



中信建投証券股份有限公司

CSC Financial Co., Ltd.

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

(Stock Code: 6066)

**THE RULES OF PROCEDURES FOR
SHAREHOLDERS' GENERAL MEETINGS**

Chapter 1 General Provisions

- Article 1** In order to regulate the organization and conduct of CSC Financial Co., Ltd. (hereinafter referred to as the “Company”) and to ensure that the general meetings exercise the functions and powers thereof according to laws, these Rules are formulated in accordance with the relevant laws, administrative regulations, departmental rules and statutory documents, including the Company Law of the People’s Republic of China (《中華人民共和國公司法》) (hereinafter referred to as the “**Company Law**”), the Regulation on the Supervision and Administration of Securities Companies (《證券公司監督管理條例》), Rules for Governance of Securities Companies (《證券公司治理準則》), Mandatory Provisions for the Articles of Association of Companies Listed Overseas (《到境外上市公司章程必備條款》), the Guidelines on Articles of Association of Listed Companies (《上市公司章程指引》), the Rules for Shareholders’ General Meeting of Listed Companies (as amended in 2016) (《上市公司股東大會規則(2016年修訂)》) (the “**Rules for General Meeting**”) and the regulations of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), and the Articles of Association of China Securities Co., Ltd (the “**Articles of Association**”).
- Article 2** The Company shall convene the general meeting in strict accordance with relevant provisions of laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, the Company’s Articles of Association and these rules, and safeguard shareholders’ legitimate exercise of rights.
- Article 3** The Board of the Company shall prudently and earnestly perform its duties and organize the general meeting in a timely manner. All Directors of the Company shall perform their due diligence obligations to ensure that the general meeting can be convened normally and its powers can be exercised in accordance with the laws.
- Article 4** The general meeting shall exercise its powers within the scope of laws, regulations and the Articles of Association.

Article 5

General meetings can be annual general meetings or extraordinary general meetings. Annual general meetings are held once (1) a year within six (6) months after the end of the previous financial year.

The Company shall convene an extraordinary general meeting within two (2) months upon the occurrence of the following events:

- (1) when the number of Directors falls below the minimum requirement of the Company Law, or is less than two thirds (2/3) of the number specified by the Articles of Association;
- (2) when the unrecovered losses of the Company amount to one third (1/3) of the total amount of its paid-up share capital;
- (3) when shareholder(s) severally or jointly holding ten per cent (10%) or more of the Company's shares request(s) so;
- (4) when the Board considers it necessary;
- (5) when the Supervisory Committee proposes to convene such meeting;
- (6) other circumstances stipulated by laws, administrative regulations, departmental rules or these Articles of Association.

The number of shares held by the shareholder(s) as described in item (3) shall be calculated at the close of trading on the date when such shareholder(s) request in writing or on the preceding trading day (if the written request is made on a non-trading day).

In case the Company is unable to convene a general meeting within the aforesaid time frame, the Company shall report and explain to the local branch of the China Securities Regulatory Commission ("CSRC") of the Company's place of domicile and the domestic stock exchange where the Company's shares are listed, and publish an announcement thereof.

Chapter 2 Convening of General Meetings

Article 6

The general meetings shall be convened by the Board of Directors. The Supervisory Committee or shareholders may convene the general meeting on their own initiative, subject to the relevant requirements specified in this section.

Half or more of the Independent Directors shall be entitled to propose to the Board to convene an extraordinary general meeting. The Board shall, in accordance with laws, administrative regulations and the Articles of Association, inform in writing whether it agrees or disagrees to convene an extraordinary general meeting within ten (10) days upon receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five (5) days after the resolution is made by the Board. If the Board does not agree to hold the extraordinary general meeting, it shall give the reasons and publish an announcement thereof.

Article 7

The Supervisory Committee shall be entitled to propose to the Board to convene an extraordinary general meeting, and shall put forward its proposal to the Board in writing. The Board shall, pursuant to laws, administrative regulations and the Company's Articles of Association, inform in writing whether it agrees or disagrees to convene the extraordinary general meeting within ten (10) days upon receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five (5) days after the resolution is made by the Board. In the event of any change to the original proposal set forth in the notice, the consent of the Supervisory Committee shall be obtained.

If the Board does not agree to hold the extraordinary general meeting or fails to respond within ten (10) days upon receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and the Supervisory Committee may convene and preside over the meeting itself.

Article 8

Shareholder(s) severally or jointly holding ten per cent (10%) or more of the shares of the Company shall be entitled to request the Board to convene an extraordinary general meeting or class meeting, and shall put forward such request to the Board in writing. The Board shall, pursuant to laws, administrative regulations and the Articles of Association, inform in writing whether it agrees or disagrees to convene the extraordinary general meeting or class meeting within ten (10) days upon receipt of the proposal.

If the Board agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of such meeting within five (5) days after the resolution is made by the Board. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained.

If the Board does not agree to convene the extraordinary general meeting or class meeting or fails to respond within ten (10) days upon receipt of the proposal, shareholder(s) severally or jointly holding ten per cent (10%) or more of the shares of the Company shall be entitled to propose to the Supervisory Committee to convene an extraordinary general meeting or a class meeting, and shall put forward such request to the Supervisory Committee in writing.

If the Supervisory Committee agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of such meeting within five (5) days upon receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained.

In the case of failure to issue the notice of extraordinary general meeting or class meeting within the prescribed period, the Supervisory Committee shall be deemed as failing to convene and preside over the general meeting and the shareholder(s) severally or jointly holding ten per cent (10%) or more shares of the Company for ninety (90) or more consecutive days may convene and preside over such meeting by itself/themselves.

The shareholding of the convening shareholders shall be no less than ten per cent (10%) before a resolution passed at the general meeting is announced.

The Supervisory Committee and the convening shareholders shall submit relevant certification materials to the securities regulatory authorities of the Company's place of domicile and the stock exchange, when sending out a notice of general meeting and the announcement on the resolutions of the general meeting.

Article 9

Where the Supervisory Committee or shareholders convene a meeting by themselves in accordance with the provisions of this section, a written notice shall be sent to the Board and filed with the relevant securities regulatory authorities where the Company is located and the relevant stock exchange. The Board and the secretary of the Board shall cooperate in terms of such meetings. The Board shall provide the register of shareholders on the shareholding record date; where the Board of Directors fails to provide the register of members, the convener(s) may apply to obtain it from the securities registration and clearing institution upon presentation of the announcement relating to the convening of the general meeting. The register of members provided to the convener(s) shall not be used for other purposes, except for the general meeting. The expenses reasonably accrued therefrom shall be borne by the Company and be deducted from the amounts due by the Company to the negligent Directors.

Chapter 3 Proposals and Notices of General Meetings

Article 10

The contents of the proposals of the general meetings to be raised shall be within the scope of duties of the general meetings. It shall have a clear topic and specific matters to be resolved on, and shall be in compliance with relevant requirements of laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the Company's shares are listed and the Articles of Association.

Article 11

When a general meeting is convened by the Company, the Board, Supervisory Committee and shareholders who severally or jointly hold three per cent (3%) or more of the shares of the Company, shall be entitled to make proposals to the general meetings.

Shareholder(s) severally or jointly holding three per cent (3%) or more of the shares of the Company may propose an extraordinary proposal and submit it in writing to the convener ten (10) days before convening the shareholders' general meeting. The convener shall dispatch a supplemental notice of the shareholders' general meeting to announce the contents of the extraordinary proposal within two (2) days after receiving the proposal.

Except for circumstances provided in the above paragraph, the convener, after issuing the notice of the general meeting, shall neither modify the proposals stated in the notice of general meetings nor add new proposals.

The general meeting shall not vote or resolve on any proposals which are not contained in a notice of the general meeting or are not in compliance with Article 10 herein.

Article 12 Where a general meeting is convened by the Company, it shall issue a written notice forty-five (45) days prior to the convening of the meeting to notify all the registered shareholders of the matters proposed to be considered as well as the date and venue of the meeting. Shareholders who intend to attend the general meeting shall deliver their written replies to the Company twenty (20) days prior to the convening of the meeting.

When calculating the time limit of the notice, the date of the meeting convened shall be excluded.

Article 13 The Company shall calculate the number of voting shares represented by the shareholders who intend to attend the meeting in accordance with the written replies received twenty (20) days prior to the convening of the general meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting reaches one half (1/2) or more of the total number of the Company's voting shares, the Company shall convene the general meeting. If not, the Company shall within five (5) days notify the shareholders again by publishing an announcement stating the matters to be considered as well as the date and venue of the meeting. Upon notification by the announcement, the Company is entitled to convene the general meeting.

An extraordinary general meeting shall not resolve on matters, which are not specified in the notice.

Article 14 Notice of a general meeting shall satisfy the following requirements:

- (1) be in writing;
- (2) time, venue and duration of the meeting;

- (3) matters and proposals to be considered at the meeting. Any notice and supplementary notice of general meetings shall sufficiently and completely disclose all the details of all proposals;
- (4) any information and explanations necessary to be made available to the shareholders for such shareholders to make sound decisions about the matters to be discussed. This principle includes (but not limited to) the provision of the specific terms and contract(s), if any, of the proposed transaction(s) and serious explanations about the reasons and effects when the Company proposes mergers, repurchase of shares, restructuring of share capital or other restructuring;
- (5) in the event that any of the Directors, Supervisors, General Managers or other senior management has material interests in matters to be discussed, the nature and extent of the interests shall be disclosed. If the matters to be discussed affect any Director, Supervisor, General Manager or other senior management as a shareholder in a manner different from the manner they affect other shareholders of the same class, the difference shall be explained;
- (6) the full text of any special resolution to be proposed for approval at the meeting;
- (7) a prominent statement that a shareholder eligible for attending and voting is entitled to appoint one or more proxies to attend and vote at such meeting on his/her behalf, and that such proxy does not need to be a member of the Company;
- (8) the time and venue for lodging a proxy form for the meeting;
- (9) the record date for shareholders who are entitled to attend the general meeting;
- (10) the name and telephone number of the contact person for the meeting.

The interval between the shareholding record date of general meeting and the date of the meeting shall be in compliance with the requirements of relevant regulatory authorities of the place where securities of the Company are listed. The shareholding record date shall not be changed once confirmed.

Any notice and supplementary notice of general meetings shall sufficiently and completely disclose all the details of all proposals. If any matter to be discussed requires opinions of the Independent Directors, the opinions and reasons given by the Independent Directors shall be disclosed together with the issuance of such notice.

Article 15

Unless these rules otherwise requires, the notice of a general meeting shall be sent to shareholders and announced in accordance with the relevant requirements in Chapter 12 of the Articles of Association.

For holders of Domestic Shares, the notice of the general meeting may also be given by way of announcement. The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council forty-five (45) to fifty (50) days prior to the convening of the meeting. Once such announcement is made, all holders of the Domestic Shares shall be deemed to have received the relevant notice of the general meeting.

The notices, materials or written announcement of the general meeting should be delivered to the shareholders of overseas listed foreign shares in any of the following manners, forty-five days prior to the convening of said meeting:

- (1) to be delivered to every holder of overseas listed foreign shares by person or by mail to the registered addresses of such holder of overseas listed foreign shares;
- (2) announced at the websites designated by the Securities Regulatory Authorities or the stock exchange of the place where securities of the Company are listed in accordance with relevant laws, administrative regulations and listing rules;
- (3) other manners required by the stock exchange of the place where securities of the Company are listed and listing rules.

Article 16

The accidental omission to give the notice of a meeting to, or the failure to receive the notice of a meeting by any person entitled to receive such notice, shall not invalidate the meeting or the resolutions passed thereat.

Article 17

Where the election of Directors and Supervisors are proposed to be discussed at a general meeting, the notice of the general meeting shall sufficiently disclose the detailed information about the Director and Supervisor candidate(s) in accordance with laws, regulations, listing rules of the place where Shares of the Company are listed and the requirements of the Company's Articles of Association, including at least the following contents:

- (1) personal information including education background, work experience and part-time job;
- (2) whether he/she is connected with the Company or its controlling shareholders and de facto controller;
- (3) his/her shareholding in the Company;
- (4) whether he/she has received any penalty from the CSRC and other relevant governmental authorities and any penalty and warning from the stock exchange.

Election of every Director and Supervisor candidate shall be conducted by separate resolution.

Article 18

After the notice of the general meeting is issued, the general meeting shall not be postponed or cancelled, and the proposals set out in such notice shall not be cancelled without valid reasons. In case of adjournment under special circumstances, the Company shall promptly report to the local branch of the CSRC of the Company's place of domicile with the reasons for adjournment, the convener shall publish a notice at least two (2) working days before the original date of the general meeting and state the relevant reasons to every shareholder.

Chapter 4 Convening of General Meetings**Article 19**

The venue of a general meeting of the Company shall be the domicile of the Company or other location specified in the notice of the general meeting.

A general meeting shall usually be in the form of physical meeting held on-site. The Company will also facilitate shareholders' participation in the general meeting through online voting platform or any other means as required by the securities regulatory authorities or the stock exchange. A shareholder who participates in a general meeting in the aforesaid manners shall be deemed to have been present at the meeting.

The confirmation method of the shareholders' identity shall comply with Article 49 of the Articles of Association.

The Company may facilitate shareholders' participation in the general meeting through various means and approaches, including modern information technology such as online voting platform, provided that the general meeting remains lawful and valid.

Where a general meeting is held online or by any other means, the notice of general meeting shall specify the time and procedures of voting online or by any other means.

Voting online or by any other means shall commence not earlier than 3:00 p.m. on the day before the physical general meeting is held and not later than 9:30 a.m. on the day when the physical general meeting is held, and shall be concluded not earlier than 3:00 p.m. on the day when the physical general meeting ends.

Article 20 The Board of the Company and other conveners shall take necessary measures to ensure the good order of the general meeting, take measures to deter any act disturbing the meeting, picking quarrels and provoking troubles and infringing the legitimate rights and interests of any shareholder, and shall report in a timely manner such act to the relevant authority for investigation and punishment.

Article 21 All shareholders whose names appear on the register of shareholders on the shareholding record date or his/her proxy(ies) are entitled to attend the general meeting and exercise their voting rights in accordance with the relevant laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed and the Articles of Association.

Any shareholder entitled to attend and vote at a general meeting shall have the right to appoint one or several persons (who may not be shareholders) to act as his/her proxy to attend and vote at the meeting on his/her behalf. The proxy(ies) so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:

- (1) the shareholders' right to speak at the meeting;
- (2) the right to demand a poll by himself/herself or jointly with others;

- (3) unless otherwise provided by the Articles of Association, the right to exercise voting rights by a show of hands or by a poll, provided that where more than one proxy is appointed, the proxies may only exercise such voting rights by a poll.

Article 22

Shareholders may attend a general meeting in person or appoint a proxy to attend and vote on their behalf. Individual shareholders attending a general meeting in person shall produce their identity cards or other valid proof or evidence of their identities, in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the proxy forms from shareholders.

Where a shareholder is a legal entity, its legal representative or a proxy entrusted by such legal representative shall attend a general meeting. In case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and, in the case of attendance by proxies of such legal representatives, such proxies shall produce their identity cards and the letters of authorization duly issued by such legal representatives.

Article 23

The appointment of a proxy shall be in writing and signed by the appointing shareholder or his/her attorney duly authorized in writing; where the appointing shareholder is a legal person, such appointment shall be affixed with its seal or signed by its Director or attorney duly authorized.

The proxy form to appoint a proxy to attend any general meeting by a shareholder shall contain the following:

- (1) the name of the proxy;
- (2) whether such proxy has any voting rights;
- (3) instruction of voting “for”, “against” or “abstain” for each resolution proposed at any general meeting;
- (4) the date of signing the proxy form and the effective period for such appointment;
- (5) the signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed;

- (6) the number of shares of the principal represented by the proxy.

If the shareholder is an authorized clearing house (as defined under the Hong Kong Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)) or its agent, such shareholder is entitled to appoint one or more persons it deems suitable to act as its proxy in any general meeting or shareholders' class meeting. If two or more persons are appointed as proxies, the power of attorney shall clearly state the number and the class of shares represented by each of the proxies. The proxies so appointed may represent the authorized clearing house (or its agent) in exercising its rights as if that proxy is an individual shareholder of the Company.

Article 24 The proxy form shall be deposited at the domicile of the Company or such other place as the notice of meeting may specify not less than twenty-four (24) hours prior to convening of the meeting at which the relevant matters will be voted on, or twenty-four (24) hours before the designated voting time. If the principal authorizes any other person to sign the proxy form, the power of attorney or other authorization shall be notarized. The notarized power of attorney or other authorization must be delivered to the domicile of the Company or such other places specified in the notice of the meeting together with the proxy form. If the principal is a corporation, its legal representatives or any other person authorized by its board of directors or other governing body shall attend the general shareholders' meeting as a representative.

Article 25 Any proxy forms issued to a shareholder by the Board of the Company for use in appointing a proxy shall be in such format as to enable the shareholder to instruct the proxy to vote in favor of or against the proposals according to his/her free will, and instructions shall be given in respect of each single matter to be voted on at the meeting. The proxy forms shall contain a statement that in the absence of specific instructions by the shareholder, the proxy may vote as he/she thinks fit.

Article 26 If the principal dies, loses capacity, withdraws his/her appointment or the authorization to execute the appointment or if relevant shares in respect of which the proxy is given are transferred before voting, the voting made according to the proxy form shall remain valid, provided that the Company has not received any written notice in respect of such matters before the commencement of the meeting.

Article 27 The Convener and the lawyer engaged by the Company shall jointly verify the legality of shareholders' qualifications according to the shareholders' register provided by securities registration and clearance institutions, and record the shareholders' names (or entities) and the number of shares held by them with voting rights. Before the meeting chairman announces the number of shareholders and proxies attending the meeting and the total number of shares held by them with voting rights, the registration of meeting shall be terminated.

A registration record for attendees at the meeting shall be compiled by the Company. The registration record shall contain items including but not limited to the names of attendants (or names of organizations), identity card numbers, residential addresses, the number of voting shares held or represented and names of appointers (or name of organizations).

Article 28 When holding a general meeting, the Company shall engage lawyers to provide legal opinions on the following issues and publish an announcement:

- (1) whether the procedures for convening and holding the general meeting are in compliance with the laws, administrative regulations rules and the requirements under the Rules for General Meetings and the Company's Articles of Association;
- (2) whether the qualifications of the attendees and convener are lawful and valid;
- (3) whether the voting procedures and voting results of the shareholders' general meeting are lawful and valid;
- (4) legal opinions on other relevant issues at the request of the Company.

Article 29 All Directors, Supervisors and secretary of the Board shall attend general meetings of the Company, and the General Manager and other senior management shall be present at the meetings.

Article 30

The chairman of the Board shall preside over and act as chairman of the general meeting convened by the Board. Where the chairman of the Board is unable or fails to perform his/her duty, the vice chairman of the Board shall preside over and act as chairman of the meeting. Where there are two or more vice chairmen of the Board, the vice chairman of the Board selected by half or more of all Directors shall preside over and act as chairman of the meeting. Where the vice chairman of the Board is unable or fails to perform his/her duties, one (1) Director selected by half or more of all Directors shall preside over and act as chairman of the meeting. Where it is unable to select the chairman of the meeting, one (1) person selected by shareholders attending the meeting shall act as chairman of the meeting. Where the shareholders fail to elect a chairman of the general meeting for any reason, the shareholder (including his/her proxy) present in person or by proxy who holds the largest number of voting shares shall be the chairman of the general meeting.

The chairman/chairwoman of the Supervisory Committee shall preside over the general meeting convened by the Supervisory Committee. If the chairman/chairwoman of the Supervisory Committee is unable or fails to fulfill his/her duties, one (1) Supervisor jointly elected by half or more of the Supervisors shall preside over the meeting.

A representative elected by the convener shall preside over the general meeting convened by the Shareholders.

Where a general meeting is held and the chairman of the meeting violates the rules of procedure which makes it impossible for the general meeting to continue, one (1) person may be elected at the general meeting to act as the chairman and continue the meeting, subject to the approval of the attending shareholders with more than half of the voting rights.

Article 31

The Board and the Supervisory Committee shall report their work for the past year at the annual general meeting. Each Independent Director shall also submit his/her work report.

Article 32

The Directors, Supervisors and senior management of the Company shall answer and explain inquiries and proposals made by shareholders at the general meeting.

Article 33 The chairman of the meeting shall, prior to voting, announce the number of shareholders and proxies present at the meeting as well as the total number of voting shares, which shall be the number of shareholders and proxies present at the meeting and the total number of their voting shares as indicated in the meeting's registration record.

Article 34 Minutes of a general meeting shall be prepared by the secretary of the Board. The minutes shall state the following:

- (1) the time, venue and agenda of the meeting and the convener;
- (2) the name of the meeting chairman and the names of the Directors, Supervisors, General Manager and senior management who attend the meeting or are present in the meeting;
- (3) the numbers of shareholders and proxies attending the meeting, number of voting shares they represent and the percentages of their voting shares to the total share capital of the Company;
- (4) the process of review and discussion, summary of any speech and voting results with respect to each proposal;
- (5) shareholders' inquiries, opinions or suggestions and corresponding answers or explanations;
- (6) the names of lawyers, vote counters and scrutinizers of the voting;
- (7) other contents to be included as specified in the Articles of Association.

Article 35 The convener shall ensure that the contents of the minutes are true, accurate and complete. The Directors, the Supervisors, the secretary of the Board, the convener or representative thereof, and the chairman of the general meeting shall sign on the minutes of the meeting. The minutes of meeting shall be kept together with the attendance record of the attending shareholders, the power of attorney of the proxies and the valid information of online voting and other means of voting for a term of not less than twenty (20) years.

Article 36

The convener shall ensure that the general meeting is held continuously until final resolutions have been reached. In the event that the general meeting is suspended or the shareholders fail to reach any resolution due to force majeure or for other special reasons, necessary measures shall be taken to resume the meeting as soon as possible or directly terminate the meeting and publish an announcement and report in accordance with the relevant laws, administrative regulations, departmental rules, normative documents and listing rules of the place where the shares of the Company are listed.

The resolutions of the general meeting shall be announced promptly. Such announcement shall specify the number of shareholders and proxies present at the meeting, the total number of voting shares held by them, the percentage of such voting shares in relation to all the voting shares of the Company, the total number of shares required by the securities regulatory authorities in the place where the Company's shares are listed to abstain from voting in favor and/or abstain from voting (if any), whether shareholders required to abstain from voting have in fact abstained, the voting methods, the voting result of each proposal, the details of each resolution passed, and the identities of scrutinizers for vote-counting.

In the event that a proposal is not approved, or the general meeting makes any modification to any resolution adopted at the previous meeting, a special note shall be made in the announcement on resolutions of the general meeting.

Chapter 5 Voting and Resolutions of General Meeting**Article 37**

Resolutions of the general meeting include ordinary resolutions and special resolutions.

Ordinary resolution at a general meeting shall be adopted by one half (1/2) or more of the voting rights held by shareholders (including their proxies) attending the general meeting.

Special resolution at a general meeting shall be adopted by two thirds (2/3) or more of the voting rights held by shareholders (including their proxies) attending the general meeting.

Article 38

The following matters shall be resolved by way of ordinary resolutions at a general meeting:

- (1) work reports of the Board and the Supervisory Committee;

- (2) profit distribution plan and loss recovery plan formulated by the Board;
- (3) appointment or dismissal of the members of the Board and Supervisory Committee, remuneration and payment methods thereof;
- (4) annual budget and final accounts;
- (5) the Company's annual report;
- (6) the Company's engagement, removal or discontinuance of engagement of accounting firms;
- (7) matters other than those requiring approval by special resolutions in accordance with laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed or the Articles of Association.

Article 39

The following matters shall be resolved by way of special resolutions at a general meeting:

- (1) increase or reduction of the registered capital of the Company and issue of shares of any class, stock warrants or other similar securities;
- (2) issuance of corporate bonds;
- (3) division, merger, dissolution and liquidation or change in the form of the Company;
- (4) external guarantees to be provided by the Company;
- (5) purchase or disposal of major assets of the Company within one year with the transaction amount exceeding 15% of the latest audited total assets of the Company;
- (6) amendments to the Articles of Association;
- (7) share incentive scheme;

- (8) any other matters as required by laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed or the Articles of Association and matters which, as resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need be approved by way of special resolutions.

Article 40 Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share.

Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a general meeting.

Subject to the applicable laws, administrative regulations, departmental rules, normative documents or listing rules of the place where the shares of the Company are listed, the Board, Independent Directors and shareholders who meet the relevant requirements may solicit voting rights from shareholders. Information including the specific voting preference shall be fully provided to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights.

Article 41 When a connected transaction is considered at a general meeting, connected shareholders shall not vote, and the voting shares held by them shall not be counted in the total number of voting shares.

The announcement of the resolutions of the general meeting shall fully disclose the voting of independent shareholders. Where the applicable laws, administrative regulations, departmental rules, normative documents or listing rules of the place where the shares of the Company are listed provide otherwise, such provisions shall prevail.

Article 42 Pursuant to the applicable laws, administrative regulations, departmental rules, normative documents and listing rules of the place where the shares of the Company are listed, where any shareholder shall abstain from voting for any particular resolution, or is restricted to vote only for or against such resolution, any vote in violation of such requirement or restriction by the shareholders (or their proxies) shall not be counted in the voting results.

- Article 43** Voting on all resolutions by shareholders at the general meeting will be decided by way of a registered poll, except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.
- Article 44** If the matter to be resolved by a poll is the election of the chairman of the shareholders' general meeting or the adjournment of the meeting, a poll shall be taken immediately. The chairman can decide when a poll will be taken for any other matters, and the meeting may proceed to discuss other matters, and the results of that poll shall be considered as resolutions passed at the meeting.
- Article 45** On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his/her votes for or against in the same way.
- Article 46** Where number of votes for and against is equal, the Chairman of the meeting is entitled to one additional vote.
- Article 47** All proposals shall be voted one by one at the shareholders' general meeting. Where different proposals are made on the same matter, votes shall be cast in accordance with the sequence of the proposals presented. Unless the shareholders' general meeting is suspended or no resolution may be passed due to exceptional reasons such as force majeure, the proposals shall not be set aside and voting shall take place.
- Article 48** When considering a proposed resolution at a general meeting, no amendments shall be made thereto. Otherwise, any change made thereto shall be considered as a new proposed resolution, for which the voting shall not proceed in that meeting. The same vote may only be cast once at the location of a general meeting, or by online voting or other means. In the event of multiple casting of the same vote, only the outcome of the first casting of such vote shall be counted.

Article 49 Before the relevant proposed resolution is voted on at the general meeting, two (2) representatives of the shareholders shall be elected to take part in counting the votes and scrutinizing the conduct of the poll. If any shareholder is related to the matter under consideration, such shareholder and his/her proxy shall not take part in counting the votes or scrutinizing the conduct of the poll. When votes are cast on proposed resolutions at the general meeting, lawyers, representatives of the shareholders and the representative of Supervisors shall be jointly responsible for scrutinizing and counting votes, shall announce the voting results at the meeting and shall record the voting results of the resolution in the minutes of the meeting.

Shareholders or their proxies who vote online or by any other means shall be entitled to check their voting results via the relevant voting system.

Article 50 The physical general meeting shall not end earlier than meeting held online or by any other means, and the presider of the meeting shall announce the voting results on each proposal at the physical meeting and whether the proposal is adopted based on the voting results.

All parties involved in the voting physical, online or by any other means at the general meeting, including the Company, vote counters, scrutineers, major shareholders and network service providers, shall be obliged to keep the voting confidential before the voting results are formally announced.

Article 51 A shareholder attending a general meeting shall express one of the following opinions on any proposed resolutions to be voted on: for, against or abstain, except that securities registration and settlement institutions, being the nominal holders of shares subject to the Mechanism for Mutual Market Access between Mainland China and Hong Kong, may express opinions according to the intentions of actual holders.

Blank, wrong, illegible or uncast votes shall be deemed as the voters' waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as "abstain".

- Article 52** In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to the vote, he/she may have the votes counted. In the event that the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the voting result, the chairman of the meeting shall have the votes counted immediately.
- Article 53** In the event that the votes are counted at the general meeting, the counting results shall be recorded in the minutes of the meeting.
- Article 54** A shareholder shall be entitled to inspect copies of minutes of meeting(s) free of charge during office hours of the Company. Upon the request of any shareholder for a copy of the relevant minutes of meeting, the Company shall send out the copy of the minutes within seven (7) days of receipt of the reasonable payment therefor.
- Article 55** Where a proposed resolution on the election of Directors or Supervisors is passed at the general meeting, the term of office of the newly-elected Director or Supervisor shall be determined at the same time and shall commence at the passing of the relevant resolution at the general meeting and upon the approval of qualification.
- Article 56** Where a proposed resolution in relation to the payment of cash dividends, the issue of bonus shares or the capitalisation of capital reserves is passed at a general meeting, the Company shall implement the specific plans within two (2) months after the conclusion of the general meeting.
- Article 57** Resolution of the general meeting of the Company would be invalid if it violates the laws or administrative regulations.
- The controlling shareholder(s) and actual controller(s) of the Company should not restrict or obstruct the minority shareholders from exercising their legitimate voting rights, and should not prejudice the legitimate interests of the Company and minority investors.
- Where any of the procedures for convening a general meeting or the means of voting violates the laws, administrative regulations or the Company's Articles of Association, or the resolution violates the Company's Articles of Association, shareholders may request the people's court to revoke such resolution within 60 days from the date of the resolution.

Chapter 6 Special Procedures for Voting by Class Shareholders

Article 58 Shareholders holding different classes of shares shall be class shareholders.

Class shareholders shall enjoy the rights and assume the obligations in accordance with laws, administrative regulations and the Articles of Association.

Apart from holders of other classes of shares, holders of Domestic Shares and overseas listed foreign shares are deemed to be shareholders of different classes.

Where the share capital of the Company includes shares which do not carry voting rights, the words “non-voting shares” must appear in the designation of such shares.

Where the share capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favorable voting rights, must include the words “restricted voting” or “limited voting”.

Article 59 The Company shall not proceed to change or abrogate the rights of class shareholders unless such proposed change or abrogation has been approved by way of a special resolution at a general meeting and by a separate shareholder meeting convened by the class shareholders so affected in accordance with Articles 61 to 65.

Article 60 The following circumstances shall be deemed as change or abrogation of the rights of a certain class shareholder:

- (1) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (2) to change all or part of the shares of such class into shares of another class or to change all or part of the shares of another class into shares of that class or to grant relevant conversion rights;
- (3) to cancel or reduce rights to accrued dividends or cumulative dividends attached to shares of the said class;

- (4) to reduce or cancel rights attached to the shares of the said class to preferentially receive dividends or to receive distributions of assets in a liquidation of the Company;
- (5) to add, cancel or reduce share conversion rights, options, voting rights, transfer rights, pre-emptive placing rights, or rights to acquire securities of the Company attached to the shares of the said class;
- (6) to cancel or reduce rights to receive payments made by the Company in a particular currency attached to the shares of the said class;
- (7) to create a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of the said class;
- (8) to restrict the transfer or ownership of the shares of the said class or to impose additional restrictions;
- (9) to issue rights to subscribe for, or to convert into, shares of the said class or another class;
- (10) to increase the rights and privileges of the shares of another class;
- (11) to restructure the Company in such a way as to cause shareholders of different classes to undertake liabilities disproportionately during the restructuring;
- (12) to amend or cancel provisions in the section.

Article 61

Shareholders of the affected class, whether or not with the rights to vote at general meetings originally, shall have the right to vote at shareholders' class meetings in respect of matters referred to in items (2) to (8) and (11) to (12) in Article 60 hereof, except that interested shareholders shall not vote at such shareholders' class meetings.

The term "interested shareholders" in the preceding paragraph shall mean:

- (1) in case of a buy-back of shares by the Company by way of a general offer to all shareholders in equal proportion or by way of open market transactions on a stock exchange in accordance with Article 28 hereof, the controlling shareholders as defined in Chapter 16 of the Company's Articles of Association shall be the "interested shareholders";
- (2) in case of a buy-back of shares by the Company by an off-market agreement in accordance with Article 28 hereof, holders of shares in relation to such agreement shall be the "interested shareholders";
- (3) in case of a proposed restructuring of the Company, shareholders who assume a relatively lower proportion of obligation than the obligations imposed on the other shareholders of that class or who have an interest in the proposed restructuring that is different from the general interests in such proposed restructuring of the other shareholders of that class shall be the "interested shareholders".

Article 62 Resolution of a shareholders' class meeting shall be passed only by two thirds (2/3) or more of the total voting rights being held by the shareholders of that class, who are entitled to do so, present and vote at the shareholders' class meeting in accordance with Article 61.

Article 63 When the Company is to convene a shareholders' class meeting, it shall issue a written notice forty-five (45) days prior to the date of such meeting informing all the shareholders who are registered as holders of that class in the register of shareholders of the matters to be considered at the meeting as well as the date and place of the meeting. Shareholders who intend to attend the meeting shall deliver their written replies to the Company of their attendance twenty (20) days prior to the date of the meeting. In determining the commencement date and the period, the Company shall not include the date on which the meeting is held.

In the event that the number of the voting shares represented by the shareholders intending to attend the meeting is one half (1/2) or more of the total number of voting shares of that class, the Company may convene a shareholders' class meeting. Otherwise, the Company shall within five (5) days notify the shareholders once again, by way of public announcement, of the matters to be considered at the meeting and the date and place of the meeting. Upon notification by public announcement, the Company may then proceed to convene the shareholders' class meeting.

If there are any special requirements by the listing rules of the place where the Company's shares are listed, such requirements shall prevail.

Article 64 The notice of a shareholders' class meeting shall be sent to the shareholders entitled to vote at such meeting only.

The procedure of a shareholders' class meeting shall, to the extent possible, be identical with the procedure of a general meeting. Provisions of the Articles of Association relevant to procedure for the holding of a general meeting shall be applicable to a shareholders' class meeting.

Article 65 In the following circumstances, the special procedures for voting by class shareholders shall not apply:

- (1) with the approval by a special resolution at the general meeting, the Company issues Domestic Shares or overseas listed foreign shares alone or at the same time at each interval of twelve (12) months and the number of the Domestic Shares and overseas listed foreign shares does not exceed twenty per cent (20%) of the respective outstanding shares of such class;
- (2) the Company has made the plans to issue Domestic Shares or overseas listed foreign shares at the time of incorporation and the implementation of such plan has been completed within 15 months from the date of approval by the Securities Regulatory Authorities;
- (3) with the approval of the Securities Regulatory Authorities, shareholders of the Company list and trade their unlisted shares in any overseas stock exchanges.

Chapter 7 Supplementary Provisions

Article 66 Unless otherwise stated, the terms used in these Rules shall have same meanings ascribed to them in the Articles of Association.

Article 67 The expressions of "above", "not less than", "within", as stated in these rules shall include the figures mentioned, whilst the term "over", "less than" shall not include the figures mentioned.

- Article 68** These Rules are proposed by the Board, approved by the general meeting and approved by security authorities, and shall become effective from the date when the Company's A Shares issued under the initial public offering are listed on a domestic stock exchange. The original Rules of Procedures for Shareholders' General Meeting of the Company shall become null and void automatically on the date when these Rules come into effect.
- Article 69** These rules shall be interpreted by the Board.
- Article 70** Matters not covered in these rules shall be implemented according to the provisions of relevant laws, administrative regulations, departmental rules, normative documents, listing rules of the place where the shares of the Company are listed and the Articles of Association.