283,740,000, representing a year-on-year decrease of approximately 60.53%; and the construction services segment achieved net revenue of approximately RMB2,805,834,000, representing a year-on-year decrease of approximately 31.83%. The profit attributable to the owners of the Company was approximately RMB1,449,447,000, representing a year-on-year increase of 21.72%. Basic earnings per share were approximately RMB0.474 (2023: approximately RMB0.389). As at 31 December 2024, the Group's total assets amounted to approximately RMB61,032,031,000 and net assets amounted to approximately RMB19,495,626,000.

Based on analysis and review of the Group's operations and taking into account its forecast and judgement of the prevailing economic situation, policy environment and developments of the industry and its business, the following work plan has been formulated:

Firstly, concentrating on the main responsibility and main business. With the fundamental direction of enhancing the core competitiveness of the main business, focus on project investment and construction, service guarantee and internal interaction, insist on investing roads, repairing roads and maintaining roads, continuously strengthen advantages of the main business, and strengthen and enlarge the expressway segment;

Secondly, optimizing the integrated energy industry. Carry out in-depth integration of traditional energy and new energy industries. On the one hand, steadily improve the operating efficiency of traditional energy, on the other hand, vigorously develop the green energy industry, ensuring a stable foundation for traditional energy and orderly transitions to new energy;

Thirdly, prioritizing the development of derivative economy along the expressway. Continuously optimize service area designs, refine business models within service areas, vigorously develop multimodal transportation and other businesses outside the road network, foster industrial synergies and value chain integration;

Fourthly, continuously increase efforts on capital operation. Focus on the expressway industry chain to identify high-quality projects through multi-channel screening, and accelerate internal market investment coordination and external market industrial incubation, mergers and integration of production and research;

Fifthly, emphasizing reform effectiveness. Continuously drive reforms in organizational structure, salary distribution, performance evaluation and human resource allocation, aligning with the Company's developmental needs, bottlenecks, and capabilities to unleash endogenous vitality of the enterprise's development;

Sixthly, continuously enhancing control capabilities. Strengthen financial and capital management, and continue to improve the Company's compliance internal control systems and corporate governance system; and

Seventhly, perform risk management and control. Coordinate the integrated supervision and management of safety production, ecological environment protection and occupational health, strengthen system construction and informationized control, and resolutely guard bottom line and red line.

4. WORKING CAPITAL

The Directors, after due and careful enquiries, are of the opinion that, after taking into account the effect of the transaction contemplated in the Cooperation Agreement, the Group's internal resources, cash flow from operations and financing facilities available to the Group, the Group has sufficient working capital to satisfy its requirements for at least the next 12 months following the date of this circular, in the absence of unforeseeable circumstances. The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

5. MATERIAL CHANGE

The Directors confirm that as at the Latest Practicable Date, they were not aware of any material changes in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Company were made up, up to and including the Latest Practicable Date.

Details of the proposed amendments to the Articles of Association are as follows:

No.	Before Amendments	After Amendments
1	<p>Article 2 For the purpose of protecting the legal rights and interests of the Company, the shareholders and the creditors as well as regulating the organization and behaviors of the Company, the Articles of Association are hereby formulated pursuant to the Company Law, the Securities Law of the PRC (the “Securities Law”), the Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”) and Guidance for the Articles of Association of Listed Companies (“Guidance for AOA”) as well as other related stipulations.</p>	<p>Article 2 For the purpose of protecting the legal rights and interests of the Company, the shareholders, the staff and the creditors as well as regulating the organization and behaviors of the Company, the Articles of Association are hereby formulated pursuant to the Company Law, the Securities Law of the PRC (the “Securities Law”) and Guidance for the Articles of Association of Listed Companies (“Guidance for AOA”) as well as other related stipulations.</p>
2	<p>Article 3 The Company is a joint stock limited company incorporated in accordance with the Company Law, Special Provisions of the State Council concerning the Flotation and Listing Abroad of Shares by Joint Stock Company with Limited Liability (the “Special Provisions”) and other relevant national laws and administrative regulations.</p>	<p>Article 3 The Company is a joint stock limited company incorporated in accordance with the Company Law and other relevant national laws and administrative regulations.</p>
3	<p>Article 8 The Company’s legal representative is the Chairman of the Board of Directors of the Company.</p>	<p>Article 8 The Company’s legal representative is the Chairman of the Board of Directors of the Company.</p> <p><u>When the Chairman of the Board of Directors of the Company resigns, he/she shall be deemed to resign from the position of the legal representative at the same time.</u></p> <p><u>If the legal representative resigns, the Company will determine a new legal representative within thirty days from the date of the legal representative’s resignation.</u></p>

No.	Before Amendments	After Amendments
4	Addition	<p><u>Article 9 The legal consequences of civil activities performed by the legal representative in the name of the Company shall be borne by the Company.</u></p> <p><u>Restrictions imposed on the powers of the legal representative by the Articles of Association or by shareholders' meeting shall not be invoked against a bona fide counterparty.</u></p> <p><u>If the legal representative causes damage to others while performing his/her duties, the Company shall assume civil liability for such damage. The Company may, after assuming the civil liability, seek compensation from the legal representative at fault in accordance with laws or the Articles of Association.</u></p>
	<p>Article 9 The Company is a joint stock limited company in perpetual existence, with a foreign-invested joint stock limited company in nature.</p> <p>All assets of the Company are classified as shares with the same par value per share. The shareholders shall assume liability limited to their shares subscribed and the Company shall assume liability for its debts with its entire assets.</p>	<p>Article 10 The Company is a joint stock limited company in perpetual existence, with a foreign-invested joint stock limited company in nature.</p> <p>The shareholders shall assume liability limited to their shares subscribed and the Company shall assume liability for its debts with its entire <u>properties</u>.</p>

No.	Before Amendments	After Amendments
5	<p>Article 12 These Articles of Association are binding on the Company and its shareholders, members of the Party Committee, Directors, Supervisors, Managers and other senior management of the Company; all of whom are entitled to claim rights concerning the affairs of the Company in accordance with these Articles of Association.</p> <p>The Articles of Association are actionable by a shareholder against the Company, by the Company against shareholders, Directors, Supervisors, Managers, and other senior management, by shareholders against each other and by a shareholder against the Directors, Supervisors, Managers and other senior management of the Company.</p> <p>Other senior management referred to in the Articles of Association refers to deputy managers, the secretary to the Board of Directors and the officers in charge of financial affairs.</p> <p>The actions referred to in the preceding paragraph include court proceedings and arbitration proceedings.</p>	<p>Article 13 These Articles of Association are binding on the Company and its shareholders, members of the Party Committee, Directors and senior management of the Company; all of whom are entitled to claim rights concerning the affairs of the Company in accordance with these Articles of Association.</p> <p>The Articles of Association are actionable by a shareholder against the Company, by the Company against shareholders, Directors and senior management, by shareholders against each other and by a shareholder against the Directors and senior management of the Company.</p> <p>Senior management referred to in the Articles of Association refers to <u>managers, deputy managers, the secretary to the Board of Directors, the officers in charge of financial affairs and other personnel as stipulated in these Articles of Association.</u></p> <p>The actions referred to in the preceding paragraph include court proceedings and arbitration proceedings.</p>
6	<p>Article 13 The Company may invest in other limited liability companies or joint stock limited companies. The Company's liabilities to an investee company shall be limited to the amount of its capital contribution to the investee company, but, shall not be severally liable to such enterprise(s) for their liabilities as their capital contributor, unless stipulated by laws otherwise.</p>	Deleted

No.	Before Amendments	After Amendments
7	Article 14 In accordance with the laws and regulations of the PRC, the Company has the power to raise or borrow money. The Company's power of raising money includes the issue of debentures, the charging or pledging of part or whole of the Company's business or properties and other rights permitted by PRC laws and administrative regulations. The Board of Directors of the Company may, in accordance with the resolution adopted by the shareholders' general meeting and the prior approval sought from the relevant government authority (if required), deal with the raising or borrowing of money referred to in the preceding paragraph.	Deleted
8	Addition	<u>Article 22 The issuance of shares by the Company shall adhere to the principles of openness, fairness and justice. Each share of the same class shall rank pari passu with each other. Shares of the same class issued at the same time shall have the same terms of issuance and issue price; subscriber(s) shall pay the same amount for each of shares subscribed for.</u>
9	Article 29 After the issue of the domestic-listed domestic shares set out in the second paragraph of Article 26, the Company's registered capital is Renminbi 3,058,060,000.	<u>Article 29</u> The Company's registered capital is Renminbi 3,058,060,000.

No.	Before Amendments	After Amendments
10	<p>Article 30 The Company or its subsidiaries (including subsidiary enterprises under the Company) shall not, by way of a gift, advance, guarantee, compensation, loans or otherwise, provide any assistance to a person who acquires or intends to acquire the shares in the Company.</p>	<p>Article 30 The Company or its subsidiaries (including subsidiary enterprises under the Company) shall not <u>provide any financial assistance to others, by way of a gift, advance, guarantee, loans or otherwise, for the acquisition of shares of the Company or its parent company, except for the implementation of employee stock ownership plans by the Company.</u></p> <p><u>For the benefit of the Company, upon a resolution of the shareholders' meeting, or a resolution of the Board in accordance with the Articles of Association or the authorization of the shareholders' meeting, the Company may provide financial assistance to others for the acquisition of shares of the Company or its parent company, provided that the total cumulative amount of the financial assistance shall not exceed ten percent of the total issued share capital. Resolutions made by the Board shall be approved by more than two-thirds of all directors.</u></p>

No.	Before Amendments	After Amendments
11	<p>Article 31 The Company may, based on its requirements for operation and development and in accordance with the relevant provisions of these Articles of Association approve an increase of capital. The Company may increase its capital in the following manners:</p> <ol style="list-style-type: none"> (1) public issue of shares; (2) non-public issue of shares; (3) placing new shares to its existing shareholders; (4) distributing bonus shares to its existing shareholders; (5) transferring reserve fund to share capital; (6) other methods as permitted by laws and administrative regulations and approved by the Securities Supervisory and Regulatory Authority of the State Council. <p>The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of these Articles of Association, be conducted in accordance with the procedure stipulated by relevant laws and administrative regulations.</p>	<p>Article 31 The Company may, based on its requirements for operation and development and in accordance with <u>laws and regulations after resolutions are made at the shareholders' meeting</u>, increase its capital in the following manners:</p> <ol style="list-style-type: none"> (1) issue of shares <u>to non-specific targets</u>; (2) issue of shares <u>to specific targets</u>; (3) placing new shares to its existing shareholders; (4) distributing bonus shares to its existing shareholders; (5) transferring reserve fund to share capital; (6) other methods as permitted by laws and administrative regulations and <u>the China Securities Regulatory Commission</u>.

No.	Before Amendments	After Amendments
12	<p>Article 39 When the Company reduces its registered capital, it must draw up a balance sheet and an inventory of properties.</p> <p>The Company shall notify its creditors within ten (10) days of the date of the Company's resolution for reduction of capital and shall publish an announcement in the newspapers within thirty (30) days of the date of such resolution. A creditor has the right within thirty (30) days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty-five (45) days from the date on which the announcement was made, to demand the Company to repay its debts or provide a corresponding guarantee for such debt.</p> <p>The Company's registered capital after reduction shall not be less than the statutory minimum amount.</p>	<p>Article 39 When the Company reduces its registered capital, it <u>shall</u> draw up a balance sheet and an inventory of properties.</p> <p>The Company shall notify its creditors within ten (10) days of the date of the Company's resolution for reduction of capital <u>at the shareholders' meeting</u> and shall publish an announcement in the newspapers <u>or in the National Enterprise Credit Information Publicity System</u> within thirty (30) days of the date of such resolution. A creditor has the right within thirty (30) days of receiving the notice from the Company or, in the case of creditors who do not receive the notice, within forty-five (45) days from the date on which the announcement was made, to demand the Company to repay its debts or provide a corresponding guarantee for such debt.</p> <p><u>If the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the shareholdings of its shareholders, unless otherwise provided by laws or the Articles of Association.</u></p>

No.	Before Amendments	After Amendments
13	Addition	<p><u>Article 40 If the Company still has a loss after making up for the loss in accordance with the relevant provisions under the second paragraph of Article 242 of the Articles of Association, it may reduce its registered capital to make up for the loss. If the registered capital is reduced to make up for the loss, the Company shall not make any distribution to the shareholders, nor shall it exempt shareholders from the obligation to pay capital contributions or share payments.</u></p> <p><u>Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of the second paragraph of Article 39 of the Articles of Association shall not apply, but an announcement shall be made in the newspaper or the National Enterprise Credit Information Publicity System within thirty days from the date of the resolution of shareholder's meeting to reduce the registered capital.</u></p> <p><u>After the Company has reduced its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the accumulated amount of statutory reserve and discretionary reserve reaches fifty percent of the Company's registered capital.</u></p>

No.	Before Amendments	After Amendments
14	Addition	<u>Article 41 If the registered capital is reduced in violation of the Company Law or other relevant regulations, shareholders shall return the funds received, and any reduction or exemption of shareholders' capital contributions shall be restored to their original status; in case of losses caused to the Company, shareholders and responsible Directors and senior management shall be liable for compensation.</u>
15	Addition	<u>Article 42 When the Company issues new shares to increase its registered capital, shareholders do not have preemptive rights, unless otherwise stipulated in the requirements of the Articles of Association or determined by a resolution of shareholders' meeting.</u>
16	<p>Article 44 The Company and its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares in the Company. The said acquirer of shares of the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares in the Company.</p> <p>The Company and its subsidiaries shall not, by any means at any time, provide financial assistance to the person with the obligations as referred to in the preceding paragraph for the purpose of reducing or discharging the obligations assumed by that person.</p> <p>This Article shall not apply in the circumstances specified in Article 46.</p>	Deleted

No.	Before Amendments	After Amendments
	<p>Article 45— For the purposes of this chapter, “financial assistance” includes (without limitation) the following means:</p> <p>(1)— gift;</p> <p>(2)— guarantee (including the assumption of liabilities by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the person with the obligations), or compensation (other than compensation in respect of the Company’s own default), or by way of release or waiver of any right;</p> <p>(3)— loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or by way of substitution of a party thereto, or the assignment of rights arising under a loan or such other agreement;</p> <p>(4)— any other financial assistance given by the Company when the Company is insolvent or has no assets or when its net assets would thereby be reduced to a material extent.</p> <p>For the purposes of this Chapter, “incurring any obligations” includes changing the financial position of the person with the obligations by contract or the making of arrangement (whether enforceable or not, and whether made on his own account or with any other persons), or by any other means.</p>	Deleted

No.	Before Amendments	After Amendments
	<p>Article 46—The following transactions shall not be deemed to be activities prohibited by Article 44 of this Chapter:</p> <p>(1)—the provision of financial assistance in good faith in the interests of the Company where the principal purpose in giving the financial assistance is not for the acquisition of shares in the Company, or the giving of the financial assistance is an incidental part of some larger purpose of the Company;</p> <p>(2)—the lawful distribution of the Company’s assets by way of dividend;</p> <p>(3)—the allotment of bonus shares;</p> <p>(4)—a reduction of the registered capital, a repurchase of shares of the Company or a reorganization of the share capital structure of the Company effected in compliance with these Articles of Association;</p> <p>(5)—the lending of money by the Company in the ordinary course of its business, where the lending of money is within the scope of business of the Company (but the net assets of the Company shall not be thereby reduced or, to the extent that those assets are thereby reduced, the financial assistance shall be provided out of distributable profits);</p> <p>(6)—the provision of money by the Company as contributions to staff and workers’ shares schemes, (but the net assets of the Company shall not be thereby reduced or, to the extent that those assets are thereby reduced, the financial assistance shall be provided out of distributable profits);</p>	Deleted

No.	Before Amendments	After Amendments
17	Article 49 The Company shall keep a register of its shareholders and enter in the register the following particulars:	Article 49 The Company shall <u>establish a register of shareholders in accordance with the evidence from the securities registration and clearing organization</u> and enter in the register the following particulars:
18	<p>Article 53—All the fully paid-up H Shares can be freely transferred in accordance with these Articles of Association. However, the Board of Directors may refuse to recognize any instrument of transfer without giving any reason, unless:</p> <p>(1) a fee (for each instrument of transfer) of 2.5 Hong Kong dollars or any higher fee as agreed by the Hong Kong Stock Exchange has been paid to the Company for registration of any transfer or any other document which is related to ownership of or change of ownership of H Shares;</p> <p>(2) the instrument of transfer only involves H Shares;</p> <p>(3) the stamp duty chargeable on the instrument of transfer has been paid;</p> <p>(4) the relevant share certificate and upon the reasonable request of the board of directors any evidence in relation to the right of the transferor to transfer the H Shares have been submitted;</p> <p>(5) if it is intended to transfer the H Shares to joint owners, then the maximum number of joint owners shall not exceed four (4);</p> <p>(6) the Company does not have any lien on the H Shares.</p>	Deleted

No.	Before Amendments	After Amendments
19	<p>Article 54 All domestic-listed domestic shares may be legally transferred, but shall be subject to the following provisions:</p> <p>(1) the Company does not accept its shares as the subject of pledge;</p> <p>(2) shares in the Company held by the promoters shall not be transferred within 1 year from the date of the Company's establishment. The shares which were issued before the public offer shall not be transferred within 1 year since the shares of the Company were listed on the stock exchange(s);</p> <p>(3) Directors, Supervisors and other senior management shall report to the Company their shareholdings in the Company and their changes and shall not transfer more than 25% per year of the total number of shares held by them during their terms of service; the shares held by them shall not be transferred within 1 year from the date when the shares of the Company were listed and traded. The aforesaid personnel shall not transfer their shares in the Company within the half year from the retirement date;</p>	<p>Article 53 All domestic-listed domestic shares may be legally transferred, but shall be subject to the following provisions:</p> <p>(1) the Company does not accept its shares as the subject of pledge;</p> <p>(2) the shares which were issued before the public offer shall not be transferred within 1 year since the shares of the Company were listed on the stock exchange(s);</p> <p>(3) Directors and senior management shall report to the Company their shareholdings in the Company and their changes and shall not transfer more than 25% per year of the total number of shares of the same class held by them during their terms of service determined when they take office; the shares held by them shall not be transferred within 1 year from the date when the shares of the Company were listed and traded. The aforesaid personnel shall not transfer their shares in the Company within the half year from the retirement date;</p>

No.	Before Amendments	After Amendments
	<p>(4) any gains from sale of shares in the Company or other securities of equity nature by any Director, Supervisor, senior management members or shareholders holding 5% or more of the shares with voting rights in the Company within six months after their purchase of the same, and any gains from purchase of shares in the Company by any of the aforesaid parties within 6 months after sale of the same shall be disgorged and paid to the Company. The Board of Directors of the Company shall forfeit such gains from the abovementioned parties, except for a securities company holding 5% or more of the shares in the Company as a result of its purchase of remaining shares offered under an underwriting obligation and other circumstances stipulated by the securities regulatory authorities under the State Council.</p> <p>The shares of the Company or other securities of equity nature held by the Directors, Supervisor, senior management members or individual shareholders as mentioned in item (4), paragraph 1 include the same held by their spouses, parents and children and held through other people's accounts.</p>	<p>(4) any gains from sale of shares in the Company or other securities of equity nature by any Director, senior management members or shareholders holding 5% or more of the shares with voting rights in the Company within six months after their purchase of the same, and any gains from purchase of shares in the Company by any of the aforesaid parties within 6 months after sale of the same shall be disgorged and paid to the Company. The Board of Directors of the Company shall forfeit such gains from the abovementioned parties, except for a securities company holding 5% or more of the shares in the Company as a result of its purchase of underwritten post-sale remaining shares and other circumstances stipulated by the securities regulatory authorities under the State Council.</p> <p>The shares of the Company or other securities of equity nature held by the Directors, senior management members or individual shareholders as mentioned in item (4), paragraph 1 include the same held by their spouses, parents and children and held through other people's accounts.</p>

No.	Before Amendments	After Amendments
20	Article 55 Provided that the PRC laws and regulations and the stock exchange or securities regulatory and registration authorities where the Company has its shares listed have any provisions in respect of the period of closure of the register of members prior to the date of a general meeting or the benchmark date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.	Article 54 <u>No changes in the register of shareholders may be made within 20 days before the date of a shareholders' meeting or within 5 days before the record date for the Company's distribution of dividends.</u> Provided that the PRC laws and regulations and the stock exchange or securities regulatory and registration authorities where the Company has its shares listed have any provisions in respect of the period of closure of the register of members prior to the date of a <u>shareholders'</u> meeting or the benchmark date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.
21	Article 56 Where the Company decides to convene a shareholders' general meeting, distribute dividends, liquidate or carry out other activities which would require the determination of shareholdings, shareholding confirmation (record) date shall be determined by the Board of Directors or a convener of general meeting. A person who is registered in the register of shareholders of the Company upon the expiry of the shareholding confirmation (record) date shall be a shareholder of the Company.	Article 55 Where the Company decides to convene a shareholders' meeting, distribute dividends, liquidate or carry out other activities which would require the determination of shareholdings, shareholding confirmation (record) date shall be determined by the Board of Directors or a convener of <u>shareholders'</u> meeting. <u>The shareholders whose names appear on the register of shareholders after the close of trading on</u> the shareholding confirmation (record) date shall be <u>entitled to relevant rights.</u>
22	Article 61 A shareholder is a person who lawfully holds shares in the Company and whose name is entered in the register of shareholders. A shareholder shall enjoy rights and assume obligations according to the class and proportion of the shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and bear the same obligations.	Article 60 A shareholder is a person who lawfully holds shares in the Company and whose name is entered in the register of shareholders. A shareholder shall enjoy rights and assume obligations according to the class and proportion of the shares held by him; shareholders who hold shares of the same class shall enjoy the same rights and bear the same obligations.

No.	Before Amendments	After Amendments
23	<p>Article 62 The ordinary shareholders of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> (1) the right to dividends and other distributions in proportion to the number of share held; (2) the right to attend or appoint a proxy to attend shareholders' general meetings and to vote thereat; (3) the right of supervisory management over the Company's business operations, and the right to present proposals or enquiries; (4) the right to transfer shares in accordance with laws, administrative regulations and provisions of these Articles of Association; (5) the right to obtain relevant information in accordance with the provisions of these Articles of Association, including: <ol style="list-style-type: none"> (i) the right to a copy of these Articles of Association, subject to payment of the cost of such copy; (ii) the right to inspect and copy, subject to payment of reasonable charge: <ol style="list-style-type: none"> (a) all parts of the register of shareholders; 	<p>Article 61 The ordinary shareholders of the Company shall enjoy the following rights:</p> <ol style="list-style-type: none"> (1) the right to dividends and other distributions in proportion to the number of share held; (2) the right to attend or appoint a proxy to attend shareholders' meetings and to vote thereat; (3) the right of supervisory management over the Company's business operations, and the right to present proposals or enquiries; (4) the right to transfer, gift or pledge shares held in accordance with laws, administrative regulations and provisions of these Articles of Association; (5) the right to obtain relevant information in accordance with the provisions of these Articles of Association, including: <ol style="list-style-type: none"> (i) the right to a copy of these Articles of Association, subject to payment of the cost of such copy; (ii) the right to inspect and copy, subject to payment of reasonable charge: <ol style="list-style-type: none"> (a) all parts of the register of shareholders;

No.	Before Amendments	After Amendments
	<p>(b) particulars of each of the Company's directors; supervisors, general manager, deputy general managers and other officers of the Company as follows:</p> <p>(aa) his/her present name and aliases and any former name or aliases;</p> <p>(bb) his/her principal address (residence);</p> <p>(cc) his/her nationality;</p> <p>(dd) his/her full-time and all other part-time occupations;</p> <p>(ee) his/her identification document and its number.</p> <p>(c) state of the Company's share capital;</p> <p>(d) reports showing the number, aggregate par value, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;</p> <p>(e) minutes of shareholders' general meetings;</p>	<p>(b) particulars of each of the Company's directors and <u>senior management members</u> of the Company as follows:</p> <p>(aa) his/her present name and aliases and any former name or aliases;</p> <p>(bb) his/her principal address (residence);</p> <p>(cc) his/her nationality;</p> <p>(dd) his/her full-time and all other part-time occupations;</p> <p>(ee) his/her identification document and its number.</p> <p>(c) state of the Company's share capital;</p> <p>(d) reports showing the number, aggregate par value, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;</p> <p>(e) minutes of shareholders' meetings;</p>

No.	Before Amendments	After Amendments
	<p>(f) the Company's bond counterfoil, resolutions of the meetings of the Board of Directors, resolutions of the meetings of the Supervisory Committee, and financial statements.</p> <p>Where a shareholder requests to inspect the above-mentioned relevant information or demands information, the written documents stating the class and number of the shares of the Company held shall be submitted to the Company. Upon verification of the identity of the shareholder, the Company will provide with the shareholder the information as required.</p> <p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company according to the number of shares held;</p> <p>(7) to file a petition, to convene, preside over and attend or appoint proxies to attend shareholders' meetings and to vote thereat according to laws;</p> <p>(8) to donate or pledge the shares held in accordance with laws, administrative regulations and the Articles of Association;</p>	<p>(f) the Company's bond counterfoil, resolutions of the meetings of the Board of Directors, <u>financial statements, and shareholders in compliance with the provisions may inspect the Company's accounting books and accounting certificates.</u></p> <p>Where a shareholder requests to inspect the above-mentioned relevant information or demands information, the written documents stating the class and number of the shares of the Company held shall be submitted to the Company. Upon verification of the identity of the shareholder, the Company will provide with the shareholder the information as required.</p> <p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company according to the number of shares held;</p> <p>(7) to file a petition, to convene, <u>hold,</u> preside over and attend or appoint proxies to attend shareholders' meetings and to vote thereat according to laws;</p> <p>(8) to donate or pledge the shares held in accordance with laws, administrative regulations and the Articles of Association;</p>

No.	Before Amendments	After Amendments
	<p>(9) to request the Company to repurchase its shares held by the shareholders when they disagree with the resolution(s) for merger or demerger of the Company made at the shareholders' general meeting;</p> <p>(10) in accordance with the Company Law or other laws and administrative regulations, to initiate a lawsuit to the People's Court against the actions damaging the Company's interest or infringing upon the legal interest of shareholders and claim relevant rights;</p> <p>(11) other rights conferred by laws, administrative regulations and these Articles of Association.</p>	<p>(9) to request the Company to repurchase its shares held by the shareholders when they disagree with the resolution(s) for merger or demerger of the Company made at the shareholders' meeting;</p> <p>(10) in accordance with the Company Law or other laws and administrative regulations, to initiate a lawsuit to the people's court against the actions damaging the Company's interest or infringing upon the legal interest of shareholders and claim relevant rights;</p> <p>(11) other rights conferred by laws, administrative regulations and these Articles of Association.</p>
24	Addition	<p><u>Article 62 Any shareholder requesting to inspect or copy the relevant information of the Company shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations.</u></p>

No.	Before Amendments	After Amendments
25	Addition	<p><u>Article 63 If a resolution passed at the Company's shareholders' meeting or Board meeting violates the laws and administrative regulations, the shareholders shall have the right to submit a petition to the people's court to render the same as invalid.</u></p> <p><u>If the procedures for convening, or the methods of voting at, a shareholders' meeting or Board meeting violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall be entitled to submit a petition to the people's court to rescind such resolutions within sixty days from the date on which such resolution is passed. However, this shall not apply if the convening procedure or voting method of a shareholders' meeting or a Board meeting has only minor flaws which have no substantial impact on the resolution.</u></p> <p><u>If the Board, shareholders or other relevant parties have disputes over the validity of a resolution of a shareholders' meeting, they shall promptly file a lawsuit with a people's court. Before the people's court makes a judgment or ruling to revoke the resolution, the relevant parties shall execute the resolution of the shareholders' meeting. The Company, its directors and senior management shall fulfill their duties in good faith to ensure the normal operation of the Company.</u></p>

No.	Before Amendments	After Amendments
		<p><u>If the people's court makes a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the laws, administrative regulations, and the requirements of the China Securities Regulatory Commission and the stock exchange(s), fully explain the impact and actively cooperate with the enforcement of the judgment or ruling after it has become effective. Where corrections to prior events are involved, they shall be handled in a timely manner and the corresponding information disclosure obligations shall be fulfilled.</u></p>
26	Addition	<p><u>Article 64 A resolution of the shareholders' meeting or Board of the Company shall be invalidated under any of the following circumstances:</u></p> <ul style="list-style-type: none"> <u>(1) failure to convene a shareholders' meeting or Board to make a resolution;</u> <u>(2) the shareholders' meeting or Board fails to vote on the resolution;</u> <u>(3) the number of persons attending the meeting or the number of voting rights held by them does not reach the number of persons attending the meeting or the number of voting rights held by them as stipulated in the Company Law or the Articles of Association;</u> <u>(4) the number of persons agreeing to the resolution or the number of voting rights held by them does not reach the number of persons attending the meeting or the number of voting rights held by them as stipulated in the Company Law or the Articles of Association.</u>

No.	Before Amendments	After Amendments
27	Addition	<p><u>Article 65 If a director or senior management other than a member of the Audit Committee violates the laws and administrative regulations or the provisions of the Articles of Association in the performance of his/her duties with the Company and causes losses to the Company, the shareholders individually or jointly hold more than one percent of the Company's shares for more than one hundred and eighty consecutive days shall have the right to request in writing the Audit Committee to initiate proceedings in the people's court; if a member of the Audit Committee violates the laws and administrative regulations or the provisions of the Articles of Association in the performance of his/her duties with the Company and causes losses to the Company, the aforesaid shareholders shall be entitled to make a request in writing to the Board to initiate proceedings in the people's court.</u></p> <p><u>In the event that the Audit Committee or the Board refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within thirty days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the people's court directly in their own names in the interest of the Company.</u></p>

No.	Before Amendments	After Amendments
		<p><u>Shareholders described in the first paragraph of this Article may also initiate legal proceedings in the people's court in accordance with the preceding two paragraphs in the event that the lawful interests of the Company are infringed upon by any others.</u></p> <p><u>If a director or senior management of a wholly-owned subsidiary of the Company violates the laws, administrative regulations or the provisions of the Articles of Association in the performance of his/her duties and cause losses to the Company, or if others infringe upon the lawful rights and interests of a wholly-owned subsidiary of the Company and cause losses to the Company, the shareholders individually or jointly hold more than 1% of the Company's shares for more than one hundred and eighty consecutive days shall have the right, in accordance with the provisions of the preceding three paragraphs of Article 189 of the Company Law, to request in writing the Board of a wholly-owned subsidiary to file a lawsuit with the people's court or directly file a lawsuit in their own name with the people's court.</u></p>
28	<p>Article 63 The ordinary shareholders of the Company shall assume the following obligations:</p> <p>(1) to abide by laws, administrative regulations and the Articles of Association;</p> <p>(2) to pay subscription monies according to the number of shares subscribed and the method of subscription;</p> <p>(3) not to divest in the shares other than as provided by laws or regulations;</p>	<p>Article 66 The ordinary shareholders of the Company shall assume the following obligations:</p> <p>(1) to abide by laws, administrative regulations and the Articles of Association;</p> <p>(2) to pay subscription monies according to the number of shares subscribed and the method of subscription;</p> <p>(3) not to <u>withdraw share capital</u> other than as provided by laws or regulations;</p>

No.	Before Amendments	After Amendments
	<p>(4) not to abuse their rights as shareholders to prejudice the interests of the Company or other shareholders; not to abuse the independent position of the Company as a legal person and the limited liabilities of shareholders to prejudice the interests of creditors of the Company;</p> <p>Shareholders of the Company who abuse their rights as shareholders and cause losses to the Company or other shareholders shall be liable to compensation under the laws.</p> <p>Shareholders of the Company who abuse the Company's independent position as a legal person to evade repayment of debts and cause material damage to the interests of its creditors shall be severally held liable to repayment of debts.</p> <p>(5) a shareholder holding 5% or more of the Company's shares with voting rights pledges any shares in his/ her possession shall submit written report to the Company from the date when he/she pledges his/her shares;</p> <p>(6) other obligations imposed by laws, administrative regulations and these Articles of Association.</p>	<p>(4) not to abuse their rights as shareholders to prejudice the interests of the Company or other shareholders; not to abuse the independent position of the Company as a legal person and the limited liabilities of shareholders to prejudice the interests of creditors of the Company;</p> <p>Shareholders of the Company who abuse their rights as shareholders and cause losses to the Company or other shareholders shall be liable to compensation under the laws.</p> <p>Shareholders of the Company who abuse the Company's independent position as a legal person to evade repayment of debts and cause material damage to the interests of its creditors shall be severally held liable to repayment of debts.</p> <p><u>(5)</u> other obligations imposed by laws, administrative regulations and these Articles of Association.</p>

No.	Before Amendments	After Amendments
29	Addition	<p><u>Article 67 The controlling shareholder and de facto controller of the Company shall comply with the following provisions:</u></p> <p>(1) <u>to exercise their rights as shareholders in accordance with the law and not to abuse their control or use their connected relationship to prejudice the legitimate interests of the Company or other shareholders;</u></p> <p>(2) <u>to strictly fulfill their public statements and various undertakings and not to change or waive such statements and undertakings in a unilateral manner;</u></p> <p>(3) <u>to fulfill their information disclosure obligations in strict accordance with relevant regulations, proactively cooperate with the Company in information disclosure and inform the Company in a timely manner of material events that have occurred or are intended to occur;</u></p> <p>(4) <u>not to appropriate the Company's funds in any way;</u></p> <p>(5) <u>not to order, instruct, or request the Company and its relevant personnel to provide guarantees in violation of laws and regulations;</u></p> <p>(6) <u>not to make use of the Company's undisclosed material information to gain benefits, or disclose in any way undisclosed material information relating to the Company, or engage in insider trading, short-term trading, market manipulation or other illegal and unlawful acts;</u></p>

No.	Before Amendments	After Amendments
		<p>(7) <u>not to prejudice the legitimate interests of the Company and other shareholders through unfair connected transactions, profit distribution, asset restructuring, external investment or any other means;</u></p> <p>(8) <u>to ensure the integrity of the Company's assets, and the independence of its personnel, finance, organization and business, and not to affect the independence of the Company in any way;</u></p> <p>(9) <u>laws, administrative regulations, and provisions of the China Securities Regulatory Commission, business rules of stock exchange(s) and other requirements of these Articles of Association.</u></p> <p><u>Where a controlling shareholder or de facto controller of the Company does not act as a director of the Company but actually executes the affairs of the Company, the provisions of the Articles of Association regarding the obligations of loyalty and diligence of directors shall apply.</u></p> <p><u>Where a controlling shareholder or de facto controller of the Company instructs a director or senior management officer to engage in an act that is detrimental to the interests of the Company or the shareholders, he/she shall bear joint and several liability with the director or senior management.</u></p>

No.	Before Amendments	After Amendments
30	<p>Article 64 In addition to obligations imposed by laws, administrative regulations or required by the stock exchange on which shares of the Company are listed, a controlling shareholder shall not exercise his/her voting rights in respect of the following matters in a manner prejudicial to the interests of the shareholders generally or of some part of the shareholders of the Company:</p> <p>(1) to relieve a director or supervisor of his/her duty to act honestly in the best interests of the Company;</p> <p>(2) to approve the expropriation by a director or supervisor (for his/her own benefit or for the benefit of another person), in any guise, of the Company's assets, including (without limitation) opportunities beneficial to the Company;</p> <p>(3) to approve the expropriation by a director or supervisor (for his/her own benefit or for the benefit of another person) of the individual rights of other shareholders, including (without limitation) rights to distributions and voting rights save pursuant to a restructuring submitted to shareholders for approval in accordance with these Articles of Association.</p>	Deleted

No.	Before Amendments	After Amendments
31	Addition	<p><u>Article 69 Where a controlling shareholder or de facto controller pledges the shares of the Company that he/she holds or effectively controls, he/she shall maintain the stability of the Company's control and that of its production and operation.</u></p> <p><u>Where a controlling shareholder or de facto controller transfers the shares of the Company held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in laws, administrative regulations, the regulations of the China Securities Regulatory Commission and stock exchange(s), as well as his/her undertakings in respect of restrictions on the transfer of shares.</u></p>
32	Article 67 The shareholders' general meeting is the supreme authority of the Company and shall exercise its powers in accordance with law.	Article 70 <u>The shareholders' meeting of the Company shall be composed of all shareholders.</u> The shareholders' meeting is the supreme authority of the Company and shall exercise its powers in accordance with law.

No.	Before Amendments	After Amendments
33	<p>Article 68 The shareholders' general meeting shall have the following powers:</p> <p>(1) to decide on the Company's development strategy and planning;</p> <p>(2) to decide on the Company's operational policies and investment plans;</p> <p>(3) to elect and replace Directors not being staff representatives and decide on matters relating to remuneration of Directors;</p> <p>(4) to elect and replace the Supervisors not being staff representatives and decide on matters relating to the remuneration of Supervisors;</p> <p>(5) to examine and approve reports of the board of directors;</p> <p>(6) to examine and approve the reports of the supervisory committee;</p> <p>(7) to examine and approve the company's proposed annual preliminary and final financial budgets;</p> <p>(8) to examine and approve the Company's profit distribution plan and plan for recovery of losses;</p> <p>(9) to resolve on increases or reduction in the Company's registered capital;</p> <p>(10) to resolve on matters such as merger, division, dissolution and liquidation of the Company;</p>	<p>Article 71 The shareholders' meeting shall have the following powers:</p> <p>(1) to elect and replace Directors not being staff representatives and decide on matters relating to remuneration of Directors;</p> <p>(2) to examine and approve reports of the board of directors;</p> <p>(3) to examine and approve the Company's profit distribution plan and plan for recovery of losses;</p> <p>(4) to resolve on increases or reduction in the Company's registered capital;</p> <p>(5) to resolve on matters such as merger, division, dissolution and liquidation of the Company;</p> <p>(6) to resolve on the issue of debentures by the Company;</p> <p>(7) to resolve on the Company's appointment, dismissal of certified public accountants' firm that undertakes the Company's auditing business;</p> <p>(8) to amend these Articles of Association;</p> <p>(9) to consider the motions proposed by shareholder(s) representing 1% (inclusive) or more of the Company's outstanding shares carrying voting rights;</p> <p>(10) to resolve the change of the Company's form;</p>

No.	Before Amendments	After Amendments
	<p>(11) to resolve on the issue of debentures by the Company;</p> <p>(12) to resolve on the appointment, dismissal and non-re-appointment of certified public accountants' firm for the Company;</p> <p>(13) to amend these Articles of Association;</p> <p>(14) to consider the motions proposed by shareholder(s) representing 3% (inclusive) or more of the Company's outstanding shares carrying voting rights;</p> <p>(15) to resolve the change of the Company's form;</p> <p>(16) to consider and approve the guarantees as follows:</p> <p>(i). any guarantee which is given after the total amount of external guarantees of the Company and its controlling subsidiaries reaching or exceeding 50% of the latest audited net assets;</p> <p>(ii). any guarantee after the total amount of guarantees provided by the Company reaching or exceeding 30% of the latest audited total assets;</p> <p>(iii). any guarantee provided in favour of a guaranteed party with an asset to liability ratio exceeding 70%;</p>	<p>(11) to consider and approve the guarantees as follows:</p> <p>(i). any guarantee which is given after the total amount of external guarantees of the Company and its controlling subsidiaries reaching or exceeding 50% of the latest audited net assets;</p> <p>(ii). any guarantee after the total amount of guarantees provided by the Company reaching or exceeding 30% of the latest audited total assets;</p> <p><u>(iii). the guarantee to be provided by the Company to others within one year in an amount exceeding 30 % of the Company's latest audited total assets;</u></p> <p><u>(iv).</u> any guarantee provided in favour of a guaranteed party with an asset to liability ratio exceeding 70%;</p> <p><u>(v).</u> the amount of a single external guarantee exceeding 10% of the latest audited net assets;</p> <p><u>(vi).</u> any guarantee provided to shareholders, the de facto controller(s) and their respective related parties.</p>

No.	Before Amendments	After Amendments
	<p>(iv). the amount of a single external guarantee exceeding 10% of the latest audited net assets;</p> <p>(v). any guarantee provided to shareholders, the de facto controller(s) and their respective related parties.</p> <p>The Company shall request the party which the Company provides a guarantee to provide counter-guarantee. The provider of the counter-guarantee shall be competent in accepting the liabilities.</p>	<p>The Company shall request the party which the Company provides a guarantee to provide counter-guarantee. The provider of the counter-guarantee shall be competent in accepting the liabilities.</p>
		<p>(12) to consider the purchase or sale of any material asset of the Company within one year, the amount of which exceeds 30% of its latest audited total assets;</p>
		<p>(13) to consider and approve the change in use of proceeds from fund raising;</p>
		<p>(14) to consider the share incentive scheme and employee share ownership plan;</p>
	<p>(17) to consider the purchase or sale of any material asset of the Company within one year, the amount of which exceeds 30% of its latest audited total assets;</p>	<p>(15) to consider and approve the subject matters of material financial impact of the Company;</p>
	<p>(18) to consider and approve the change in use of proceeds from fund raising;</p>	<p>(16) to consider and approve the Rules of Procedures for the Board Meetings and the plan for amendments thereto;</p>
	<p>(19) to consider the share incentive scheme;</p>	
	<p>(20) to consider and approve the subject matters of material financial impact of the Company;</p>	<p>(17) to consider and approve the Company's external donations with a single expenditure scale of RMB8 million (inclusive) or more;</p>
	<p>(21) to consider and approve the Rules of Procedures for the Board Meetings and the plan for amendments thereto;</p>	<p>(18) to decide on other matters which require resolutions of the shareholders' meeting according to relevant laws, administrative regulations and provisions of these Articles of Association;</p>
	<p>(22) to decide on other matters which require resolutions of the shareholders in general meeting according to relevant laws, administrative regulations and provisions of these Articles of Association;</p>	<p>(19) to delegate or authorize the board of directors to deal with matters delegated or authorized to deal with by the shareholders in shareholders' meeting.</p>

No.	Before Amendments	After Amendments
	(23) to delegate or authorize the board of directors to deal with matters delegated or authorized to deal with by the shareholders in general meeting.	
34	<p>Article 70 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors. Annual general meetings are held once every year and within six (6) months from the close of the preceding financial year.</p> <p>The Board of Directors shall convene an extraordinary general meeting within two (2) months following the date of such circumstances:</p> <p>(1) the number of directors is less than the number of directors required by the Company Law or two-thirds of the number required by the Articles of Association (8 persons);</p> <p>(2) when the unrecovered losses of the Company amount to one-third of the total amount of its share capital;</p>	<p>Article 73 Shareholders' meetings are divided into annual <u>shareholders'</u> meetings and extraordinary <u>shareholders'</u> meetings. Shareholders' meetings shall be convened by the Board of Directors. Annual <u>shareholders'</u> meetings are held once every year and within six (6) months from the close of the preceding financial year.</p> <p>The Board of Directors shall convene an extraordinary <u>shareholders'</u> meeting within two (2) months following the date of such circumstances:</p> <p>(1) the number of directors is less than the number of directors required by the Company Law or two-thirds of the number required by the Articles of Association (8 persons);</p> <p>(2) when the unrecovered losses of the Company amount to one-third of the total amount of its share capital;</p>

No.	Before Amendments	After Amendments
	<p>(3) when shareholder(s) individually or jointly holding 10% (inclusive) or more of the Company's issued outstanding shares request(s) in writing the convening of an extraordinary general meeting;</p> <p>(4) when deemed necessary by the Board of Directors or when requested by the supervisory committee;</p> <p>(5) when proposed by more than two independent Directors;</p> <p>(6) other circumstances provided by the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>The shareholdings referred to in sub-clause (3) above shall be calculated as at the date when the shareholder made the written request.</p>	<p>(3) when shareholder(s) individually or jointly holding 10% (inclusive) or more of the Company's issued outstanding shares request(s) in writing the convening of an extraordinary <u>shareholders'</u> meeting;</p> <p>(4) when deemed necessary by the Board of Directors or when requested by the <u>Audit Committee</u>;</p> <p>(5) when proposed by more than <u>half of</u> independent Directors;</p> <p>(6) other circumstances provided by the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>The shareholdings referred to in sub-clause (3) above shall be calculated as at the date when the shareholder made the written request.</p>

No.	Before Amendments	After Amendments
35	<p>Article 71 If the Company holds a general meeting, it shall engage a lawyer to issue legal advice on the following matters and make an announcement in respect thereof: whether the convening of the general meeting and its procedures are in compliance with the requirement of the laws, administrative regulations, the Articles of Association; whether the qualification of the attendants and convener is legal and valid; whether the procedures and results of voting of the meeting is legal and valid; legal advices on other relevant matters at the request of the Company.</p>	<p>Article 74 If the Company holds a <u>shareholders'</u> meeting, it shall engage a lawyer to issue legal advice on the following matters and make an announcement in respect thereof: whether the convening of the <u>shareholders'</u> meeting and its procedures are in compliance with the requirement of the laws, administrative regulations, <u>the provisions of</u> the Articles of Association; whether the qualification of the attendants and convener is legal and valid; whether the procedures and results of voting of the meeting is legal and valid; legal advices on other relevant matters at the request of the Company.</p>
36	<p>Article 72 When the Company convenes a general meeting, the Board of Directors, Supervisory Committee and the shareholders either individually or collectively holding more than 3% of the Company's shares may propose motions to the Company. Shareholders individually or collectively holding more than 3% of the Company's shares can make a temporary motion and submit in writing to the convener ten (10) days before the date of shareholders' general meeting. The convener shall issue a supplementary notice of the shareholders' general meeting announcing the contents of the temporary motion within two (2) days upon receipt of the motion.</p>	<p>Article 75 When the Company convenes a <u>shareholders'</u> meeting, the Board of Directors, <u>Audit Committee</u> and the shareholders either individually or collectively holding more than <u>1%</u> of the Company's shares may propose motions to the Company.</p> <p>Shareholders individually or collectively holding more than <u>1%</u> of the Company's shares can make a temporary motion and submit in writing to the convener ten (10) <u>business</u> days before the date of shareholders' meeting. The convener shall issue a supplementary notice of the shareholders' meeting within two (2) days upon receipt of the motion, <u>and submit the temporary motion to the shareholders' meeting for consideration. However, this does not apply to the temporary motions that violate the laws, administrative regulations or the provisions of Articles of Association, or that do not fall within the terms of reference of the shareholders' meeting.</u></p>

No.	Before Amendments	After Amendments
37	<p>Article 76 A notice of meeting of shareholders shall:</p> <ol style="list-style-type: none"> (1) be in writing; (2) specify the place, the date and the hour of the meeting; (3) state the general nature of the business to be transacted and the meeting; (4) provide such information and explanation as are necessary for the shareholders to exercise an informed judgment on the proposals before them. Without limiting the generality of the foregoing, where a proposal is made to amalgamate the Company with another, to repurchase shares, to reorganize the share capital, or to restructure the Company in any other way, the terms of the proposed transaction must be provided in detail together with copies of the proposed agreement, if any, and the cause and effect of such proposal must be properly explained; (5) contain a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, general manager, deputy general manager or other officer in the proposed transaction and the effect of the proposed transaction on them in their capacity as shareholders in so far as it is different from the effect on the interests of other shareholders of the same class; 	<p>Article 79 A notice of meeting of shareholders shall:</p> <ol style="list-style-type: none"> (1) be in writing; (2) specify the place, the date and the hour of the meeting; (3) state the general nature of the business to be transacted and the meeting; <u>(4)</u> contain the full text of any special resolutions proposed to be moved at the meeting; <u>(5)</u> contain conspicuously a statement that a shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not be a shareholder; <u>(6)</u> specify the time and place for lodging proxy forms for the relevant meeting; <u>(7)</u> to set out the record date for shareholders who are entitled to attending the shareholders' meeting. No alteration shall be made to the record date once it is determined; <u>(8)</u> all the contents of the proposals shall be fully and completely disclose in the notice of the shareholders' meeting and its supplementary notice.

No.	Before Amendments	After Amendments
	(6) contain the full text of any special resolution proposed to be moved at the meeting;	(9) name and telephone number of the contact person of the <u>shareholders'</u> meeting;
	(7) contain conspicuously a statement that a shareholder entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him and that a proxy need not be a shareholder;	(10) <u>voting time and voting procedure by internet or other means.</u>
	(8) specify the time and place for lodging proxy forms for the relevant meeting;	
	(9) to set out the record date for shareholders who are entitled to attending the general meeting. No alteration shall be made to the record date once it is determined;	
	(10) all the contents of the proposals shall be fully and completely disclose in the notice of the general meeting and its supplementary notice. If the matters to be discussed require independent Directors' opinions, those opinions and reasons given by the independent Directors shall be disclosed in the notice or supplementary notice of the general meeting;	
	(11) name and telephone number of the contact person of the general meeting.	

No.	Before Amendments	After Amendments
38	<p>Article 83 Shareholders may attend the general meeting in person or appoint a proxy to attend and vote on their behalf.</p> <p>Individual shareholders shall present their identification cards or other valid proof of identity and share account cards when they attend the meeting in person; those who are appointed as proxies shall present their own identity cards and power of attorney when they attend the meeting.</p>	<p>Article 86 Shareholders may attend the <u>shareholders'</u> meeting in person or appoint a proxy to attend and vote on their behalf.</p> <p>Individual shareholders shall present their identification cards or other valid proof of identity when they attend the meeting in person; those who are appointed as proxies shall present their own identity cards and power of attorney when they attend the meeting.</p>
39	<p>Article 84 The power of attorney issued by a shareholder appointing a proxy to attend general meeting on his behalf shall state the following:</p> <p>(1) name of the proxy;</p> <p>(2) whether empowered with right to vote;</p> <p>(3) instructions to vote in favour of, against or abstain from, as the case may be, each matter in the agenda of the general meeting;</p> <p>(4) the date of the power of attorney and the expiration date;</p>	<p>Article 87 The power of attorney issued by a shareholder appointing a proxy to attend <u>shareholders'</u> meeting on his behalf shall state the following:</p> <p>(1) <u>name of the principal, and the class and number of shares held by the Company;</u></p> <p>(2) <u>name of the proxy;</u></p> <p>(3) <u>specific instructions of the shareholder, including</u> instructions to vote in favour of, against or abstain from, as the case may be, each matter in the agenda of the <u>shareholders'</u> meeting;</p> <p>(4) the date of the power of attorney and the expiration date;</p>

No.	Before Amendments	After Amendments
	<p>(5) signature (or seal) of the principal. In the case that the principal is a domestic legal person shareholder, the power of attorney shall bear the official seal of that legal person;</p> <p>(6) the power of attorney shall contain a statement to the effect that, in the absence of specific instructions from the shareholder, whether the proxy may vote at his/her discretion.</p>	<p>(5) signature (or seal) of the principal. In the case that the principal is a domestic legal person shareholder, the power of attorney shall bear the official seal of that legal person;</p> <p>(6) the power of attorney shall contain a statement to the effect that, in the absence of specific instructions from the shareholder, whether the proxy may vote at his/her discretion.</p> <p><u>If the instrument appointing the voting proxy is signed by the attorney on behalf of the principal, the power of attorney or other authority must be notarized. The notarized power of attorney or other authority, together with the proxy form, shall be lodged at the address of the Company or such other place as specified in the notice of the meeting.</u></p>

No.	Before Amendments	After Amendments
	<p>Article 85 The instrument appointing a voting proxy by a shareholder to vote on his/her behalf and, if such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or other authority shall be deposited at the residence of the Company or at such other place as is specified for that purpose in the notice convening the meeting, not less than twenty-four (24) hours before the time for holding the meeting at which the proxy proposes to vote or the time appointed for the passing of the resolution.</p> <p>If the appointer is a legal entity, its legal representative or such person as is by resolution of its board of directors or other governing body authorized to act as its representative may attend the meetings of shareholders of the Company.</p> <p>Article 86 Any form issued to a shareholder by the directors for use by him/her for appointing a proxy to attend and vote at a meeting of the Company shall be such as to enable the shareholder, according to his/her intention, to instruct the proxy to vote in favour of or against each resolution dealing with business to be transacted at the meeting.</p>	Deleted

No.	Before Amendments	After Amendments
	<p>Article 87— Any shareholder who is entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf. A proxy so appointed shall exercise the following rights pursuant to such authorization:</p> <p>(1) the shareholder's right to speak at the meeting;</p> <p>(2) the right to demand or join in demand for a poll;</p> <p>(3) the right to vote by hand or on a poll, provided that when a shareholder has appointed more than one proxy, such proxies may only vote on a poll.</p> <p>Article 88— A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or loss of capacity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its residence before the commencement of the meeting at which the proxy is used.</p>	
40	<p>Article 92— When convening a general meeting, all Directors, Supervisors and the secretary to the Board of Directors shall attend the meeting in person while Managers and other senior management shall attend the meeting as observers.</p>	<p><u>Article 91</u> <u>If the shareholders' meeting requests the attendance of Directors and senior management, the Directors and senior management shall attend the meeting and accept the enquiry of shareholders.</u></p>

No.	Before Amendments	After Amendments
41	<p>Article 93 The Company shall formulate the rules of procedures for general meetings, which stipulates procedures for convening the general meeting and voting procedures, including notice, registration, consideration of motions, voting, vote counting, announcement of voting results, resolutions of the meeting, the meeting minutes and their signings, announcement etc., and the principles for the general meeting authorizing the Board of Directors for which the authorization shall be clear and specific. The rules of procedures for general meetings shall be the appendix to the Articles of Association, which shall be proposed by the Board of Directors and approved by general meeting.</p>	<p>Article 92 The Company shall formulate the rules of procedures for <u>shareholders'</u> meetings, which stipulates procedures for <u>holding and</u> convening the <u>shareholders'</u> meeting and voting procedures, including notice, registration, consideration of motions, voting, vote counting, announcement of voting results, resolutions of the meeting, the meeting minutes and their signings, announcement etc., and the principles for the <u>shareholders'</u> meeting authorizing the Board of Directors for which the authorization shall be clear and specific. The rules of procedures for <u>shareholders'</u> meetings shall be the appendix to the Articles of Association, which shall be proposed by the Board of Directors and approved by <u>shareholders'</u> meeting.</p>

No.	Before Amendments	After Amendments
42	<p>Article 97 A shareholder (including proxy) may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote.</p> <p>The shares of the Company held by itself have no voting rights and shall not be counted as part of the total number of shares with voting rights at the general meeting.</p>	<p>Article 95 A shareholder (including proxy) may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote, <u>except for shareholders of class shares.</u></p> <p>The shares of the Company held by itself have no voting rights and shall not be counted as part of the total number of shares with voting rights at the <u>shareholders'</u> meeting.</p> <p><u>If a shareholder purchases shares with voting rights of the Company in violation of the provisions of clauses 1 and 2 of Article 63 of the Securities Law, the voting rights of such shares exceeding the prescribed proportion shall not be exercised within 36 months after the purchase, and such shares will not be included in the total number of voting shares represented by the shareholders present at the shareholders' meeting.</u></p> <p><u>The Board of Directors, independent Directors, shareholders holding more than 1% of the shares with voting rights or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the China Securities Regulatory Commission may publicly solicit shareholders' voting rights. The solicitation of shareholders' voting rights shall fully disclose the specific voting intention and other information to the solicited persons. The solicitation of shareholders' voting rights based on remuneration or disguised remuneration is prohibited. Except for statutory conditions, the Company shall not propose a minimum percentage of shareholding for the solicitation of voting rights.</u></p>

No.	Before Amendments	After Amendments
43	Article 98 The Board of Directors, independent Directors and any shareholder(s) who meet the relevant conditions are entitled to collect voting rights from other shareholders entitled to attend and vote at the general meeting. Voting rights shall be collected without consideration and sufficient information shall be disclosed to the shareholders from which the voting rights are collected.	Article 96 The Board of Directors, independent Directors and any shareholder(s) who meet the relevant conditions are entitled to collect voting rights from other shareholders entitled to attend and vote at the <u>shareholders'</u> meeting. Voting rights shall be collected without consideration and <u>specific voting intentions and other information</u> shall be <u>fully</u> disclosed to the shareholders from which the voting rights are collected.
44	Article 103 Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutineers. Any shareholder who is interested in the matter under consideration and proxies of such shareholder shall not participate in vote counting or scrutinizing.	Article 101 Before a resolution is voted on at a <u>shareholders'</u> meeting, two representatives of the shareholders shall be elected as vote counters and scrutineers. Any shareholder who is <u>connected to</u> the matter under consideration and proxies of such shareholder shall not participate in vote counting or scrutinizing.
45	Addition	Article 104 <u>When considering a motion at the shareholders' meeting, no modifications shall be made thereto, and if it is changed, it shall be deemed as a new motion which cannot proceed for voting at the current shareholders' meeting.</u>

No.	Before Amendments	After Amendments
46	<p>Article 106 The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:</p> <ol style="list-style-type: none"> (1) work reports of the board of directors and the supervisory committee; (2) plans formulated by the board of directors for distribution of profits and for making up losses; (3) appointment and removal of the members of the board of directors and members of the supervisory committee, their remuneration and method of payment; (4) annual preliminary and final budgets, balance sheets and profit and loss accounts and other financial statements of the Company; (5) the Company's annual report; (6) matters other than these required by the laws and administrative regulations or by these Articles of Association to be adopted by special resolution. <p>The remuneration mentioned in sub-clause (3) above, includes (but not limited to) the compensation which shall be acquired by the relevant Directors and Supervisors when they loses their position as Directors or Supervisors or retire.</p>	<p>Article 105 The following matters shall be resolved by an ordinary resolution at a shareholders' meeting:</p> <ol style="list-style-type: none"> (1) work reports of the board of directors; (2) plans formulated by the board of directors for distribution of profits and for making up losses; (3) appointment and removal of the members of the board of directors, their remuneration and method of payment; (4) matters other than these required by the laws and administrative regulations or by these Articles of Association to be adopted by special resolution. <p>The remuneration mentioned in clause (3) of the first paragraph above, includes (but not limited to) the compensation which shall be acquired by the relevant Directors when they loses their position as Directors or retire.</p>

No.	Before Amendments	After Amendments
47	<p>Article 107 The following matters shall be resolved by a special resolution at a shareholders' general meeting:</p> <p>(1) the increase or reduction of share capital and the issue of shares of any class, warrants and other similar securities; the repurchase of shares of the Company as a result of a reduction in its registered capital;</p> <p>(2) the issue of debentures of the Company;</p> <p>(3) the division, merger, dissolution and liquidation of the Company;</p> <p>(4) amendments to these Articles of Association;</p> <p>(5) the purchase or disposal of material assets or any guarantee within one year, the amount of which exceeds 30% of the latest audited total assets of the Company;</p> <p>(6) share incentive scheme;</p> <p>(7) adjustment or alteration to the distribution policy of cash dividend;</p> <p>(8) any other matters required by the laws, administrative regulations and the Articles of Association and considered by the general meeting.</p>	<p>Article 106 The following matters shall be resolved by a special resolution at a shareholders' meeting:</p> <p>(1) the increase or reduction of share capital and the issue of shares of any class, warrants and other similar securities; the repurchase of shares of the Company as a result of a reduction in its registered capital;</p> <p>(2) the division, merger, dissolution and liquidation of the Company;</p> <p>(3) amendments to these Articles of Association;</p> <p>(4) the purchase or disposal of material assets or any guarantee within one year, the amount of which exceeds 30% of the latest audited total assets of the Company;</p> <p>(5) share incentive scheme;</p> <p>(6) any other matters required by the laws, administrative regulations and the Articles of Association and considered by the <u>shareholders'</u> meeting.</p>

No.	Before Amendments	After Amendments
48	<p>Article 108 Independent Directors are entitled to propose to the Board of Directors the convening of an extraordinary general meeting. The Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within 10 days after receiving such proposal from the independent Directors.</p>	<p>Article 107 <u>The Board of Directors shall convene the shareholders' meeting on time and within the prescribed period. With the consent of a majority of all independent Directors,</u> independent Directors are entitled to propose to the Board of Directors the convening of an extraordinary <u>shareholders'</u> meeting. The Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary <u>shareholders'</u> meeting within 10 days after receiving such proposal from the independent Directors.</p>
49	<p>Article 110 Shareholders requisitioning extraordinary general meetings of shareholders or class meetings shall abide by the following procedures:</p> <p>(1) Shareholders individually or jointly holding 10% (inclusive) or more of the shares of the Company shall sign one or more counterpart requisitions stating the object of the meeting and requiring the board of directors to convene a shareholders' extraordinary general meeting or a class meeting. The board of directors shall as soon as possible proceed to convene the extraordinary general meeting of shareholders or a class meeting after receiving the requisition. The amount of shareholdings referred to above shall be calculated according to the shareholders' shareholdings at the date of the deposit of the requisition.</p> <p>(2) The Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten (10) days after receiving such requisition.</p>	<p>Article 109 Shareholders requisitioning extraordinary <u>shareholders'</u> meetings or class meetings shall abide by the following procedures:</p> <p>(1) Shareholders individually or jointly holding 10% (inclusive) or more of the shares of the Company <u>shall submit a request in writing to the Board of Directors to convene an extraordinary shareholders' meeting.</u></p> <p>(2) The Board of Directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary <u>shareholders'</u> meeting within ten (10) days after receiving such requisition.</p>

No.	Before Amendments	After Amendments
50	<p>Article 112 General meetings shall be convened and chaired by the Chairman; In the event that the Chairman is unable or fails to perform his duties, a vice-chairman elected by more than half of the Directors shall convene and take the chair of the meeting. If the vice-chairman is unable or fails to perform his duties, the meeting shall be presided over and chaired by a Director elected by more than half of the Directors.</p> <p>The general meeting convened by the Supervisory Committee shall be presided over by the chairman of the Supervisory Committee. If the chairman of the Supervisory Committee is unable to perform his duties or has failed to perform his duties, a Supervisor elected by more than half of the Supervisors shall preside over the meeting.</p> <p>Shareholders may convene the meeting themselves pursuant to the provisions of the Articles of Association and a representative nominated by the convener shall preside over the meeting.</p>	<p>Article 111 <u>Shareholders'</u> meetings shall be presided over and chaired by the Chairman; In the event that the Chairman is unable or fails to perform his duties, a vice-chairman (if there are two or more vice-chairmen of the Company, the meeting shall be presided over by a vice-chairman elected by more than half of the Directors) shall preside over and take the chair of the meeting. If the vice-chairman is unable or fails to perform his duties, the meeting shall be presided over and chaired by a Director elected by more than half of the Directors.</p> <p>The <u>shareholders'</u> meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable to perform his duties or has failed to perform his duties, a member of the Audit Committee elected by more than half of the members of the Audit Committee shall preside over the meeting.</p> <p>A shareholders' meeting convened by shareholders pursuant to the provisions of the Articles of Association shall be presided over by the convener or one representative nominated by the convener.</p>
51	<p>Article 114 The convener shall ensure that the general meeting is held without adjournment until the final resolution is reached. When special reasons such as force majeure events have led to the interruption or termination of the meeting, measures should be taken to resume the meeting, or to end the meeting directly with a timely announcement. The convener should also report to the local office of the Securities Supervisory and Regulatory Authority of the State Council at the locality of the Company and the stock exchange(s).</p>	<p>Article 113 The convener shall ensure that the <u>shareholders'</u> meeting is held without adjournment until the final resolution is reached. When special reasons such as force majeure events have led to the interruption or termination of the meeting, measures should be taken to resume the meeting, or to end the meeting directly with a timely announcement. The convener should also report to the local office of the China Securities Regulatory Commission at the locality of the Company and the stock exchange(s).</p>

No.	Before Amendments	After Amendments
52	<p>Article 121 Minutes of a general meeting shall be recorded, which is the responsibility of the secretary to the Board of Directors.</p> <p>The minutes of the meeting shall record the following: time, place, agenda of meeting and the name of the convener; names of the chairman of the meeting, Directors; Supervisors, Managers and other senior management present at the meeting; number of shareholders and proxies present at the meeting, total number of the shares with voting rights held by them, and the percentage of shares with voting rights held by them to the total number of shares of the Company; process of consideration for each motion, the gist of speaking and voting results; shareholders' questions or recommendations and the relevant explanation or illustration; names of the lawyer(s), the vote counter(s) and the scrutinizer(s); such other matters as required by the Articles of Association to be included in the minutes.</p> <p>The convener should also ensure the truthfulness, accuracy and completeness of the minutes of the meeting. Directors, Supervisors, the secretary to the Board of Directors, the convener or his/her representative and the chairman of the meeting shall sign on the minutes of the meeting. The minutes of the meeting should be maintained with the register for signing of attending shareholders and the letters of authorization of their proxies, and voting information otherwise derived for a period not less than 10 years.</p>	<p>Article 120 Minutes of a <u>shareholders'</u> meeting shall be recorded, which is the responsibility of the secretary to the Board of Directors.</p> <p>The minutes of the meeting shall record the following: time, place, agenda of meeting and the name of the convener; names of the chairman of the meeting, Directors and senior management present at the meeting; number of shareholders and proxies present at the meeting, total number of the shares with voting rights held by them, and the percentage of shares with voting rights held by them to the total number of shares of the Company; process of consideration for each motion, the gist of speaking and voting results; shareholders' questions or recommendations and the relevant explanation or illustration; names of the lawyer(s), the vote counter(s) and the scrutinizer(s); such other matters as required by the Articles of Association to be included in the minutes.</p> <p>The convener should also ensure the truthfulness, accuracy and completeness of the minutes of the meeting. Directors, the secretary to the Board of Directors, the convener or his/her representative and the chairman <u>attending or present at</u> the meeting shall sign on the minutes of the meeting. The minutes of the meeting should be maintained with the register for signing of attending shareholders and the letters of authorization of their proxies, and voting information otherwise derived for a period not less than 10 years.</p>

No.	Before Amendments	After Amendments
53	<p>Article 141 The Board of Directors consists of 12 directors, including 4 independent Directors. There is 1 chairman and 2 vice-chairmen in the Board of Directors.</p> <p>The Company shall formulate Rules of Procedures for the Board Meeting, under which the convening and voting procedures of the board meetings shall be specified, including explicit authorisation principles and contents for authorisation by the Board of Directors to Chairman to exercise certain powers of the Board of Directors during the intermission of the Board meetings. As one of the appendices to the Articles of Association, Rules of Procedure for the Board Meeting shall be worked out by the Board of Directors and subject to approval of the general meeting.</p> <p>The Company shall establish an independent director system and formulate the Detailed Working Rules for Independent Directors which shall be implemented upon approval of general meeting.</p> <p>There is no Director being staff representative in the Board of Directors of the Company.</p>	<p>Article 140 The Board of Directors consists of 12 directors, including 4 independent Directors. There is 1 chairman and 2 vice-chairmen in the Board of Directors. <u>The vice-chairman of the Company assists the chairman of the Board of Directors.</u></p> <p>The Company shall formulate Rules of Procedures for the Board Meeting, under which the convening and voting procedures of the board meetings shall be specified, including explicit authorisation principles and contents for authorisation by the Board of Directors to Chairman to exercise certain powers of the Board of Directors during the intermission of the Board meetings. As one of the appendices to the Articles of Association, Rules of Procedure for the Board Meeting shall be worked out by the Board of Directors and subject to approval of the <u>shareholders'</u> meeting.</p> <p>The Company shall establish an independent director system and formulate the Detailed Working Rules for Independent Directors which shall be implemented upon approval of <u>shareholders'</u> meeting.</p> <p>There is <u>one</u> Director being staff representative in the Board of Directors of the Company.</p>

No.	Before Amendments	After Amendments
54	<p>Article 142 Directors shall be elected or changed at the shareholders' general meeting. The term of office of the directors is three (3) years. The shareholders' general meeting is entitled to remove a Director before the expiration of his/her term of office. At the end of a director's term, the term is renewable upon re-election. The term of office for independent Directors is renewable with a cap limit of six (6) years.</p> <p>List of director candidates are submitted to the general meeting in the form of a proposal for consideration. Director candidates other than independent Director candidates are nominated by the Board of Directors, the Supervisory Committee or shareholders separately or jointly holding more than 3% of the Company's shares and elected by the general meeting.</p> <p>Notice in writing of the intention to propose a person for election as a director and notice in writing by that person of his/her willingness to be elected shall have been given to the Company's at least seven (7) days before the date of such shareholders' general meeting.</p>	<p>Article 141 Directors shall be elected or changed at the shareholders' meeting. The term of office of the directors is three (3) years. The shareholders' meeting is entitled to remove a Director before the expiration of his/her term of office. At the end of a director's term, the term is renewable upon re-election. The term of office for independent Directors is renewable with a cap limit of six (6) years.</p> <p>List of director candidates are submitted to the <u>shareholders'</u> meeting in the form of a proposal for consideration. Director candidates other than independent Director candidates are nominated by the Board of Directors or shareholders separately or jointly holding more than 3% of the Company's shares and elected by the <u>shareholders'</u> meeting.</p> <p>Notice in writing of the intention to propose a person for election as a director and notice in writing by that person of his/her willingness to be elected shall have been given to the Company's at least seven (7) days before the date of such shareholders' meeting.</p>

No.	Before Amendments	After Amendments
	<p>The Directors are elected by means of cumulative voting mechanism. In the Director(s) election, the number of votes held by each shareholder shall equal to the product of the number of his/her votes held multiplied by the number of Directors he/she is entitled to elect; each shareholder has right to cast all his/her votes to one, two or more Director candidates, or to all Director candidates at his/her discretion. The candidate(s) with the most votes shall be elected as Director(s). Voting for independent Directors and non-independent directors shall be held separately. Upon maturity of the term of office, a Director shall be eligible to offer himself/herself for re-election and reappointment.</p> <p>The Chairman and vice-chairman shall be elected and removed by more than one half of the directors. The term of office of the Chairman and vice-chairman is three (3) years, renewable upon reelection.</p> <p>The shareholders general meeting may by ordinary resolution remove any director before the expiration of his/her term of office (but without prejudice to such director's right to claim damages based on any contract) on the condition that all the relevant laws and administrative regulations are fully complied with.</p> <p>The directors shall not be required to hold shares of the Company.</p> <p>Directors may assume the position as managers or other senior management (other than Supervisors).</p>	<p>The Directors are elected by means of cumulative voting mechanism. In the Director(s) election, the number of votes held by each shareholder shall equal to the product of the number of his/her votes held multiplied by the number of Directors he/she is entitled to elect; each shareholder has right to cast all his/her votes to one, two or more Director candidates, or to all Director candidates at his/her discretion. The candidate(s) with the most votes shall be elected as Director(s). Voting for independent Directors and non-independent directors shall be held separately. Upon maturity of the term of office, a Director shall be eligible to offer himself/herself for re-election and reappointment.</p> <p>The Chairman and vice-chairman shall be elected and removed by more than one half of the directors. The term of office of the Chairman and vice-chairman is three (3) years, renewable upon reelection.</p> <p>The shareholders' meeting may by ordinary resolution remove any director before the expiration of his/her term of office (but without prejudice to such director's right to claim damages based on any contract) on the condition that all the relevant laws and administrative regulations are fully complied with.</p> <p>The directors shall not be required to hold shares of the Company.</p>

No.	Before Amendments	After Amendments
	<p>The term of office of Directors commences from the date of election up to the maturity of the term of office of the Board. Prior to the maturity of his/her term, a director shall not be removed without sake from his/her office by the general meeting. In the event that the terms of Directors fall upon maturity whereas new members of the Board of Directors are not re-elected in time, the existing Directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and the Articles of Association until the re-elected Directors assume their office.</p> <p>The total number of Directors who are serving concurrently as managers or other senior management staff and Directors from staff representatives shall not exceed half of the total number of the Company's Directors.</p>	<p>The term of office of Directors commences from the date of election up to the maturity of the term of office of the Board. <u>The shareholders' meeting may remove a Director by a resolution, which shall come into effect from the date on which such resolution is made. Where a Director is removed from office prior to expiration of his/her term of office without reasonable cause, the Director may demand compensation from the Company.</u> Prior to the maturity of his/her term, a director shall not be removed without sake from his/her office by the <u>shareholders'</u> meeting. In the event that the terms of Directors fall upon maturity whereas new members of the Board of Directors are not re-elected in time, the existing Directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and the Articles of Association until the re-elected Directors assume their office.</p> <p><u>Director(s) may concurrently hold the post of senior management, provided that the aggregate number of the Directors who concurrently serve as senior management and Directors from employee representatives shall not exceed half of the total number of the Company's Directors.</u></p>

No.	Before Amendments	After Amendments
55	<p>Article 143 Directors may resign prior to the expiration of their terms of office. The Directors who resign shall submit to the Board of Directors a written report in relation to their resignation. Relevant information shall be disclosed by the Board of Directors within two (2) days.</p> <p>In the event that the resignation of any Director results in the number of members of the Board of Directors falling below the statutory minimum requirement, the existing Directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and the Articles of Association until the re-elected Directors assume their office.</p>	<p>Article 142 Directors may resign prior to the expiration of their terms of office. The Directors who resign shall submit to the <u>Company</u> a written report in relation to their resignation, <u>and the resignation shall take effect on the date when the Company receives the resignation report.</u> Relevant information shall be disclosed by the Board of Directors within two (2) days.</p> <p>In the event that the resignation of any Director results in the number of members of the Board of Directors falling below the statutory minimum requirement, the existing Directors shall continue to perform their duties in accordance with laws, administrative regulations and rules from regulatory authorities and the Articles of Association until the re-elected Directors assume their office.</p>
56	<p>Article 144 On a Director's resignation becoming effective or termination of the tenure of his/her office, the Director shall complete all handover procedures to the Board of Directors, and his/her faithful obligations to the Company and the shareholders do not necessarily cease after the termination of tenure and are still effective within a reasonable period stipulated under the Articles of Association.</p>	<p>Article 143 <u>The Company has established a resignation management system for director, clearly specifying the accountability and compensation measures for unfulfilled public commitments and other outstanding matters.</u> On a Director's resignation becoming effective or termination of the tenure of his/her office, the Director shall complete all handover procedures to the Board of Directors, and his/her faithful obligations to the Company and the shareholders do not necessarily cease after the termination of tenure and are still effective within a reasonable period stipulated under the Articles of Association. <u>The responsibility that a Director bears during their term of office due to the performance of his/her duties shall not be waived or terminated upon resignation.</u></p>

No.	Before Amendments	After Amendments
57	<p>Article 145 The Board of Directors is responsible to the shareholders' general meeting and is the decision-maker of the Company's business (setting strategies, making decisions, preventing risks), and exercises the following powers:</p> <p>(1) to convene shareholders' general meetings and report its work to the shareholders' general meeting;</p> <p>(2) to implement the resolutions of shareholders' general meetings;</p> <p>(3) to decide on the Company's business plans and investment plans;</p> <p>(4) to formulate the Company's proposed annual preliminary and final financial budgets;</p> <p>(5) to formulate the Company's profit distribution plan and plan for recovery of losses;</p> <p>(6) to formulate proposals for increases or reductions of the Company's registered capital and the issue of corporate debentures and other securities;</p> <p>(7) to draw up plans for the merger, division, dissolution, liquidation or change in corporate form of the Company;</p>	<p>Article 144 The Board of Directors is the decision-maker of the Company's business (setting strategies, making decisions, preventing risks), and exercises the following powers:</p> <p>(1) to convene shareholders' meetings and report its work to the shareholders' meeting;</p> <p>(2) to implement the resolutions of shareholders' meetings;</p> <p>(3) to decide on the Company's business plans and investment plans;</p> <p><u>(4)</u> to formulate the Company's profit distribution plan and plan for recovery of losses;</p> <p><u>(5)</u> to formulate proposals for increases or reductions of the Company's registered capital and the issue of corporate debentures and other securities;</p> <p><u>(6)</u> to draw up plans for the merger, division, dissolution, liquidation or change in corporate form of the Company;</p> <p><u>(7)</u> to decide on the establishment of the Company's internal management structure;</p>

No.	Before Amendments	After Amendments
	<p>(8) to decide on the establishment of the Company's internal management structure;</p> <p>(9) to decide on the appointment or dismissal of the Company's general manager, the secretary to the Board of Directors and other senior management, and decide on their remuneration and rewards or punishments; and pursuant to the general manager's nominations to appoint or dismiss the deputy manager, financial controller and other senior management of the Company and decide on their remuneration and rewards or punishments;</p> <p>(10) to formulate the Company's basic management system;</p> <p>(11) to formulate proposals for any amendments of the Company's Articles of Association;</p> <p>(12) to draw up plans for material acquisition or disposal of the Company; plans for repurchase of shares of the Company;</p> <p>(13) subject to compliance with relevant requirements of laws, regulations, rules and the Articles of Association, to exercise the rights to raise funds and borrowings for the Company as well as to determine mortgage, leasing, subcontracting or transfer of the assets of the Company and to authorize Managers to exercise such rights to certain extent;</p>	<p>(8) to decide on the appointment or dismissal of the Company's general manager, the secretary to the Board of Directors and other senior management, and decide on their remuneration and rewards or punishments; and pursuant to the general manager's nominations to appoint or dismiss the deputy manager, financial controller and other senior management of the Company and decide on their remuneration and rewards or punishments;</p> <p>(9) to formulate the Company's basic management system;</p> <p>(10) to formulate proposals for any amendments of the Company's Articles of Association;</p> <p>(11) to draw up plans for material acquisition or disposal of the Company; plans for repurchase of shares of the Company;</p> <p>(12) subject to compliance with relevant requirements of laws, regulations, rules and the Articles of Association, to exercise the rights to raise funds and borrowings for the Company as well as to determine mortgage, leasing, subcontracting or transfer of the assets of the Company and to authorize Managers to exercise such rights to certain extent;</p> <p>(13) to determine the investments, acquisition and disposal of assets, pledge on assets, designation of financial management, connected transactions and external donation of the Company within the authorization of the <u>shareholders'</u> meeting;</p>

No.	Before Amendments	After Amendments
	<p>(14) to determine the investments, acquisition and disposal of assets, pledge on assets, external guarantees, designation of financial management, connected transactions and external donation of the Company within the authorization of the general meeting;</p> <p>(15) to manage the information disclosure of the Company;</p> <p>(16) to propose at general meetings for the appointment or change of the accounting firm(s) responsible for the auditing for the Company;</p> <p>(17) to debrief the work reports and inspect the work of the managers of the Company, check the implementation of resolutions of the Board of Directors by the managers and other senior management, and establish and improve the accountability system for managers and other senior management;</p> <p>(18) to formulate plans to implement the decisions and deployments of the Party Central Committee and the State Council and to implement major initiatives of the national and Sichuan provincial development strategies;</p> <p>(19) to formulate the Company's development strategies and plans;</p>	<p>(14) to manage the information disclosure of the Company;</p> <p>(15) to propose at shareholders' meetings for the appointment or change of the accounting firm(s) responsible for the auditing for the Company;</p> <p>(16) to debrief the work reports and inspect the work of the managers of the Company, check the implementation of resolutions of the Board of Directors by the managers and other senior management, and establish and improve the accountability system for managers and other senior management;</p> <p>(17) to formulate plans to implement the decisions and deployments of the Party Central Committee and the State Council and to implement major initiatives of the national and Sichuan provincial development strategies;</p> <p>(18) to formulate the Company's development strategies and plans;</p> <p>(19) to determine the Company's major income distribution plan, including the Company's total salary budget and liquidation plan etc. (if otherwise stipulated by the provincial State-owned Assets Supervision and Administration Commission of the State Council, such stipulations shall apply), the Company's employee income distribution plan and its annuity plan;</p>

No.	Before Amendments	After Amendments
	<p>(20) to formulate the Company's business policies and investment plans;</p> <p>(21) to formulate the Company's major income distribution plan, including the Company's total salary budget and liquidation plan etc. (if otherwise stipulated by the provincial State-owned Assets Supervision and Administration Commission of the State Council, such stipulations shall apply), the Company's employee income distribution plan and its annuity plan;</p> <p>(22) to determine the Company's material accounting policies and plans of change in accounting estimates and to determine the upper limit of the Company's gearing ratio on the premise of meeting the requirements of the provincial State-owned Assets Supervision and Administration Commission of the State Council for gearing ratio control;</p> <p>(23) to determine the risk management system, internal control system, work system for accountability for non-compliant operations and investments and legal compliance management system, and conduct overall monitoring and evaluation of the Company's risk management, internal control and legal compliance management systems and their effective implementation;</p>	<p>(20) to determine the Company's material accounting policies and plans of change in accounting estimates and to determine the upper limit of the Company's gearing ratio on the premise of meeting the requirements of the provincial State-owned Assets Supervision and Administration Commission of the State Council for gearing ratio control;</p> <p>(21) to determine the risk management system, internal control system, work system for accountability for non-compliant operations and investments and legal compliance management system, and conduct overall monitoring and evaluation of the Company's risk management, internal control and legal compliance management systems and their effective implementation;</p> <p>(22) to direct, inspect and assess the Company's internal audit, determine the person in charge of the Company's internal audit department, establish a mechanism under which the audit department is accountable to the board of directors, and review and approve the annual audit plan and important audit reports;</p> <p>(23) to formulate the work report of the Board of Directors;</p>

No.	Before Amendments	After Amendments
	<p>(24) to direct, inspect and assess the Company's internal audit, determine the person in charge of the Company's internal audit department, establish a mechanism under which the audit department is accountable to the board of directors, and review and approve the annual audit plan and important audit reports;</p> <p>(25) to formulate the work report of the Board of Directors;</p> <p>(26) to decide on material matters of the Company in terms of safety and environmental protection, maintenance of stability, and social responsibility;</p> <p>(27) to review solutions for the Company's material litigation, arbitration and other legal affairs;</p> <p>(28) to decide on material reform and reorganization matters within the Company, or make resolutions on relevant matters according to the authorization;</p> <p>(29) to decide on matters involved in the exercise of the rights of shareholders of the enterprises to which the Company contributes funding, subject to the requirements of relevant laws, regulations, rules and the Articles of Association;</p>	<p>(24) to decide on material matters of the Company in terms of safety and environmental protection, maintenance of stability, and social responsibility;</p> <p>(25) to review solutions for the Company's material litigation, arbitration and other legal affairs;</p> <p>(26) to decide on material reform and reorganization matters within the Company, or make resolutions on relevant matters according to the authorization;</p> <p>(27) to decide on matters involved in the exercise of the rights of shareholders of the enterprises to which the Company contributes funding, subject to the requirements of relevant laws, regulations, rules and the Articles of Association;</p> <p>(28) <u>to consider and approve the Company's external donations with a single expenditure scale of RMB0.5 million (inclusive) or more and RMB8 million (exclusive) or below;</u></p> <p>(29) to exercise any other powers conferred by laws, administrative regulations, relevant rules from regulatory authorities or the Articles of Association or designated by the <u>shareholders'</u> meeting.</p>

No.	Before Amendments	After Amendments
	<p>(30) to exercise any other powers conferred by laws, administrative regulations, relevant rules from regulatory authorities or the Articles of Association or designated by the general meeting.</p> <p>Except for the Board of Directors' resolutions in respect of the matters specified in sub-paragraphs (6), (7) and (11) of this Article and the formulation of proposals for major investments in non-principal businesses which shall be passed by more than two-thirds of the directors, the Board of Directors' resolutions in respect of all other matters may be passed by more than one half of the directors.</p>	<p>Except for the Board of Directors' resolutions in respect of the matters specified in sub-paragraphs (5), (6) and (10) of this Article and the formulation of proposals for major investments in non-principal businesses which shall be passed by more than two-thirds of the directors, the Board of Directors' resolutions in respect of all other matters may be passed by more than one half of the directors.</p>
58	<p>Article 154 Meetings of the Board of Directors include regular meetings and extraordinary meetings. The number of meetings shall be able to ensure the needs of the Board of Directors to perform its duties. Meetings of the Board of Directors shall be held at least four times every year and convened by the Chairman of the board of directors. Notice of the meeting shall be served on all of the Directors and Supervisors ten (10) days before the date of the meeting.</p> <p>In case of any of the following circumstances, the Chairman shall propose to convene an extraordinary meeting of the Board of Directors, which shall not be subject to the aforesaid time limit for notice of meeting:</p> <p>(1) when proposed by the shareholders holding more than 10% of the voting rights;</p> <p>(2) when the Chairman thinks it is necessary;</p>	<p>Article 153 Meetings of the Board of Directors include regular meetings and extraordinary meetings. The number of meetings shall be able to ensure the needs of the Board of Directors to perform its duties. Meetings of the Board of Directors shall be held at least four times every year and convened by the Chairman of the board of directors. A written notice of the meeting shall be served on all of the Directors ten (10) days before the date of the meeting.</p> <p>In case of any of the following circumstances, the Chairman shall propose to convene an extraordinary meeting of the Board of Directors, which shall not be subject to the aforesaid time limit for notice of meeting:</p> <p>(1) when proposed by the shareholders holding more than 10% of the voting rights;</p> <p>(2) when the Chairman thinks it is necessary;</p>

No.	Before Amendments	After Amendments
	<p>(3) when jointly proposed by more than one-third of the Directors;</p> <p>(4) when jointly proposed by more than half of the independent Directors;</p> <p>(5) when proposed by the Supervisory Committee;</p> <p>(6) when proposed by the general manager.</p> <p>The plan for regular meetings of the Board of Directors shall be determined before the end of the first half of the year. The notice of the regular meeting and the required documents, information and other materials shall be delivered to all Directors ten (10) days prior to the meeting.</p> <p>In addition to the above circumstances and other emergencies, the notice of convening an extraordinary meeting of the Board of Directors and the required documents, information and other materials shall be delivered to all Directors five (5) days prior to the meeting.</p>	<p>(3) when jointly proposed by more than one-third of the Directors;</p> <p>(4) when jointly proposed by more than half of the independent Directors;</p> <p>(5) when proposed by the <u>Audit Committee</u>;</p> <p>(6) when proposed by the general manager.</p> <p>In addition to the above circumstances and other emergencies, the notice of convening an extraordinary meeting of the Board of Directors and the required documents, information and other materials shall be delivered to all Directors five (5) days prior to the meeting.</p>
59	<p>Article 157 If any Director is associated with the enterprises that are involved in the matters to be resolved by the board meetings, he/she shall not exercise his/her voting rights for such matters, nor shall such director exercise voting rights on behalf of other Directors. Such board meeting may be convened with attendance of more than half of non-connected Directors, and resolutions shall be passed by more than half of non-connected Directors at the board meeting. In the event that the number of non-connected Directors attending the board meeting is less than three, such matter shall be submitted to the general meeting for consideration.</p>	<p>Article 156 If any Director is associated with the enterprises <u>or individuals</u> that are involved in the matters to be resolved by the board meetings, <u>the director shall promptly report to the Board in writing.</u> <u>Such connected director</u> shall not exercise his/her voting rights for such matters, nor shall such director exercise voting rights on behalf of other Directors. Such board meeting may be convened with attendance of more than half of non-connected Directors, and resolutions shall be passed by more than half of non-connected Directors at the board meeting. In the event that the number of non-connected Directors attending the board meeting is less than three, such matter shall be submitted to the <u>shareholders'</u> meeting for consideration.</p>

No.	Before Amendments	After Amendments
60	Article 158 The way of voting for resolutions of the Board of Directors is by name-marked written votes. Resolutions of extraordinary meeting of the Board of Directors may be made by means of communication signed by present Directors on the basis of ensuring each Director fully expressing his/her opinions.	Article 157 <u>The convening of meetings and voting of the Board of Directors shall be conducted by means of name-marked written votes or telecommunication.</u>
61	Article 159 Directors shall attend the meetings of the Board of Directors in person. Where a director is unable to attend a meeting for any reason, he/she may appoint another director by written power of attorney to attend the meeting on his/her behalf. The power of attorney shall set out the scope of the authorization and the validity, and shall be signed or sealed by the principal.	Article 158 Directors shall attend the meetings of the Board of Directors in person. Where a director is unable to attend a meeting for any reason, he/she may appoint another director by written power of attorney to attend the meeting on his/her behalf. The power of attorney shall set out <u>the name of the proxy, the matters for which the proxy is acting</u> , the scope of the authorization and the validity, and shall be signed or sealed by the principal.
62	Article 163 The Board of Directors shall establish four committees, namely the Strategic Committee, Nomination Committee, Remuneration and Appraisal Committee and Audit Committee, and shall specify their respective detailed working procedures. The Strategic Committee is responsible for conducting research and providing recommendations on the Company's long-term development strategies and major investment decisions. The Strategic Committee shall consist of three to seven Directors, including at least one independent non-executive Director.	Deleted

No.	Before Amendments	After Amendments
	<p>The Nomination Committee is responsible for formulating criteria and procedures for the selection of Directors and senior management, and selecting and reviewing the candidates for Directors and senior management and their qualifications. The Nomination Committee shall consist of three to seven Directors, and the majority of them shall be independent non-executive Directors. The Nomination Committee shall have one chairman, who shall be an independent non-executive Director and be in charge of the works of the Nomination Committee and acting as the convenor.</p> <p>The Remuneration and Appraisal Committee is responsible for formulating the evaluation criteria for Directors and senior management and conducting the evaluation, and formulating and reviewing the remuneration policies and plans for Directors and senior management. The Remuneration and Appraisal Committee shall consist of three to seven Directors, and the majority of them shall be independent non-executive Directors. The Remuneration and Appraisal Committee shall have one chairman who shall be an independent non-executive Director and be in charge of the works of the Remuneration and Appraisal Committee and acting as the convenor.</p>	

No.	Before Amendments	After Amendments
	<p>The Audit Committee is responsible for auditing and disclosing the financial information of the Company, and supervising and evaluating the internal and external auditing work and internal control. The Audit Committee is composed of at least three non-executive Directors, among whom independent non-executive Directors constitute the majority, and at least one shall be an independent non-executive Director with appropriate professional qualifications or appropriate accounting or related financial management expertise as required under the Listing Rules. The Audit Committee shall have one chairman who shall be an accounting professional and an independent non-executive Director taking charge of the works of the Audit Committee and acting as the convenor.</p>	
63	<p>Article 168 The Company shall appoint independent Directors. Independent Directors are those who assume no other office except as a Director in the Listed Company, do not have any direct or indirect relationship of interest with the Listed Company in which they are employed, its substantial shareholders or de facto controller, or other relationships that may affect their ability to make independent and objective judgements.</p>	<p>Article 166 The Company shall appoint independent Directors. Independent Directors are those who assume no other office except as a Director in the Listed Company, do not have any direct or indirect relationship of interest with the Listed Company in which they are employed, its substantial shareholders or de facto controller, or other relationships that may affect their ability to make independent and objective judgements.</p> <p><u>An independent Director shall conscientiously perform their duties and play a role in decision-making, exercising supervisory checks and balances and providing professional advice as a member of the Board pursuant to laws and administrative regulations, the provisions of the China Securities Regulatory Commission, the stock exchange(s) and the Articles of Association, thus safeguarding the overall interests of the Company and protecting the lawful interests of minority shareholders.</u></p>

No.	Before Amendments	After Amendments
64	<p>Article 171— The independent Directors shall be obliged to work in integrity and diligence to the Company and all shareholders. An independent Director shall perform his duties conscientiously in accordance with the requirements from relevant laws, regulations and the Articles of Association to protect the Company’s interests as a whole, especially not to infringe the legal interests of the medium and small shareholders; an independent Director shall perform his duties independently and not be affected by the Company’s major shareholder(s), de facto controller(s) or other entities or individuals which have common interests with the Company; an independent Director shall ensure devoting sufficient time and energy to effectively perform his/her duties as an independent Director.</p>	<p>Article 169 Independent Directors, as members of the Board, shall bear fiduciary and diligent duties to the Company and all shareholders, and prudently perform the following duties:</p> <p>(1) <u>to participate in the decision-making of the Board and express explicit opinions on matters discussed;</u></p> <p>(2) <u>to supervise the potential major conflicts of interest between the Company and its controlling shareholders, ultimate beneficial owner, Directors and senior management, and protect the lawful interests of minority shareholders;</u></p> <p>(3) <u>to provide professional and objective advice on the Company’s business development, and promote the improvement of the decision-making level of the Board;</u></p> <p>(4) <u>other duties stipulated by laws, administrative regulations, the provisions of the China Securities Regulatory Commission and the Articles of Association.</u></p>

No.	Before Amendments	After Amendments
65	<p>Article 176 Independent Directors may resign before expiry of their term. Independent Directors shall submit to the Board of Directors a written report in relation to their resignation stating any situation relating to their resignation or which they consider to be necessary to draw to the attention of the shareholders and creditors of the Company.</p> <p>Should an independent Director resign from his/her office, the resignation report of the said independent Director shall not become effective until the vacancy resulting from his/her resignation is filled up by succeeding independent Director(s).</p>	<p>Article 174 Independent Directors may resign before expiry of their term. Independent Directors shall submit to the Board of Directors a written report in relation to their resignation stating any situation relating to their resignation or which they consider to be necessary to draw to the attention of the shareholders and creditors of the Company.</p> <p><u>The listed company should disclose the reasons for the resignation of such independent Director and the matters of concern.</u></p> <p>Should an independent Director resign from his/her office, the resignation report of the said independent Director shall not become effective until the vacancy resulting from his/her resignation is filled up by succeeding independent Director(s).</p>
66	Addition	<p><u>Article 177 The Company shall establish a special meeting mechanism attended by all independent directors. For matters such as related party transactions to be considered by the Board of Directors, prior approval shall be obtained from the special meetings of independent directors.</u></p> <p><u>The Company shall convene special meetings of independent directors on a regular or ad hoc basis. The matters set out in items (1) to (3) of the first paragraph of Article 176 and those listed in Article 176 of these Articles of Association shall be considered by the special meeting of independent directors.</u></p> <p><u>The special meeting of independent directors may study and discuss other matters concerning the Company as necessary.</u></p>

No.	Before Amendments	After Amendments
		<p><u>The special meeting of independent directors shall be convened and presided over by an independent director jointly elected by more than half of all independent directors. Where the convener fails or is unable to perform such duties, two or more independent directors may convene the meeting themselves and elect one among them to preside.</u></p> <p><u>Minutes shall be prepared for special meetings of independent directors in accordance with the prescribed procedures, and the opinions of the independent directors shall be recorded in the minutes. Independent directors shall sign the minutes for confirmation.</u></p> <p><u>The Company shall provide facility and support for the convening of special meetings of independent directors.</u></p>

No.	Before Amendments	After Amendments
67	Addition	<p><u>Article 180 The Board of Directors of the Company shall establish an Audit Committee, which shall exercise the powers and functions of the supervisory committee as prescribed under the Company Law.</u></p> <p><u>Article 181 The Audit Committee shall consist of four members, all of whom shall be Directors who do not hold any senior management position in the Company. Among them, three shall be independent Directors and one shall be employee Director, and at least one shall be an independent Director with appropriate professional qualifications or appropriate accounting or related financial management expertise as required under the Listing Rules. The Audit Committee shall have one chairman who shall be an accounting professional and an independent Director to take charge of the work of the Audit Committee and act as the convenor.</u></p> <p><u>Article 182 The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and assessing internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for consideration only after being approved by more than one half of all members of the Audit Committee:</u></p> <p><u>(1) disclosure of financial information in financial accounting reports and periodic reports, and reports on the evaluation of internal control;</u></p> <p><u>(2) appointment or dismissal of the accounting firm responsible for auditing the listed company;</u></p>

No.	Before Amendments	After Amendments
		<p>(3) <u>appointment or dismissal of the chief financial officer of the listed company;</u></p> <p>(4) <u>changes in accounting policies or accounting estimates, or the correction of major accounting errors for reasons other than changes in accounting standards;</u></p> <p>(5) <u>other matters as stipulated by laws, administrative regulations, the regulations of the China Securities Regulatory Commission, and the provisions of these Articles of Association.</u></p> <p><u>Article 183 The Audit Committee shall convene at least one meeting each quarter. An extraordinary meeting may be convened upon the proposal of two or more members or if deemed necessary by the convener. Meetings of the Audit Committee shall be held only if more than two-thirds of its members are present.</u></p> <p><u>Resolutions of the Audit Committee shall be passed by more than one half of the members of the Audit Committee.</u></p> <p><u>Each member of the Audit Committee shall have one vote when voting on resolutions.</u></p> <p><u>Resolutions of the Audit Committee shall be recorded in minutes in accordance with the prescribed procedures, and all members of the Audit Committee attending the meeting shall sign the minutes.</u></p>

No.	Before Amendments	After Amendments
		<p><u>The working procedures for the Audit Committee shall be formulated by the Board of Directors.</u></p> <p><u>Article 184 The Board of Directors has established the Strategic and Sustainable Development Committee, the Nomination Committee and the Remuneration and Appraisal Committee, and formulated their respective detailed working procedures. Proposals made by the special committees shall be submitted to the Board of Directors for consideration and decision. The Board of Directors shall be responsible for formulating the working procedures of the special committees.</u></p> <p><u>All members of the special committees shall be Directors. More than half of the members of the Nomination Committee and the Remuneration and Appraisal Committee shall be independent Directors, and the convener shall be an independent Director.</u></p> <p><u>Article 185 The Strategic and Sustainable Development Committee is responsible for studying and making recommendations on the Company's long-term development strategy, major investment decisions and ESG-related work. The Strategic and Sustainable Development Committee shall comprise three Directors, at least one of whom shall be independent non-executive Director.</u></p>

No.	Before Amendments	After Amendments
		<p><u>Article 186 The Nomination Committee shall be responsible for formulating the selection criteria and procedures for Directors and senior management, and for identifying and reviewing candidates for Directors and senior management and their qualifications. It shall make recommendations to the Board of Directors on the following matters:</u></p> <p><u>(1) nomination or removal of Directors;</u></p> <p><u>(2) appointment or dismissal of senior management;</u></p> <p><u>(3) other matters as stipulated by laws, administrative regulations, the regulations of the China Securities Regulatory Commission, and the provisions of these Articles of Association.</u></p> <p><u>If the Board of Directors does not adopt or fully adopt the recommendations of the Nomination Committee, it shall record the Nomination Committee's opinions and the specific reasons for not adopting them in the Board resolution, and make appropriate disclosure.</u></p> <p><u>The Nomination Committee shall consist of three members, and the majority of them shall be independent Directors. The Nomination Committee shall have one chairman, who shall be an independent Director and be in charge of the works of the Nomination Committee and acting as the convenor.</u></p>

No.	Before Amendments	After Amendments
		<p><u>Article 187 The Remuneration and Appraisal Committee shall be responsible for formulating the performance assessment criteria for Directors and senior management, conducting their evaluations, and formulating and reviewing the remuneration determination mechanisms, decision-making procedures, payment and clawback arrangements, and other remuneration policies and plans for Directors and senior management. It shall make recommendations to the Board of Directors on the following matters:</u></p> <p>(1) <u>The remuneration of Directors and senior management;</u></p> <p>(2) <u>The formulation of or amendment to equity incentive schemes, employee share schemes, and the achievement of conditions for the grant and exercise of rights by incentive participants;</u></p> <p>(3) <u>The arrangements made by Directors and senior management for shareholding plans in connection with the proposed spin-off of subsidiaries;</u></p> <p>(4) <u>Other matters as stipulated by laws, administrative regulations, the regulations of the China Securities Regulatory Commission, and the provisions of these Articles of Association.</u></p>

No.	Before Amendments	After Amendments
		<p><u>Where the Board of Directors does not adopt or fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the committee's opinions and the specific reasons for not adopting them in the Board resolution, and make appropriate disclosure.</u></p> <p><u>The Remuneration and Appraisal Committee shall consist of three members, and the majority of them shall be independent Directors. The Remuneration and Appraisal Committee shall have one chairman, who shall be an independent Director and be in charge of the works of the Remuneration and Appraisal Committee and acting as the convenor.</u></p>
68	<p>Article 180 The Company shall have one secretary to the Board of Directors who shall be an officer of the Company. The secretary to the Board of Directors shall be appointed or dismissed by the Board of Directors upon nomination by the Chairman. The secretary to the Board of Directors shall have relevant professional knowledge and experience, and shall devote sufficient time and energy to perform his or her duties, and shall generally be a full-time employee. The secretary to the Board of Directors shall be present at important decision-making meetings of the Company such as shareholders' general meetings, Board meetings, office meetings of general manager and meetings of special committees under the Board of Directors. When the Party committee studies and discusses major business management matters, the secretary to the Board of Directors shall be present.</p>	<p>Article 188 The Company shall have one secretary to the Board of Directors. <u>The secretary to the Board of Directors shall be an officer of the Company, who shall be responsible for the preparation and documentation of shareholders' meetings and Board meetings of the Company, as well as the information management of the Company's shareholders, information disclosure matters and other matters.</u> The secretary to the Board of Directors shall be appointed or dismissed by the Board of Directors upon nomination by the Chairman. The secretary to the Board of Directors shall have relevant professional knowledge and experience, and shall devote sufficient time and energy to perform his or her duties, and shall generally be a full-time employee. The secretary to the Board of Directors shall be present at important decision-making meetings of the Company such as shareholders' meetings, Board meetings, office meetings of general manager and meetings of special committees under the Board of Directors. When the Party committee studies and discusses major business management matters, the secretary to the Board of Directors shall be present.</p>

No.	Before Amendments	After Amendments
69	<p>Article 182 A director or other officer of the Company may hold the office of the secretary to the Board of Directors concurrently.</p> <p>The accountant(s) of the certified public accountants' firm appointed by the Company shall not act as the secretary to the Board of Directors.</p>	<p>Article 190 A director or other officer <u>other than the general manager</u> of the Company may hold the office of the secretary to the Board of Directors concurrently.</p>
70	<p>Article 184 The Board of Directors shall set up an office to act as the working body of the Board of Directors, which shall be led by the secretary to the Board of Directors. The office of the Board of Directors is responsible for the research on corporate governance and related affairs, undertaking the organization and implementation of the relevant work of the shareholders' general meetings, preparing for meetings of the Board of Directors and that of special committees under the Board of Directors, providing support and services for the operation of the Board of Directors and guiding the establishment of Board of Directors of subsidiaries. The office of the Board of Directors shall be equipped with full-time staff.</p>	<p>Article 192 The Board of Directors shall set up an office <u>or a department with corresponding responsibilities</u> to act as the working body of the Board of Directors, which shall be led by the secretary to the Board of Directors. The office of the Board of Directors <u>or a department with corresponding responsibilities</u> is responsible for the research on corporate governance and related affairs, undertaking the organization and implementation of the relevant work of the shareholders' general meetings, preparing for meetings of the Board of Directors and that of special committees under the Board of Directors, providing support and services for the operation of the Board of Directors and guiding the establishment of Board of Directors of subsidiaries. The office of the Board of Directors <u>or a department with corresponding responsibilities</u> shall be equipped with full-time staff.</p>

No.	Before Amendments	After Amendments
71	<p>Article 186 The Company shall have one general manager, who shall be appointed and dismissed by the Board of Directors. The Company shall have a number of deputy general managers. The term of office of the deputy general managers is three (3) years and renewable upon re-election and reappointment. In these Articles of Association, the meaning of “general manager” and “deputy general manager” respectively is the same as that of “manager” provided in the Mandatory Provisions.</p> <p>The Company shall have several deputy general managers and one chief financial controller, who assist the general manager in his work. The deputy general managers and the chief financial controller shall be nominated by the general manager, and be appointed or removed by the Board of Directors.</p>	<p>Article 194 The Company shall have one general manager, who shall be appointed and dismissed by the Board of Directors. The Company shall have a number of deputy general managers. The term of office of the general manager and deputy general managers is three (3) years and renewable upon re-election and reappointment. In these Articles of Association, the meaning of “general manager” and “deputy general manager” respectively is the same as that of “manager” provided in the <u>Guidelines on the Articles of Association of Listed Companies</u> (<u>《上市公司章程指引》</u>).</p> <p>The Company shall have several deputy general managers and one chief financial controller, who assist the general manager in his work. The deputy general managers and the chief financial controller shall be nominated by the general manager, and be appointed or removed by the Board of Directors.</p>
72	<p>Article 188 The general manager shall be accountable to the Board of Directors, report to the Board of Directors, report to the Chairman of the Board of Directors when the Board of Directors is not in session, and exercise the following powers:</p> <ol style="list-style-type: none"> (1) to be in charge of the Company’s operation and management and to organise the implementation of the resolutions of the Board of Directors; (2) to formulate the Company’s annual business plan, annual investment plan and investment scheme, and organize their implementation; (3) to formulate schemes for the setup of Company’s internal management organization, as well as schemes for the establishment or abolition of branches and subsidiaries; 	<p>Article 195 The general manager shall be accountable to the Board of Directors, report to the Board of Directors, report to the Chairman of the Board of Directors when the Board of Directors is not in session, and exercise the following powers:</p> <ol style="list-style-type: none"> (1) to be in charge of the Company’s operation and management and to organise the implementation of the resolutions of the Board of Directors; (2) to formulate the Company’s annual business plan and investment scheme, and organize their implementation; (3) to formulate schemes for the setup of Company’s internal management organization, as well as schemes for the establishment or abolition of branches and subsidiaries;

No.	Before Amendments	After Amendments
	(4) to propose the Company's basic management system;	(4) to propose the Company's basic management system;
	(5) to formulate basic rules and regulations for the Company;	(5) to formulate basic rules and regulations for the Company;
	(6) to propose to the Board of Directors the appointment or dismissal of the Company's deputy general manager(s) and financial controller;	(6) to propose to the Board of Directors the appointment or dismissal of the Company's deputy general manager(s) and financial controller;
	(7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;	(7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;
	(8) to determine rewards and punishments, promotion and demotion, increase and decrease of salaries, recruitment, appointment, termination of employment and dismissal of the staff and workers of the Company in compliance with the relevant laws, regulations, rules and the requirements of the Company's systems;	(8) to determine rewards and punishments, promotion and demotion, increase and decrease of salaries, recruitment, appointment, termination of employment and dismissal of the staff and workers of the Company in compliance with the relevant laws, regulations, rules and the requirements of the Company's systems;
	(9) to decide on investment projects and to approve the expenses for recurrent projects and the staged costs of long-term investment as accordance with the Company's annual investment plan and investment scheme in compliance with the relevant laws, regulations, rules and the requirements of the Company's system;	(9) to decide on investment projects and to approve the expenses for recurrent projects and the staged costs of long-term investment as accordance with the Company's annual investment plan and investment scheme in compliance with the relevant laws, regulations, rules and the requirements of the Company's system;
	(10) to formulate plans for the issuance of corporate bonds and other financing and to approve plans for other financing in compliance with the relevant laws, regulations, rules and the requirements of the Company's system;	(10) to formulate plans for the issuance of corporate bonds and other financing and to approve plans for other financing in compliance with the relevant laws, regulations, rules and the requirements of the Company's system;

No.	Before Amendments	After Amendments
	(11) to formulate the Company's guarantee plan;	(11) to formulate the Company's guarantee plan;
	(12) to formulate the Company's asset disposal plan, external donation or sponsorship plan, or to approve such plans, in compliance with relevant laws, regulations, rules and the requirements of the Company's system;	(12) to formulate the Company's asset disposal plan, external donation or sponsorship plan, or to approve such plans, in compliance with relevant laws, regulations, rules and the requirements of the Company's system; <u>to consider and approve the Company's external donations with a single expenditure scale of RMB0.5 million (exclusive) or below;</u>
	(13) to formulate the annual financial budgets, final accounts, profit distribution plans and the plans for making up losses of the Company;	(13) to formulate the annual financial budgets, final accounts, profit distribution plans and the plans for making up losses of the Company;
	(14) to formulate plans to increase or reduce the registered capital of the Company;	(14) to formulate plans to increase or reduce the registered capital of the Company;
	(15) to formulate the reform and restructuring plans of the Company;	(15) to formulate the reform and restructuring plans of the Company;
	(16) to formulate the income distribution plans of the Company;	(16) to formulate the income distribution plans of the Company;
	(17) to formulate the plans for the establishment of risk management system, internal control system, the system for accountability for non-compliant operation and investment, and legal compliance management system, and to organize their implementation after approval by the Board of Directors;	(17) to formulate the plans for the establishment of risk management system, internal control system, the system for accountability for non-compliant operation and investment, and legal compliance management system, and to organize their implementation after approval by the Board of Directors;
	(18) to establish the general manager office meeting system, convene and preside over the general manager office meetings;	(18) to establish the general manager office meeting system, convene and preside over the general manager office meetings;

No.	Before Amendments	After Amendments
	<p>(19) to coordinate, inspect and supervise the production and operation management and reform and development work of various departments, branches and subsidiaries;</p> <p>(20) to make recommendations on matters involved in the exercise of the rights of shareholders of the enterprises to which the Company contributes funds;</p> <p>(21) to, as authorised by the Board of Directors, represent the Company in important external business transactions; to exercise other powers conferred by these Articles of Association and the Board of Directors.</p>	<p>(19) to coordinate, inspect and supervise the production and operation management and reform and development work of various departments, branches and subsidiaries;</p> <p>(20) to make recommendations on matters involved in the exercise of the rights of shareholders of the enterprises to which the Company contributes funds;</p> <p>(21) to, as authorised by the Board of Directors, represent the Company in important external business transactions; to exercise other powers conferred by these Articles of Association and the Board of Directors.</p>
73	<p>Article 192 Any senior management staff who violates any laws, administrative regulations, rules from regulatory authorities or the Articles of Association during the course of performing his/her duties and causes losses to the Company shall be liable for compensation to any loss caused to the Company.</p>	<p>Article 199 <u>If the senior management causes damage to others in the course of performing his/her duties for the Company, the Company shall be liable for damages; if the senior management acts with willful misconduct or gross negligence, he/she shall also be personally liable for damages.</u></p> <p>Any senior management staff who violates any laws, administrative regulations, rules from regulatory authorities or the Articles of Association during the course of performing his/her duties and causes losses to the Company shall be liable for compensation to any loss caused to the Company.</p>

No.	Before Amendments	After Amendments
74	Article 187 Persons assuming offices other than director and supervisor in the controlling shareholder(s) shall not assume the offices of senior management of the Company.	Article 203 Persons assuming offices other than director and supervisor in the controlling shareholder(s) shall not assume the offices of senior management of the Company. <u>Senior management members of the Company shall only receive their salary from the Company, and controlling shareholders shall not pay their salary on behalf of the Company.</u>
75	Addition	<u>Article 204 The provisions of the Articles of Association regarding circumstances under which one is prohibited from serving as a director, as well as the resignation management system, shall also apply to senior management.</u>
76	Article 196 The Company shall establish a supervisory committee, which shall exercise supervision over the Board of Directors and its members and other officers such as the general manager and deputy general managers, to prevent them from abusing their power in contravention of the interests of shareholders, the Company or its staff. The Company shall formulate Rules of Procedures for the Supervisory Committee, under which the convening and voting procedures of the meetings of the Supervisory Committee shall be specified. As one of the appendices to the Articles of Association, Rules of Procedures for the Supervisory Committee shall be worked out by the Supervisory Committee and subject to approval of the general meeting.	Deleted

No.	Before Amendments	After Amendments
	<p>Article 197—The Supervisory Committee consists of 6 supervisors whose term of office is three (3) years and they are eligible for re-election. In the event that the terms of Supervisors fall upon maturity whereas new members of the Supervisory Committee are not re-elected in time, or the resignation of any Supervisor during his/her term of office results in the number of members of the Supervisory Committee falling below the statutory requirement, the existing Supervisors shall continue to perform their duties in accordance with the laws, the administrative regulations and the Articles of Association until the re-elected Supervisors assume their office.</p> <p>The supervisory committee shall have one chairman. The election and removal of the chairman shall be approved by more than two-thirds (inclusive) of all members of the Supervisory Committee by voting. The term of office of the chairman shall be three (3) years renewable upon re-election and re-appointment.</p> <p>Article 198—The members of the Supervisory Committee shall comprise representatives of the shareholders and representatives of the staff of the Company, of which the staff representatives shall account for not less than one-third (two persons). Appointment and removal of representatives of the shareholders shall be subject to election at the general meeting, while appointment and removal of the staff representatives shall be made at the staff representative meetings, staff meetings or otherwise by democratic election.</p>	

No.	Before Amendments	After Amendments
	<p>List of candidates for Supervisors (who are representatives of the shareholders) shall be submitted to the general meeting as a proposal for consideration. The candidates for Supervisors (who are representatives of the shareholders) shall be nominated by the Board of Directors, the Supervisory Committee or the shareholders either individually or collectively holding more than 3% of the Company's shares.</p> <p>The Supervisors are elected by means of cumulative voting mechanism. At the election of Supervisors, the number of votes held by each shareholder shall equal the product of the number of his/her shares held multiplied by the number of Supervisors he/she is entitled to elect; each shareholder has the right to cast all his/her votes to one candidate for Supervisors, or to allocate his/her votes to all candidates at his/her discretion, or to cast all his/her votes to two or more of the candidates. The candidate(s) with the most votes shall be elected as Supervisor(s).</p> <p>The Supervisors may attend the board meetings, and deliver enquiry or suggestion regarding resolutions at the board meetings.</p> <p>Article 199 The directors, general manager, deputy general managers and financial controller shall not act concurrently as the supervisors.</p>	

No.	Before Amendments	After Amendments
	<p>Article 200 Meetings of the Supervisory Committee shall be held at least every six (6) months, and shall be convened and presided over by the chairman of the Supervisory Committee; Should the chairman of the Supervisory Committee be unable to, or fail to perform his duties, a Supervisor elected by more than half of the Supervisors shall convene and preside over the meeting.</p> <p>The Supervisors may propose convening of extraordinary meeting of the Supervisory Committee.</p> <p>Article 201 The supervisory committee shall be accountable to the shareholders' general meeting and exercise the following powers in accordance with law:</p> <p>(1) to examine the Company's financial situation;</p> <p>(2) to examine whether the directors, general manager, deputy general managers and other officers act in contradiction with the laws, administrative regulations and these Articles of Association;</p> <p>(3) to demand rectification from a director, the general manager, the deputy general managers or any other officer when the acts of such persons are harmful to the Company's interest;</p>	

No.	Before Amendments	After Amendments
	<p>(4) to verify the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board of Directors to the shareholders' general meetings and, should any queries arise, to authorize, in the name of the Company, a re-examination by the certified public accountants and practicing auditors of the Company for the time being;</p> <p>(5) to propose the convening of a shareholders' extraordinary general meeting;</p> <p>(6) to represent the Company in negotiation with or bringing an action against a director;</p> <p>(7) to propose to remove the Directors, Managers and other senior management staff from office who have contravened the laws, administrative regulations or the Articles of Association in their performance of duties to the Company;</p> <p>(8) to review and provide a written review opinion on the regular reports of the Company prepared by the Board of Directors;</p> <p>(9) to bring legal actions against senior management pursuant to relevant provisions of the Company Law;</p> <p>(10) to convene and preside over the general meeting when the Board of Directors fails to perform such duties as specified under the Company Law;</p>	

No.	Before Amendments	After Amendments
	<p>(11) to put forward proposals to the general meeting;</p> <p>(12) to exercise any other powers specified in relevant laws, administrative regulations, the Articles of Association and conferred by the general meetings.</p> <p>The Supervisors shall attend board meetings and deliver enquiry or suggestion regarding resolutions at board meetings.</p> <p>Article 202 Minutes shall be prepared for the matters put to the meetings of Supervisory Committee for consideration, on which Supervisors present at the meetings shall sign.</p> <p>Each Supervisor is entitled to request that an explanatory note to his speeches made at the meetings be noted in the minutes. Such minutes shall be kept as corporate archives of the Company for at least ten (10) years.</p> <p>Article 203 Notices of meetings of the Supervisory Committee shall set out the following:</p> <p>(1) the date, venue, and duration of the meeting;</p> <p>(2) subject and topic of the meeting;</p> <p>(3) date on which the notice is despatched.</p>	

No.	Before Amendments	After Amendments
	<p>Article 204— Resolutions of the supervisory committee shall be passed by two-thirds (inclusive) or more of its members.</p> <p>Article 205— All reasonable fees incurred in respect of the employment of professionals such as lawyers, certified public accountants or public auditors for the time being as are required by the supervisory committee in discharging its duties shall be borne by the Company.</p> <p>Article 206— A supervisor shall carry out his duties honestly and faithfully in accordance with laws, administrative regulations and these Articles of Association.</p> <p>The Supervisors shall ensure the truthfulness, accuracy and completeness of the information disclosed by the Company. The Supervisors shall not use their connected relationship to prejudice the Company's interests and shall be liable for indemnity to any loss caused to the Company.</p>	

No.	Before Amendments	After Amendments
77	<p>Article 207 A person may not serve as a director, supervisor, general manager, deputy general manager or any other officer of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal capacity or with restricted legal capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence, or who has been deprived of his/her political rights, in each case where less than five (5) years have elapsed since the date of completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is former director, factory manager or manager of a company or enterprise which has become insolvent and been liquidated because of mismanagement and is personally liable for the insolvency of such company or enterprise, where less than (3) years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p>	<p>Article 205 A person may not serve as a director <u>or senior management</u> of the Company if any of the following circumstances applies:</p> <p>(1) a person without legal capacity or with <u>limited</u> legal capacity;</p> <p>(2) a person who has <u>been sentenced for crimes such as</u> corruption, bribery, infringement of property, misappropriation of property or <u>disrupting social and</u> economic order, <u>or a person</u> who has been deprived of his/her political rights, in each case where less than five (5) years have elapsed since the <u>execution period of such sentencing or deprivation, or a person who has been granted probation and is within two (2) years from the expiration of the probation period;</u></p> <p>(3) a person who is <u>a</u> former director, factory manager or manager of a company or enterprise which has become insolvent and been liquidated <u>due to</u> mismanagement and is personally liable for the insolvency of such company or enterprise, <u>and</u> where less than (3) years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;</p>

No.	Before Amendments	After Amendments
	<p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked due to a violation of the law and who incurred personal liabilities in relation thereto, where less than three (3) years have elapsed since the date of the revocation of the business licence;</p> <p>(5) a person who has a relatively large amount of debts due and outstanding;</p> <p>(6) a person who is under a criminal investigation or prosecution by a judicial organisation for violation of the criminal law which is not yet concluded;</p> <p>(7) a person who is not eligible for enterprise leadership according to laws and administrative regulations;</p> <p>(8) a non-natural person;</p> <p>(9) a person who is convicted of contravention of provisions of relevant securities regulations by a relevant governing authority, and such conviction involves a finding that he/she has acted fraudulently or dishonestly, where less than five (5) years have elapsed since the date of the conviction;</p> <p>(10) a person who has been prohibited from entering into the market by the Securities Supervisory and Regulatory Authority of State Council, where such prohibition has not been expired;</p> <p>(11) other circumstances specified by laws, administrative regulations and rules from regulatory authorities.</p>	<p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked <u>or was ordered to close</u> due to a violation of the law and who incurred personal liabilities in relation thereto, <u>and</u> where less than three (3) years have elapsed since the date of the revocation of <u>such</u> business licence;</p> <p>(5) a person who has a relatively large amount of debt due and outstanding <u>and has been listed as a judgment defaulter by the people's court;</u></p> <p>(6) a person who is under a criminal investigation or prosecution by a judicial organisation for violation of the criminal law which <u>has yet to be</u> concluded;</p> <p>(7) a person who is not eligible for <u>corporate</u> leadership according to <u>relevant</u> laws and administrative regulations;</p> <p>(8) <u>a person who has been publicly recognized by the stock exchange as unsuitable to serve as a Director or senior management of a listed company of a listed company, and such period has yet to expire;</u></p> <p>(9) a non-natural person;</p> <p>(10) a person who is convicted of <u>violation</u> of provisions of relevant securities regulations by the relevant governing authority, and such conviction involves a finding that he/she has acted fraudulently or dishonestly, <u>and</u> where less than five (5) years have elapsed since the date of <u>such</u> conviction;</p>

No.	Before Amendments	After Amendments
		<p>(11) a person who has been prohibited from entering into the market by the Securities Supervisory and Regulatory Authority of State Council, and where such prohibition has not been expired;</p> <p>(12) other circumstances specified by laws, administrative regulations and rules from regulatory authorities.</p>
78	<p>Article 211 The directors, supervisors, general manager, deputy general managers and other officers of Company shall exercise their powers or carry on their duties in accordance with the principle of fiduciary duties; and shall observe obligations of a fiduciary not to put themselves in a position where their duty and their interest may conflict. These duties include (without limitation):</p> <p>(1) to act honestly in what they consider to be in the best interests of the Company;</p> <p>(2) to exercise powers within the scope of authorities and not to exceed such scope of authorities;</p> <p>(3) to exercise the discretion vested in them personally and not to allow themselves to act under the direction of another and, unless and to the extent permitted by laws, administrative regulations or the informed consent of shareholders given in general meeting, not to delegate the exercise of their discretion;</p> <p>(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;</p>	<p>Article 209 The directors and senior officers of Company shall exercise their powers or carry on their duties in accordance with <u>the provisions of laws, administrative regulations and the Articles of Association with the obligations of loyalty to the Company, shall take measures to avoid conflicts between their own interests and the Company's interests, and must not abuse their authority to seek improper benefits. These obligations include (but is not limited to):</u></p> <p>(1) to act <u>sincerely in the best interest</u> of the Company;</p> <p>(2) to exercise <u>authority within the scope of their powers, and not to exceed such authority;</u></p> <p>(3) to exercise the <u>discretionary powers</u> vested in them personally and not to <u>be manipulated by others, and unless</u> permitted by laws, administrative regulations or the informed consent of shareholders given in <u>shareholders'</u> meeting, <u>he/she</u> not delegate <u>his discretionary powers to others;</u></p> <p>(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;</p>

No.	Before Amendments	After Amendments
	<p>(5) except in accordance with these Articles of Association or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;</p> <p>(6) without the informed consent of shareholders given in general meeting, not to use the Company's property for their own benefit;</p> <p>(7) not to exploit their position to accept bribes or other illegal income or wrongfully take over the Company's property by any means, including (without limitation) not to usurp opportunities beneficial to the Company;</p> <p>(8) without the informed consent of shareholders given in general meeting, not to accept commissions in connection with the Company's transactions;</p> <p>(9) to abide by these Articles of Association, to faithfully execute their official duties and protect the Company's interests, and not to exploit their positions and powers in the Company to advance their own private interests;</p>	<p><u>(5) not to, directly or indirectly enter into any contract, transaction or arrangement with the Company without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through resolutions by the Board of Directors or the shareholders' meeting as stipulated in the Articles of Association;</u></p> <p>(6) without the informed consent of shareholders given in <u>shareholders'</u> meeting, not to use the Company's property for their own benefit;</p> <p>(7) not to exploit their position to accept bribes or other illegal income or wrongfully take over the Company's property by any means, including (without limitation) not to usurp opportunities beneficial to the Company;</p> <p>(8) without the informed consent of shareholders given in <u>shareholders'</u> meeting, not to accept commissions in connection with the Company's transactions;</p> <p><u>(9) not to operate independently or on behalf of others in business similar to those of the Company without reporting to the Board of Directors or the shareholders' meeting and obtaining approval through resolutions by the shareholders' meeting;</u></p>

No.	Before Amendments	After Amendments
	<p>(10) not to compete with the Company in any form unless with the informed consent of shareholders given in general meeting;</p> <p>(11) not to misappropriate the Company's funds or loan such funds to others, not to open accounts in their own names or names for the deposit of the Company's assets and not to provide a guarantee for debts of a shareholder of the Company or other individual(s) with the Company's assets;</p> <p>(12) unless otherwise permitted by informed shareholders in general meeting, to keep in confidence information acquired by them in the course of and during their tenure and not to use the information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental authorities is permitted if:</p> <p>(i) disclosure is made under compulsion of law;</p> <p>(ii) there is a duty to the public to disclose;</p> <p>(iii) the interests of the relevant director, supervisor, general manager, deputy general manager or other senior management require disclosure.</p>	<p><u>(10)</u> to abide by these Articles of Association, to faithfully execute their official duties and protect the Company's interests, and not to exploit their positions and powers in the Company to advance their own private interests;</p> <p><u>(11)</u> not to compete with the Company in any form unless with the informed consent of shareholders given in <u>shareholders'</u> meeting;</p> <p><u>(12)</u> not to misappropriate the Company's funds or loan such funds to others, not to open accounts in their own names or names for the deposit of the Company's assets and not to provide a guarantee for debts of a shareholder of the Company or other individual(s) with the Company's assets;</p>

No.	Before Amendments	After Amendments
		<p><u>(13) not to take advantage of his/her position to seek business opportunities that belong to the Company for themselves or others, except where they have reported to the Board of Directors or the shareholders' meeting and have acquired approval through a shareholder's resolution, or when the Company, according to laws, administrative regulations or the provisions of the Articles of Association, is unable to utilise such business opportunities;</u></p> <p><u>(14) unless otherwise permitted by informed shareholders in <u>shareholders'</u> meeting, to keep in confidence information acquired by them in the course of and during their tenure and not to use the information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental authorities is permitted if:</u></p> <p style="padding-left: 40px;">(i) disclosure is made under compulsion of law;</p> <p style="padding-left: 40px;">(ii) there is a duty to the public to disclose;</p> <p style="padding-left: 40px;">(iii) the interests of the relevant director or senior management require disclosure.</p> <p><u>(15) not to use his/her connected relationships to harm the interests of the Company;</u></p> <p><u>(16) other fiduciary duties as prescribed by laws, administrative regulations, departmental rules and the Articles of Association.</u></p>

No.	Before Amendments	After Amendments
79	Addition	<p><u>Article 224</u> The Company shall submit and disclose its annual reports to the relevant branch office of the China Securities Regulatory Commission and the stock exchange(s) within four months from the end of each fiscal year, and its interim reports to the relevant branch office of the China Securities Regulatory Commission and the stock exchange(s) within two months from the end of the first half of each fiscal year.</p> <p><u>The aforementioned annual reports and interim reports shall be prepared in accordance with relevant laws, administrative regulations and requirements of the China Securities Regulatory Commission and the stock exchange(s).</u></p>
80	Article 233 The Company shall not keep accounts other than those provided by law.	<p>Article 232 The Company shall not keep accounts other than those provided by law. <u>Any assets of the Company shall not be kept in any account opened under the name of any individual.</u></p>
81	Article 234 The Company shall implement an internal auditing system, and establish an internal auditing organization and provide full-time auditing personnel to undertake the internal auditing and supervision over the Company's income and expenses and other economic activities under the leadership of the Board of Directors.	<p>Article 233 The Company shall implement an internal auditing system, <u>clearly specifying the leadership structure, responsibilities and authorities, staffing, funding safeguards, utilization of audit results and accountability mechanisms for internal audit work.</u> <u>The Company shall</u> undertake the internal auditing and supervision over the Company's income and expenses and other economic activities under the leadership of the Board of Directors.</p>

No.	Before Amendments	After Amendments
82	<p>Article 235 The internal audit system and duties of the auditing personnel of the Company shall be implemented after approval by the Board of Directors. The person in charge of auditing shall be accountable and report to the Board of Directors, and the internal audit department of the Company shall be guided and supervised by the Audit Committee of the Board of Directors.</p>	<p>Article 234 The internal audit system and duties of the auditing personnel of the Company shall be implemented after approval by the Board of Directors <u>and disclosed to the public.</u> The person in charge of auditing shall be accountable and report to the Board of Directors, and the internal audit department of the Company shall be guided and supervised by the Audit Committee of the Board of Directors.</p>
83	Addition	<p><u>Article 235 The internal audit institution of the Company shall conduct supervision and inspection on matters such as the Company's business activities, risk management, internal control and financial information.</u></p> <p><u>Article 236 The internal audit institution reports to the Board. During the supervision and inspection of the Company's business activities, risk management, internal control and financial information, the internal audit institution shall accept the supervision and guidance of the Audit Committee. Where the internal audit institution discovers relevant significant issues or clues, it shall immediately report directly to the Audit Committee.</u></p> <p><u>Article 237 The internal audit institution shall be responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report and related materials issued by the internal audit institution and reviewed by the Audit Committee.</u></p>

No.	Before Amendments	After Amendments
		<p><u>Article 238</u> When the Audit Committee communicates with external audit institutions such as accounting firms and state audit institutions, the internal audit institution shall actively cooperate and provide necessary support and collaboration.</p> <p><u>The Audit Committee shall participate in the performance assessment of the head of internal audit.</u></p>
84	<p>Article 239 When distributing each year's after-tax profits, the Company shall set aside 10% of the profits for the statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached more than 50% of the Company's registered capital, the Company need not make any further allocations to that fund.</p> <p>Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding year, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve fund in accordance with the preceding paragraph.</p> <p>Subject to a resolution of the shareholders' general meeting, after allocation has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.</p>	<p>Article 242 When distributing each year's after-tax profits, the Company shall set aside 10% of the profits for the statutory reserve fund. When the aggregate balance in the statutory reserve fund has reached more than 50% of the Company's registered capital, the Company need not make any further allocations to that fund.</p> <p>Where the Company's statutory reserve fund is not enough to make up losses of the Company for the preceding year, the current year's profits shall be applied firstly to make up the losses before being allocated to the statutory reserve fund in accordance with the preceding paragraph.</p> <p>Subject to a resolution of the shareholders' meeting, after allocation has been made to the Company's statutory reserve fund from its after-tax profits, the Company may set aside funds for the discretionary reserve fund.</p>

No.	Before Amendments	After Amendments
	<p>After the Company has made up its losses and made allocations to the statutory reserve fund, the remaining profits are distributed in proportion to the number of shares held by the shareholders.</p> <p>If a shareholders' general meeting or the Board of Directors violates the provisions in the preceding paragraph of this Article and profits are distributed to the shareholders before the Company makes up losses or makes allocations to the statutory reserve fund, the profits distributed in violation of the provisions must be returned to the Company.</p>	<p>After the Company has made up its losses and made allocations to the statutory reserve fund, the remaining profits are distributed in proportion to the number of shares held by the shareholders, <u>except for profits which are not distributed in a proportionate manner as provided by the Articles of Association.</u></p> <p><u>If the shareholders' meeting, in violation of the Company Law, distributes profits to the shareholders, the profits so distributed shall be returned to the Company; in case of losses caused to the Company, shareholders and responsible Directors and senior management shall be liable for compensation.</u></p>
85	<p>Article 241 The common reserve funds of the Company can only be applied to the following items:</p> <p>(1) making up losses;</p> <p>(2) expansion of the Company's production and operation or conversion into an increase of the capital of the Company.</p> <p>However, the capital reserve fund cannot be used to make up losses of the Company.</p>	<p>Article 244 The common reserve funds of the Company can only be applied to the following items:</p> <p>(1) making up losses;</p> <p>(2) expansion of the Company's production and operation or conversion into an increase of the capital of the Company.</p> <p><u>When the reserve is used to make up the Company's losses, the discretionary reserve and statutory reserve shall be utilized first; if the losses can still not be covered, the capital reserve may be used in accordance to relevant provisions.</u></p>

No.	Before Amendments	After Amendments
	<p>Article 242 The Company, whilst maintaining sound and sustainable development, attaches great importance to reasonable return to its shareholders and adopts a consistent and stable profit distribution policy. In the event that the Company has to adjust its profit distribution policy as required with reference to its production and operation circumstances, investment plans and long-term development, etc., the profit distribution policy so adjusted shall be in compliance with the relevant requirements of the securities regulatory authorities.</p> <p>The Company shall not distribute profit in violation of relevant laws and regulations and the requirements of the securities regulatory authorities, and the profit to be distributed shall not exceed its accumulated distributable profit (i.e. profit after taxation after making up losses and appropriation to reserves). The profit distribution of the Company shall not affect its ability to continue as a going concern and development capability. When distributing profit, the Company shall comply with the following requirements:</p> <p>(1) Intervals of profit distribution: the Company shall distribute its distributable profits on an annual basis provided that its cash flows are sufficient to satisfy its normal capital needs and sustainable development; and an interim profit distribution may be carried out as the Company deems necessary according to its profits and capital requirements;</p>	<p>Article 245 The Company, whilst maintaining sound and sustainable development, attaches great importance to reasonable return to its shareholders and adopts a consistent and stable profit distribution policy. In the event that the Company has to adjust its profit distribution policy as required with reference to its production and operation circumstances, investment plans and long-term development, etc., the profit distribution policy so adjusted shall be in compliance with the relevant requirements of the securities regulatory authorities.</p> <p>The Company shall not distribute profit in violation of relevant laws and regulations and the requirements of the securities regulatory authorities, and the profit to be distributed shall not exceed its accumulated distributable profit (i.e. profit after taxation after making up losses and appropriation to reserves). The profit distribution of the Company shall not affect its ability to continue as a going concern and development capability. When distributing profit, the Company shall comply with the following requirements:</p> <p>(1) Intervals of profit distribution: the Company shall distribute its distributable profits on an annual basis provided that its cash flows are sufficient to satisfy its normal capital needs and sustainable development; and an interim profit distribution may be carried out as the Company deems necessary according to its profits and capital requirements;</p>

No.	Before Amendments	After Amendments
	<p>(2) Forms of profit distribution: the Company may distribute its profit in cash, shares, a combination of both cash and shares or otherwise permitted by laws and regulations; Cash dividend is prior to share dividend in profit distribution. Where the conditions of cash dividend are met, profit distribution shall be carried out in form of cash dividend.</p> <p>(3) Conditions for distributing profit in shares: where the Company's share capital size and equity structure are rational and its share capital increases in line with its results growth, the Company may distribute its dividends in shares.</p> <p>.....</p>	<p>(2) Forms of profit distribution: the Company may distribute its profit in cash, shares, a combination of both cash and shares or otherwise permitted by laws and regulations; Cash dividend is prior to share dividend in profit distribution. Where the conditions of cash dividend are met, profit distribution shall be carried out in form of cash dividend.</p> <p>(3) <u>The Company can propose a share dividend distribution plan when it is operating well, and when the Board of Directors believes that the Company's share price does not match the Company's share capital and that issuing share dividends is beneficial to the overall interests of all shareholders of the Company, provided that the abovementioned conditions for cash dividends are met.</u></p> <p>.....</p>

No.	Before Amendments	After Amendments
86	<p>Article 247 The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the Company's annual financial reports and review the Company's other financial reports.</p> <p>The first certified public accountants' firm of the Company may be appointed at the inaugural meeting of the Company before the first annual general meeting and the certified public accountants' firm so appointed shall hold office until the conclusion of the first annual general meeting.</p> <p>If the inaugural meeting fails to exercise its powers under the preceding paragraph, those powers shall be exercised by the Board of Directors.</p>	<p>Article 250 The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the Company's annual financial reports and review the Company's other financial reports.</p>
87	<p>Article 248 The certified public accountants' firm appointed by the Company shall hold office from the conclusion of the annual general meeting of shareholders at which the appointment is made until the conclusion of the next annual general meeting of shareholders.</p>	Deleted
88	Addition	<p>Article 252 <u>The Company guarantees that the accounting documents, account books, financial and accounting reports and other information related to accounting which are provided to the accountants by the Company are true and complete, and shall not refuse to provide, conceal or falsify them.</u></p>

No.	Before Amendments	After Amendments
89	<p>Article 253 The Company's appointment of; removal of and non-reappointment of a certified public accountants' firm shall be resolved upon by shareholders in general meeting. The resolution of the shareholders' general meeting shall be filed with the competent securities authority of the State.</p>	<p>Article 256 The Company's appointment of <u>and</u> removal of a certified public accountants' firm shall be resolved upon by shareholders in general meeting. The resolution of the shareholders' meeting shall be filed with the competent securities authority of the State. <u>The Board of Directors shall not appoint an accounting firm before any decision is made at the shareholders' meeting.</u></p>
90	<p>Article 254 Prior to the removal or the non-renewal of the appointment of the certified public accountants' firm, notice of such removal or non-renewal shall be given to the certified public accountants' firm and such firm shall be entitled to make representation at the shareholders' general meeting. Where the certified public accountants' firm resigns its post, it shall make clear to the shareholders' general meeting whether there has been any impropriety on the part of the Company.</p>	<p>Article 257 Prior to the removal or the non-renewal of the appointment of the certified public accountants' firm, notice of such removal or non-renewal shall be given to the certified public accountants' firm and such firm shall be entitled to make representation at the shareholders' meeting <u>when the shareholders' meeting of the Company conducts a vote on the removal of the accounting firm.</u> Where the certified public accountants' firm resigns its post, it shall make clear to the shareholders' meeting whether there has been any impropriety on the part of the Company.</p>

No.	Before Amendments	After Amendments
91	<p>Article 263 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p>In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution to merge and shall publish a public notice in a newspaper within thirty (30) days of the date of the Company's resolution to merge. A creditor has the right within thirty (30) days of receiving such notice from the Company or, for creditors who do not receive the notice within forty-five (45) days of the date of the public notice, to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt. Where the Company fails to repay its debts or provide corresponding guarantees for such debts, it may not be merged.</p> <p>After the merger, rights in relation to debtors and indebtedness of each of the merged parties shall be assumed by the company which exists after the merger or the newly established company.</p>	<p>Article 266 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.</p> <p><u>Where one company is absorbed by another in a merger by absorption, the absorbed company is dissolved. When two or more companies merge to establish a new company, the parties to the merger dissolve.</u></p> <p><u>Article 267 If payment for the company merger does not exceed 10% of its net assets, a resolution of the shareholders' meeting is not required for the merger, unless otherwise provided in the Articles of Association.</u></p> <p><u>In cases where a merger is not subject to a resolution of the shareholders' meeting according to above, it shall be subject to a resolution of the Board of Directors.</u></p> <p>In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution to merge and shall publish a public notice in a newspaper <u>or on the National Enterprise Credit Information Publicity System</u> within thirty (30) days of the date of the Company's resolution to merge. A creditor has the right within thirty (30) days of receiving such notice from the Company or, for creditors who do not receive the notice within forty-five (45) days of the date of the public notice, to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt. Where the Company fails to repay its debts or provide corresponding guarantees for such debts, it may not be merged.</p>

No.	Before Amendments	After Amendments
92	<p>Article 264 When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division of the Company, the dividing parties shall execute a division agreement and the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution to divide and shall publish a public notice in a newspaper within thirty (30) days of the date of the Company's resolution to divide. A creditor has the right within thirty (30) days of receiving such notice from the Company or, for creditors who do not receive the notice, within forty-five (45) days of the date of the public notice to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt. Where the Company fails to repay its debts or provide corresponding guarantees for such debts, it may not be divided.</p>	<p>Article 268 When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division of the Company, the dividing parties shall execute a division agreement and the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within ten (10) days of the date of the Company's resolution to divide and shall publish a public notice in a newspaper or on the National Enterprise Credit Information Publicity System within thirty (30) days of the date of the Company's resolution to divide. A creditor has the right within thirty (30) days of receiving such notice from the Company or, for creditors who do not receive the notice, within forty-five (45) days of the date of the public notice to demand that the Company repay its debts to that creditor or provide a corresponding guarantee for such debt. Where the Company fails to repay its debts or provide corresponding guarantees for such debts, it may not be divided.</p>

No.	Before Amendments	After Amendments
93	<p>Article 267 The Company shall be dissolved and liquidated upon the occurrence of any of the following events:</p> <p>(1) a resolution for dissolution is passed by shareholders at a general meeting;</p> <p>(2) dissolution is necessary due to a merger or division of the Company;</p> <p>(3) the Company is legally declared bankrupt due to its failure to repay debts due;</p> <p>(4) the operating term provided by the Articles of Association expires or other dissolution events provided by the Articles of Association occur;</p> <p>(5) the Company has experienced material difficulties in operation and management, and the continuous operation would cause substantial loss to the interest of its shareholders. In the event that this cannot be solved by other methods, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the People's Court to dissolve the Company and the People's Court legally dissolves it;</p> <p>(6) the Company is ordered to close down or the business license is suspended or revoked according to law for its violation of laws and administrative regulations.</p>	<p>Article 271 The Company shall be dissolved and liquidated upon the occurrence of any of the following events:</p> <p>(1) a resolution for dissolution is passed at a <u>shareholders'</u> meeting;</p> <p>(2) dissolution is necessary due to a merger or division of the Company;</p> <p>(3) the operating term provided by the Articles of Association expires or other dissolution events provided by the Articles of Association occur;</p> <p>(4) the Company has experienced material difficulties in operation and management, and the continuous operation would cause substantial loss to the interest of its shareholders. In the event that this cannot be solved by other methods, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the people's court to dissolve the Company and the people's court legally dissolves it;</p> <p>(5) the Company is ordered to close down or the business license is suspended or revoked according to law for its violation of laws and administrative regulations.</p> <p><u>If the Company encounters any grounds for dissolution as stipulated in the preceding paragraph, it shall publicly announce the grounds for dissolution through the National Enterprise Credit Information Publicity System within ten (10) days.</u></p>

No.	Before Amendments	After Amendments
94	Addition	<p><u>Article 272 Where the situation set forth in paragraph (1) and (3) of Article 271 of the Articles of Association occurs, and has yet to distribute its assets to its shareholders, the Company may continue to exist by amending the Articles of Association or by passing a resolution at the shareholders' meeting.</u></p> <p><u>Any amendments to the Articles of Association or resolutions made by the shareholders' meeting in accordance with preceding paragraph shall be passed by a vote representing more than two-thirds of the voting rights of the shareholders present at the shareholders' meeting.</u></p>
95	<p>Article 268 A liquidation committee shall be set up to start liquidation within fifteen (15) days of the occurrence of the dissolution events under the sub-clauses (1), (4), (5), (6) of the preceding Article, and the composition of the liquidation committee shall be determined by an ordinary resolution of the Directors or in general meeting. If a liquidation committee to carry out liquidation procedures is not set up within the specified time limit, the creditors may apply to the People's Court to have it designate relevant persons to form a liquidation committee in order to carry out liquidation procedures.</p> <p>Where the Company is dissolved in the circumstances referred to in item (3) of the preceding Article, the people's court shall in accordance with provisions of relevant laws organize the shareholders, relevant authorities and relevant professional personnel to establish a liquidation committee to carry out liquidation procedures.</p>	<p><u>Article 273 A liquidation committee shall be set up to start liquidation within fifteen (15) days of the occurrence of the dissolution events under the sub-clauses (1), (4), (5) of the preceding Article, and the composition of the liquidation committee shall be determined by an ordinary resolution of the Directors or in general meeting. The liquidation committee shall be composed of Directors, unless it is otherwise provided for in the Articles of Association or otherwise elected by the shareholders' meeting; Should liquidators fail to perform their liquidation obligations in a timely manner and cause losses as a result to the Company or creditors, they shall bear liability for compensation.</u></p>

No.	Before Amendments	After Amendments
96	<p>Article 270 The liquidation committee shall within ten (10) days of its establishment send notices to creditors, and within sixty (60) days of its establishment publish a public notice in a newspaper. A creditor shall within thirty (30) days of receiving notice, or for creditors who do not receive notice, within forty-five (45) days of the date of the public notice, report its rights as a creditor to the liquidation committee.</p>	<p>Article 275 The liquidation committee shall within ten (10) days of its establishment send notices to creditors, and within sixty (60) days of its establishment publish a public notice in a newspaper <u>or on the National Enterprise Credit Information Publicity System</u>. A creditor shall within thirty (30) days of receiving notice, or for creditors who do not receive notice, within forty-five (45) days of the date of the public notice, report its rights as a creditor to the liquidation committee.</p>
97	<p>Article 271 During the liquidation period, the liquidation committee shall exercise the following powers:</p> <ol style="list-style-type: none"> (1) to ascertain the Company's assets and separately prepare a balance and an inventory of assets; (2) to send notices to creditors, notify them by public notice; (3) to deal with the Company's uncompleted business matters related to the liquidation; (4) to pay off outstanding taxes; (5) to ascertain all claims and debts; (6) to deal with the remaining assets after the Company's debts have been repaid; (7) to represent the Company in any civil litigation proceedings. 	<p>Article 276 During the liquidation period, the liquidation committee shall exercise the following powers:</p> <ol style="list-style-type: none"> (1) to ascertain the Company's assets and separately prepare a balance and an inventory of assets; (2) to send notices to creditors, notify them by public notice; (3) to deal with the Company's uncompleted business matters related to the liquidation; (4) to pay off outstanding taxes; (5) to ascertain all claims and debts; (6) to distribute the remaining assets after the Company's debts have been repaid; (7) to represent the Company in any civil litigation proceedings.

No.	Before Amendments	After Amendments
98	<p>Article 273 If after putting the Company's assets in order and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the Company's assets are insufficient to repay the discovers that the Company's assets are insufficient to repay the Company's debts, the liquidation committee shall immediately apply to the people's court for a declaration of bankruptcy.</p> <p>After the Company is declared bankrupt by a ruling of the people's court, the liquidation committee shall transfer the liquidation matters to the People's Court, and the liquidation shall be proceeded with in accordance with the laws relating to enterprise bankruptcy.</p>	<p>Article 278 If after putting the Company's assets in order and preparing a balance sheet and an inventory of assets, the liquidation committee discovers that the Company's assets are insufficient to repay the discovers that the Company's assets are insufficient to repay the Company's debts, the liquidation committee shall immediately apply to the people's court for a declaration of bankruptcy.</p> <p><u>After the people's court accepts the application for bankruptcy, the liquidation committee shall turn over matters regarding the liquidation to the bankruptcy administrator designated by the people's court.</u></p>
99	Addition	<p><u>Article 280 Members of the liquidation committee performing their duties of liquidation are obliged to loyalty and diligence.</u></p> <p><u>Any member of the liquidation committee who neglects to fulfill his/her liquidation duties, causing any loss to the Company as a result shall be liable for compensation; any member of the liquidation committee who causes any loss to any creditor due to his/her intentional or gross negligence shall also be liable for compensation.</u></p>

No.	Before Amendments	After Amendments
100	<p>Article 275 The Company may amend its Articles of Association in accordance with laws, administration regulations and these Articles of Association.</p> <p>The Company shall amend the Articles of Association under situations as follows:</p> <ol style="list-style-type: none"> (1) there are contradictions between the provisions of the Articles of Association and those of laws and administrative regulations after the amendment to the Company Law or relevant laws and administrative regulations; (2) there is inconsistency with matters as recorded in the Articles of Association when the situation of the Company changes; (3) general meeting has resolved to amend the Articles of Association; (4) other situations where the Articles of Association shall be amended occur. 	<p>Article 281 The Company may amend its Articles of Association in accordance with laws, administration regulations and these Articles of Association.</p> <p>The Company will amend the Articles of Association under situations as follows:</p> <ol style="list-style-type: none"> (1) there are contradictions between the provisions of the Articles of Association and those of laws and administrative regulations after the amendment to the Company Law or relevant laws and administrative regulations; (2) there is inconsistency with matters as recorded in the Articles of Association when the situation of the Company changes; (3) the shareholders' meeting has resolved to amend the Articles of Association; (4) other situations where the Articles of Association shall be amended occur.
101	<p>Article 277 Any amendments to the Company's Articles of Association involving the contents of the Mandatory Provisions shall become effective upon approval by the companies approving department authorized by the State Council. If any changes relate to the Company's name, domicile, legal representative, registered capital, enterprise type, business scope, term of business operation or the name of the promoter, application shall be made to the companies registration authority for registration of the changes.</p>	Deleted

No.	Before Amendments	After Amendments
102	<p>Article 294 In the Articles of Association, unless the context otherwise requires, the following terms and expressions have the meanings set out below:</p> <p>“The Articles of Association” – the Articles of Association of the Company</p> <p>“Board of Directors” – the board of directors of the Company</p> <p>“Chairman” – the chairman of the Board of Directors</p> <p>“Director(s)” – director(s) of the Company</p> <p>“Legal address” – address of the Company described in Article 7 of the Articles of Association</p> <p>“Manager” – the general manager of the Company</p> <p>“Renminbi” – the lawful currency of PRC</p> <p>“Secretary to the Company” – the secretary to the Company appointed by the Board of Directors</p> <p>“The Hong Kong Stock Exchange” – The Stock Exchange of Hong Kong Limited</p> <p>“State”, “PRC”, “China” – the People’s Republic of China</p> <p>“Supervisor(s)” – supervisor(s) of the Company</p> <p>“Supervisory Committee” – the Supervisory Committee of the Company</p>	<p>Article 299 In the Articles of Association, unless the context otherwise requires, the following terms and expressions have the meanings set out below:</p> <p>“The Articles of Association” – the Articles of Association of the Company</p> <p>“Board of Directors” – the board of directors of the Company</p> <p>“Chairman” – the chairman of the Board of Directors</p> <p>“Director(s)” – director(s) of the Company</p> <p>“Legal address” – address of the Company described in Article 7 of the Articles of Association</p> <p>“Manager” – the general manager of the Company</p> <p>“Renminbi” – the lawful currency of PRC</p> <p>“Secretary to the Company” – the secretary to the Company appointed by the Board of Directors</p> <p>“The Hong Kong Stock Exchange” – The Stock Exchange of Hong Kong Limited</p> <p>“State”, “PRC”, “China” – the People’s Republic of China</p>

No.	Before Amendments	After Amendments
	<p>“Newspaper” – newspapers permitted by the China Securities Regulatory Commission and the Hong Kong Stock Exchange for information disclosure</p> <p>“Securities Supervisory and Regulatory Authority of the State Council” – the China Securities Regulatory Commission</p> <p>“Connected relationship” – the relationship between the Company’s controlling shareholders, de facto controllers, Directors, Supervisors, senior management and enterprises controlled directly or indirectly by them, as well as other relationship which may cause the transfer of the Company’s interest. However, enterprises have no connected relationship although being controlled by the State at the same time.</p> <p>“Controlling shareholder(s)” – Shareholder(s) who holds shares above 50% of the Company’s share capital or shares (though below 50 %) carrying voting rights which have significant impact on the resolutions passed at the general meeting.</p> <p>“De facto controller(s)” – A person who is not the Company’s shareholder but can have de facto control on the behaviours of Company through investment, agreement or other arrangement.</p>	<p>“Newspaper” – newspapers permitted by the China Securities Regulatory Commission and the Hong Kong Stock Exchange for information disclosure</p> <p>“Securities Supervisory and Regulatory Authority of the State Council” – the China Securities Regulatory Commission</p> <p>“Connected relationship” – the relationship between the Company’s controlling shareholders, de facto controllers, Directors, senior management and enterprises controlled directly or indirectly by them, as well as other relationship which may cause the transfer of the Company’s interest. However, enterprises have no connected relationship although being controlled by the State at the same time.</p> <p>“Controlling shareholder(s)” – <u>a shareholder whose shares account for more than 50% of the joint stock limited company’s total share capital; or a shareholder whose shareholding ratio is not more than 50% but whose voting rights attached to shares held are sufficient to have a significant impact on the resolutions of the shareholders’ meeting.</u></p> <p>“De facto controller(s)” – <u>a natural person, legal entity or other organization that can actually control the activities of the Company through investment relationships, agreements or other arrangements.</u></p>

The English version of proposed amendments to the Articles of Association is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Details of the proposed amendments to the Rules of Procedure for Shareholders' Meetings are as follows:

No.	Before Amendments	After Amendments
1	Article 1 These rules are formulated in order to fully exercise the powers of general meetings , protect the shareholders' interest and regulate the procedures for general meetings and its decision-making procedures and methods.	Article 1 These rules are formulated in order to <u>regulate the activities of Listed Companies and to ensure that the shareholders' meeting exercises its powers and functions in accordance with the law</u> , to protect the shareholders' interest and to regulate the procedures for <u>shareholders'</u> meetings and its decision-making procedures and methods.
2	Article 2 These Rules are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), Rules for the Shareholders' General Meetings of Listed Companies, listing rules of the stock exchange where the Company's shares are listed, Articles of Association of Sichuan Expressway Company Limited (the "Company") and other relevant laws and regulations.	Article 2 These Rules are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), <u>the Securities Law of the People's Republic of China (the "Securities Law")</u> , Rules for the Shareholders' Meetings of Listed Companies, listing rules of the stock exchange where the Company's shares are listed, Articles of Association of Sichuan Expressway Company Limited (the "Company") and other relevant laws and regulations.

No.	Before Amendments	After Amendments
3	<p>Article 5 General meetings shall be classified as annual general meetings and extraordinary general meetings. The annual general meetings shall be convened once a year and shall be held within six months after the end of the preceding accounting year. Extraordinary general meetings which are convened irregularly shall be convened within 2 months from the date upon the occurrence of the circumstance specified in Article 100 of the Company Law.</p> <p>In the event that the Company is unable to convene a general meeting within the aforesaid period, it shall report to the local office of the China Securities Regulatory Commission at the place where the Company is located and the stock exchanges (the "Stock Exchanges") on which the shares of the Company are listed and traded, to explain the reasons and make an announcement in respect thereof.</p>	<p>Article 5 <u>Shareholders'</u> meetings shall be classified as annual <u>shareholders'</u> meetings and extraordinary <u>shareholders'</u> meetings. The annual <u>shareholders'</u> meetings shall be convened once a year and shall be held within six months after the end of the preceding accounting year. Extraordinary <u>shareholders'</u> meetings which are convened irregularly shall be convened within 2 months from the date upon the occurrence of the circumstance specified in <u>laws and regulations and the Articles of Association</u>.</p> <p>In the event that the Company is unable to convene a <u>shareholders'</u> meeting within the aforesaid period, it shall report to the local office of the China Securities Regulatory Commission (<u>the "CSRC"</u>), at the place where the Company is located and the stock exchanges (the "Stock Exchanges") on which the shares of the Company are listed and traded, to explain the reasons and make an announcement in respect thereof.</p>
4	<p>Article 8 Independent directors are entitled to propose to the board of directors of the Company to convene an extraordinary general meeting. The board of directors of the Company shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten (10) days after receiving such proposal from the independent directors.</p>	<p>Article 8 <u>With the consent of a majority of all independent Directors</u>, independent directors are entitled to propose to the <u>Board of Directors</u> of the Company to convene an extraordinary <u>shareholders'</u> meeting. The <u>Board of Directors</u> of the Company shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary <u>shareholders'</u> meeting within ten (10) days after receiving such proposal from the independent directors.</p>

No.	Before Amendments	After Amendments
5	<p>Article 9 The supervisory committee is entitled to propose the convening of an extraordinary general meeting to the board of directors of the Company, such proposal shall be made in writing. The board of directors of the Company shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten (10) days after receiving such proposal.</p>	<p>Article 9 The <u>Audit Committee</u> <u>proposes</u> the convening of an extraordinary <u>shareholders'</u> meeting to the <u>Board of Directors</u> of the Company, such proposal shall be made in writing. The <u>Board of Directors</u> of the Company shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary <u>shareholders'</u> meeting within ten (10) days after receiving such proposal.</p>
6	<p>Article 15 Shareholder(s) either individually or collectively holding 3% or more of the Company's shares may submit their provisional motions to the convener 10 days before the meeting is convened. The convener shall issue a supplementary notice of the general meeting two (2) days after the motions have been received and announce the contents of the provisional motions.</p>	<p>Article 15 Shareholder(s) either individually or collectively holding <u>1%</u> or more of the Company's shares may submit their provisional motions to the convener 10 <u>business</u> days before the meeting is convened. The convener shall issue a supplementary notice of the <u>shareholders'</u> meeting two (2) days after the motions have been received and announce the contents of the provisional motions, <u>and submit such provisional proposals to the shareholders' meeting for consideration except where the provisional proposal is in violation of laws, administrative regulations or the provisions of the Articles of Association, or does not fall into the terms of reference of the shareholders' meeting. The Company shall not increase the shareholding ratio requirements on shareholders proposing provisional proposals.</u></p>

No.	Before Amendments	After Amendments
7	<p>Article 19 The board of directors, supervisory committee and the shareholders holding 3% or more of the total shares shall have the right to propose new motions in writing to the general meeting, and the Company shall include such proposed motions into the agenda for such general meeting if they are matters falling within the functions and powers of general meeting.</p>	<p>Article 19 The <u>Board of Directors, Audit Committee</u> and the shareholders holding <u>1%</u> or more of the total shares shall have the right to propose new motions in writing to the <u>shareholders'</u> meeting, and the Company shall include such proposed motions into the agenda for such <u>shareholders'</u> meeting if they are matters falling within the functions and powers of <u>shareholders'</u> meeting.</p>
8	<p>Article 20 A notice of general meeting shall:</p> <ol style="list-style-type: none"> (1) be in writing; (2) specify the place, date and time of the meeting; (3) set out the matters to be considered at the meeting; (4) provide shareholders with such information and explanation as necessary for them to make informed decisions on the matters to be considered. This principle includes (but not limit to) where the Company proposes to merge with another, repurchase its shares, reorganize the share capital, or to restructure the Company in any other way, the specific terms of the proposed transaction must be provided in detail together with copies of the agreement related thereto, if any, and the cause and effect of such proposal shall be properly explained; 	<p>Article 20 A notice of <u>shareholders'</u> meeting shall:</p> <ol style="list-style-type: none"> (1) be in writing; (2) specify the place, date and time of the meeting; (3) set out the matters to be considered at the meeting; <u>(4)</u> set out the full text of any special resolution proposed to be moved at the meeting; <u>(5)</u> contain a writing statement that a shareholder eligible for attending and voting is entitled to appoint one or more proxies to attend and vote on his behalf and that a proxy need not be a shareholder;

No.	Before Amendments	After Amendments
	<p>(5) disclose the nature and extent of the material interest of any director, supervisor, general manager, deputy general manager and other senior officer in the matters to be considered. In case that the impact of the matters to be considered on such director, supervisor, general manager, deputy general manager and other senior officer as a shareholder is different from that on other holders of the same class of shares, the difference shall be specified;</p> <p>(6) set out the full text of any special resolution proposed to be moved at the meeting;</p> <p>(7) contain a writing statement that a shareholder eligible for attending and voting is entitled to appoint one or more proxies to attend and vote on his behalf and that a proxy need not be a shareholder;</p> <p>(8) specify the time and place for lodging proxy forms for the relevant meeting;</p> <p>(9) set out name and telephone number of the contact person of the general meeting.</p>	<p>(6) specify the time and place for lodging proxy forms for the relevant meeting;</p> <p><u>(7) the notice and supplementary notice of a shareholders' meeting shall adequately and completely disclose the specific contents of all proposals;</u></p> <p>(8) set out name and telephone number of the contact person of the general meeting;</p> <p><u>(9) set out the voting time and voting procedures online or otherwise.</u></p>

No.	Before Amendments	After Amendments
9	<p>Article 24 The notice of the general meeting and the supplementary notice of the general meeting shall fully and completely disclose the specific content of the proposal. In the event that the matters to be discussed need an advice from independent directors, their advices and reasons shall be disclosed when the notice of the general meetings or supplementary notice are published.</p>	<p>Article 24 The notice of the <u>shareholders'</u> meeting and the supplementary notice of the general meeting shall fully and completely disclose the specific content of the proposal <u>and all information or explanation necessary for shareholders to make a reasonable judgment on the matters to be discussed.</u></p>
	<p>Article 39 Shareholders shall attend the general meeting with the stock account cards, identity cards, or the valid documents or certificates which can show their capacities. Proxies shall submit the power of attorney, and personal valid documents of identity.</p>	<p>Article 39 Shareholders shall attend the general meeting with the stock account cards, identity cards, or the valid documents or certificates which can show their capacities. Proxies shall submit the power of attorney, and personal valid documents of identity. <u>Shareholders that are legal persons shall be represented at the meeting by a legal representative or a proxy appointed by the legal representative. If the legal representative attends the meeting, he/she shall present his/her ID card and a valid certificate proving his/her qualification as a legal representative; if a proxy attends the meeting, the proxy shall present his/her ID card and a written power of attorney issued by the legal representative of the corporate shareholder in accordance with the law.</u></p>
10	<p>Article 41 When the Company convenes the general meeting, all directors; supervisors and secretary of the board of directors shall attend the meeting, and the general manager and other senior management shall be present at the meetings.</p>	<p>Article 41 When the Company convenes the <u>shareholders'</u> meeting, all directors and secretary of the Board of Directors shall <u>be present at</u> the meeting, and the senior management shall be present at the meetings <u>and answer shareholder inquiries.</u></p>

No.	Before Amendments	After Amendments
11	<p>Article 42 The general meeting shall be presided over by the chairman of the board of directors of the Company. In event that the chairman of the board of directors of the Company is unable or fails to perform his/her duties, a vice- chairman shall preside over the meeting. Should the vice-chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director elected by more than half of the directors of the Company.</p> <p>The general meeting convened by the supervisory committee shall be presided over by the chairman of the supervisory committee. In event that the chairman of the supervisory committee is unable or fails to perform his/her duties, a supervisor elected by more than half of the supervisors shall preside over the meeting.</p> <p>Shareholders may convene the meeting themselves and a representative nominated by the convener shall preside over the meeting.</p>	<p>Article 42 The <u>shareholders'</u> meeting shall be presided over by the chairman of the <u>Board of Directors</u> of the Company. In event that the chairman of the <u>Board of Directors</u> of the Company is unable or fails to perform his/her duties, a vice- chairman shall preside over the meeting. Should the vice-chairman be unable or fails to perform his/her duties, the meeting shall be presided over by a director elected by more than half of the directors of the Company.</p> <p>The <u>shareholders'</u> meeting convened by the <u>Audit Committee</u> shall be presided over by the <u>convener of the Audit Committee</u>. In event that <u>a member of the Audit Committee</u> is unable or fails to perform his/her duties, a <u>member of the Audit Committee</u> elected by more than half of the <u>members of the Audit Committee</u> shall preside over the meeting.</p> <p>Shareholders may convene the meeting themselves and the convener <u>or his/her elected representative</u> shall preside over the meeting.</p>

No.	Before Amendments	After Amendments
12	<p>Article 46 A shareholder shall abstain from voting for the matters to be considered at the meeting with which he is connected and the number of voting shares represented by them shall be excluded from the total number of shares carrying voting rights attending the meeting.</p> <p>The shares held by the Company have no voting rights, and that part of the shareholding is not counted as the total number of shares with voting rights held by shareholders attending the meeting.</p>	<p>Article 46 A shareholder shall abstain from voting for the matters to be considered at the meeting with which he is connected and the number of voting shares represented by them shall be excluded from the total number of shares carrying voting rights attending the meeting.</p> <p><u>When the shareholders' meeting deliberates on material issues affecting the interests of minority investors, the voting rights from minority investors shall be counted separately. The result of separate vote counting shall be disclosed publicly in a timely manner.</u></p> <p>The shares held by the Company have no voting rights, and that part of the shareholding is not counted as the total number of shares with voting rights held by shareholders attending the meeting.</p> <p><u>If a shareholder's acquisition of voting shares of the Company is in violation of paragraphs 1 and 2 of Article 63 of the Securities Law, voting rights involving the shares exceeding the stipulated proportion shall not be exercised within 36 months upon such acquisition, and the relevant shares shall not be included in the total number of shares carrying voting rights present at the shareholders' meeting.</u></p>

No.	Before Amendments	After Amendments
		<p><u>The Board, independent Directors and shareholders holding more than 1% of voting shares or investor protection institutions established according to laws, administrative regulations or provisions of the CSRC may publicly solicit from shareholders the rights to vote. When soliciting shareholders' voting rights, adequate information such as specific voting intention shall be provided to persons whose voting rights are being solicited. The solicitation of voting rights of shareholders by way of compensation or disguised compensation shall be prohibited. The Company shall not impose minimum shareholding percentage restriction on the solicitation of voting rights except under statutory conditions.</u></p>
13	<p>Article 47 In the course of the election of directors and supervisors, the cumulative voting system may be adopted in accordance with the provisions of the Articles of Association or resolutions of the general meeting. Cumulative voting system mentioned in the foregoing refers to a system of voting for the election of directors or supervisors at the general meeting in which the shareholder can multiply his voting rights by the number of candidates and vote for all of them and nominate one candidate as a director or supervisor.</p>	<p>Article 47 In the course of the election of directors, the cumulative voting system may be adopted in accordance with the provisions of the Articles of Association or resolutions of the <u>shareholders'</u> meeting. <u>A cumulative voting system shall be implemented when a single shareholder of a listed company and persons acting in concert with it holding 30% or more of the shares, or when the shareholders' meeting elects two or more independent Directors.</u></p>
14	<p>Article 49 When considering a motion at the general meeting, no change shall be made thereto; otherwise, the relevant change shall be treated as a new motion which shall not be voted at the then general meeting.</p>	<p>Article 49 When considering a motion at the <u>shareholders'</u> meeting, no change shall be made thereto; or the relevant change shall be treated as a new motion which shall not be voted at the then <u>shareholders'</u> meeting.</p>

No.	Before Amendments	After Amendments
15	<p>Article 52 Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutineers. Any shareholder who is connected in the matter under consideration and proxies of such shareholder shall not participate in vote counting or scrutinizing.</p> <p>When the shareholders are voting on the motions, lawyers, shareholder representatives and supervisory representatives shall count and scrutinize the votes jointly.</p>	<p>Article 52 Before a resolution is voted on at a <u>shareholders'</u> meeting, two representatives of the shareholders shall be elected as vote counters and scrutineers. Any shareholder who is connected in the matter under consideration and proxies of such shareholder shall not participate in vote counting or scrutinizing.</p> <p>When the shareholders are voting on the motions, lawyers, <u>and</u> shareholder representatives shall count and scrutinize the votes jointly, <u>and announce voting results of resolutions on the spot.</u></p>
16	<p>Article 64 The following matters shall be resolved by an ordinary resolution at a general meeting:</p> <ol style="list-style-type: none"> (1) work reports of the board of directors and the supervisory committee; (2) plans formulated by the board of directors for distribution of profits and for making up losses; (3) appointment or removal of members of the board of directors and the supervisory committee, their remuneration and method of payment; (4) annual report, annual budgets, final accounts, balance sheets, income statement, and other financial statements of the Company; (5) matters other than these required by the laws and administrative regulations or by the Articles of Association to be adopted by special resolution. 	<p>Article 64 The following matters shall be resolved by an ordinary resolution at a <u>shareholders'</u> meeting:</p> <ol style="list-style-type: none"> (1) work reports of the <u>Board of Directors</u>; (2) plans formulated by the <u>Board of Directors</u> for distribution of profits and for making up losses; (3) appointment or removal of members of the <u>Board of Directors</u>, their remuneration and method of payment; (4) matters other than these required by the laws and administrative regulations or by the Articles of Association to be adopted by special resolution.

No.	Before Amendments	After Amendments
	The remuneration mentioned in sub-paragraph (3) above, including but not limited to, the compensation which shall be acquired by relevant directors and supervisors when they cease to be directors or supervisors position or retire.	The remuneration mentioned in sub-paragraph (3) above, including but not limited to, the compensation which shall be acquired by relevant directors when they cease to be directors position or retire.
17	<p>Article 65 The following matters shall be resolved by a special resolution at the general meeting:</p> <p>(1) increase or reduction of the share capital and issue of shares of any class, options or other similar securities; repurchase of shares of the Company due to the reduction of the registered capital;</p> <p>(2) issuance of corporate bonds;</p> <p>(3) division, merger, dissolution and liquidation of the Company;</p> <p>(4) amendments to the Articles of Association of the Company;</p> <p>(5) purchase or disposal of material assets or any guarantee within one year, the amount of which exceeds 30% of the latest audited total assets of the Company;</p> <p>(6) share incentive scheme;</p> <p>(7) any other matters required by the laws, administrative regulations or the Articles of Association of the Company and resolved by way of an ordinary resolution at general meeting, to be of a nature which may have a material impact on the Company and shall be adopted by special resolutions.</p>	<p>Article 65 The following matters shall be resolved by a special resolution at the <u>shareholders'</u> meeting:</p> <p>(1) increase or reduction of the share capital and issue of shares of any class, options or other similar securities; repurchase of shares of the Company due to the reduction of the registered capital;</p> <p><u>(2)</u> division, merger, dissolution and liquidation of the Company;</p> <p><u>(3)</u> amendments to the Articles of Association of the Company;</p> <p><u>(4)</u> purchase or disposal of material assets or any guarantee within one year, the amount of which exceeds 30% of the latest audited total assets of the Company;</p> <p><u>(5)</u> share incentive scheme;</p> <p><u>(6)</u> any other matters required by the laws, administrative regulations or the Articles of Association of the Company and resolved by way of an ordinary resolution at <u>shareholders'</u> meeting, to be of a nature which may have a material impact on the Company and shall be adopted by special resolutions.</p>

No.	Before Amendments	After Amendments
18	<p>Article 71 Minutes of a general meeting shall be kept by the secretary to board of directors and include the followings:</p> <p>(1) time, place, agenda of meeting and the name of the convener;</p> <p>(2) names of the chairman of the meeting, directors, supervisors, secretary to the board of directors, managers and other senior management present at the meeting;</p> <p>(3) number of shareholders and proxies present at the meeting, total number of the shares with voting rights held by them, and the percentage of shares with voting rights held by them to the total number of shares of the Company;</p> <p>(4) process of consideration for each motion, the gist of speeches and voting results;</p> <p>(5) reply or explanation to shareholders' questions or recommendations;</p> <p>(6) names of the lawyer, the counter and the scrutineer;</p> <p>(7) other matters which shall be recorded in the meeting minutes pursuant to the Articles of Association.</p>	<p>Article 71 Minutes of a shareholders' meeting shall be kept by the secretary to Board of Directors and include the followings:</p> <p>(1) time, place, agenda of meeting and the name of the convener;</p> <p>(2) names of the chairman of the meeting, directors, secretary to the Board of Directors and senior management present at the meeting;</p> <p>(3) number of shareholders and proxies present at the meeting, total number of the shares with voting rights held by them, and the percentage of shares with voting rights held by them to the total number of shares of the Company;</p> <p>(4) process of consideration for each motion, the gist of speeches and voting results;</p> <p>(5) reply or explanation to shareholders' questions or recommendations;</p> <p>(6) names of the lawyer, the counter and the scrutineer;</p> <p>(7) other matters which shall be recorded in the meeting minutes pursuant to the Articles of Association.</p>

No.	Before Amendments	After Amendments
	<p>Directors, the secretary to the board of directors, the convener or his representative and the chairman of the meeting shall sign on the minutes of the meeting and ensure that the contents of minutes of the meeting are true, accurate and complete. The minutes of the meeting should be maintained with the register for signing of attending shareholders and the proxy form of their proxies and valid information on voting via internet and other manners, and the maintaining period shall not be less than 10 years.</p>	<p>Directors, the secretary to the board of directors, the convener or his representative and the chairman <u>attending or present at</u> the meeting shall sign on the minutes of the meeting and ensure that the contents of minutes of the meeting are true, accurate and complete. The minutes of the meeting should be maintained with the register for signing of attending shareholders and the proxy form of their proxies and valid information on voting via internet and other manners, and the maintaining period shall not be less than 10 years.</p>
19	<p>Article 73 The resolutions passed at the general meeting are null and void of they are in violation of any law, administrative regulation.</p> <p>If the procedures for calling a general meeting, or the way of voting, violate any law, administrative regulation or the Articles of Association of the Company, or a resolution violates the Articles of Association of the Company, the shareholders may, within 60 days from the day when the resolution is made, request the People's Court to revoke it.</p>	<p>Article 73 The resolutions passed at the <u>shareholders'</u> meeting are null and void of they are in violation of any law, administrative regulation.</p> <p>If the procedures for calling a <u>shareholders'</u> meeting, or the way of voting, violate any law, administrative regulation or the Articles of Association of the Company, or a resolution violates the Articles of Association of the Company, the shareholders may, within 60 days from the day when the resolution is made, request the people's court to revoke it, <u>except for those that have only minor flaws and have no substantial impact on resolutions.</u></p>

No.	Before Amendments	After Amendments
20	Addition	<p><u>Article 84 If a listed company fails to convene a shareholders' meeting without any justified reason within the time limit prescribed by the Rules, the stock exchange may suspend trading of the Company's listed stocks and derivatives in accordance with the business rules and require the Board of Directors to make an explanation and announcement.</u></p> <p><u>Article 85 If the convening and holding of the shareholders' meeting and the disclosure of relevant information do not meet the requirements of laws, administrative regulations, the Rules and Articles of Association, the CSRC shall order the Company or relevant responsible persons to make corrections within the time limit in accordance with laws. The stock exchange may take relevant self-regulatory measures or impose disciplinary sanctions in accordance with the business rules.</u></p> <p><u>Article 86 If directors or the secretary to the Board of Directors are in violation of the laws, provisions of the administrative regulations, the Rules and Articles of Association, and not earnestly perform their duties, the CSRC shall order them to make corrections in accordance with laws, and the stock exchange may take relevant self-regulatory measures or impose disciplinary sanctions in accordance with the business rules; in serious cases, the relevant staff of the CSRC can make implements to ban the entry into the securities market.</u></p>

The English version of proposed amendments to the Rules of Procedure for Shareholders' Meetings is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Details of the proposed amendments to the Rules of Procedure for the Board Meetings are as follows:

No.	Before Amendments	After Amendments
1	<p>Article 1 Principles</p> <p>These rules are formulated in accordance with the relevant provisions of Company Law, the Securities Law, the Standards for Corporate Governance of Listed Companies and the listing rules of the stock exchanges where the Company's shares are listed to further standardise the discussion methods and decision-making procedures of the board of directors of the Company, to procure effective performance of the duties of the directors and the board of directors of the Company, and to enhance the regulated operation and scientific decision-making of the board of directors of the Company.</p>	<p>Article 1 Principles</p> <p>These rules are formulated in accordance with the relevant provisions of Company Law, the Securities Law, the Standards for Corporate Governance of Listed Companies and the listing rules of the stock exchanges where the Company's shares are listed to further standardise the discussion methods and decision-making procedures of the <u>Board of Directors</u> of <u>Sichuan Expressway Company Limited*</u> ("<u>the Company</u>"), to procure effective performance of the duties of the <u>D</u>irectors and the <u>B</u>oard of <u>D</u>irectors of the Company, and to enhance the regulated operation and scientific decision-making of the <u>B</u>oard of <u>D</u>irectors of the Company.</p>
2	<p>Article 3 Regular Meetings</p> <p>The board meetings are classified as regular meetings and extraordinary meetings. The board of directors of the Company shall hold at least two board meetings annually.</p>	<p>Article 3 Regular Meetings</p> <p>The board meetings are classified as regular meetings and extraordinary meetings. The <u>Board of Directors</u> of the Company shall hold at least <u>four</u> board meetings annually.</p>

No.	Before Amendments	After Amendments
3	<p>Article 5 Extraordinary Meetings</p> <p>The board of directors shall convene extraordinary meetings in any of the following circumstances:</p> <ol style="list-style-type: none"> (1) when proposed by the shareholders representing more than one tenth of voting rights; (2) when proposed jointly by more than one third of the directors; (3) when proposed by the supervisory committee; (4) whenever the chairman deems necessary; (5) when proposed by an independent director and agreed by more than a half of the independent directors; (6) when proposed by the general manager; (7) whenever the securities regulatory authorities so requests; (8) other circumstances provided by the Articles of Association of the Company. <p>If an independent director proposes to convene a board meeting, the Company shall disclose in a timely manner.</p>	<p>Article 5 Extraordinary Meetings</p> <p>The <u>Board of Directors</u> shall convene extraordinary meetings in any of the following circumstances:</p> <ol style="list-style-type: none"> (1) when proposed by the shareholders representing more than one tenth of voting rights; (2) when proposed jointly by more than one third of the directors; (3) when proposed by the <u>audit committee</u>; (4) whenever the chairman deems necessary; (5) when proposed by an independent director and agreed by <u>a majority of all the independent Directors</u>; (6) when proposed by the general manager; <u>(7)</u> other circumstances provided by the Articles of Association of the Company. <p>If an independent director proposes to convene a board meeting, the Company shall disclose in a timely manner.</p>

No.	Before Amendments	After Amendments
4	<p>Article 6 Proposal Procedures for Extraordinary Meetings</p> <p>If an extraordinary meeting of the board of directors is proposed for holding in accordance with the preceding article, a written proposal signed (affixed with seal) by the proponent shall be submitted through the general office of the board of directors or directly submitted to the chairman of the board of directors. The written proposal shall include:</p> <ol style="list-style-type: none"> (1) name or designation of the proponent; (2) reasons for or objective facts on which the proposal is based on; (3) proposed time, place and mode of the meeting; (4) a clear and specific proposal; (5) the mode of proponent's contact and date of proposal. <p>The content of the proposal shall fall within the power of the board of directors as required by the Articles of Association of the Company, and shall be submitted together with relevant materials of the proposal.</p> <p>The general office of the board of directors shall pass the written proposal and relevant materials above to the chairman on the same date after receiving them. The chairman may require the proponent to revise or supplement if the content of the proposal is considered as not clear or specific or relevant materials are not adequate.</p>	<p>Article 6 Proposal Procedures for Extraordinary Meetings</p> <p>If an extraordinary meeting of the <u>Board of Directors</u> is proposed for holding in accordance with the preceding article, a written proposal signed (affixed with seal) by the proponent shall be submitted through the general office of the <u>Board of Directors</u> or directly submitted to the chairman of the <u>Board of Directors</u>. The written proposal shall include:</p> <ol style="list-style-type: none"> (1) name or designation of the proponent; (2) reasons for or objective facts on which the proposal is based on; (3) proposed time, place and mode of the meeting; (4) a clear and specific proposal; (5) the mode of proponent's contact and date of proposal. <p>The content of the proposal shall fall within the power of the <u>Board of Directors</u> as required by the Articles of Association of the Company, and shall be submitted together with relevant materials of the proposal.</p> <p>The general office of the <u>Board of Directors</u> shall pass the written proposal and relevant materials above to the chairman on the same date after receiving them. The chairman may require the proponent to revise or supplement if the content of the proposal is considered as not clear or specific or relevant materials are not adequate.</p>

No.	Before Amendments	After Amendments
	The chairman shall convene and preside over the board meeting within ten days after receiving the proposal or the request of the securities regulatory authorities.	The chairman shall convene and preside over the board meeting within ten days after receiving the proposal.
5	<p>Article 8 Notice of Meeting</p> <p>To hold the regular meetings and extraordinary meetings of the board of directors of the Company, the general office of the board of directors of the Company shall deliver the written notice of the meeting and relevant meeting materials to all the directors, supervisors, general manager and the secretary to the board of directors of the Company by fax, express email, registered post, personal service or other modes within ten days and five days in advance respectively. The notice shall be confirmed by phone and relevant records shall be made if it is not delivered by hand. The Company shall keep the abovementioned meeting materials for at least ten years.</p>	<p>Article 8 Notice of Meeting</p> <p>To hold the regular meetings and extraordinary meetings of the <u>Board of Directors</u> of the Company, the general office of the Board of Directors of the Company shall deliver the written notice of the meeting and relevant meeting materials to all the directors, and senior management of the Company by fax, express email, registered post, personal service or other modes within ten days and five days in advance respectively. The notice shall be confirmed by phone and relevant records shall be made if it is not delivered by hand. The Company shall keep the abovementioned meeting materials for at least ten years.</p>

No.	Before Amendments	After Amendments
6	<p>Article 9 Content of the of Meeting Notice</p> <p>The written meeting notice shall at least include the following contents:</p> <ol style="list-style-type: none"> (1) the time and place of the meeting; (2) mode through which the meeting is held; (3) matters (resolutions for the meeting) to be considered; (4) convener and chairman of the meeting, the proponent of the extraordinary meeting and his/her written proposal; (5) meeting materials necessary for the directors' voting; (6) the requirement that a director shall attend the meeting in person or shall appoint other directors to attend the meeting on his/her behalf; (7) the contact person and contact method. <p>The verbal notice of the meeting shall, at least, include content of the above (1), (2), (3) and (5) and the explanation for holding the extraordinary meeting of the board of directors of the Company as soon as practicable in case of emergencies.</p>	<p>Article 9 Content of the of Meeting Notice</p> <p>The written meeting notice shall at least include the following contents:</p> <ol style="list-style-type: none"> (1) the time, place and duration of the meeting; (2) mode through which the meeting is held; (3) matters (resolutions for the meeting) to be considered; (4) <u>issue date of the notice;</u> (5) convener and chairman of the meeting, the proponent of the extraordinary meeting and his/her written proposal; (6) meeting materials necessary for the directors' voting; (7) the requirement that a director shall attend the meeting in person or shall appoint other directors to attend the meeting on his/her behalf; (8) the contact person and contact method. <p>The verbal notice of the meeting shall, at least, include content of the above (1), (2), (3), (4) and (6) and the explanation for holding the extraordinary meeting of the <u>Board of Directors</u> of the Company as soon as practicable in case of emergencies.</p>

No.	Before Amendments	After Amendments
7	<p>Article 11 The Convening of the Meeting</p> <p>The board meeting shall be convened with attendance of over one half of directors. If the said directors refuse to attend the meeting or ignore the participation, which results in the number of participating directors falling below the quorum, the chairman and secretary to the board of directors of the Company shall report it to the regulatory authorities in a timely manner.</p> <p>Supervisors have the right to attend the board meeting as non-voting participants. The general manager and secretary to the board of directors of the Company who do not act as directors concurrently shall attend the board meeting as non-voting participants. The convener can notify other relevant persons to attend the board meeting as non-voting participants as he/she thinks necessary.</p>	<p>Article 11 The Convening of the Meeting</p> <p>The board meeting shall be convened with attendance of over one half of directors. If the said directors refuse to attend the meeting or ignore the participation, which results in the number of participating directors falling below the quorum, the chairman and secretary to the <u>Board of Directors</u> of the Company shall report it to the regulatory authorities in a timely manner.</p> <p>The general manager and secretary to the <u>Board of Directors</u> of the Company who do not act as directors concurrently shall attend the board meeting as non-voting participants. The convener can notify other relevant persons to attend the board meeting as non-voting participants as he/she thinks necessary.</p>

No.	Before Amendments	After Amendments
8	<p>Article 12 Attendance in Person and Attendance through Appointment</p> <p>In principle, the directors shall attend the board meeting in person. If a director is unable to attend the meeting for any reason, he/she shall review the meeting materials in advance and make clear opinions and appoint other directors in writing to attend the meeting on his/her behalf.</p> <p>The power of attorney shall set out:</p> <ol style="list-style-type: none"> (1) name of the appointer and the proxy; (2) brief opinions on every proposal made by the appointer; (3) scope of authorisation and directions for voting intent on the proposals of the appointer; (4) signature of the appointer and date. <p>The director who appoints other directors to sign the written confirmation opinions for regular reports on his/her behalf shall make a special authorisation in the power of attorney.</p> <p>The director on behalf of others shall submit the power of attorney in writing to the convener and explain the attendance on behalf of others on the attendance list of the meeting.</p>	<p>Article 12 Attendance in Person and Attendance through Appointment</p> <p>In principle, the directors shall attend the board meeting in person. If a director is unable to attend the meeting for any reason, he/she shall review the meeting materials in advance and make clear opinions and appoint other directors in writing to attend the meeting on his/her behalf.</p> <p>The power of attorney shall set out:</p> <ol style="list-style-type: none"> (1) name of the appointer and the proxy; (2) brief opinions on every proposal made by the appointer; (3) scope of authorisation and directions for voting intent on the proposals of the appointer; (4) signature of the appointer, <u>the</u> date and <u>the period of validity</u>. <p>The director who appoints other directors to sign the written confirmation opinions for regular reports on his/her behalf shall make a special authorisation in the power of attorney.</p> <p>The director on behalf of others shall submit the power of attorney in writing to the convener and explain the attendance on behalf of others on the attendance list of the meeting.</p> <p><u>A Director who fails to attend a board meeting and who fails to appoint a proxy is deemed to have abstained from voting at that meeting.</u></p>

No.	Before Amendments	After Amendments
9	<p>Article 15 Consideration Procedures for the Meeting</p> <p>The chairman of the meeting shall request the directors present at the board meeting to give clear opinions for all proposals.</p> <p>As to the proposal necessary for the independent directors' prior consent as required, the chairman of the meeting shall designate an independent director to announce the written confirmation opinions given by the independent directors.</p> <p>The chairman of the meeting shall timely stop any directors that impede the normal progress of the meeting or affect other directors' speeches.</p>	<p>Article 15 Consideration Procedures for the Meeting</p> <p>The chairman of the meeting shall request the directors present at the board meeting to give clear opinions for all proposals.</p> <p>The chairman of the meeting shall timely stop any directors that impede the normal progress of the meeting or affect other directors' speeches.</p>

No.	Before Amendments	After Amendments
10	<p>Article 17—Voting at the Meeting</p> <p>The chairman of the meeting shall propose to the directors present at the meeting to vote after thorough discussion of every proposal, where appropriate.</p> <p>Each director has one vote to vote at the meeting which shall be conducted in name-marked written form. Resolutions of extraordinary meeting may be made by means of communication signed by present directors on the basis of ensuring each director fully expressing his/her opinions.</p> <p>The directors' voting intent includes voting in favour of, against or abstaining. The directors present at the meeting shall select one from the intents above and the chairman of the meeting shall ask those who fail to select or simultaneously select two or more intents to re-select and those who refuse to select shall be deemed as abstaining; those who leaves the meeting before making any selection and does not return to the meeting shall be deemed as abstaining.</p>	Deleted

No.	Before Amendments	After Amendments
11	<p>Article 20 Abstinance from Voting</p> <p>The directors shall abstain from voting on relevant proposals in any of the following circumstances:</p> <ol style="list-style-type: none"> (1) where the directors shall abstain from voting as required by the listing rules on the stock exchange where the Company is listed; (2) where the director himself/herself considers he/she should abstain from voting; (3) other circumstances in which any director is associated with the enterprises that are involved in proposals of the meetings as required by the Articles of Association of the Company. <p>In case the directors abstain from voting, relevant board meetings may be convened with attendance of more than half of non-connected directors, and resolutions shall be passed by more than half of non-connected directors. If the number of non-connected directors attending the board meetings is less than three, relevant proposals shall not be voted, and such matters shall be submitted to the general meeting for consideration.</p>	<p>Article 19 Abstinance from Voting</p> <p><u>When a director has a connected relationship with the enterprise or individual involved in the matter to be resolved by the board meetings, such Director shall promptly report to the Board of Directors in writing. A Director with such connected relationship shall neither exercise voting rights on such resolutions nor exercise any other director's voting rights as a proxy.</u></p> <p>The directors shall abstain from voting on relevant proposals in any of the following circumstances:</p> <ol style="list-style-type: none"> (1) where the directors shall abstain from voting as required by the listing rules on the stock exchange where the Company is listed; (2) where the director himself/herself considers he/she should abstain from voting; (3) other circumstances in which any director is associated with the enterprises that are involved in proposals of the meetings as required by the Articles of Association of the Company. <p>In case the directors abstain from voting, relevant board meetings may be convened with attendance of more than half of non-connected directors, and resolutions shall be passed by more than half of non-connected directors. If the number of non-connected directors attending the board meetings is less than three, relevant proposals shall not be voted, and such matters shall be submitted to the general meeting for consideration.</p>

No.	Before Amendments	After Amendments
12	<p>Article 31 Maintenance of Archive Records</p> <p>The archive records of the board meeting including notices of meeting and meeting materials, attendance book of the meeting, power of attorney for the directors' appointment for attendance at the meeting, information of the meeting recording, voting paper, meeting records, minutes of meeting, summary of minutes of meeting, announcement of resolutions endorsed by the directors of the Company, shall be kept by the secretary to the board of directors of the Company.</p> <p>Such archive records of the meetings of the board of directors of the Company shall be maintained for over 10 years.</p>	<p>Article 30 Maintenance of Archive Records</p> <p>The archive records of the board meeting including notices of meeting and meeting materials, attendance book of the meeting, power of attorney for the directors' appointment for attendance at the meeting, voting paper, meeting records, summary of minutes of meeting, announcement of resolutions endorsed by the directors of the Company, shall be kept by the secretary to the <u>Board of Directors</u> of the Company.</p> <p>Such archive records of the meetings of the <u>Board of Directors</u> of the Company shall be maintained for over 10 years.</p>
13	<p>Article 32 Supplementary Provisions</p> <p>The expression "above" referred to in these rules includes the figure itself.</p> <p>These rules shall be formulated by the board of directors and come into effect upon approval at the general meeting of the Company. The amendments shall take effect upon approval by the general meeting.</p> <p>These rules shall be interpreted by the board of directors.</p>	<p>Article 31 Supplementary Provisions</p> <p>The expression "above" referred to in these rules includes the figure itself.</p> <p>These rules shall be formulated by the <u>Board of Directors</u> and come into effect upon approval at the general meeting of the Company. The amendments shall take effect upon approval by the general meeting.</p> <p>These rules shall be interpreted by the <u>Board of Directors</u>.</p> <p><u>Matters not covered in these Rules shall be implemented in accordance with relevant national laws, administrative regulations and the Articles of Association. In the event of any inconsistency between these Rules and the relevant laws, administrative regulations and the provisions of the Articles of Association, the relevant laws, administrative regulations and the provisions of the Articles of Association shall prevail.</u></p>

The English version of proposed amendments to the Rules of Procedure for the Board Meetings is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Details of the amendments to the Detailed Implementation Rules for the Audit Committee, the Detailed Implementation Rules for the Strategic and Sustainable Development Committee, the Detailed Implementation Rules for the Nomination Committee and the Detailed Implementation Rules for the Remuneration and Appraisal Committee are as follows:

- (I) Details of the proposed amendments to the Detailed Implementation Rules for the Audit Committee are as follows:

No.	Before Amendments	After Amendments
1	<p>Article 1 Sichuan Expressway Company Limited* (hereinafter referred to as the “Company”) has established the Audit Committee under the Board of Directors (hereinafter referred to as the “Audit Committee” or “Committee”) and formulated these Implementation Rules in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Code on the Corporate Governance for Listed Companies, Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardised Operation, the Articles of Association of Sichuan Expressway Company Limited* (hereinafter referred to as the “Articles of Association”), the rules governing the listing of securities or stocks on the stock exchanges where the Company’s shares are listed (including but not limited to The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) and the Shanghai Stock Exchange) (hereinafter collectively referred to as the “Listing Rules”) and other relevant regulations, for the purposes of reinforcing the decision-making function of the Board of Directors, realizing audit in advance and professional audit, ensuring the effective supervision of the Board of Directors on the operation and management of the Company, building up the internal control capacity of the Company, improving the internal control system of the Company and perfecting the corporate governance structure of the Company.</p>	<p>Article 1 <u>These Implementation Rules are hereby formulated</u> in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Code on the Corporate Governance for Listed Companies, Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardised Operation, the Articles of Association of Sichuan Expressway Company Limited* (hereinafter referred to as the “Articles of Association”), the rules governing the listing of securities or stocks on the stock exchanges where the Company’s shares are listed (including but not limited to The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) and the Shanghai Stock Exchange) (hereinafter collectively referred to as the “Listing Rules”) and other relevant regulations, for the purposes of <u>further standardising the operations of the audit committee under the Board of Directors (hereinafter referred to as the “Audit Committee” or “Committee”) of Sichuan Expressway Company Limited* (hereinafter referred to as the “Company”), ensuring the effective discharge of its oversight responsibilities</u>, building up the internal control capacity of the Company, improving the internal control system of the Company and perfecting the corporate governance structure of the Company.</p>

No.	Before Amendments	After Amendments
2	Article 2 The Audit Committee is a special working body established by the Board of Directors. It reports and is held accountable to the Board of Directors.	Article 2 The Audit Committee is a special working body established by the Board of Directors, <u>which exercises the powers and functions of the Supervisory Committee as stipulated in the Company Law.</u> It reports and is held accountable to the Board of Directors.
3	Article 3 The Committee is composed of at least three non-executive Directors, among whom independent non-executive Directors shall constitute the majority, and at least one shall be an independent non-executive Director with appropriate professional qualifications or appropriate accounting or related financial management expertise as required under the Listing Rules.	Article 3 <u>The Audit Committee shall consist of four Directors who do not hold any senior management positions within the Company, including three independent Directors and one employee Director, and at least one shall be an independent Director with appropriate professional qualifications or appropriate accounting or related financial management expertise as required under the Listing Rules.</u>
4	<p>Article 9 The major terms of reference of the Audit Committee, which are subject to the applicable laws and regulations (including but not limited to the Listing Rules) are as follows:</p> <p>(I) to review the Company's financial report and express opinions on it</p> <p>1. to examine and supervise the integrity of the Company financial statements, accounts and periodical reports, and to review significant financial reporting opinions contained in such statements and reports. In reviewing these statements and reports before submission to the Board of Directors, the Audit Committee should focus particularly on:</p> <p>(1) any changes in accounting policies and practices;</p>	<p>Article 9 The major terms of reference of the Audit Committee, which are subject to the applicable laws and regulations (including but not limited to the Listing Rules) are as follows:</p> <p>(I) to review the Company's financial report and express opinions on it</p> <p>1. to examine and supervise the <u>authenticity, accuracy and integrity of the Company's financial accounting reports and provide opinions thereon,</u> and to review significant financial reporting opinions contained in such statements and reports. In reviewing these statements and reports before submission to the Board of Directors, the Audit Committee should focus particularly on:</p> <p>(1) any changes in accounting policies and practices;</p>

No.	Before Amendments	After Amendments
	<p>(2) areas involving significant judgments;</p> <p>(3) significant adjustments resulting from audit;</p> <p>(4) the going concern assumptions and any qualified opinion;</p> <p>(5) compliance with relevant governing accounting standards; and</p> <p>(6) compliance with the Listing Rules and other legal requirements in relation to financial reporting.</p>	<p>(2) areas involving significant judgments;</p> <p>(3) significant adjustments resulting from audit;</p> <p>(4) the going concern assumptions and any qualified opinion;</p> <p>(5) compliance with relevant governing accounting standards;</p> <p>(6) <u>in respect of significant accounting and audit issues, the Audit Committee shall pay special attention to potential fraud, malpractice and material misstatements in the financial accounting reports, and oversee the rectification of any issues identified; and</u></p> <p>(7) compliance with the Listing Rules and other legal requirements in relation to financial reporting.</p>

No.	Before Amendments	After Amendments
	<p>2. In regard to the above matters, the Committee must liaise with the Board of Directors and senior management and meet, at least twice a year, with the external accountants of the Company; and the Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, the internal control and audit supervisory department or the external accountant of the Company.</p> <p>(II) to supervise and evaluate the internal audit work, supervise the Company's risk management, internal audit, compliance, internal control management and other related systems and risk management procedures</p> <p>1. to supervise the formulation of the Company's major guidelines, policy systems and related systems for risk management, internal audit, compliance and internal control management.</p>	<p>2. In regard to the above matters, the Committee must liaise with the Board of Directors and senior management and meet, at least twice a year, with the external accountants of the Company; and the Committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, the internal control and audit supervisory department or the external accountant of the Company.</p> <p>(II) to supervise and evaluate the internal audit work, supervise the Company's risk management, internal audit, compliance, internal control management and other related systems and risk management procedures</p> <p>1. to supervise the formulation of the Company's major guidelines, policy systems and related systems for risk management, internal audit, compliance and internal control management.</p>

No.	Before Amendments	After Amendments
	<p>2. to supervise and monitor the implementation of the Company's policies and practices for compliance with laws and regulations (including but not limited to the Listing Rules) and the regulatory rules of the regulatory authorities (including but not limited to the Hong Kong Stock Exchange and the Shanghai Stock Exchange); to supervise the implementation of the Company's corporate governance policies and practices and make recommendations to the Board of Directors in respect thereof; to supervise the Company's compliance with the Corporate Governance Code (as amended time from time) set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the disclosure of such compliance in the corporate governance report in its periodical reports as required under the Listing Rules; and to formulate and monitor the code of conduct and compliance internal control manual for the Company's staff and Directors.</p>	<p>2. to supervise and monitor the implementation of the Company's policies and practices for compliance with laws and regulations (including but not limited to the Listing Rules) and the regulatory rules of the regulatory authorities (including but not limited to the Hong Kong Stock Exchange and the Shanghai Stock Exchange); to supervise the implementation of the Company's corporate governance policies and practices and make recommendations to the Board of Directors in respect thereof; to supervise the Company's compliance with the Corporate Governance Code (as amended time from time) set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the disclosure of such compliance in the corporate governance report in its periodical reports as required under the Listing Rules; and to formulate and monitor the code of conduct and compliance internal control manual for the Company's staff and Directors.</p>

No.	Before Amendments	After Amendments
	<p>3. to discuss with the management the systems of risk management and internal control (including compliance internal control) and ensure that management has discharged its duty to have effective internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.</p> <p>4. to examine the Company's risk management and the internal control system and to comment on the Company's risk management, self-inspection report on internal control and the annual work report on compliance management.</p> <p>5. to study any major findings of investigations of risk management and internal control matters and the management's response as delegated by the Board of Directors or on its own initiative.</p> <p>6. to ensure that the Company's internal audit department has appropriate standing within the Company and has adequate resources to perform its duties, and to monitor the effectiveness of the internal audit department.</p>	<p>3. to discuss with the management the systems of risk management and internal control (including compliance internal control) and ensure that management has discharged its duty to have effective internal control system including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.</p> <p>4. to examine the Company's risk management and the internal control system and to comment on the Company's risk management, self-inspection report on internal control and the annual work report on compliance management.</p> <p>5. to study any major findings of investigations of risk management and internal control matters and the management's response as delegated by the Board of Directors or on its own initiative.</p> <p>6. to ensure that the Company's internal audit department has appropriate standing within the Company and has adequate resources to perform its duties, and to monitor the effectiveness of the internal audit department.</p>

No.	Before Amendments	After Amendments
	<p>7. to act as the key representative body for overseeing the Company's relation with the external accountant and ensure communication and coordination between internal and external audit of the Company.</p> <p>8. to supervise the financial policies and accounting policies and practices of the Company and its subsidiaries; to study relevant laws, regulatory rules (including but not limited to the Listing Rules) and relevant policies which may have major impact on the Company's financial report and audit the compliance with relevant rules of the Company's projects.</p> <p>9. to issue internal audit opinions concerning the Company's financial position based on known facts.</p> <p>10. to review the external accountant's management letter, and any material queries raised by the accountant to the management in respect of the accounting records, financial accounts or systems of control and the management's response; and to ensure that the Board of Directors will provide a timely response to the issues raised in the external accountant's management letter.</p>	<p>7. to act as the key representative body for overseeing the Company's relation with the external accountant and ensure communication and coordination between internal and external audit of the Company.</p> <p>8. to supervise the financial policies and accounting policies and practices of the Company and its subsidiaries; to study relevant laws, regulatory rules (including but not limited to the Listing Rules) and relevant policies which may have major impact on the Company's financial report and audit the compliance with relevant rules of the Company's projects.</p> <p>9. to issue internal audit opinions concerning the Company's financial position based on known facts.</p> <p>10. to review the external accountant's management letter, and any material queries raised by the accountant to the management in respect of the accounting records, financial accounts or systems of control and the management's response; and to ensure that the Board of Directors will provide a timely response to the issues raised in the external accountant's management letter.</p>

No.	Before Amendments	After Amendments
	<p>11. to perform its responsibility in connected transaction control and daily management, confirm the list of affiliated persons, review connected transactions, form written opinions and report it to the Board of Directors and the Supervisory Committee.</p> <p>12. to supervise arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up actions.</p> <p>13. to formulate a whistle-blowing policy and system, so that employees of the Company and other related parties of the Company such as customers and suppliers may voice their concern about any possible misconduct related to the Company in private.</p> <p>14. to work with the Supervisory Committee of the Company to conduct inspection and supervision activities.</p>	<p>11. to perform its responsibility in connected transaction control and daily management, confirm the list of affiliated persons, review connected transactions, form written opinions and report it to the Board of Directors and the Supervisory Committee.</p> <p>12. to supervise arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up actions.</p> <p>13. to formulate a whistle-blowing policy and system, so that employees of the Company and other related parties of the Company such as customers and suppliers may voice their concern about any possible misconduct related to the Company in private.</p>

No.	Before Amendments	After Amendments
	<p>(III) to supervise and evaluate the work of external auditors</p> <ol style="list-style-type: none"> 1. to make recommendation to the Board of Directors on the appointment, reappointment and dismissal of external accountants, approve the remuneration and engagement terms of external accountants, and handle any problem related to the resignation or dismissal of external accountants. 2. to review and monitor the external accountant's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard, including: <ol style="list-style-type: none"> (1) to study all the relationships between the Company and the external accountant (including the provision of non-audit services); 	<p>(III) to supervise and evaluate the work of external auditors</p> <ol style="list-style-type: none"> 1. to make recommendation to the Board of Directors on the appointment, reappointment and dismissal of external accountants, approve the remuneration and engagement terms of external accountants, and handle any problem related to the resignation or dismissal of external accountants <u>without being subject to undue influence from the Company's substantial shareholders, de facto controllers or Directors and senior management.</u> 2. to review and monitor the external accountant's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard, including: <ol style="list-style-type: none"> (1) to study all the relationships between the Company and the external accountant (including the provision of non-audit services);

No.	Before Amendments	After Amendments
	<p>(2) to request from the external accountant on a yearly basis, information about policies and processes adopted by the external accountant for maintaining its independence and supervising the compliance with relevant rules, including requirements regarding the rotation of partners and employees of the external accountant; and</p> <p>(3) to meet with the external accountant at least annually without the presence of the Company's management to discuss matters related to audit fees, any matter arising from audit work and other matters the external accountant may raise.</p> <p>3. The Audit Committee may work with the Board of Directors to formulate policies concerning the Company's engagement of employees or former employees of accountants, and shall supervise the implementation of such policies. For this purpose, the Audit Committee should then be in a position to consider whether in the light of this there has been any impairment or appearance of impairment, of the external accountant's judgment or independence in respect of the audit.</p>	<p>(2) to request from the external accountant on a yearly basis, information about policies and processes adopted by the external accountant for maintaining its independence and supervising the compliance with relevant rules, including requirements regarding the rotation of partners and employees of the external accountant; and</p> <p>(3) to meet with the external accountant at least annually without the presence of the Company's management to discuss matters related to audit fees, any matter arising from audit work and other matters the external accountant may raise.</p> <p>3. The Audit Committee may work with the Board of Directors to formulate policies concerning the Company's engagement of employees or former employees of accountants, and shall supervise the implementation of such policies. For this purpose, the Audit Committee should then be in a position to consider whether in the light of this there has been any impairment or appearance of impairment, of the external accountant's judgment or independence in respect of the audit.</p>

No.	Before Amendments	After Amendments
	<p data-bbox="379 244 829 670">4. The Audit Committee shall ensure that external accountant's independence or objectivity would not be affected during the provision of non-audit services. When evaluating the external accountant's independence or objectivity in relation to the provision of non-audit services, the Audit Committee may consider the following:</p> <p data-bbox="446 712 829 904">(1) whether the skills and experience of the external accountant make it a suitable supplier of the non-audit services;</p> <p data-bbox="446 946 829 1244">(2) whether there are safeguards in place to ensure that there is no threat to objectivity and independence in the conduct of the audit resulting from the provision of such services by the external accountant;</p> <p data-bbox="446 1287 829 1521">(3) the nature of the non-audit services, the related fee levels and the fee levels individually and in aggregate relative to the external accountant; and</p> <p data-bbox="446 1564 829 1702">(4) the criteria which govern the compensation of the individuals performing the audit.</p>	<p data-bbox="922 244 1372 670">4. The Audit Committee shall ensure that external accountant's independence or objectivity would not be affected during the provision of non-audit services. When evaluating the external accountant's independence or objectivity in relation to the provision of non-audit services, the Audit Committee may consider the following:</p> <p data-bbox="989 712 1372 904">(1) whether the skills and experience of the external accountant make it a suitable supplier of the non-audit services;</p> <p data-bbox="989 946 1372 1244">(2) whether there are safeguards in place to ensure that there is no threat to objectivity and independence in the conduct of the audit resulting from the provision of such services by the external accountant;</p> <p data-bbox="989 1287 1372 1521">(3) the nature of the non-audit services, the related fee levels and the fee levels individually and in aggregate relative to the external accountant; and</p> <p data-bbox="989 1564 1372 1702">(4) the criteria which govern the compensation of the individuals performing the audit.</p>

No.	Before Amendments	After Amendments
	<p>5. The Audit Committee shall discuss the nature and scope of audit and relevant reporting responsibility with external accountants before the audit commences.</p> <p>6. The Audit Committee shall develop and implement policy on the engagement of an external accountant to supply non-audit services. For this purpose, external accountant shall include any entity that is under common control, ownership or management with the external accounting firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the external accounting firm nationally or internationally. The Audit Committee should report to the Board of Directors, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.</p>	<p>5. The Audit Committee shall discuss the nature and scope of audit and relevant reporting responsibility with external accountants before the audit commences.</p> <p>6. The Audit Committee shall develop and implement policy on the engagement of an external accountant to supply non-audit services. For this purpose, external accountant shall include any entity that is under common control, ownership or management with the external accounting firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the external accounting firm nationally or internationally. The Audit Committee should report to the Board of Directors, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.</p>

No.	Before Amendments	After Amendments
	<p>7. In case the Board of Directors does not agree with the Audit Committee's opinion concerning the selection, appointment, resignation or dismissal of the external accountant, the Company shall set out the Audit Committee's statement concerning its recommendations as well as the reason why the Board of Directors holds a different opinion in the Corporate Governance Report of the annual report, periodic report and/or result announcement.</p> <p>(IV) such other duties as required by laws and regulations (including but not limited to the Listing Rules) or other matters that may be designated by the Board of Directors.</p>	<p>7. In case the Board of Directors does not agree with the Audit Committee's opinion concerning the selection, appointment, resignation or dismissal of the external accountant, the Company shall set out the Audit Committee's statement concerning its recommendations as well as the reason why the Board of Directors holds a different opinion in the Corporate Governance Report of the annual report, periodic report and/or result announcement.</p> <p>8. <u>The Audit Committee shall supervise external audit institutions to be honest, trustworthy and diligent, to strictly comply with business regulations and industry self-regulatory standards, to strictly implement the internal control system, to inspect and verify the Company's financial accounting reports, to exercise special case in the carrying out of their duties and to prudently express professional opinions.</u></p> <p>(IV) <u>exercise the powers and functions of the Supervisory Committee as stipulated in the Company Law.</u></p> <p>(V) such other duties as required by laws and regulations (including but not limited to the Listing Rules) or other matters that may be designated by the Board of Directors.</p>

No.	Before Amendments	After Amendments
5	<p>Article 11 Subject to applicable laws and regulations (including but not limited to the Listing Rules), the Audit Committee exercises the following authorities:</p> <p>(I) The Audit Committee is authorized by the Board of Directors to exercise its authority within the scope of authority as specified in these Implementation Rules. The Audit Committee shall act as a consultative body which is held accountable to the Board of Directors, provided that it shall not enjoy a special privilege to replace the Board of Directors in exercising functions such as decision-making and management.</p> <p>(II) The Committee shall have right to inspect various businesses of the Company, its subsidiaries, affiliated companies and joint ventures according to relevant laws, regulations (including but not limited to the Listing Rules) and relevant provisions, or authorize the Company's internal control and audit supervisory department to exercise relevant audit work.</p> <p>(III) The Audit Committee shall have the right to request the entity or department being audited to submit relevant plan, budget, final account, accounting statement, accounting certificate, accounting software, contract and any other relevant document, while these entities and departments shall submit them on a timely basis without refusing to do so, concealing, transferring them or providing false document.</p>	<p>Article 11 Subject to applicable laws and regulations (including but not limited to the Listing Rules), the Audit Committee exercises the following authorities:</p> <p>(I) The Audit Committee is authorized by the Board of Directors to exercise its authority within the scope of authority as specified in these Implementation Rules. The Audit Committee shall act as a consultative body which is held accountable to the Board of Directors, provided that it shall not enjoy a special privilege to replace the Board of Directors in exercising functions such as decision-making and management.</p> <p>(II) The Committee shall have right to inspect various businesses of the Company, its subsidiaries, affiliated companies and joint ventures according to relevant laws, regulations (including but not limited to the Listing Rules) and relevant provisions, or authorize the Company's internal control and audit supervisory department to exercise relevant audit work.</p> <p>(III) The Audit Committee shall have the right to request the entity or department being audited to submit relevant plan, budget, final account, accounting statement, accounting certificate, accounting software, contract and any other relevant document, while these entities and departments shall submit them on a timely basis without refusing to do so, concealing, transferring them or providing false document.</p>

No.	Before Amendments	After Amendments
	<p>(IV) The Audit Committee shall have the right to gain access to and request supporting documents from the entity or department being audited, while these entities and their employees shall assist in and cooperate with the audit work and provide information and materials in a truthful manner.</p> <p>(V) The Audit Committee may expand the scope of audit over the Company's operations, if it deems necessary, after obtaining the special authorization granted by the Board of Directors.</p>	<p>(IV) The Audit Committee shall have the right to gain access to and request supporting documents from the entity or department being audited, while these entities and their employees shall assist in and cooperate with the audit work and provide information and materials in a truthful manner.</p> <p>(V) The Audit Committee may expand the scope of audit over the Company's operations, if it deems necessary, after obtaining the special authorization granted by the Board of Directors.</p> <p><u>(VI) The Audit Committee shall inspect the Company's finances in accordance with the laws, supervise the legal and compliant performance of duties by Directors and senior management, exercise other powers stipulated in the Articles of Association, and safeguard the legitimate rights and interests of the Company and shareholders.</u></p> <p><u>If the Audit Committee becomes aware of any violation by Directors or senior management of laws and regulations, relevant provisions of the exchange or the Articles of Association, it shall notify the Board of Directors or report to the Shareholders' Meeting and disclose the matter in a timely manner, or directly report to regulatory authorities.</u></p>

No.	Before Amendments	After Amendments
		<p><u>While performing its supervisory duties, the Audit Committee may propose the removal of Directors and senior management who violate laws and regulations, the guideline and other provisions of the exchange, the Articles of Association or resolutions of the Shareholders' Meeting.</u></p> <p><u>(VII) If the Company's Directors or senior management discover false records, misleading statements, or material omissions in the financial and accounting reports issued by the Company and report to the Board of Directors or Audit Committee, or if intermediaries point out the same to the Board of Directors or Audit Committee, the Board of Directors shall promptly report to the exchange and make disclosure.</u></p> <p><u>When disclosing relevant information in accordance with the provisions of the preceding paragraph, the Company shall disclose in the announcement the material issues existing in the financial and accounting reports, the consequences that have been or may be caused, and the measures that have been or will be taken.</u></p> <p><u>The Audit Committee shall urge relevant responsible departments of the Company to develop corrective measures and timelines, conduct follow-up reviews, supervise the implementation of these measures, and promptly disclose the completion status of the corrective actions.</u></p>

No.	Before Amendments	After Amendments
7	<p>Article 12 The relevant departments of the Company shall assist the Committee in performance of its duties. The Committee may, if necessary, engage intermediaries or advisors to provide them with professional opinions in the decision-making at the expense of the Company.</p>	<p>Article 12 <u>The Company shall provide the Audit Committee with the necessary working conditions and appoint dedicated personnel or institutions to undertake the daily work of the Audit Committee such as work liaison, meeting organization, material preparation and file management. The management of the Company and relevant departments shall cooperate with the Audit Committee during its course of undertaking its duties.</u></p> <p><u>The Audit Committee may engage intermediaries to provide professional opinions at the cost of the Company as it deems necessary.</u></p>
8	<p>Article 19 All the aforesaid documents prepared by the Committee shall be disclosed in the annual report, periodical reports and/or results announcements of the Company as required under the Listing Rules.</p>	<p>Article 19 All the aforesaid documents prepared by the Committee shall be disclosed in the annual report, periodical reports and/or results announcements of the Company as required under the Listing Rules.</p> <p><u>When the Company publishes its annual report, it shall also disclose a summary of the Audit Committee's annual performance, including its duties carried out and the meetings convened.</u></p> <p><u>If the Board of Directors does not adopt the review opinions submitted by the Audit Committee on matters within the scope of its duties, the Company shall disclose such matters and provide a full explanation of the reasons thereof.</u></p>

No.	Before Amendments	After Amendments
9	<p>Article 23 The Committee shall hold at least four meetings each year and at least once every quarter. The Committee shall notify all the members in writing or by other means of communication five days before a meeting, and deliver materials of the meeting three days before the meeting. The chairman of the Committee shall preside over the meeting. When unable to attend the meeting, the chairman of the Committee may delegate another member (independent non-executive Director) to preside over the meeting.</p> <p>In the event of the following circumstances, the Audit Committee shall hold an extraordinary meeting:</p> <p>(I) the Board of Directors assigns tasks in a resolution;</p> <p>(II) the chairman of the Committee or two or more members propose to hold an extraordinary meeting to discuss the matters independently within the scope of the authorization.</p> <p>In addition to the circumstances listed in the preceding paragraphs, the independent Directors serving on the Audit Committee, who have become aware of major issues of the Company within the scope of the duties of the special committee during the course of performance of their duties, may submit the same to the Audit Committee for discussion and consideration in a timely manner in accordance with the procedures.</p>	<p>Article 23 The Committee shall hold at least four meetings each year and at least once every quarter. The Committee shall notify all the members in writing or by other means of communication five days before a meeting, and deliver materials of the meeting three days before the meeting. The chairman of the Committee shall preside over the meeting. When unable to attend the meeting, the chairman of the Committee may delegate another member (independent non-executive Director) to preside over the meeting.</p> <p><u>An extraordinary meeting may be held when proposed by two or more members, or when the convener deems it necessary.</u></p> <p>In addition to the circumstances listed in the preceding paragraphs, the independent Directors serving on the Audit Committee, who have become aware of major issues of the Company within the scope of the duties of the special committee during the course of performance of their duties, may submit the same to the Audit Committee for discussion and consideration in a timely manner in accordance with the procedures.</p>

No.	Before Amendments	After Amendments
6	<p>Article 31 The Committee shall keep minutes of its meetings, the opinions of the members present at the meetings shall be recorded in the minutes, and the minutes shall be signed by the members present at the meetings. The relevant materials and information provided by the Company to the Committee as well as relevant documents of the meetings such as the minutes of the Committee meetings shall be kept by the Company. A member present at a meeting is entitled to incorporate an explanatory statement to his speech at the meeting in the minutes. Draft and final versions of minutes of board meetings should be sent to all members for their comment and records respectively, in both cases within 21 days after the meeting is held.</p>	<p>Article 31 The Committee shall keep minutes of its meetings, the opinions of the members present at the meetings shall be recorded in the minutes, and the minutes shall be signed by the members present at the meetings. The relevant materials and information provided by the Company to the Committee as well as relevant documents of the meetings such as the minutes of the Committee meetings shall be kept by the Company. A member present at a meeting is entitled to incorporate an explanatory statement to his speech at the meeting in the minutes.</p>

(II) Details of the proposed amendments to the Detailed Implementation Rules for the Strategic and Sustainable Development Committee are as follows:

No.	Before Amendments	After Amendments
1	<p>Article 4 The Strategic Committee shall consist of three to seven Directors, and at least one of them shall be independent non-executive Director.</p>	<p>Article 4 The Strategic <u>and Sustainable Development</u> Committee shall consist of three Directors, and at least one of them shall be independent non-executive Director.</p>
2	<p>Article 9 The major terms of reference of the Strategic Committee are as follows:</p> <p>(I) conducting research and making recommendations on the long-term strategic development plans of the Company;</p> <p>(II) conducting research and making recommendations on major investment and financing plans which are subject to the approval by the Board of Directors as stipulated in the Articles of Association;</p>	<p>Article 9 The major terms of reference of the Strategic Committee are as follows:</p> <p>(I) conducting research and making recommendations on the long-term strategic development plans of the Company;</p> <p>(II) conducting research and making recommendations on major investment and financing plans which are subject to the approval by the Board of Directors as stipulated in the Articles of Association;</p>

No.	Before Amendments	After Amendments
	<p>(III) conducting research and making recommendations on major capital operation and asset operation projects which are subject to the approval by the Board of Directors as stipulated in the Articles of Association;</p> <p>(IV) conducting research and making recommendations on other major issues affecting the development of the Company;</p> <p>(V) monitoring the implementation of the aforesaid matters;</p> <p>(VI) other matters authorized by the Board of Directors; and</p> <p>(VII) other terms of reference empowered to the Strategic Committee according to the laws and regulations applicable to the Company (including but not limited to the Listing Rules).</p>	<p>(III) conducting research and making recommendations on major capital operation and asset operation projects which are subject to the approval by the Board of Directors as stipulated in the Articles of Association;</p> <p><u>(IV) being responsible for the overall planning and implementation of the Company's Environmental, Social and Governance (ESG) strategy, guiding and managing Company's ESG and other sustainability-related matters, and reviewing the Company's annual ESG report.</u></p> <p>(V) conducting research and making recommendations on other major issues affecting the development of the Company;</p> <p>(VI) monitoring the implementation of the aforesaid matters;</p> <p>(VII) other matters authorized by the Board of Directors; and</p> <p>(VIII) other terms of reference empowered to the Strategic Committee according to the laws and regulations applicable to the Company (including but not limited to the Listing Rules).</p>

APPENDIX V DETAILS OF THE AMENDMENTS TO OTHER RULES

(III) Details of the proposed amendments to the Detailed Implementation Rules for the Nomination Committee are as follows:

No.	Before Amendments	After Amendments
1	Article 4 The Nomination Committee shall consist of three to seven directors, and the majority of them shall be independent non-executive directors.	Article 4 The Nomination Committee shall consist of three directors, and the majority of them shall be independent non-executive directors.
2	Article 18 The Company shall provide sufficient resources to the Nomination Committee for the performance of its duties. If necessary, the Nomination Committee may employ intermediaries to provide professional opinions for its decision-making, at the expense of the Company.	Article 18 The Company shall provide sufficient resources to the Nomination Committee for the performance of its duties. If necessary, the Nomination Committee may employ intermediaries to provide professional opinions for its decision-making, at the expense of the Company.

(IV) Details of the proposed amendments to the Detailed Implementation Rules for the Remuneration and Appraisal Committee are as follows:

No.	Before Amendments	After Amendments
1	Article 4 The Remuneration and Appraisal Committee consists of three to seven directors, and the majority of them shall be independent non-executive directors.	Article 4 The Remuneration and Appraisal Committee consists of three directors, and the majority of them shall be independent non-executive directors.

The English versions of proposed amendments to these implementation rules are unofficial translations of their Chinese versions. In case of any discrepancy between the two versions, the Chinese versions shall prevail.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

As at the Latest Practicable Date, none of the Directors, Supervisors and chief executives of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which each of them had taken or was deemed to have taken under the provisions of the SFO); or (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

As at the Latest Practicable Date, so far as known to the Directors,

- (i) none of the Directors and Supervisors had any interest, direct or indirect, in any assets which had been acquired or disposed of by, or leased to any member of the Group, or were proposed to be acquired or disposed of by, or leased to any member of the Group since 31 December 2024, the date to which the latest published audited financial statement of the Group was made up;
- (ii) further details of the Directors and Supervisors who serve as a director, supervisor or employee of a company which has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO are set out as follows:
 - Mr. Li Chengyong, a non-executive Director, is the director of the fund management centre of the financial management department (fund management centre) of Shudao Investment;
 - Mr. Chen Chaoxiong, a non-executive Director, is a class II director (i.e. a director of a subsidiary nominated and appointed by Shudao Investment from its subsidiaries (including the Company)) in Shudao Investment; and
 - Mr. Wang Yao, a Supervisor, is the head of internal control and legal affairs department (despatched supervisor management office) of Shudao Investment.
- (iii) none of the Directors and Supervisors of the Company was materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which was subsisting and significant in relation to the business of the Group taken as a whole.

3. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, save as disclosed below, so far as was known to the Directors or chief executives of the Company, no other person had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were required to be notified to the Company and the Stock Exchange pursuant to section 324 of the SFO, or was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

Name	Type of Shares	Long position/ short position	Number of the Company's Shares held	Approximate percentage in the total share capital of the Company	Approximate percentage in A/H Shares	Capacity
Shudao Investment	A Shares (state-owned shares)	Long position	1,035,915,462	33.875%	47.898%	Beneficial owner
	H Shares	Long position	183,064,200	5.986%	20.447%	Beneficial owner
		Total	<u>1,218,979,662</u>	<u>39.861%</u>		
China Merchants Expressway Network & Technology Holdings Co., Ltd.	A Shares (legal person shares)	Long position	664,487,376	21.729%	30.724%	Beneficial owner
	H Shares	Long position	96,458,000 ⁽²⁾	3.154%	10.774%	Interest in controlled corporation
		Total	<u>760,945,376</u>	<u>24.883%</u>		

Notes:

- (1) According to the disclosure of interests forms submitted by Shudao Investment as at the Latest Practicable Date, the number of H Shares held by Shudao Investment in long position in the Company was 179,450,200 (the last notice filed on 19 September 2023), representing approximately 5.87% of the total issued share capital of the Company and approximately 20.04% of the H Shares. Unless certain conditions are met, Shudao Investment is not required to notify the Company and the Stock Exchange of any changes in its shareholding in the Company. Therefore, the latest shareholding of Shudao Investment in the Company as at the Latest Practicable Date may be different from that disclosed on the Stock Exchange. The shareholding of Shudao Investment set out in this circular was as at the Latest Practicable Date and, to the best of the knowledge of the Directors of the Company who have made reasonable inquiries, was provided by Shudao Investment.
- (2) The Shares were held by Cornerstone Holding Limited, a wholly-owned subsidiary of China Merchants Expressway Company. By virtue of the SFO, China Merchants Expressway Company is therefore deemed to be interested in the H Shares held by Cornerstone Holding Limited.

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or Supervisors nor any of their respective close associates (as defined under the Listing Rules) had any interest in other business which competes or may compete, either directly or indirectly, with the business of the Group as if each of them was treated as a controlling shareholder under Rule 8.10 of the Listing Rules

5. SERVICE CONTRACTS OF THE DIRECTORS

As at the Latest Practicable Date, none of the Directors or Supervisors had entered into any service contract with any member of the Group which does not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claim of material importance and, to the Directors' best knowledge, there was no litigation or claim of material importance pending or threatened by or against any member of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 December 2024, the date to which the latest published audited financial statement of the Company was made up.

8. MATERIAL CONTRACTS

The members of the Group have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this circular which is or may be material:

- (1) The asset transfer agreement entered into on 30 January 2024 between Sichuan Shudao New Energy Technology Development Co., Ltd.* (四川蜀道新能源科技發展有限公司), a wholly-owned subsidiary of the Company, and Sichuan Shujiao New Energy Co., Ltd.* (四川蜀交新能源有限公司), an indirect subsidiary of Shudao Investment, in respect of the purchase of certain charging station assets for a consideration of RMB84,500,698.
- (2) The capital increase agreement entered into on 18 July 2024 between Shudao Financial Leasing (Shenzhen) Company Limited* (蜀道融資租賃(深圳)有限公司), an associated company of the Company, and all of its shareholders (namely Shudao Capital Holding Group Co., Ltd.* (蜀道資本控股集團有限公司), Chengdu International Aviation Hub Development and Construction Co., Ltd.* (成都國際航

空樞紐開發建設有限公司) and CSI SCE Investment Holding Limited), under which CSI SCE Investment Holding Limited, a wholly-owned subsidiary of the Company, refrained from participating in the capital increase exercise. Subsequently, the Group's shareholding in Shudao Financial Leasing (Shenzhen) Company Limited* (蜀道融資租賃(深圳)有限公司) was diluted correspondingly from 25.0455% to approximately 8.6545%.

- (3) The strategic investment agreements entered into on 19 August 2024 and 18 October 2024 between Sichuan Shudao Chengyu Investment Company Limited* (四川蜀道成渝投資公司), a wholly-owned subsidiary of the Company, and China Merchants Fund Management Co., Ltd.* (招商基金管理有限公司) in respect of the subscription of 28,550,000 relevant fund units for a consideration of RMB199,621,600.00.
- (4) the Cooperation Agreement.

9. EXPERT AND CONSENT

The following is the qualifications of the expert who has been named in this circular or has given opinion or advice contained in this circular:

Name	Qualification
Octal Capital	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Octal Capital is a third party independent of the Group and its connected persons, and as at the Latest Practicable Date:

- Octal Capital did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate any person to subscribe for securities of any member of the Group;
- Octal Capital has given and has not withdrawn its written consent to the publication of this circular with the inclusion herein of its letter(s), report(s), opinion(s) and/or references to its name in the form and context in which they are included; and
- Octal Capital did not have any interest in any assets which have been, since 31 December 2024 (being the date to which the latest published audited annual financial statements of the Company were made up), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

10. OTHER INFORMATION

- (1) The head office, registered office and principal place of business of the Company is situated at 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC.
- (2) The principal place of business in Hong Kong of the Company is 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.
- (3) The H Share registrar of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (4) The company secretary of the Company is Mr. Yao Jiancheng. Mr. Yao Jiancheng holds a master's degree in Economics of Southwestern University of Finance and Economics and a Legal Profession Qualification Certificate of the People's Republic of China.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.cygs.com>) for a period of 14 days from the date hereof:

- (1) all material contracts set out in paragraph 8 of this Appendix;
- (2) the Cooperation Agreement;
- (3) the letter from the Independent Board Committee to the Independent Shareholders;
- (4) the letter from Octal Finance to the Independent Board Committee and the Independent Shareholders; and
- (5) the consent stated under the section Expert and Consent in this Appendix.

12. MISCELLANEOUS

In the case of discrepancies between the Chinese and English versions of this circular, the English version shall prevail.

NOTICE OF EGM



四川成渝高速公路股份有限公司 Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00107)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of Sichuan Expressway Company Limited* (the “**Company**”) will be held at 3:00 p.m. on Wednesday, 13 August 2025 at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolution.

Unless the context requires otherwise, the terms used herein shall have the same meanings as those defined in the circular (the “**Circular**”) of the Company dated 25 July 2025, which contained the details in relation to the resolutions herein below.

SPECIAL RESOLUTION

To consider and approve the following resolution by way of open ballot and non-cumulative voting at on-site meeting:

1. To consider and approve the proposed amendments to the Articles of Association of the Company; and to authorize the Board and/or any one of the Directors to deal with, on behalf of the Company, all the relevant applications, approvals, registrations, filings and other relevant procedures and issues arising from the amendments to the Articles of Association of the Company and to make further amendments (if necessary) according to the requirements of relevant government or regulatory authorities.

ORDINARY RESOLUTIONS

To consider and approve the following resolution by way of open ballot and non-cumulative voting at on-site meeting:

2. To consider and approve the proposed amendments to the Rules of Procedure for Shareholders' Meetings; and to authorize the Board and/or any one of the Directors to deal with, on behalf of the Company, all the relevant applications, approvals, registrations, filings and other relevant procedures and issues arising from the amendments to the Rules of Procedure for Shareholders' Meetings and to make further amendments (if necessary) according to the requirements of relevant government or regulatory authorities.

NOTICE OF EGM

3. To consider and approve the proposed amendments to the Rules of Procedure for the Board Meetings; and to authorize the Board and/or any one of the Directors to deal with, on behalf of the Company, all the relevant applications, approvals, registrations, filings and other relevant procedures and issues arising from the amendments to the Rules of Procedure for the Board Meetings and to make further amendments (if necessary) according to the requirements of relevant government or regulatory authorities.
4. THAT: the Cooperation Agreement and the transaction contemplated thereunder be and are hereby considered, recognized, confirmed and approved; and the chairman of the Company or his authorized representative be and are hereby authorized to execute for and on behalf of the Company all such other documents, instruments and agreements and to take all steps necessary or expedient to implement and/or give effect to the Cooperation Agreement and its annexes; any member of the Group (including those newly established or invested through equity acquisition or other organizations) be and are hereby approved to, in its absolute discretion deemed appropriate or expedient and in the interests of the Company and the Shareholders as a whole and based on actual operational needs, to negotiate, formulate, execute, amend, supplement and perform all documents in connection with the Cooperation Agreement and the transaction contemplated thereunder (including but not limited to the specific agreement contemplated under the Cooperation Agreement) with any member of the parties thereto (including those newly established or invested through equity acquisition or other organizations) and proceed with all things and actions necessary for executing and implementing the Cooperation Agreement and the transaction contemplated thereunder.

By Order of the Board
Sichuan Expressway Company Limited*
Yao Jiancheng
Executive Director and Company Secretary

Chengdu, Sichuan Province, the PRC
25 July 2025

NOTICE OF EGM

Notes:

1. The register of members of H Shares of the Company will be closed from Monday, 11 August 2025 to Wednesday, 13 August 2025, both days inclusive, during which period no transfer of H Shares will be effected. In order to qualify for attending the EGM, unregistered holders of H Shares shall ensure that all transfer documents of H Shares accompanied by the relevant share certificates and the appropriate transfer documents be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 8 August 2025. The record date for the purpose of determining the eligibility of the Shareholders to attend and vote at the EGM is therefore 13 August 2025.
2. Any holder of H Shares who has registered on the register of members of H Shares before the close of business on Friday, 8 August 2025 is entitled to attend the EGM after registration for the meeting. He/she is also entitled to appoint one or more proxies to attend and vote at the EGM on his/her behalf in accordance with the Articles of Association of the Company. A proxy need not be a Shareholder of the Company.
3. In order to be valid, the form of proxy of holders of H Shares and, if such form of proxy is signed by a person under a power of attorney or other authority on behalf of the principal, a notarially certified copy of that power of attorney or authority shall be deposited 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 not less than 24 hours before the time appointed for holding the EGM (or any adjournment thereof) or 24 hours before the time appointed for the voting on the resolution.
4. Shareholders or their proxies should produce their identity documents when attending the EGM. Should a proxy be appointed, the proxy should also present the form of proxy.
5. Pursuant to the Articles of Association of the Company and the Listing Rules, the Chairman of the EGM will demand a poll in relation to all resolutions proposed at the EGM.
6. The EGM is expected to last for less than one day. Shareholders or their proxies attending the EGM shall be responsible for their own traveling and accommodation expenses.

As at the date of this notice, the Board comprises Mr. Luo Zuyi (Chairman), Mr. You Zhiming (Vice Chairman), Madam Ma Yonghan, Mr. Yao Jiancheng and Madam Mao Yurong as executive Directors, Mr. Yang Shaojun (Vice Chairman), Mr. Li Chengyong and Mr. Chen Chaoxiong as non-executive Directors, and Mr. Yu Haizong, Madam Bu Danlu, Mr. Zhou Hua and Mr. Jiang Tao as independent non-executive Directors.

* *For identification purposes only*