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

If you have sold or transferred all your shares in China Suntien Green Energy Corporation Limited, you should at once hand this circular, the enclosed proxy form and the reply slip for the EGM to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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China Suntien Green Energy Corporation Limited*
新天綠色能源股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

**PROPOSED ADJUSTMENTS TO CERTAIN RESOLUTIONS
OF THE A SHARE OFFERING**

China Suntien Green Energy Corporation Limited will convene the EGM at the Conference Room, 5th Floor, Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC at 9:00 a.m. on Friday, 30 August 2019. A notice and a supplemental notice convening the EGM were dispatched to the Shareholders on 15 July 2019 and 7 August 2019, respectively.

If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the form of proxy and supplemental form of proxy enclosed with the notice and supplemental notice of the EGM in accordance with the instructions printed thereon. H Shareholders shall return the form of proxy and supplemental form of proxy to Computershare Hong Kong Investor Services Limited, and Domestic Shareholders shall return the form of proxy and supplemental form of proxy to the Company's registered office and headquarters in the PRC by hand or by post no later than 24 hours before the time appointed for holding the EGM or any adjournment thereof (for the purpose of the EGM, at or before 9:00 a.m. on Thursday, 29 August 2019). Completion and return of the form of proxy and/or supplemental form of proxy shall not preclude you from attending in person and voting at the EGM or any adjournment thereof.

If you intend to attend the EGM in person or by proxy, you are requested to complete and return the reply slip enclosed with the notice of the EGM to Computershare Hong Kong Investor Services Limited (if you are a H Shareholder) or the Company's registered office and headquarters in the PRC (if you are a Domestic Shareholder) on or before Friday, 9 August 2019.

* For identification purpose only

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company currently in force
“Articles of Association (A+H Shares)”	the articles of association (draft version) of the Company effective from the A Share Listing Date
“A Shares”	the ordinary shares proposed to be issued by the Company under its A Share Offering Plan and to be subscribed for in RMB
“A Share Listing Date”	the date on which A Shares of the Company will be listed on the Shanghai Stock Exchange
“A Share Offering”	the proposed initial public offering by the Company of no more than 134,750,000 A Shares which are proposed to be listed on the Shanghai Stock Exchange
“A Share Offering Plan”	the “Plan for the Initial Public Offering and Listing of A Shares of China Suntien Green Energy Corporation Limited” prepared by the Company for the A Share Offering
“Board”	the board of directors of the Company
“Code of Corporate Governance for Listed Companies”	the Code of Corporate Governance for Listed Companies (上市公司治理準則) promulgated by the CSRC (as revised on 30 September 2018)
“Company”	China Suntien Green Energy Corporation Limited (新天綠色能源股份有限公司), a joint stock limited company incorporated in the PRC with limited liability
“connected person(s)”	shall have the meaning ascribed to it under the Listing Rules
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Shares”	ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB
“Domestic Shareholder(s)”	the holder(s) of Domestic Shares

DEFINITIONS

“EGM”	the first extraordinary general meeting of the Company for 2019 to be convened at the Conference Room, 5th Floor, Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC at 9:00 a.m. on Friday, 30 August 2019 in relation to the matters set out in this circular
“General Mandate”	the general mandate granted to the Board by the Shareholders at the 2018 annual general meeting convened on 11 June 2019 to issue Domestic Shares and H Shares representing no more than 20% of the total number of Domestic Shares and H Shares of the Company, respectively, in issue at the date of passing of the relevant resolution by the Shareholders
“Guidelines on the Articles of Association of Listed Companies”	the Guidelines on the Articles of Association of Listed Companies (上市公司章程指引) promulgated by the CSRC (as revised on 17 April 2019)
“HECIC”	Hebei Construction & Investment Group Co., Ltd. (河北建設投資集團有限責任公司), a wholly state-owned enterprise incorporated in the PRC, which is under the direct supervision of the State-owned Assets Supervision and Administration Commission of the People’s Government of Hebei Province, and a controlling shareholder of the Company
“H Shares”	the overseas listed foreign invested shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in HKD
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Shareholder(s)”	the holder(s) of H Shares
“Latest Practicable Date”	5 August 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“PRC”	the People’s Republic of China, which, for the purposes of this circular only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan region
“PRC Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法) (as revised by the Standing Committee of the Thirteenth National People’s Congress on 26 October 2018)
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure of the General Meetings (A+H Shares)”	the rules of procedure of the general meetings of the Company effective from the A Share Listing Date
“Rules of Procedure of the Board of Directors (A+H Shares)”	the rules of procedure of the board of directors of the Company effective from the A Share Listing Date
“Rules of Procedure of the Supervisory Committee (A+H Shares)”	the rules of procedure of the supervisory committee of the Company effective from the A Share Listing Date
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including the Domestic Shares and H Shares
“Shareholder(s)”	the holder(s) of Share(s)
“Working Rules of Independent Directors (A+H Shares)”	the working rules of independent directors of the Company effective from the A Share Listing Date

The translated English names of the PRC nationals, entities, departments, facilities, certificates, titles, laws, regulations and the similar terms included in this circular and for which no official English translation exists are unofficial translations for your reference only. If there is any inconsistency, the Chinese names shall prevail.

LETTER FROM THE BOARD



China Suntien Green Energy Corporation Limited* **新天綠色能源股份有限公司**

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

Board of Directors:

Non-executive Directors:

Dr. Cao Xin (*Chairman*)

Dr. Li Lian Ping

Mr. Qin Gang

Mr. Wu Hui Jiang

Executive Directors:

Mr. Mei Chun Xiao (*President*)

Mr. Wang Hong Jun

Independent Non-executive Directors:

Mr. Xie Wei Xian

Mr. Wan Yim Keung, Daniel

Dr. Lin Tao

Registered office and headquarters:

9th Floor, Block A, Yuyuan Plaza

No. 9 Yuhua West Road

Shijiazhuang City, Hebei Province
the PRC

Principal place of business in Hong Kong:

Suite 2103, Prudential Tower

The Gateway, Harbour City

Kowloon

Hong Kong

7 August 2019

To the Shareholders

Dear Sir or Madam,

PROPOSED ADJUSTMENTS TO CERTAIN RESOLUTIONS OF THE A SHARE OFFERING

1. INTRODUCTION

Reference is made to the announcement of the Company dated 11 July 2019 in relation to the proposed adjustments to certain resolutions of the A Share Offering. On 5 August 2019, HECIC, the controlling shareholder of the Company, submit to the Board a proposal on the report on the use of proceeds previously raised by the Company. Under the relevant laws, regulations and the Articles of Association, the Board presented the additional proposal submitted by HECIC at the EGM for consideration.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the EGM.

2. MATTERS TO BE TRANSACTED AT THE EGM

Details of the matters to be transacted at the EGM are set out in the notice and supplemental notice of the EGM, which were despatched to the Shareholders on 15 July 2019 and 7 August 2019, respectively.

The resolutions to be proposed at the EGM for consideration by the Shareholders include the following:

- 2.1 extension of the valid period of the resolution on the A Share Offering Plan;
- 2.2 extension of the valid period of the authorisation granted by the general meeting to the Board to handle all matters relating to the A Share Offering;
- 2.3 amendments to the Articles of Association (A+H Shares) in respect of the A Share Offering;
- 2.4 amendments to the Rules of Procedure of the General Meetings (A+H Shares) in respect of the A Share Offering;
- 2.5 amendments to the Rules of Procedure of the Board of Directors (A+H Shares) in respect of the A Share Offering;
- 2.6 amendments to the Rules of Procedure of the Supervisory Committee (A+H Shares) in respect of the A Share Offering;
- 2.7 amendments to the Working Rules of Independent Directors (A+H Shares) in respect of the A Share Offering; and
- 2.8 report on the use of proceeds previously raised by the Company.

For the aforesaid resolutions, resolutions 2.1 to 2.6 will be considered as special resolutions, and resolutions 2.7 to 2.8 will be considered as ordinary resolutions.

3. THE A SHARE OFFERING PLAN AND RELATED MATTERS

In order to expand its financing channels, optimise its capital structure and further improve its competitiveness and economic benefits, the Company has applied to the CSRC for the initial public offering and listing of A Shares. The resolutions in relation to the A Share Offering were considered and approved by the Shareholders at the 2017 first extraordinary general meeting held on 10 November 2017 and amendments to certain resolutions were made after being considered and approved by the Shareholders at the 2018 second extraordinary general meeting held on 18 September 2018.

LETTER FROM THE BOARD

The CSRC confirmed the acceptance of the Company's application for its A Share Offering on 2 November 2018 and is currently reviewing relevant application documents. For further details of the A Share Offering, please refer to the notices of extraordinary general meeting dated 25 September 2017 and 3 August 2018, the circulars to the Shareholders dated 20 October 2017 and 24 August 2018, the announcements on the poll results of extraordinary general meeting dated 10 November 2017 and 18 September 2018, and several announcements on the progress of the A Share Offering dated 2 November 2018, 17 February 2019 and 15 March 2019.

In consideration of the circumstances that more time may be required for the CSRC's approval for the A Share Offering and certain resolutions have been updated, the Board passed the resolution on the extension of the valid period of the A Share Offering Plan and other resolutions in relation to the A Share Offering at the Board meetings convened on 11 July 2019 and 31 July 2019, and hereby proposes the same for the Shareholders' consideration and approval, with details as follows:

3.1 Extension of the Valid Period of the Resolution on the A Share Offering Plan

The 12-month valid period of the A Share Offering Plan as approved by the Shareholders at the 2018 second extraordinary general meeting will expire on 17 September 2019. To ensure the successful implementation of the A Share Offering, it is proposed to the EGM to approve the extension of the valid period of the resolution on the existing A Share Offering Plan to 12 months following the approval at the EGM, which is 29 August 2020. This resolution is subject to consideration and approval at the EGM as a special resolution.

Except for the extension of the valid period, other terms in the A Share Offering Plan will remain unchanged. Details of the A Share Offering Plan are as follows:

- (1) Class of shares to be issued: RMB ordinary shares (A Shares).
- (2) Number of shares to be issued: the number of A Shares to be issued under the A Share Offering will be no more than 134,750,000 A Shares. The exact number of A Shares to be issued shall be determined by the Board and the sponsor through negotiations and book building under the authorisation to be granted at the general meeting and in view of the capital needs of the project to be financed with the proceeds from the A Share Offering. The final number of A Shares to be issued shall be subject to the approval of the CSRC. The A Share Offering is limited to the issue of new A Shares by the Company only and does not involve any transfer of Shares of the Company (the existing Shares) by the existing Shareholders of the Company to investors.
- (3) Nominal value of shares to be issued: RMB ordinary shares (A Shares) with a nominal value of RMB1.00 each.

LETTER FROM THE BOARD

- (4) Target subscribers of the shares to be issued: places that satisfy the requirements under national laws and regulations and the provisions of regulators, and domestic natural persons, legal persons and other investors which have maintained accounts at the Shanghai Stock Exchange (other than those prohibited under national laws and regulations).

The Company will take appropriate steps to ascertain the eligibility of the A-Share subscribers and to ensure that no A Shares will be allotted and issued to its connected persons and/or their associates.

- (5) Price of shares to be issued: the initial price range will be determined first by the Board and the sponsor through promotion and initial book building under the authorisation to be granted at the general meeting, and the offer price will then be determined in accordance with laws and regulations and the relevant requirements of the CSRC.
- (6) Proposed place of listing: the Shanghai Stock Exchange.
- (7) Methods of offering of shares: combination of the offline placing to specified investors through book building and the online subscription, or any other methods specified by the CSRC.
- (8) Use of proceeds: the proceeds from the A Share Offering, after deduction of the offering expenses undertaken by the Company, will be used for the investment in the HECIC Fengning Senjitu wind farm (phase 3) project (150MW). The total investment of such project shall be RMB1,473,351,900, of which RMB442,005,600 is intended to be financed with the proceeds. In the event that the actual proceeds, after deduction of the corresponding offering expenses, are insufficient to meet the investment needs for such project, the shortfall will be financed by the internal resources of the Company. If initial investment is required for the aforesaid project to be financed before the proceeds from the offering are available due to factors such as operational needs or market competition, the Company will fund the project by way of injecting its own funds, obtaining bank loans and/or financing leases, etc. Once the proceeds from the offering are available, the Company will replace its initial investment, such as self-owned funds and/or bank loans and/or financing leases, with the proceeds from the offering. In the event that the actual proceeds, after deduction of the corresponding offering expenses, are more than those required for the aforesaid project to be financed, the excess will be applied to replenish the working capital of the Company through legal procedures in accordance with the national laws, regulations and the relevant requirements of the CSRC.
- (9) Conversion into a joint stock limited liability company with Shares issued and listed domestically and overseas: after the A Shares are issued and listed with the approval of the CSRC, the Company will apply for the conversion into a joint stock limited liability company with Shares issued and listed domestically and overseas.

LETTER FROM THE BOARD

- (10) valid period of the resolution on the A Share Offering Plan: 12 months following the approval at the EGM.

3.2 Extension of the Valid Period of the Authorisation Granted by the General Meeting to the Board for Handling All Matters Relating to the A Share Offering

The 12-month valid period of the authorisation granted by the general meeting to the Board to handle all matters relating to the A Share Offering as approved by the Shareholders at the 2018 second extraordinary general meeting will expire on 17 September 2019. To ensure the successful implementation of the A Share Offering, it is proposed to the EGM to consider the extension of the valid period of the authorisation granted to the Board to handle all matters relating to the A Share Offering of the Company to 12 months following the approval at the EGM, which is 29 August 2020. This resolution is subject to consideration and approval at the EGM as a special resolution.

Except for the extension of the valid period, other terms in the grant of authorisation by general meeting to the Board will remain unchanged. The Board is authorised to handle all the matters relating to the offering and listing at the general meeting, including but not limited to the following:

- (1) negotiation with the sponsor(s) to determine and implement the proposal for the A Share Offering of the Company in accordance with the principles approved at the general meeting and the requirements of the regulatory authorities for the issue of securities in view of the prevailing conditions of the Company within the scope permitted by laws, regulations and the Articles of Association, including but not limited to: offering size, offer price, offering method, date of issuance, target subscribers, and the place of listing;
- (2) issue, review, amendment and/or signing of legal documents relating to the offering and listing of A Shares, including but not limited to the material contracts, prospectus and its summary, offer letter of intent, announcement on the offering and other relevant documents for the project to be financed with the proceeds;
- (3) preparation of application materials for the A Share Offering;
- (4) amendments and supplements to the Articles of Association (A+H Shares) considered and passed at the general meeting in view of the practical situations of the Company after the completion of the A Share Offering;
- (5) completion of the procedures in relation to capital verification and change of registration for registered capital with the department in charge of industrial and commercial administration after the completion of the A Share Offering;

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- (6) amendment to and adjustment of the plan for use of the proceeds from the A Share Offering considered and approved at the general meeting in accordance with the requirements of the CSRC, the actual situations of the Company and market conditions;
- (7) determination of the special account for the proceeds as necessary prior to the A Share Offering;
- (8) upon completion of the A Share Offering, handling of the matters regarding the registration and settlement of equity interest at China Securities Depository and Clearing Company Limited, including but not limited to equity custody registration and restriction on trading;
- (9) drafting, amendment, signing and submission of the application, memorandum, reports or materials relating to the A Share Offering to the government authorities and regulatory authorities in connection with the A Share Offering (including but not limited to the SASAC, the CSRC, the Shanghai Stock Exchange, the CSRC Hebei Office and China Securities Depository and Clearing Company Limited, Shanghai Branch), completion of the procedures for approval, registration, filing, authorisation and consent relating to the A Share Offering, making of statements and undertakings relating to the A Share Offering, and carrying out of any actions in relation to the A Share Offering as it deems necessary, suitable or appropriate;
- (10) delegation of its power to other Directors or relevant persons as necessary to individually or jointly handle the matters regarding the A Share Offering;
- (11) engagement or appointment of the relevant intermediaries for the A Share Offering, determination of service fees and signing of the relevant engagement or appointment agreements;
- (12) handling of other matters relating to the A Share Offering which are not specified but are necessary for the A Share Offering; and
- (13) the authorisation shall be effective for 12 months following the date of the EGM.

LETTER FROM THE BOARD

3.3 Amendments to the Articles of Association (A+H Shares) in Respect of the A Share Offering

In accordance with the provisions of the PRC Company Law, the Code of Corporate Governance for Listed Companies and the Guidelines on the Articles of Association of Listed Companies and subject to the actual situation of the Company, the Company proposed to further revise the Articles of Association (A+H Shares) effective upon the completion of the A Share Offering, with details as below. This resolution is subject to consideration and approval at the EGM as a special resolution.

Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
Article 11 In accordance with the requirements of the Constitution of the Communist Party of China, an organisation of the Communist Party of China shall be established and <u>play the core leading role, functioning as the political core of the Company</u> , providing direction, managing the overall situation and ensuring implementation. The working committee of the Party shall be established within the Company, and shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organisation.	Article 11 In accordance with the requirements of the Constitution of the Communist Party of China, an organisation of the Communist Party of China shall be established and <u>play the leadership role of the Company</u> , providing direction, managing the overall situation and ensuring implementation. The working committee of the Party shall be established within the Company, and shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organisation.	Amendments made to the contents related to the Party establishment pursuant to the newly revised Constitution of the Communist Party of the PRC and subject to the actual situation of the Company.

LETTER FROM THE BOARD

Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 30 In the following circumstances, the Company can buy back shares of the Company pursuant to the statutory procedures and in accordance with laws, regulations, departmental regulations and these Articles:</p> <p>(1) when canceling shares in order to reduce its capital;</p> <p>(2) when merging with other companies which hold the Company's shares;</p> <p>(3) <u>to grant shares to employees of the Company as awards;</u></p> <p>(4) because a shareholder opposes the Company's merger or division during the general meeting, he requests the Company to buy back his shares; and</p> <p>(5) other circumstances permitted under laws and administrative regulations.</p> <p>Except for the above circumstances, the Company is not allowed to buy or sell its own shares.</p>	<p>Article 30 In the following circumstances, the Company can buy back shares of the Company pursuant to the statutory procedures and in accordance with laws, regulations, departmental regulations, <u>the rules governing the listing of securities on securities exchanges</u> and these Articles:</p> <p>(1) when canceling shares in order to reduce its capital;</p> <p>(2) when merging with other companies which hold the Company's shares;</p> <p>(3) <u>to utilize shares in the employee share ownership plan or for share incentive;</u></p> <p>(4) because a shareholder opposes the Company's merger or division during the general meeting, he requests the Company to buy back his shares;</p> <p>(5) <u>to utilise the shares for conversion of corporate bonds issued by the Company that are convertible into shares; and</u></p> <p>(6) <u>where it is necessary for the Company to safeguard the value of the Company and the interests of its shareholders.</u></p> <p>Except for the above circumstances, the Company is not allowed to buy or sell its own shares.</p>	<p>Amended pursuant to Article 142 of the PRC Company Law and Article 23 of the Guidelines on the Articles of Association of Listed Companies.</p>

LETTER FROM THE BOARD

Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 31 Upon approval by the State department in charge, the following methods may be adopted to buy back shares:</p> <p>(1) issue a buy back offer to all shareholders according to an equal percentage;</p> <p>(2) through means of open trading at the stock exchange;</p> <p>(3) through means of an agreement outside the stock exchange; or</p> <p>(4) through other means approved by related supervisory department.</p>	<p>Article 31 <u>Subject to the fulfillment of provisions of laws, administrative regulations, departmental rules, the rules governing the listing of securities on securities exchanges and these Articles</u>, and upon approval by the State department in charge, the following methods may be adopted to buy back shares:</p> <p>(1) issue a buy back offer to all shareholders according to an equal percentage;</p> <p>(2) through means of open trading at the stock exchange;</p> <p>(3) through means of an agreement outside the stock exchange; or</p> <p>(4) through other means approved by related supervisory department.</p> <p><u>If the Company acquires its own shares under the circumstances described in items (3), (5) and (6) of Article 30 of these Articles, it shall conduct such buybacks through centralized public transaction.</u></p>	<p>Amended pursuant to Article 142 of the PRC Company Law and Article 24 of the Guidelines on the Articles of Association of Listed Companies.</p>
<p>Article 33 <u>After the Company acquires its own shares under the requirements of (1), (2), and (4) of Article 30 of these Articles, it shall cancel or transfer the shares within the period required under laws and administrative regulations and shall make an application to its original registration authority to modify the registration on its registered capital and make relevant announcement. The number of shares repurchased pursuant to the requirements under (3) of Article 30 shall not exceed the highest proportion required under laws and administrative regulations and the funds used for acquisition shall be financed by the profits after tax of the Company. Such shares shall be transferred to employees within the period required under laws and administrative regulations.</u></p>	<p>Article 33 <u>If the Company acquires its own shares under the circumstances described in (1) and (2) of Article 30 of these Articles, it shall obtain approval of the general meeting by way of resolution; if the Company acquires its own shares in (3), (5) and (6) of Article 30 of these Articles, it shall obtain approval by way of resolution at the board meeting attended by more than two-thirds directors.</u></p>	<p>Amended pursuant to Article 142 of the PRC Company Law and Article 25 of the Guidelines on the Articles of Association of Listed Companies.</p>

LETTER FROM THE BOARD

Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>The Company shall cancel that portion of shares due to repurchase of shares and shall make an application to its original registration authority to modify the registration on its registered capital. The aggregate par value of the cancelled shares shall be offset against the registered capital of the Company.</p>	<p><u>After the Company acquires its own shares according to Article 30 of these Articles, it shall cancel the shares it has acquired within 10 days after the acquisition if such acquisition is made under the circumstances as described in (1) of Article 30; if the acquisition is made under the circumstances as described in (2) or (4) of Article 30, it shall transfer or cancel the shares it has acquired within 6 months after the acquisition. In case of the circumstances as stated in (3), (5) or (6) of Article 30, the total shares of the Company held by the Company shall not exceed 10% of its total shares in issue and the shares it has acquired shall be transferred or cancelled within 3 years after the acquisition. However, if laws, administrative regulations, departmental regulations, and the rules governing the listing of securities on securities exchanges require otherwise, such provisions shall apply.</u></p> <p>The Company shall cancel that portion of shares due to repurchase of shares and shall make an application to its original registration authority to modify the registration on its registered capital. The aggregate par value of the cancelled shares shall be offset against the registered capital of the Company.</p>	

LETTER FROM THE BOARD

Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 65 The venue to hold a shareholder's meeting of the Company is: the Company's domicile or other specified place notified by convener of the general meeting.</p> <p>The shareholder's meeting should provide a venue for holding the meeting in the form of on-the-spot meeting. The Company shall also provide internet or other means for the convenience of shareholders attending the meeting. Shareholders attending the shareholder's meeting using the above method are considered present at the meeting.</p> <p>If the general meeting is convened through online or other forms, the voting time and procedures of the meeting convened in online or other forms shall be clearly stated in the notice of the general meeting. The starting time of the general meeting convened in online or other forms shall not be earlier than 3:00 pm on the day before the on-site general meeting and shall not be later than 9:30 am on the day of the on-site general meeting. The ending time shall not be earlier than 3:00 pm on the day of the on-site general meeting.</p>	<p>Article 65 The venue to hold a shareholder's meeting of the Company is: the Company's domicile or other specified place notified by convener of the general meeting.</p> <p>The shareholder's meeting should provide a venue for holding the meeting in the form of on-the-spot meeting. The Company shall also provide <u>online voting or other means permitted under the listing rules of the place where the Company's shares are listed</u> for the convenience of shareholders attending the meeting. Shareholders attending the shareholder's meeting using the above method are considered present at the meeting.</p> <p>If the general meeting is convened through online or other forms, the voting time and procedures of the meeting convened in online or other forms shall be clearly stated in the notice of the general meeting. The starting time of the general meeting convened in online or other forms shall not be earlier than 3:00 pm on the day before the on-site general meeting and shall not be later than 9:30 am on the day of the on-site general meeting. The ending time shall not be earlier than 3:00 pm on the day of the on-site general meeting.</p>	<p>Amended pursuant to Article 44 of the Guidelines on the Articles of Association of Listed Companies.</p>

LETTER FROM THE BOARD

Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 106 The list of candidates for directors or supervisors shall be proposed to the general meeting for voting.</p> <p>When a voting is made on the election of directors or supervisors at a general meeting, the cumulative voting system may be adopted in accordance with the provisions of these Articles or the resolutions of the general meeting.</p> <p>The cumulative voting system as mentioned in the preceding paragraph means that each share shall have the same voting right as the number of directors or supervisors to be elected, and the voting right held by the shareholders may be used collectively when the directors or supervisors are elected at the general meeting. The board of directors shall simultaneously provide shareholders with the biographical details and basic information about the candidates for directors and supervisors.</p>	<p>Article 106 The list of candidates for directors or supervisors shall be proposed to the general meeting for voting.</p> <p>When a voting is made on the election of directors or supervisors at a general meeting, the cumulative voting system shall be adopted in accordance with the provisions of these Articles or the resolutions of the general meeting.</p> <p>The cumulative voting system as mentioned in the preceding paragraph means that each share shall have the same voting right as the number of directors or supervisors to be elected, and the voting right held by the shareholders may be used collectively when the directors or supervisors are elected at the general meeting. The board of directors shall simultaneously provide shareholders with the biographical details and basic information about the candidates for directors and supervisors.</p>	<p>Amended pursuant to Article 17 of the Code of Corporate Governance for Listed Companies.</p>
<u>Chapter 11</u>	<u>Chapter 10</u>	<p>Proposed to relocate Chapter 11 “Party Committee” of the Articles of Association (A+H Shares) before Chapter 10 “The Board of Directors”.</p>
<p>Article 159 The Party Committee shall perform its duties in accordance with the Constitution of the Communist Party of China and other internal regulations of the Party.</p> <p>(1) To ensure and supervise the Company’s implementation of policies and guidelines of the Party and the State and implement major strategic decisions of the Communist Party of China Central Committee and the State Council, as well as important work arrangements of the superior party organization.</p>	<p>Article 129 The Party Committee shall perform its duties in accordance with the Constitution of the Communist Party of China and other internal regulations of the Party.</p> <p>(1) To ensure and supervise the Company’s implementation of policies and guidelines of the Party and the State and implement major strategic decisions of the Communist Party of China Central Committee and the State Council, as well as important work arrangements of the superior party organization.</p>	<p>Amendments made to the contents related to the Party establishment pursuant to the newly revised Constitution of the Communist Party of the PRC and subject to the actual situation of the Company.</p>

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Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>(2) <u>To uphold the integration of the principle of management of cadres by the Party with the function of the board of directors in the lawful selection of operation managers and the function of operation managers in the lawful exercise of authority of employment of personnel. The Party Committee shall consider and comment on the candidates nominated by the board of directors or the chief executive officer, or recommend candidates to the board of directors or the chief executive officer. The Party Committee shall evaluate the proposed candidates with the board of directors</u> and put forth comments and suggestions collectively.</p> <p>(3) To research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employee interests, and provide comments and suggestions thereon.</p> <p>(4) To undertake the main responsibility to strictly administer the Party in all aspects, lead the Company's ideological and political work, united front work, spiritual civilization construction, corporate culture construction and the work of organisations such as the labour union and the communist youth league, and lead the construction of the party conduct and of an honest and clean administration and support the fulfilment of the supervision responsibility by the discipline inspection committee.</p>	<p>(2) <u>To uphold the integration of the principle of management of cadres by the Party with the function of management team in the lawful exercise of authority of employment of personnel. The Party Committee shall consider and comment on the candidates nominated by the management team, or recommend candidates to the management team. The Party Committee shall establish a management team to evaluate the proposed candidates</u> and put forth comments and suggestions collectively.</p> <p>(3) To research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employee interests, and provide comments and suggestions thereon.</p> <p>(4) To undertake the main responsibility to strictly administer the Party in all aspects, lead the Company's ideological and political work, united front work, spiritual civilization construction, corporate culture construction and the work of organisations such as the labour union and the communist youth league, and lead the construction of the party conduct and of an honest and clean administration and support the fulfilment of the supervision responsibility by the discipline inspection committee.</p>	

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Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
	<p><u>Article 130 Operating mechanism for the Party Committee to study and discuss major issues will be established. In accordance with the requirement that “study and discussion by the Party Committee of major issues is a prerequisite procedure for any decision-making by the board of directors and the management on such issues,” a simple, practicable and efficient operating mechanism for the Party Committee to study and discuss major issues shall be established.</u></p>	Proposed to add this article after Article 159 under Chapter 11 “Party Committee” of the Articles of Association (A+H Shares) to provide comprehensive contents related to the Party establishment of the Articles of Association (A+H Shares).
<u>Chapter 10</u>	<u>Chapter 11</u>	Proposed to relocate Chapter 10 “The Board of Directors” of the Articles of Association (A+H Shares) after Chapter 11 “Party Committee”.
<p><u>Article 128</u> The Company shall have a board of directors. The board of directors shall consist of <u>eleven</u> directors, of which <u>four shall be independent directors</u>. The board of directors shall have one chairman and two vice chairmen.</p>	<p><u>Article 131</u> The Company shall have a board of directors. The board of directors shall consist of <u>nine</u> directors, of which <u>three shall be independent directors</u>. The board of directors shall have one chairman and two vice chairmen.</p>	Adjustment made according to the latest composition of the Board of Directors of the Company.
<p><u>Article 129</u> Directors shall be elected by a general meeting. The term of office of a director shall be three years. If the term of office of a director expires, he/she may be reappointed for consecutive terms.</p>	<p><u>Article 132</u> Directors shall be elected or removed by a general meeting and may be discharged from their positions by the general meeting prior to the expiry of the terms of office. The term of office of a director shall be three years. If the term of office of a director expires, he/she may be reappointed for consecutive terms.</p>	Amended pursuant to Article 96 of the Guidelines on the Articles of Association of Listed Companies.

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Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>A director's term of office shall start on the date of taking the position and end on the expiration date of the director's term of office. If, upon the expiry of a director's term of office, a new director cannot be elected on a timely basis, before the re-elected director starts his/her term of office, such director shall continue to perform his/her duties in accordance with laws, administrative regulations, departmental rules and these Articles.</p> <p>A chairman and vice chairmen shall be elected or removed by more than 50% of the board of directors. The term of office of the chairman and vice chairmen shall be 3 years and they may be reappointed for consecutive terms if re-elected.</p> <p>The chief executive officer or other senior management officer can concurrently serve as a director, but the number of directors who also serve as the chief executive officer or other senior management positions and the directors who also serve as the employee representatives shall not be more than one-half of the total number of directors of the Company.</p> <p>Subject to the provisions of the relevant laws and administrative regulations, the general meeting shall have the power by ordinary resolution to remove any director before the expiration of his/her term of office, but without prejudice to any claim for damages under any contract.</p> <p>A director shall not be required to hold the Company's shares.</p>	<p>A director's term of office shall start on the date of taking the position and end on the expiration date of the director's term of office. If, upon the expiry of a director's term of office, a new director cannot be elected on a timely basis, before the re-elected director starts his/her term of office, such director shall continue to perform his/her duties in accordance with laws, administrative regulations, departmental rules and these Articles.</p> <p>A chairman and vice chairmen shall be elected or removed by more than 50% of the board of directors. The term of office of the chairman and vice chairmen shall be 3 years and they may be reappointed for consecutive terms if re-elected.</p> <p>The chief executive officer or other senior management officer can concurrently serve as a director, but the number of directors who also serve as the chief executive officer or other senior management positions and the directors who also serve as the employee representatives shall not be more than one-half of the total number of directors of the Company.</p> <p>Subject to the provisions of the relevant laws and administrative regulations, the general meeting shall have the power by ordinary resolution to remove any director before the expiration of his/her term of office, but without prejudice to any claim for damages under any contract.</p> <p>A director shall not be required to hold the Company's shares.</p>	

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Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 143 The board of directors establishes four specific committees, audit committee, remuneration and assessment committee, nomination committee, strategic and investment committee. Under the leadership of the board of directors, the committees, the composition and the terms of reference of which are separately recommended by the board of directors, shall assist the board of directors to execute its function and power or provide advice or consulting opinions to the board of directors for decision making.</p>	<p>Article 146 The board of directors establishes four specific committees, audit committee, remuneration and assessment committee, nomination committee, strategic and investment committee. Under the leadership of the board of directors, the committees, the composition and the terms of reference of which are separately recommended by the board of directors, shall assist the board of directors to execute its function and power or provide advice or consulting opinions to the board of directors for decision making. <u>All the specific committees shall be accountable to the board of directors, perform their duties in accordance with these Articles and the authorization of the board of directors, and submit resolutions to the board of directors for consideration and decision. All members of the specific committees shall be directors, of which independent directors shall account for the majority of members of the audit committee, remuneration and assessment committee, nomination committee, and shall serve as chairman. The chairman of the audit committee shall be an accounting professional.</u></p>	<p>Amended pursuant to Article 107 of the Guidelines on the Articles of Association of Listed Companies.</p>

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Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 151 A director shall attend meetings of the board of directors in person. Where a director is unable to attend a board meeting due to special circumstances, <u>he/she may entrust, in writing, another director to act as his/her representative at the meeting and the letter of proxy shall stipulate the scope of authority.</u></p> <p>The entrusted director shall exercise the right of the entrusting director within the designated scope of authority. If a director did not attend a certain meeting of the board of directors and failed to entrust another director as his/her representative at that meeting, this shall be regarded as a renunciation of his/her voting rights at that meeting.</p>	<p>Article 154 A director shall attend meetings of the board of directors in person. Where a director is unable to attend a board meeting due to special circumstances, <u>he/she may entrust, in writing, another director to vote on his/her behalf at the meeting according to his/her intentions. The letter of proxy shall stipulate the name of the proxy, the subject matter, scope of authority and valid period, and shall be executed or sealed by the entrusting party. The entrusting party shall bear the legal responsibilities individually.</u></p> <p>The entrusted director shall exercise the right of the entrusting director within the designated scope of authority. If a director did not attend a certain meeting of the board of directors and failed to entrust another director as his/her representative at that meeting, this shall be regarded as a renunciation of his/her voting rights at that meeting. <u>Independent directors shall not entrust non-independent directors to vote on their behalf.</u></p>	<p>Amended pursuant to Article 22 of the Code of Corporate Governance for Listed Companies.</p>
<p>Article 163 The Company shall have one chief executive officer, several vice presidents who assist the chief executive officer with his work; one chief accountant; one general engineer. The chief executive officer, vice presidents, chief accountant and general engineer shall be appointed and removed by the board of directors.</p> <p>The chief executive officer's and other senior management's term of office are three (3) years. They can be reappointed for consecutive terms.</p>	<p>Article 164 The Company shall have one chief executive officer, several vice presidents who assist the chief executive officer with his work; one chief accountant; one general engineer. The chief executive officer, vice presidents, chief accountant and general engineer shall be appointed and removed by the board of directors.</p> <p>The chief executive officer's and other senior management's term of office are three (3) years. They can be reappointed for consecutive terms.</p> <p><u>Any personnel who holds other administrative positions other than directors and supervisors in the Company's controlling shareholder shall not serve as a senior management officer of the Company.</u></p>	<p>Amended pursuant to Article 126 of the Guidelines on the Articles of Association of Listed Companies.</p>

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Original provisions of the Articles of Association (A+H Shares)	Amended provisions of the Articles of Association (A+H Shares)	Reasons for amendment
<p>Article 172 The supervisory committee shall comprise <u>six (6) supervisors, of which two (2) are external supervisors, two (2) are employee representative supervisors and two (2) are independent supervisors</u>. A supervisor's term of office is three (3) years. He/She can be reappointed for consecutive terms.</p> <p>If, upon the expiry of a supervisor's term of office, a new supervisor cannot be elected on a timely basis, or if any supervisor resigns before the expiry of his/her term of office so that the number of the members of the supervisory committee is below the quorum, before the re-elected supervisor starts his/ her term of office, such supervisor shall continue to perform his/her duties in accordance with provisions of the laws, administrative regulations and the Articles of Association.</p> <p>The supervisory committee shall have one chairman. The chairman of the supervisory committee is appointed and removed on election by more than two-thirds (including two-thirds) of supervisors.</p>	<p>Article 173 The supervisory committee shall comprise <u>three (3) supervisors, of which one (1) is an external supervisor, one (1) is an employee representative supervisor and one (1) is an independent supervisor</u>. A supervisor's term of office is three (3) years. He/She can be reappointed for consecutive terms.</p> <p>If, upon the expiry of a supervisor's term of office, a new supervisor cannot be elected on a timely basis, or if any supervisor resigns before the expiry of his/her term of office so that the number of the members of the supervisory committee is below the quorum, before the re-elected supervisor starts his/ her term of office, such supervisor shall continue to perform his/her duties in accordance with provisions of the laws, administrative regulations and the Articles of Association.</p> <p>The supervisory committee shall have one chairman. The chairman of the supervisory committee is appointed and removed on election by more than two-thirds (including two-thirds) of supervisors.</p>	<p>Adjustment made according to the latest composition of the supervisory committee of the Company.</p>

Due to the revision of the regulations cited, the Company amended the name of the regulations involved in the Articles of Association (A+H Shares) accordingly. Save for the proposed amendments above, the contents of other chapters and articles of the Articles of Association (A+H Shares) will remain unchanged. The proposed amendments to the Articles of Association (A+H Shares) are prepared in Chinese, and translated into English. In the case of any inconsistency between the English translation and the Chinese version of the Articles of Association (A+H Shares), the Chinese version shall prevail.

Notwithstanding the amendments made to the provisions for share repurchase by the Company under the Articles of Association (A+H Shares), any H Shares repurchase by the Company shall still be subject to the relevant requirements of and limitations imposed by the Listing Rules, including but not limited to the relevant requirements of Chapter 10 and Chapter 19A. In particular, pursuant to the requirements of Rules 10.06(5) and Rules 19A.24 of the Listing Rules, the listing status of all H Shares repurchased by the Company shall be automatically cancelled upon repurchase, and the Company must apply for listing of any H Shares in further issue in the normal way. The Company shall ensure that the documents of title of the repurchased H Shares are cancelled and destroyed as soon as reasonably practicable following the settlement of any repurchase of H Shares. Besides, pursuant to Rule 19A.25(1) of Listing Rules, any H Share repurchase of the Company in the future shall be subject to (i) the approval by the Shareholders at the general meeting by way of a special

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resolution; (ii) the approval by Domestic Shareholders at the Domestic Share class meeting by way of a special resolution; and (iii) the approval by H Shareholders at the H Share class meeting by way of a special resolution. When the Company publishes the notice of meeting and circular, it will also dispatch an explanation statement to the Shareholders, which contains all the information as required by Rule 10.06(1)(b) of the Listing Rules. Besides, when the Company carries out any share repurchase in the future, it will also comply with the reporting obligations set out in Rule 10.06(4) of the Listing Rules. The Company will also ensure to satisfy the public float requirement under the Listing Rules when conducting share repurchase.

3.4 Amendments to the Rules of Procedure of the General Meetings (A+H Shares) in Respect of the A Share Offering

In accordance with the Guidelines on the Articles of Association of Listed Companies and subject to the actual situation of the Company, the Company proposed to further revise the Rules of Procedure of the General Meetings (A+H Shares) effective upon the completion of the A Share Offering, with the details as follows. This resolution is subject to consideration and approval at the EGM as a special resolution.

Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>Article 28 The venue to hold a shareholder's meeting of the Company is: the Company's domicile or other specified place notified by convener of the general meeting.</p> <p>The shareholder's meeting should provide a venue for holding the meeting in the form of on-the-spot meeting. The Company may provide a safe, economical and convenient telephonic, online or other means based on requirements for the convenience of shareholders attending the meeting subject to the condition that the legality and effectiveness of the meetings are ensured. Shareholders attending the shareholder's meeting using the above method are considered present at the meeting.</p>	<p>Article 28 The venue to hold a shareholder's meeting of the Company is: the Company's domicile or other specified place notified by convener of the general meeting.</p> <p>The shareholder's meeting should provide a venue for holding the meeting in the form of on-the-spot meeting. The Company shall also provide online voting and other means permitted under the listing rules of the place where the shares are listed for the convenience of shareholders attending the meeting subject to the condition that the legality and effectiveness of the meetings are ensured. Shareholders attending the shareholder's meeting using the above method are considered present at the meeting.</p>	<p>Amended pursuant to Article 44 of the Guidelines on the Articles of Association of Listed Companies.</p>
<p>Article 57 The list of candidates for directors or supervisors shall be proposed to the general meeting for voting.</p> <p>When a voting is made on the election of directors or supervisors at a general meeting, the cumulative voting system may be adopted.</p>	<p>Article 57 The list of candidates for directors or supervisors shall be proposed to the general meeting for voting.</p> <p>When a voting is made on the election of directors or supervisors at a general meeting, the cumulative voting system shall be adopted.</p>	<p>Amended pursuant to Article 17 of the Code of Corporate Governance for Listed Companies.</p>

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>The accumulative voting system referred to in the preceding paragraph shall mean a system used in the election of directors or supervisors at a general meeting where the holder of each share shall have such number of votes as is equivalent to the number of directors or supervisors to be elected, which votes may be casted for a single candidate. The board of directors shall make an announcement to shareholders concerning the biographies and basic information of the candidates for election as directors and supervisors.</p> <p>The specific procedures of the accumulative voting system are as follows:</p> <p>(I) Non-independent directors, independent directors and supervisors of the Company shall be elected separately through separate voting.</p> <p>(II) The number of vote represented by each share shall be equivalent to the number of the candidates for non-independent directors, independent directors and supervisors elected. Shareholders may freely cast the votes on various candidates of non-independent directors, independent directors and supervisors or cast all votes on one (1) candidate.</p> <p>(III) The sum of votes cast by shareholders on the candidates of non-independent directors, independent directors and supervisors shall not exceed the total voting rights granted for the election of non-independent directors, independent directors and supervisors, otherwise their votes will become invalid.</p>	<p>The accumulative voting system referred to in the preceding paragraph shall mean a system used in the election of directors or supervisors at a general meeting where the holder of each share shall have such number of votes as is equivalent to the number of directors or supervisors to be elected, which votes may be casted for a single candidate. The board of directors shall make an announcement to shareholders concerning the biographies and basic information of the candidates for election as directors and supervisors.</p> <p>The specific procedures of the accumulative voting system are as follows:</p> <p>(I) Non-independent directors, independent directors and supervisors of the Company shall be elected separately through separate voting.</p> <p>(II) The number of vote represented by each share shall be equivalent to the number of the candidates for non-independent directors, independent directors and supervisors elected. Shareholders may freely cast the votes on various candidates of non-independent directors, independent directors and supervisors or cast all votes on one (1) candidate.</p> <p>(III) The sum of votes cast by shareholders on the candidates of non-independent directors, independent directors and supervisors shall not exceed the total voting rights granted for the election of non-independent directors, independent directors and supervisors, otherwise their votes will become invalid.</p>	

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>(IV) Based on the number of votes casted on each of the candidates of non-independent directors, independent directors and supervisors and the number of candidates of non-independent directors, independent directors and supervisors proposed to be elected, candidates who get the most votes shall be elected, and the votes of the non-independent directors, independent directors and supervisors elected shall exceed the votes representing more than half of voting rights held by shareholders (including proxies thereof) present at the general meeting.</p>	<p>(IV) Based on the number of votes casted on each of the candidates of non-independent directors, independent directors and supervisors and the number of candidates of non-independent directors, independent directors and supervisors proposed to be elected, candidates who get the most votes shall be elected, and the votes of the non-independent directors, independent directors and supervisors elected shall exceed the votes representing more than half of voting rights held by shareholders (including proxies thereof) present at the general meeting.</p>	
<p>(V) If the number of the elected non-independent directors, independent directors and supervisors is less than the number of non-independent directors and supervisors that shall be elected in the general meeting, but the number of elected directors and supervisors represents two-thirds or more of the number of member of board of directors and supervisory committee as stipulated in the Articles of Association, the vacancies of directors and supervisors shall be elected in the next general meeting.</p>	<p>(V) If the number of the elected non-independent directors, independent directors and supervisors is less than the number of non-independent directors and supervisors that shall be elected in the general meeting, but the number of elected directors and supervisors represents two-thirds or more of the number of member of board of directors and supervisory committee as stipulated in the Articles of Association, the vacancies of directors and supervisors shall be elected in the next general meeting.</p>	
<p>(VI) If the number of the elected non-independent directors, independent directors and supervisors is less than the number of non-independent directors, independent directors and supervisors that shall be elected in the general meeting, and does not reach two-thirds of the number of member of board of directors and supervisory committee as stipulated in the Articles of Association, a general meeting shall be convened again within two (2) months after the closing of the general meeting to elect the vacancies of non-independent directors, independent directors and supervisors.</p>	<p>(VI) If the number of the elected non-independent directors, independent directors and supervisors is less than the number of non-independent directors, independent directors and supervisors that shall be elected in the general meeting, and does not reach two-thirds of the number of member of board of directors and supervisory committee as stipulated in the Articles of Association, a general meeting shall be convened again within two (2) months after the closing of the general meeting to elect the vacancies of non-independent directors, independent directors and supervisors.</p>	

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3.5 Amendments to the Rules of Procedure of the Board of Directors (A+H Shares) in Respect of the A Share Offering

In accordance with the provisions of the PRC Company Law, the Code of Corporate Governance for Listed Companies and the Guidelines on the Articles of Association of Listed Companies and subject to the actual situation of the Company, the Company proposed to further revise the Rules of Procedure of the Board of Directors (A+H Shares) effective upon the completion of the A Share Offering, with the details as follows. This resolution is subject to consideration and approval at the EGM as a special resolution.

Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
Article 3 The board of directors shall consist of eleven directors and shall have one chairman and two vice chairmen, of which four shall be independent directors.	Article 3 The board of directors shall consist of nine directors and shall have one chairman and two vice chairmen, of which three shall be independent directors.	Adjustment made according to the latest composition of the Board of Directors of the Company.
Article 25 All members of the audit committee of the board are non-executive directors, of which the majority of such members should be independent directors and one of whom shall possess professional qualifications as appropriate or appropriate accounting or related financial management expertise. The chairman of the audit committee shall be an independent director. Its main duties and responsibilities are: (1) to review the major financial objective, supervise the implementation of financial and accounting rules and regulations, direct the financial and accounting work;	Article 25 All members of the audit committee of the board are non-executive directors, of which the majority of such members should be independent directors and one of whom shall possess professional qualifications as appropriate or appropriate accounting or related financial management expertise. The chairman of the audit committee shall be an independent director and shall be an accounting professional. Its main duties and responsibilities are: (1) to review the major financial objective, supervise the implementation of financial and accounting rules and regulations, <u>direct the financial work, review and analyze the financial and accounting policy and practice of the Company and its subsidiaries;</u>	Amended pursuant to Article 107 of the Guidelines on the Articles of Association of Listed Companies and for consistency with the duties and responsibilities of the Audit Committee and relevant requirements of “Terms of Reference of the Audit Committee of the Board of Directors”.

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>(2) <u>to review the rules and regulations, on finance, internal control and risk control and major control objective; monitor the soundness, reasonableness and effectiveness of execution of the Company's finance, internal and risk control system; guide the Company's risk management; and consider major investigations findings on internal control matters as delegated by the board or on its own initiative and management's response to these findings;</u></p> <p>(3) to work out a policy on collateral management and review the collateral business;</p> <p>(4) to review the annual budget and final accounts and supervise the implementation;</p> <p>(5) to review the financial analysis of major investment projects, monitor the implementation result of investment projects, and organize the review of the post-evaluation of these material investment and financing projects;</p> <p>(6) to review the proposals on profit allocation and loss remedial solutions, and make recommendations;</p> <p>(7) to review the Company's annual internal audit working plan;</p> <p>(8) to monitor the internal audit system and its implementation, make recommendations on the setting up of internal audit system as well as the appointment and removal of person in charge of the audit institutions;</p>	<p>(2) <u>to review and consider the financial supervision, risk control, internal supervision system and major control objective; discuss risk management and internal control system with the management to make sure that the management has performed its duty to establish an effective internal control system, discussions shall include the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget; monitor the soundness, reasonableness and effectiveness of execution of the Company's finance, internal and risk control system; guide the Company's risk management; and consider major investigations findings on risk management and internal control matters as delegated by the board or on its own initiative and management's response to these findings;</u></p> <p>(3) to work out a policy on collateral management and review the collateral business;</p> <p>(4) to review the annual budget and final accounts and supervise the implementation;</p> <p>(5) to review the financial analysis of major investment projects, monitor the implementation result of investment projects, and organize the review of the post-evaluation of these material investment and financing projects;</p> <p>(6) to review the proposals on profit allocation and loss remedial solutions, and make recommendations;</p> <p>(7) to review the Company's annual internal audit working plan;</p>	

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>(9) to make recommendations <u>on the engagement or change</u> of the external audit institutions to the board of directors, and to examine their remuneration and terms of engagement, and handle any questions of their resignation or dismissal;</p> <p>(10) to help facilitate communication <u>and coordination</u> between the internal audit department and external audit institution to ensure that the internal audit department is adequately resourced for operation and to review and monitor the effectiveness of the internal audit department; and to oversee the relationships between the Company and external auditors;</p> <p>(11) to review the financial information of the Company and its disclosure, independently review and make recommendations on the integrity of the financial statements, annual and half-year reports, and significant financial reporting judgements contained in these documentations;</p> <p>(12) In order to perform the duties as mentioned in item (11) above, members of the committee should liaise with the board and senior management and the committee must meet, at least twice a year, with the auditors and should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;</p>	<p>(8) to monitor the internal audit system and its implementation, make recommendations on the setting up of internal audit system as well as the appointment and removal of person in charge of the audit institutions;</p> <p>(9) to make recommendations <u>on the appointment, re-appointment or dismissal</u> of the external audit institutions to the board of directors, and to examine <u>and approve</u> their remuneration and terms of engagement, and handle any questions of their resignation or dismissal;</p> <p>(10) to <u>ensure</u> communication between the internal audit department and external audit institution <u>and coordination is made</u>; to ensure that the internal audit department is adequately resourced for operation <u>and adequately maintains its position; and to review and monitor the effectiveness of the internal audit department, and to serve as the major representative between the Company and the external audit institution</u>; and to oversee the relationships between the Company and external auditors;</p>	

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>(13) to monitor the efficient operation of internal control system. While the employees of the Company raise concerns about the improprieties in financial statements, internal control system or other matters, it should ensure that proper arrangements are in place for the Company to make a fair and independent investigation of these matters and for appropriate follow-up action;</p> <p>(14) to study and monitor the independence and objectivity of the external audit institution, and the efficiency of audit procedure according to applicable standards; the audit committee shall discuss the nature and scope of audit as well as reporting duty with auditors prior to the audit;</p> <p>(15) to formulate and execute the policies for non-audit service provided by external audit institutions.</p> <p>(16) to report to the board of directors about the work within its scope of responsibility;</p> <p>(17) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of internal control and management's response; to ensure that the board will provide a timely response to the issues raised in the external auditor's management letter;</p> <p>(18) to report on the matters set out in the code provisions C.3.3 and C.3.7 in Appendix 14 of Hong Kong Listing Rules;</p> <p>(19) other functions and powers conferred by the board of directors.</p>	<p>(11) to review the financial information of the Company and its disclosure, independently review and make recommendations on the integrity of the financial statements, annual and half-year reports <u>and quarterly reports (if proposed to be published)</u>, and significant financial reporting judgements contained in these documentations. <u>In reviewing these reports before submission to the board of directors, the committee should focus particularly on any changes in accounting policies and practices, major judgment areas, significant adjustments resulting from audit, the going concern assumptions and any qualifications, compliance with accounting standards and the listing rules of the places where the Company's shares are listed in relation to financial reporting;</u></p> <p>(12) In order to perform the duties as mentioned in item (11) above, members of the committee should liaise with the board and senior management and the committee must meet, at least twice a year, with the auditors and should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or audit <u>institution;</u></p>	

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
	<p>(13) to monitor and review the efficient operation of internal control system. While the employees of the Company <u>secretly</u> raise concerns about the improprieties in financial statements, internal control system or other matters, it should ensure that proper arrangements are in place for the Company to make a fair and independent investigation of these matters and for appropriate follow-up action;</p> <p>(14) to study and monitor the independence and objectivity of the external audit institution, and the efficiency of audit procedure according to applicable standards; the audit committee shall discuss the nature and scope of audit as well as reporting duty with auditors prior to the audit;</p> <p>(15) to formulate and execute the policies for non-audit service provided by external audit institutions. <u>The audit committee shall report and make recommendations to the board of directors on any actions or improvements that shall be taken;</u></p> <p>(16) to report to the board of directors about the work within its scope of responsibility <u>and conduct research on other issues identified by the board;</u></p> <p>(17) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of internal control and management's response; to ensure that the board will provide a timely response to the issues raised in the external auditor's management letter;</p> <p>(18) to report on the matters set out in the code provisions C.3.3 and C.3.7 in Appendix 14 of Hong Kong Listing Rules;</p> <p>(19) other functions and powers conferred by the board of directors.</p>	

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>Article 26 A majority of the members of the nomination committee shall be independent directors and the chairman for the nomination committee shall be <u>the chairman of the board or an independent director.</u></p> <p>Its main duties and responsibilities are:</p> <ol style="list-style-type: none"> (1) to study and work out the standard, procedure and method for selecting directors, chief executive officer and other senior management of the Company, as well as giving recommendations to the board of directors; (2) to examine the candidates for directors, chief executive officer and other senior management, and present its evaluating opinions on the appointment, reappointment of directors and succession planning for directors (especially the chairman of the board and chief executive officer) to the board of directors; (3) to widely search for qualified candidates of directors, chief executive officer and other senior management, and to nominate the directors, or to make recommendations to the board of directors; (4) to assess the independence of independent directors; (5) to review the structure, size and composition (including skills, knowledge and experience) of the board of directors and the senior management regularly, and make recommendations on any proposed changes to the board of directors; (6) other functions and powers conferred by the board of directors. 	<p>Article 26 A majority of the members of the nomination committee shall be independent directors and the chairman for the nomination committee shall be <u>an independent director.</u></p> <p>Its main duties and responsibilities are:</p> <ol style="list-style-type: none"> (1) to study and work out the standard, procedure and method for selecting directors, chief executive officer and other senior management of the Company, as well as giving recommendations to the board of directors; (2) to examine the candidates for directors, chief executive officer and other senior management, and present its evaluating opinions on the appointment, reappointment of directors and succession planning for directors (especially the chairman of the board and chief executive officer) to the board of directors; (3) to widely search for qualified candidates of directors, chief executive officer and other senior management, and to nominate the directors, or to make recommendations to the board of directors; (4) to assess the independence of independent directors; (5) to review the structure, size and composition (including skills, knowledge and experience) of the board of directors and the senior management regularly, <u>and make recommendations on any proposed changes of the board of directors to complement the Company's corporate strategy with due regard to the board diversity policy,</u> and make recommendations on any proposed changes to the board of directors; (6) <u>to monitor the implementation of the board diversity policy and the board nomination policy and review such policies as appropriate;</u> (7) <u>make recommendations to the board of directors on measurable objectives for achieving diversity of the board of directors;</u> (8) other functions and powers conferred by the board of directors. 	<p>Amended pursuant to Article 107 of the Guidelines on the Articles of Association of Listed Companies and for consistency with the duties and responsibilities of the Nomination Committee and relevant requirements of "Terms of Reference of the Nomination Committee of the Board of Directors".</p>

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>Article 27 A majority of the members of the remuneration and appraisal committee shall be independent directors and the chairman for the remuneration and appraisal committee shall be an independent director.</p> <p>Its main duties and responsibilities are:</p> <p>(1) to study and decide the appraisal standard of the directors and senior management, organize the appraisal and make recommendations upon delegation of the board of directors;</p> <p>(2) to study and decide the formal and transparent remuneration policy, remuneration and appraisal proposal and rewards and punishment proposal for directors and senior management;</p> <p>(3) to review and approve the remuneration determined by performance and with reference to the corporate goals adopted by the board from time to time;</p> <p>(4) to study the Company's incentive plan, remuneration system and share option scheme, to monitor and evaluate the implementation result, and make recommendations on reform and improvement;</p>	<p>Article 27 A majority of the members of the remuneration and appraisal committee shall be independent directors and the chairman for the remuneration and appraisal committee shall be an independent director.</p> <p>Its main duties and responsibilities are:</p> <p>(1) to study and determine the appraisal standard of the directors and senior management, organize the appraisal and make recommendations upon delegation of the board of directors;</p> <p>(2) to study, determine and make recommendations to the board on the formal and transparent remuneration policy and structure, remuneration and appraisal proposal and rewards and punishment proposal for all directors and senior management;</p> <p>(3) to review and approve the remuneration proposals with reference to the corporate goals and objectives adopted by the board from time to time;</p> <p>(4) to study the Company's incentive plan, remuneration system and share option scheme, to monitor and evaluate the implementation result, and make recommendations on reform and improvement;</p>	<p>Amended pursuant to Article 107 of the Guidelines on the Articles of Association of Listed Companies and for consistency with the duties and responsibilities of the Remuneration and Appraisal Committee and relevant requirements of "Terms of Reference of the Remuneration and Appraisal Committee of the Board of Directors".</p>

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>(5) to review and approve the <u>compensation</u> payable to executive directors and senior management for any loss or termination of office or appointment <u>or dismissal or removal of directors due to misconduct</u>;</p> <p>(6) to ensure that no director or any of his associates is involved in deciding his own remuneration; and</p> <p>(7) other functions and powers conferred by the board of directors.</p>	<p>(5) to review and approve the <u>compensation arrangement</u> payable to executive directors and senior management for any loss or termination of office or appointment <u>to ensure that it is consistent with contractual terms, failing which it shall be fair and reasonable but not excessive</u>;</p> <p><u>(6) to review and approve the compensation arrangement relating to dismissal or removal of directors for misconduct to ensure that it is consistent with contractual terms, failing which it shall be fair, reasonable and appropriate</u>;</p> <p>(7) to ensure that no director or any of his associates is involved in deciding his own remuneration;</p> <p><u>(8) to make recommendations to the board on remuneration of non-executive directors</u>;</p> <p><u>(9) to consider remuneration paid by comparable companies, time commitment and responsibilities, and employment conditions for other positions within the group; and</u></p> <p>(10) other functions and powers conferred by the board of directors.</p>	

3.6 Amendments to the Rules of Procedure of the Supervisory Committee (A+H Shares) in Respect of the A Share Offering

In accordance with the current composition of the supervisory committee of the Company, the Company proposed to further revise the Rules of Procedure of the Supervisory Committee (A+H Shares) effective upon the completion of the A Share Offering, with the details as follows. This resolution is subject to consideration and approval at the EGM as a special resolution.

Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>Article 3 The supervisory committee shall comprise <u>six (6) supervisors, of which two (2) are external supervisors, two (2) are employee representative supervisors and two (2) are independent supervisors</u>. The number of employee representative supervisors of the Company shall be no less than one-third of the number of all supervisors.</p>	<p>Article 3 The supervisory committee shall comprise <u>three (3) supervisors, of which one (1) is an external supervisor, one (1) is an employee representative supervisor and one (1) is an independent supervisor</u>. The number of employee representative supervisors of the Company shall be no less than one-third of the number of all supervisors.</p>	<p>Adjustment made according to the latest composition of the supervisory committee of the Company.</p>

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3.7 Amendments to the Working Rules of Independent Directors (A+H Shares) in Respect of the A Share Offering

In accordance with the provisions of the PRC Company Law, the Code of Corporate Governance for Listed Companies and the Guidelines on the Articles of Association of Listed Companies and subject to the actual situation of the Company, the Company proposed to further revise the Working Rules of Independent Directors (A+H Shares) effective upon the completion of the A Share Offering, with the details as follows. This resolution is subject to consideration and approval at the EGM as an ordinary resolution.

Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>Article 10 In addition to the requirements in Article 9 of the Rules, in assessing independence, the Company shall avoid selecting the following persons:</p> <p>(1) The person who legally or beneficially holds more than 1% of the total issued share capital of the Company;</p> <p>(2) Such person who once obtained any interest in securities from the Company or its core connected person in the form of gifts or other means of financial assistance (save as allowed under the Hong Kong Listing Rules);</p> <p>(3) Such person is the director, partner or principal of professional consultants who is providing services to the following company/people or did so within <u>one year</u> before being appointed, or is an employee of the professional consultants who provide the relevant services or did so during the same period:</p> <ol style="list-style-type: none"> 1. The Company, its holding company or any of their respective subsidiaries or core connected persons; 2. The person who was once the controlling shareholder of the Company within <u>one year</u> prior to being appointed as an independent director, or if the Company has no controlling shareholder, such person was once the chief executive officer or director of the Company (other than an independent director) or any of his close associates; 	<p>Article 10 In addition to the requirements in Article 9 of the Rules, in assessing independence, the Company shall avoid selecting the following persons:</p> <p>(1) The person who legally or beneficially holds more than 1% of the total issued share capital of the Company;</p> <p>(2) Such person who once obtained any interest in securities from the Company or its core connected person in the form of gifts or other means of financial assistance (save as allowed under the Hong Kong Listing Rules);</p> <p>(3) Such person is the director, partner or principal of professional consultants who is providing <u>or has provided</u> services to the following company/people or did so within <u>two years</u> before being appointed, or is <u>or was</u> an employee of the professional consultants who provide the relevant services or did so during the same period:</p> <ol style="list-style-type: none"> 1. The Company, its holding company or any of their respective subsidiaries or core connected persons; 2. The person who was once the controlling shareholder of the Company within <u>two years</u> prior to being appointed as an independent director, or if the Company has no controlling shareholder, such person was once the chief executive officer or director of the Company (other than an independent director) or any of his close associates; 	<p>Adjustment made according to Rule 3.13 of the Listing Rules effective from 1 January 2019.</p>

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>(4) Such person has substantial interests in any main business activities of the Company, its holding company or any of their respective subsidiaries, or is involved in major commercial transactions with the Company, its holding company or any of their respective subsidiaries, or with any core connected person of the Company;</p> <p>(5) Such person serves as a director in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;</p> <p>(6) Within 2 years prior to being proposed to be appointed as an independent director, such person was connected with the director, chief executive officer or major shareholders of the Company;</p> <p>(7) Such person is (or once was within 2 years prior to the proposed appointment as a director) an executive or a director (save for an independent director) of the Company, its holding company or any of their respective subsidiaries or any core connected persons of the Company; and</p> <p>(8) Such person is financially dependent on the Company, its controlling shareholder or any of their respective subsidiaries or the core connected persons of the Company.</p>	<p>(4) Such person has <u>or had</u> substantial interests in any main business activities of the Company, its holding company or any of their respective subsidiaries, or is involved <u>or had involved</u> in major commercial transactions with the Company, its holding company or any of their respective subsidiaries, or with any core connected person of the Company <u>currently or within one year prior to the date of his proposed appointment as an independent director;</u></p> <p>(5) Such person serves as a director in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;</p> <p>(6) Within 2 years prior to being proposed to be appointed as an independent director, such person was connected with the director, chief executive officer or major shareholders of the Company;</p> <p>(7) Such person is (or once was within 2 years prior to the proposed appointment as a director) an executive or a director (save for an independent director) of the Company, its holding company or any of their respective subsidiaries or any core connected persons of the Company;</p> <p>(8) Such person is financially dependent on the Company, its controlling shareholder or any of their respective subsidiaries or the core connected persons of the Company; and</p> <p>(9) <u>The immediate relatives of such person have one or more circumstances as described in items (1) to (8). “Immediate relatives” refer to the spouse of such person, child or step-child, natural or adopted, under the age of 18 of such person (or his/her spouse).</u></p>	

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Original provisions of the Rules	Amended provisions of the Rules	Reasons for amendment
<p>Article 13 The board, the supervisory committee or shareholders individually or jointly holding more than 3% of the issued shares of the Company are entitled to nominate candidates for independent directors to be elected at the general meetings. The term of office of an independent director shall be identical to that of the other directors of the Company. Upon expiration of the term of office, an independent director is eligible to offer himself/herself for re-election and re-appointment.</p> <p>If the board wishes to propose a resolution at a general meeting to elect a person to be an independent director, <u>the reasons for the election of such person and the reason for the independence of such person</u> shall be stated in the shareholders' circular or explanatory statement enclosed in the notice of the general meeting.</p>	<p>Article 13 The board, the supervisory committee or shareholders individually or jointly holding more than 3% of the issued shares of the Company are entitled to nominate candidates for independent directors to be elected at the general meetings. The term of office of an independent director shall be identical to that of the other directors of the Company. Upon expiration of the term of office, an independent director is eligible to offer himself/herself for re-election and re-appointment.</p> <p>If the board wishes to propose a resolution at a general meeting to elect a person to be an independent director, the following shall be stated in the shareholders' circular or explanatory statement enclosed in the notice of the general meeting:</p> <p>(1) <u>the process used for identifying the individual and why the board believes the individual should be elected and the reasons why it considers the individual to be independent;</u></p> <p>(2) <u>if the proposed independent director will be holding directorship in the seventh (or more) listed company, why the board believes the individual would still be able to devote sufficient time to perform the duties of directors;</u></p> <p>(3) <u>the perspectives, skills and experience that the individual can bring to the board; and</u></p> <p>(4) <u>how the individual contributes to diversity of the board.</u></p>	<p>Adjustment made according to Code Provision A.5.5 of Appendix 14 of the Listing Rules effective from 1 January 2019.</p>
<p>Article 28 The independent directors shall attend general meetings and develop a balanced understanding of the views of shareholders.</p>	<p>Article 28 <u>In general</u>, the independent directors shall attend general meetings and develop a <u>comprehensive and</u> balanced understanding of the views of shareholders.</p>	<p>Adjustments made according to Code Provision A.6.7 of Appendix 14 of the Listing Rules effective from 1 January 2019.</p>

3.8 REPORT ON THE USE OF PROCEEDS PREVIOUSLY RAISED BY THE COMPANY

After verification of the use of proceeds previously raised, the Company prepared the "Report on the Use of Proceeds Previously Raised" as of 30 June 2019. Ernst & Young Hua Ming LLP have verified the use of proceeds previously raised by the Company and issued the Assurance Report on the Use of Proceeds Previously Raised, as one of the application materials for the A Share Offering. The full text of the report is set out in Appendix I to this circular. This proposal is subject to the consideration and approval by the Shareholders at the EGM by way of an ordinary resolution.

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4. RELEVANT EXPLANATION RELATING TO THE A SHARE OFFERING

4.1 The matters regarding the A Share Offering are subject to the approval of the Shareholders at the EGM, securities regulatory authorities (including the CSRC) and other relevant regulatory bodies (including the relevant stock exchanges). The final proposal for the A Share Offering is subject to the approval of regulatory bodies. Upon completion of the A Share Offering, the Domestic Shares in issue will become domestic listed shares. The date of completion of the A Share Offering depends on the PRC policies in relation to the offering and listing of A Shares, the date of approval and the actual situation of the domestic capital market. As such, as at the Latest Practicable Date, the date of completion of the A Share Offering had not been determined.

4.2 In determining the offer price of A Shares, the Company will take into account the followings: (i) the operational and financial position of the Company; (ii) prevailing market conditions; (iii) market demand for A Shares; (iv) the industry in which the Company operates; (v) the requirements of applicable laws and regulations; and (vi) the average price/earnings ratio of other listed issuers of A shares in the same industry as the Company. In accordance with the relevant requirements of the SASAC, the offer price of A Shares shall not be less than the net assets value per Share available as at the date of determination of the offer price. For information purpose only, as at 31 December 2018, the net assets value per Share were RMB2.70 (calculated based on the equity interests attributable to the owners of the parent company as shown in the audited consolidated statements as of 31 December 2018). In addition, the Company will comply with the requirements of Rule 13.36(5) of the Listing Rules and the offer price of A Shares issued under the General Mandate will not represent a discount of 20% or more to the applicable benchmark price as determined in accordance with Rule 13.36(5) of the Listing Rules.

4.3 Effect of the A Share Offering Plan on the shareholding structure of the Company

The A Share Offering will be conducted pursuant to the General Mandate. In accordance with the General Mandate, the Board may issue Domestic Shares representing no more than 20% of the total number of Domestic Shares of the Company in issue at the date of the annual general meeting for 2018 held on 11 June 2019 (being 375,231,200 Domestic Shares). In accordance with the A Share Offering Plan, the Company intends to issue no more than 134,750,000 A Shares, representing approximately 7.18% and 3.63%, respectively, of the Domestic Shares in issue and the entire issued share capital of the Company as at the Latest Practicable Date.

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Assuming all the 134,750,000 A Shares under the A Share Offering Plan are issued in full with approval and the share capital of the Company will remain unchanged prior to the completion of the A Share Offering Plan, the Company's shareholding structure as at the Latest Practicable Date and immediately following the completion of the A Share Offering Plan are/will be as follows:

	As at the Latest Practicable Date		Immediately following the completion of the A Share Offering	
	Number of Shares	Approximate percentage of the issued share capital of the Company	Number of Shares	Approximate percentage of the issued share capital of the Company
Domestic Shares				
Domestic Shares in issue	1,876,156,000	50.50%	1,876,156,000	48.73%
New A Shares to be issued under the A Share Offering	–	–	134,750,000	3.50%
Sub-total of Domestic Shares:	<u>1,876,156,000</u>	<u>50.50%</u>	<u>2,010,906,000</u>	<u>52.23%</u>
H Shares	<u>1,839,004,396</u>	<u>49.50%</u>	<u>1,839,004,396</u>	<u>47.77%</u>
Total	<u><u>3,715,160,396</u></u>	<u><u>100.00%</u></u>	<u><u>3,849,910,396</u></u>	<u><u>100.00%</u></u>

Notes:

1. As at the Latest Practicable Date, all the Domestic Shares in issue were directly held by HECIC, the controlling shareholder of the Company. Following the completion of the A Share Offering, the existing Domestic Shares in issue will be converted into A Shares. However, in accordance with the relevant requirements including the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, HECIC shall not transfer or appoint any other person to manage the shares held by it prior to the A Share Offering nor cause the Company to repurchase such shares within 36 months from the A Share Listing Date.
 2. Due to rounding adjustments, the figures shown as total may not represent the arithmetic sum of the previous figures.
- 4.4 During the 12 months up to the Latest Practicable Date, the Company had not conducted any fund raising activities involving the issue of share capital.
- 4.5 Assuming that (i) all the 134,750,000 A Shares under the A Share Offering are issued in full with approval; (ii) save for the A Shares to be converted from the existing Domestic Shares following the completion of the A Share Offering; and (iii) the share capital of the Company will remain unchanged prior to the

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completion of the A Share Offering, the Company expects that its public float will continue to meet the requirements of Rule 8.08 of the Listing Rules immediately following the completion of the A Share Offering.

The A Share Offering may or may not be completed. Shareholders and potential investors should exercise caution when dealing in H Shares. The Company will make timely disclosure on further details of the A Share Offering.

5. EGM

The matters to be considered at the EGM are set out in the notice and supplemental notice of the EGM, which were despatched on 15 July 2019 and 7 August 2019, respectively. The form of proxy and reply slip for the EGM were despatched together with the notice of the EGM, while the supplemental form of proxy for the EGM was despatched together with the supplemental notice of the EGM.

If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the form of proxy and supplemental form of proxy in accordance with the instructions printed thereon. The H Shareholders shall return the form of proxy and supplemental form of proxy to Computershare Hong Kong Investor Services Limited, and the Domestic Shareholders shall return the form of proxy and supplemental form of proxy to the Company's registered office and headquarters in the PRC by hand or by post no later than 24 hours before the time appointed for holding the EGM and any adjournment thereof (for the purpose of the EGM, at or before 9:00 a.m. on Thursday, 29 August 2019). Completion and return of the form of proxy and/or supplemental form of proxy shall not preclude you from attending in person and voting at the EGM or any adjournment thereof.

If you intend to attend the EGM in person or by proxy, you are requested to complete and return the enclosed reply slip to Computershare Hong Kong Investor Services Limited (if you are a H Shareholder) or the Company's registered office and headquarters in the PRC (if you are a Domestic Shareholder) on or before Friday, 9 August 2019.

6. VOTING BY POLL

In accordance with the requirements of Rule 13.39(4) of the Listing Rules, any voting by the Shareholders at the general meeting shall be conducted by poll. As such, the chairman of the EGM will request all resolutions to be proposed at the EGM to be voted by poll in accordance with the power conferred by the Articles of Association.

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7. RECOMMENDATION

The Board is of the view that all resolutions to be proposed at the EGM are in line with the interests of the Company and its Shareholders as a whole and recommend you to vote for all the resolutions to be proposed at the EGM.

By order of the Board
China Suntien Green Energy Corporation Limited
Cao Xin
Chairman

The Assurance Report on the Use of Proceeds Previously Raised

Ernst & Young Hua Ming (2019) Zhuan Zi No. 60809266_A06

To: the Board of Directors of China Suntien Green Energy Corporation Limited

We have been engaged by China Suntien Green Energy Corporation Limited (hereinafter referred to as the “Company”) to provide assurance on the attached Report on the Use of Proceeds Previously Raised as of 30 June 2019. It is the responsibility of the Board of Directors of the Company to prepare the Report on the Use of Proceeds Previously Raised in accordance with the “Rules Governing the Report on the Use of Proceeds from Previous Fund Raising Activity” (Zheng Jian Fa Xing Zi [2007] No. 500) issued by the CSRC, and to ensure its truthfulness, accuracy and completeness as well as the absence of false statements, misleading representations or material omissions. Our responsibility is to express our assurance opinion on the Report on the Use of Proceeds Previously Raised based on the assurance work we have performed.

We have conducted our assurance work in accordance with the requirements as set out in “Chinese CPAs’ Standard on Other Assurance Engagements No. 3101 – Assurance Engagements other than Audits or Reviews of Historical Financial Information”. This standard requires us to plan and conduct our assurance work in order to obtain a reasonable assurance on whether the Report on the Use of Proceeds Previously Raised as aforementioned is free from material misstatements. In the process of performing our assurance work, we have carried out various procedures, including inquiries, random inspections and examinations as well as other procedures we deemed necessary. We are of the opinion that our assurance work has provided a reasonable basis for our opinion.

In our opinion, the Company’s Report on the Use of Proceeds Previously Raised as mentioned above has been prepared in all material aspects in accordance with the “Rules Governing the Report on the Use of Proceeds from Previous Fund Raising Activity” (Zheng Jian Fa Xing Zi [2007] No. 500) issued by the CSRC, and has reflected the Company’s use of proceeds previously raised as of 30 June 2019.

This Report is provided solely for the application by the Company to the CSRC in connection with its initial public offering of A Shares and should not be used for any other purpose without our prior written consent.

Ernst & Young Hua Ming LLP

CPA of China

Chen Jing

CPA of China

Zhang Wen Li

Beijing, China
31 July 2019

China Suntien Green Energy Corporation Limited***Report on the Use of Proceeds Previously Raised****1. About the previous fund raising**

Upon the approval by the CSRC via Zheng Jian Xu Ke [2014] No. 100, China Suntien Green Energy Corporation Limited (hereinafter referred to as the “Company”) has conducted a private placing of H Shares outside the PRC. On 28 January 2014, the Company issued 476,725,396 H Shares at the nominal value of RMB1 per H Share through the Hong Kong Stock Exchange; the offer price was HKD3.35 per H Share, and the money received due to subscriptions from Shareholders amounted to HKD1,597,030,077.00 (equivalent to RMB1,255,585,046.54); the actual net amount of proceeds from the H Share offering (after deducting the securities firm’s underwriting commission and other costs incurred as a result of the offering) was HKD1,564,044,356.00 (equivalent to RMB1,229,651,672.69).

Upon the verification by Lianda Yan Zi (2014) No. W004 Verification Report issued by the Hebei branch of Lianda Certified Public Accountants LLP, the actual proceeds drawn from the H Share issuance by the Company (after deducting the securities firm’s underwriting commission), which amounted to HKD1,564,044,356.00, were deposited into the specific deposit account (account no.: 012-875-1-154149-1) of the Company at Bank of China (Hong Kong) Limited on 28 January 2014.

As of 30 June 2019, the total balance of the specific account for proceeds from the H Share offering was HKD3,384,284.05 (equivalent to RMB2,977,019.30), in which the balance of the specific account outside the PRC was HKD3,311,629.65 (equivalent to RMB2,913,108.13), and the balance of the specific account inside the PRC was HKD72,654.40 (equivalent to RMB63,911.17).

2. Changes to the actual investment projects and the total investment amount in relation to the proceeds previously raised

Net proceeds from the placing were intended to be used for the following purposes: (1) approximately 70% to be invested in wind power generation projects in the PRC; (2) approximately 20% to be used for developing the Company’s natural gas businesses in the PRC, including but not limited to natural gas pipelines, city gas projects, liquefied natural gas projects and compressed natural gas filling stations; and (3) approximately 10% to be used for replenishing the Company’s working capital.

As of 30 June 2019, no changes were made to the purpose of the proceeds previously raised by the Company.

3. Actual utilisation of proceeds previously raised

Pursuant to the plan for the use of proceeds from the placing of H Shares as disclosed in the prospectus of the private placing of H Shares, after deducting the issue cost, approximately 70% of the total net proceeds from the H share issuance was used for the capital requirement for the wind power generation projects in the PRC; approximately 20% of the total net proceeds was used for the development of natural gas businesses in the PRC, including but not limited to the capital required for natural gas pipelines, city gas projects, liquefied natural gas projects and the projects on compressed natural gas filling stations; and approximately 10% of the total net proceeds was used to replenish the working capital.

As of 30 June 2019, the actual utilisation of proceeds previously raised is set out in “Checklist on the Use of Proceeds Previously Raised” and “Checklist on the Benefits Realised from the Projects Invested with Proceeds Previously Raised” as follows.

Checklist on the Use of Proceeds Previously Raised											
<i>Unit: RMB</i>											
Net proceeds (after deducting securities firm's underwriting commission and other costs as a result of the offering): 1,229,651,672.69			Cumulative total amount of proceeds used: 1,284,919,261.76				Interest income and exchange gain: 58,244,608.37				
Total amount of proceeds used for a changed purpose:		N/A		Total amount of proceeds used in each year:							
Percentage of the total amount of proceeds used for a changed purpose:		N/A		2014: 595,749,435.11 2015: 178,859,027.67 2016: 272,162,381.08 2017: 73,498,518.32 2018: 61,037,883.71 2019: 103,612,015.87							
Investment projects			Total amount of proceeds invested			Cumulative amount of proceeds invested as of 30 June 2019					
S/N	Promised investment projects	Actual investment projects	Promised investment amount before fund-raising	Promised investment amount after fund-raising	Actual investment amounts	Promised investment amount before fund-raising	Promised investment amount after fund-raising	Actual investment amount	Difference between the actual investment amount and the promised investment amount after fund-raising	Date for project being ready for	
1	Wind power segment <i>(Note)</i>	Wind power segment	70% of the proceed	860,756,170.88	926,309,044.09	70% of the proceed	860,756,170.88	926,309,044.09	(65,552,873.21)	N/A	
2	Natural gas segment	Natural gas segment	20% of the proceed	245,930,334.54	208,200,000.00	20% of the proceed	245,930,334.54	208,200,000.00	37,730,334.54	N/A	
3	Replenishment of working capital <i>(Note)</i>	Replenishment of working capital	10% of the proceed	122,965,167.27	150,410,217.67	10% of the proceed	122,965,167.27	150,410,217.67	(27,445,050.40)	N/A	
	Total			1,229,651,672.69	1,284,919,261.76		1,229,651,672.69	1,284,919,261.76	(55,267,589.07)	N/A	

Note: The Company replenished its working capital and wind power generation projects with part of the interest income and exchange gains generated from the proceeds.

Checklist on the Benefits Realised from the Projects Invested with Proceeds Previously Raised

Unit: RMB

S/N	Actual investment projects	Cumulative production capacity utilisation of the investment projects as of 30 June 2019	Promised benefits	Actual benefits for 2014, 2015, 2016, 2017, 2018 and January – June 2019						Cumulative benefits realised as of 30 June 2019	Whether the expected benefits are achieved
				2014	2015	2016	2017	2018	January – June 2019		
1	Wind power segment	N/A	N/A	–	9,976,704.50	65,745,177.90	311,014,433.48	555,587,749.03	343,700,224.32	1,286,024,289.23	N/A
2	Natural gas segment	N/A	N/A	–	(8,807,313.98)	(28,783,078.71)	(19,418,415.91)	(17,024,765.08)	4,700,496.07	(69,033,077.61)	N/A
3	Replenishment of working capital	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

4. Comparisons between the actual utilisation of proceeds previously raised and the relevant contents disclosed in the regular reports of the Company

The comparisons between the actual utilisation of proceeds previously raised as aforementioned and the actual utilisation of proceeds previously raised as disclosed in the annual reports of 2014, 2015, 2016, 2017 and 2018 of the Company are set out as below:

Unit: RMB million

S/N	Actual investment projects	Actual amount of proceeds utilized as of the end of the reporting period					Investment amount with proceeds as disclosed in the annual reports of the Company					Differences				
		2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
1	Wind power segment	343.30	126.99	230.96	69.40	53.22	343.30	126.99	230.96	69.40	53.22	–	–	–	–	–
2	Natural gas segment	208.20	–	–	–	–	208.20	–	–	–	–	–	–	–	–	–
3	Replenishment of working capital	44.25	51.87	41.20	4.10	7.82	44.25	51.87	41.20	4.10	7.82	–	–	–	–	–
	Total	595.75	178.86	272.16	73.50	61.04	595.75	178.86	272.16	73.50	61.04	–	–	–	–	–

No differences were found between the actual utilisation of proceeds previously raised and the relevant contents disclosed in the annual reports of the Company in 2014, 2015, 2016, 2017 and 2018.

5. Conclusion

The Board is of the view that the Company has utilised the proceeds previously raised in accordance with the plan for the use of proceeds from the H Share issuance as disclosed in the prospectus of the previous H Share issuance. The Company has fulfilled its obligation of disclosure in relation to its investment and progress of proceeds previously raised in accordance with the “Rules Governing the Report on the Use of Proceeds from Previous Fund Raising Activity” (Zheng Jian Fa Xing Zi [2007] No. 500) issued by the CSRC.

The Directors of the Company undertake that this Report does not contain any false statements, misleading representations or material omissions, and jointly and severally accept legal liability for the truthfulness, accuracy and completeness hereof.

China Suntien Green Energy Corporation Limited

Board of Directors

31 July 2019