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ANNOUNCEMENT

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND PROCEDURAL RULES

The board of directors of the Company (the “Board”) announces that the Board convened the extraordinary meeting of the 7th session of the Board on 10 October 2017 and approved, among others, the resolution in relation to the amendments to the Articles of Association of the Company (the “Articles of Association”), the Procedural Rules of the Shareholders' General Meeting, the Procedural Rules of the Board of Directors and the Procedural Rules of the Supervisory Committee (the “Proposed Amendments”).

The Proposed Amendments are made pursuant to following requirements:

- (i) according to the requirements of the relevant of the “Notice of Accelerating the Inclusion of General Provisions into the Articles of Association of Central Level State-Owned Enterprises for Party Building” (《關於加快推進中央企業黨建工作總體要求納入公司章程有關事項的通知》) (Guo Zi Dang Wei Dang Jian [2017] No. 1), the general provisions for party building is proposed to be added in the Articles of Association and the Procedural Rules of the Board of Directors;
- (ii) according to the Guidance for the Articles of Listed Company (2016) (《上市公司章程指引(2016)》) revised and issued by the China Securities Regulatory Commission in 2016, and taking into consideration the practice of the Company's normative operation, it is proposed to amend and improve the Articles of Association, the Procedural Rules of the Shareholders' General Meeting and the Procedural Rules of the Board of Directors;
- (iii) in order to improve the decision-making efficiency, it is proposed to adjust the number of members of the board of directors and the institutional settings according to the actual operation need;
- (iv) the corresponding revision made to the Articles of Association according to other requirements according to industrial and commercial registration; and

(v) according to the relevant amendment to the Articles of Association, and taking into consideration the practice of the Company's normative operation, it is proposed to amend and improve the Procedural Rules of the Supervisory Committee.

The Proposed Amendments are subject to the approval of the shareholders of the Company by way of special resolutions at the coming 2017 first extraordinary general meeting to be held on 8 November 2017 (the "EGM"), and the obtaining of any approval, endorsement or registration (as applicable) from or with the relevant government authorities in the PRC.

Details of the Proposed Amendments are set out in the Appendix to this announcement.

Except the clauses as stated in the Appendix, other clauses in the Articles of Association, the Procedural Rules of the Shareholders' General Meeting, the Procedural Rules of the Board of Directors and the Procedural Rules of the Supervisory Committee remain unchanged.

A supplemental circular containing, inter alia, further details of the Proposed Amendments together with the supplemental notice of the EGM will be despatched to the shareholders of the Company as soon as practicable.

By order of the Board
China Southern Airlines Company Limited
Xie Bing
Company Secretary

Guangzhou, the People's Republic of China

10 October 2017

As at the date of this announcement, the Directors include Wang Chang Shun, Yuan Xin An and Yang Li Hua as non-executive Directors, Tan Wan Geng, Zhang Zi Fang and Li Shao Bin as executive Directors; and Ning Xiang Dong, Liu Chang Le, Tan Jin Song, Guo Wei and Jiao Shu Ge as independent non-executive Directors.

Appendix

1. Table of Amendments to the Articles of Association

No.	Existing articles	Articles to be revised
1	Article 5 Address of the Company: Unit 301, 3/F, Office Tower Guanhao Science Park Phase I, 12 Yuyan Street <u>Luogang District</u> , Guangzhou, Guangdong Province 	Article 5 Address of the Company: Unit 301, 3/F, Office Tower Guanhao Science Park Phase I, 12 Yuyan Street Huangpu District , Guangzhou, Guangdong Province
2	Article 9 The Company may amend these Articles of Association pursuant to the Company Law, the Special Regulations, “Mandatory Provisions for Articles of Association of Companies to be Listed Overseas” (hereinafter referred to as the “Mandatory Provisions”), <u>“Mandatory Provisions for Articles of Association of Listed Companies”</u> and other relevant laws and administrative regulations of the PRC.	Article 9 The Company may amend these Articles of Association pursuant to the Company Law, the Special Regulations, “Mandatory Provisions for Articles of Association of Companies to be Listed Overseas” (hereinafter referred to as the “Mandatory Provisions”), “Guidelines for Listed Companies” and other relevant laws and administrative regulations of the PRC.
3		Adding Article 16 after Article 15, the subsequent Articles shall be renumbered accordingly. Article 16 According to the Constitution of the Communist Party of China, the Company shall establish an organization of the Communist Party of China. The Party committee shall perform the core leading and political functions, control the directions, manage the situation and ensure the implementation. The Company shall set up the working organs of the Party, which shall be equipped with sufficient personnel to handle Party affairs and provided with sufficient funds to operate the Party organization.
4	<u>Article 18</u> The scope of business of the Company covers: (1) provision of scheduled and non-scheduled domestic, regional and international air transportation services for passengers, cargo, mail and luggage; (2)	Article 19 The scope of business of the Company covers: (1) provision of scheduled and non-scheduled domestic, regional and international air transportation services for passengers, cargo, mail and luggage; (2)

	<p>undertaking general aviation services; (3) provision of aircraft repair and maintenance services; (4) acting as agent for other domestic and international airlines; (5) provision of air catering services; <u>(6) engaging in other airline or airline-related business, including advertising for such services;</u> (7) <u>insurance agency business (personal accident insurance);</u> (8) provision of airline ground services; (9) aviation training; (10) asset leasing services; (11) project management and technical consultancy services; (12) sales of aviation equipment; (13) travel agency business; (14) reservation agency business; (15) merchandise retail and wholesale; (16) mobile operation agency business; (17) e-commerce business, all subject to approval by company registration authorities.</p>	<p>undertaking general aviation services; (3) provision of aircraft repair and maintenance services; (4) acting as agent for other domestic and international airlines; (5)provision of air catering services; (6) engaging in other airline or airline-related business, (limited to insurance agency business personal accident insurance); (7) provision of airline ground services; (8) aviation training; (9) asset leasing services; (10) project management and technical consultancy services; (11) sales of aviation equipment; (12) travel agency business; (14) reservation agency business; (13) merchandise retail and wholesale; (16) mobile operation agency business; (17) e-commerce business; all subject to approval by company registration authorities.</p>
5	<p><u>Article 40</u> Where the Company repurchases its own shares due to reasons as set out in clauses (1) to (3) of <u>Article 37</u>, it shall obtain the prior approval of the shareholders by a resolution at a shareholders' general meeting. After the Company repurchases its shares pursuant to <u>Article 37</u>, the shares in respect of the circumstances described in clause (1) shall be cancelled within ten days from the day of purchase;</p> <p>.....</p> <p>The maximum number of shares repurchased by the Company pursuant to clause (3) of <u>Article 37</u> shall not exceed 5% of its total issued shares;</p> <p>.....</p>	<p>Article 41 Where the Company repurchases its own shares due to reasons as set out in clauses (1) to (3) of Article 38, it shall obtain the prior approval of the shareholders by a resolution at a shareholders' general meeting. After the Company repurchases its shares pursuant to Article 38, the shares in respect of the circumstances described in clause (1) shall be cancelled within ten days from the day of purchase;</p> <p>.....</p> <p>The maximum number of shares repurchased by the Company pursuant to clause (3) of Article 38 shall not exceed 5% of its total issued shares;</p> <p>.....</p>
6	<p><u>Article 42</u>.....</p> <p>This Article shall not apply to the circumstances specified in <u>Article 44</u> of this Chapter.</p>	<p>Article 43.....</p> <p>This Article shall not apply to the circumstances specified in Article 45 of this Chapter.</p>
7	<p><u>Article 44</u> The following activities shall not be deemed to be prohibited by <u>Article</u></p>	<p>Article 45 The following activities shall not be deemed to be prohibited by Article</p>

	<p><u>42</u> of this chapter:</p> <p>.....</p>	<p><u>43</u> of this chapter:</p> <p>.....</p>
8	<p><u>Article 56</u> Where the Company decides to convene a shareholders' general meeting, distribute dividends, liquidate or carry out other activities which would require the determination of shareholdings, the Board of Directors shall fix a record date for the purpose of determining <u>shareholdings</u>. <u>A person who is registered in the register as shareholders of the Company at the end of the record date shall be a shareholder of the Company.</u></p>	<p>Article 57 Where the Company decides to convene a shareholders' general meeting, distribute dividends, liquidate or carry out other activities which would require the determination of shareholdings, the Board of Directors shall fix a record date for the purpose of determining shareholdings, at the end of which the shareholders in the register shall be shareholders entitled to relevant interests.</p>
9	<p><u>Article 62</u> The ordinary shareholders of the Company shall enjoy the following rights:</p> <p>(1) The right to request the convening and holding of and to attend or appoint a proxy to attend <u>shareholders' general meetings</u> and to vote thereat;</p> <p>.....</p> <p>(6) The right to obtain relevant information in accordance with the provisions of these Articles of Association, including:</p> <p>1. the right to obtain a copy of these Articles of Association, subject to payment of the cost of such copy;</p> <p>2. the right to inspect and copy, subject to payment of a reasonable charge:</p> <p>.....</p> <p>(v) minutes of <u>shareholders' general meetings</u> and accountants' report;</p> <p>.....</p>	<p>Article 63 The ordinary shareholders of the Company shall enjoy the following rights:</p> <p>(1) The right to request the convening and holding of and to attend or appoint a proxy to attend shareholders' general meetings and to vote thereat;</p> <p>.....</p> <p>(6) The right to obtain relevant information in accordance with the provisions of these Articles of Association, including:</p> <p>1. the right to obtain a copy of these Articles of Association, subject to payment of the cost of such copy;</p> <p>2. the right to inspect and copy, subject to payment of a reasonable charge:</p> <p>.....</p> <p>(v) minutes of shareholders' general meetings and accountants' report;</p> <p>.....</p>
10	<p><u>Article 63</u> If a shareholder requests to inspect the information or obtain the relevant materials as described in <u>Article 62</u> of these Articles of Association, he shall provide the Company with a written document showing the class and number of shares in the Company held by</p>	<p>Article 64 If a shareholder requests to inspect the information or obtain the relevant materials as described in Article 63 of these Articles of Association, he shall provide the Company with a written document showing the class and number of shares in the Company held by</p>

	him,	him,
11	<p><u>Article 72</u></p> <p>If a director of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of the Supervisory Committee or <u>any shareholder holding 3% or more of the shares</u> in the Company, a general meeting of the Company shall be convened to consider <u>removing such director from office</u>.</p> <p>If a supervisor of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of the Board or <u>any shareholder holding 3% or more of the shares</u> in the Company, a general meeting of the Company shall be convened to consider <u>removing such supervisor from office</u>.</p> <p>.....</p>	<p>Article 73</p> <p>If a director of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of the Supervisory Committee or Shareholders who individually or jointly hold 3% or more of the shares in the Company, a general meeting of the Company shall be convened to consider removing such director from office.</p> <p>If a supervisor of the Company is found assisting or indulging the controlling shareholder and its associated enterprises in misappropriating the assets of the Company, upon the proposal of the Board or Shareholders who individually or jointly hold 3% or more of the shares in the Company, a general meeting of the Company shall be convened to consider removing such supervisor from office.</p> <p>.....</p>
12	<p><u>Article 76</u> The shareholders' general meeting shall exercise the following functions and powers:</p> <p>.....</p> <p>(2) <u>To elect and replace directors</u> and decide on matters relating to the remuneration of directors;</p> <p>(3) <u>To elect and replace the supervisors who are representatives of shareholders</u>, and to decide on matters relating to the remuneration of supervisors;</p> <p>.....</p> <p>(11) <u>To decide on matters relating to external guarantee according to the relevant provisions of these Articles of Association;</u></p> <p>(12) To decide on the appointment, dismissal and disengagement of the</p>	<p>Article 77 The shareholders' general meeting shall exercise the following functions and powers:</p> <p>.....</p> <p>(2) To elect and replace directors who are not the employees' representatives and decide on matters relating to the remuneration of directors;</p> <p>(3) To elect and replace supervisors who are not the employees' representatives, and to decide on matters relating to the remuneration of supervisors;</p> <p>.....</p> <p>(11) To decide on matters relating to external guarantee according to the relevant provisions of these Articles of Association;</p>

	<p>accountants of the Company;</p> <p>(13) To amend these Articles of Association;</p> <p>(14) To examine and approve the change in use of proceeds from raising capitals;</p> <p>(15) To examine the adoption of share incentive scheme;</p> <p>(16) <u>To consider motions raised by shareholders who represent 3% or more of the total shares of the Company carrying the right to vote;</u></p> <p>(17) To consider and approve significant acquisition, disposal and replacement of assets of the Company (the standards shall be fixed in accordance with the rules of the stock exchange of the listing place);</p> <p>(18) To consider and approve external guarantee by the Company at a shareholders' general meeting as required by the laws, rules and regulations and provisions of these Articles of Association;</p> <p>(19) To decide on other matters which require resolutions of the shareholders at shareholders' general meetings according to the relevant laws, administrative regulations and these Articles of Association;</p> <p>(20) To decide on which matters the Board of Directors may be authorised or delegated to deal with by the shareholders at shareholders' general meetings.</p> <p>.....</p>	<p>(11) To decide on the appointment, dismissal and disengagement of the accountants of the Company;</p> <p>(12) To amend these Articles of Association;</p> <p>(13) To examine and approve the change in use of proceeds from raising capitals;</p> <p>(14) To examine the adoption of share incentive scheme;</p> <p>(15) To consider motions raised by shareholders individually or jointly holding 3% or more of the total shares of the Company carrying the right to vote;</p> <p>(16) To consider and approve significant acquisition, disposal and replacement of assets of the Company (the standards shall be fixed in accordance with the rules of the stock exchange of the listing place);</p> <p>(17) To consider and approve external guarantee by the Company at a shareholders' general meeting as required by the laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and provisions of these Articles of Association;</p> <p>(18) To decide on other matters which require resolutions of the shareholders at shareholders' general meetings according to the relevant laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and these Articles of Association;</p> <p>(19) To decide on which matters the Board of Directors may be authorised or delegated to deal with by the shareholders at shareholders' general meetings.</p> <p>.....</p>
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<p>13</p>	<p><u>Article 78</u> Shareholders' general meetings are divided into <u>annual general meetings</u> and extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors. <u>Annual general meetings</u> are held once every year and within six months from the end of the preceding financial year.</p>	<p>Article 79 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the Board of Directors. Annual general meetings are held once every year and within six months from the end of the preceding financial year.</p>
<p>14</p>	<p><u>Article 83</u> Shareholders requisitioning the convening of an extraordinary general meeting or <u>a class meeting</u> shall abide by the following procedures:</p> <p>(1) Shareholders individually or jointly holding in aggregate 10% or more of the shares carrying the right to vote at the meeting sought to be held shall sign one or more counterpart requisitions stating the objectives of the meeting and requiring the Board of Directors to convene a shareholders' extraordinary general meeting or <u>a class meeting</u>.</p> <p>.....</p> <p>(3).....</p> <p>If the Board of Directors does not agree to convene the extraordinary general meeting or does not furnish any reply within ten days upon receipt of such requisition, <u>shareholders</u> individually or jointly holding <u>over 10% of the shares</u> of the Company shall be entitled to propose to the supervisory committee that an extraordinary general meeting or a class meeting be convened, and such proposal shall be made in writing to the supervisory committee.</p> <p>.....</p> <p>(5) If neither the Board of Directors nor the supervisory committee convene and preside over the shareholders' general meeting, the requisitionists themselves may convene such a meeting in a manner as similar as possible as that in which <u>shareholders' meeting</u> are to be convened by the Board of Directors within four months from the date of receipt of the</p>	<p>Article 84 Shareholders requisitioning the convening of an extraordinary general meeting or a class meeting shall abide by the following procedures:</p> <p>(1) Shareholders individually or jointly holding in aggregate 10% or more of the shares carrying the right to vote at the meeting sought to be held shall sign one or more counterpart requisitions stating the objectives of the meeting and requiring the Board of Directors to convene a shareholders' extraordinary general meeting or a class meeting.</p> <p>.....</p> <p>(3).....</p> <p>If the Board of Directors does not agree to convene the extraordinary general meeting or does not furnish any reply within ten days upon receipt of such requisition, Shareholders individually or jointly holding 10% or more of the shares of the Company carrying the right to vote shall be entitled to propose to the supervisory committee that an extraordinary general meeting or a class meeting be convened, and such proposal shall be made in writing to the supervisory committee.</p> <p>.....</p> <p>(5) If neither the Board of Directors nor the supervisory committee convene and preside over the shareholders' general meeting, the requisitionists themselves may convene such a meeting in a manner as similar as possible as that in which shareholders' meeting are to be convened by the Board of Directors</p>

	requisition by the Board of Directors.	within four months from the date of receipt of the requisition by the Board of Directors.
15	<p>Article 86.....</p> <p>The shareholding of the convening shareholders <u>shall not be lower than 10%</u> prior to the announcement of the resolutions of the shareholders' general meeting.</p> <p>.....</p>	<p>Article 87.....</p> <p>The shares of the Company carrying the right to vote of the convening shareholders shall not be lower than 10% of the total shares of the Company carrying the right to vote prior to the announcement of the resolutions of the shareholders' general meeting.</p> <p>.....</p>
16	<p>Article 89 Where the Company convenes a shareholders' general meeting, the Board of Directors, the supervisory committee and <u>shareholder(s) individually or jointly holding more than 3% of the Company's issued and outstanding shares carrying voting rights</u> shall have the right to propose motions to the Company.</p>	<p>Article 90 Where the Company convenes a shareholders' general meeting, the Board of Directors, the supervisory committee and shareholder(s) individually or jointly holding 3% or more of the Company's issued and outstanding shares carrying voting rights shall have the right to propose motions to the Company.</p>
17	<p><u>Article 90 Shareholder(s) individually or jointly holding more than 3% of the Company's issued and outstanding shares carrying voting rights,</u></p> <p>.....</p> <p>Motions which are not included in the notice of meeting or which do not meet <u>Article 88</u> of these Articles of Association shall not be voted on by the shareholders' general meeting and become resolutions.</p>	<p>Article 91 Shareholder(s) individually or jointly holding 3% or more of the Company's issued and outstanding shares carrying voting rights,</p> <p>.....</p> <p>Motions which are not included in the notice of meeting or which do not meet Article 89 of these Articles of Association shall not be voted on by the shareholders' general meeting and become resolutions.</p>
18	<p><u>Article 96</u>The notice for holders of Domestic Shares shall be published in one or more newspapers designated by the securities governing authority of the State Council not less than forty-five days (including forty-five days) before the date of the meeting; after the publication of notice, the holders of Domestic Shares shall be deemed to have received the notice of the relevant <u>shareholders' general meeting</u>. The notice for holders of Overseas Foreign Listed Shares shall be published on the website of the Company</p>	<p>Article 97The notice for holders of Domestic Shares shall be published in one or more newspapers designated by the securities governing authority of the State Council not less than forty-five days (including forty-five days) before the date of the meeting; after the publication of notice, the holders of Domestic Shares shall be deemed to have received the notice of the relevant shareholders' general meeting. The notice for holders of Overseas Foreign Listed Shares shall be published on the website of the</p>

	(www.csair.com) not less than forty-five days (including forty-five days) before the date of the meeting; after such publication, the holders of Overseas Foreign Listed Shares shall be deemed to have received the notice of the relevant <u>shareholders' general meeting</u> .	Company (www.csair.com) not less than forty-five days (including forty-five days) before the date of the meeting; after such publication, the holders of Overseas Foreign Listed Shares shall be deemed to have received the notice of the relevant shareholders' general meeting .
19	<u>Article 100</u> Any shareholder entitled to attend and vote <u>at a meeting</u> of the Company shall be entitled to appoint one or more other persons (whether a shareholder or not) as his proxies to attend and vote on his behalf.	Article 101 Any shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint one or more other persons (whether a shareholder or not) as his proxies to attend and vote on his behalf.
20	<u>Article 104</u> If the appointer is a legal person, its legal representative or such person as is authorised by resolution of its Board of Directors or other governing body may attend at any <u>meeting of shareholders</u> of the Company as a representative of the appointer.	Article 105 If the appointer is a legal person, its legal representative or such person as is authorised by resolution of its Board of Directors or other governing body may attend at any meeting of shareholders of the Company as a representative of the appointer.
21	<u>Article 110</u> The Board of the Company shall act in the best interest of the Company and its shareholders and shall examine the motions proposed at the shareholders' general meeting according to the provisions of <u>Article 88</u> .	Article 111 The Board of the Company shall act in the best interest of the Company and its shareholders and shall examine the motions proposed at the shareholders' general meeting according to the provisions of Article 89 .
22	<u>Article 111</u> If the proposing shareholders have any objection to the decision of the Board of Directors of not including their motions in the agendas of the shareholders' general meeting, they may request the convening of an extraordinary general meeting according to the provisions of <u>Article 83</u> .	Article 112 If the proposing shareholders have any objection to the decision of the Board of Directors of not including their motions in the agendas of the shareholders' general meeting, they may request the convening of an extraordinary general meeting according to the provisions of Article 84 .
23	<u>Article 119</u> The board secretary shall be responsible for preparing minutes of shareholders' general meetings, which shall contain: (2) <u>the name of</u> the chairman of the meeting, the directors, supervisors, president and other senior administrative	Article 120 The board secretary shall be responsible for preparing minutes of shareholders' general meetings, which shall contain: (2) the name of the chairman of the meeting, the directors, supervisors and senior administrative officers attending

	<p><u>officers</u> attending the meeting;</p> <p>.....</p>	<p>the meeting;</p> <p>.....</p>
24	<p>Article 130 Any external guarantee made by the Company shall be considered and approved by the Board. <u>The following matters involving guarantees shall be approved at the shareholders' general meeting after consideration and approval by the Board:</u></p> <p>(1) <u>any guarantee to be provided where the aggregate amount of external guarantees made by the Company and its subsidiaries reaches or exceeds 50% of the latest audited net assets of the Company;</u></p> <p>(2) <u>any guarantee to be provided for a party with a gearing ratio exceeding 70%;</u></p> <p>(3) <u>any single guarantee, the amount of which exceeding 10% of the latest audited net assets of the Company;</u></p> <p>(4) <u>any guarantee provided in favour of the shareholders, the beneficial controller or their respective related parties;</u></p> <p>(5) <u>any guarantee to be provided where the aggregate amount of external guarantees provided by the Company reaches or exceeds 30% of the latest audited total assets of the Company;</u></p> <p>(6) <u>any other guarantees which are subject to approval at the shareholders' general meeting as stipulated by laws, rules and regulations, these Articles of Association and the listing rules of the stock exchange where the Company is listed.</u></p>	<p>Article 131 Any external guarantee made by the Company shall be considered and approved by the Board. The matters involving guarantees as set out in Article 291 shall be approved at the shareholders' general meeting after consideration and approval by the Board. ÷</p> <p>(1) any guarantee to be provided where the aggregate amount of external guarantees made by the Company and its subsidiaries reaches or exceeds 50% of the latest audited net assets of the Company;</p> <p>(2) any guarantee to be provided for a party with a gearing ratio exceeding 70%;</p> <p>(3) any single guarantee, the amount of which exceeding 10% of the latest audited net assets of the Company;</p> <p>(4) any guarantee provided in favour of the shareholders, the beneficial controller or their respective related parties;</p> <p>(5) any guarantee to be provided where the aggregate amount of external guarantees provided by the Company reaches or exceeds 30% of the latest audited total assets of the Company;</p> <p>(6) any other guarantees which are subject to approval at the shareholders' general meeting as stipulated by laws, rules and regulations, these Articles of Association and the listing rules of the stock exchange where the Company is listed.</p>
25	<p>Article 134 The accumulative voting system shall be promoted in the election of <u>directors (including independent directors)</u> and supervisors (excluding supervisors assumed by staff representatives) at the shareholders'</p>	<p>Article 135 The accumulative voting system shall be promoted in the election of directors (excluding directors assumed by staff representatives) and supervisors (excluding supervisors assumed by staff representatives) at the</p>

	<p>general meetings.</p> <p>.....</p>	<p>shareholders' general meetings.</p> <p>.....</p>
26	<p><u>Article 152</u> Rights conferred on any class of shareholders in the capacity of shareholders (“class rights”) may not be varied or abrogated unless approved by a special resolution of shareholders in shareholders’ general meeting and by holders of shares of that class at a separate <u>meeting</u> conducted in accordance with <u>Article 153 to 155</u>.</p>	<p>Article 153 Rights conferred on any class of shareholders in the capacity of shareholders (“class rights”) may not be varied or abrogated unless approved by a special resolution of shareholders in shareholders’ general meeting and by holders of shares of that class at a separate meeting conducted in accordance with Articles 154 to 156.</p>
27	<p><u>Article 154</u> Shareholders of the affected class, whether or not otherwise having the right to vote at shareholders’ general meetings, shall nevertheless have the right to vote at <u>class meetings</u> in respect of matters concerning Clauses (2) to (8), (11) and (12) of <u>Article 153</u>, but interested shareholder(s) shall not be entitled to vote at <u>class meetings</u>.</p> <p>The meaning of “interested shareholder(s)” as mentioned in the preceding paragraph is:</p> <p>(1) in the case of a repurchase of shares by offers to all shareholders on a pro rata basis or public dealing on a stock exchange under <u>Article 38</u>, a “controlling shareholder” within the meaning of <u>Article 71</u>;</p> <p>(2) in the case of a repurchase of share by an off-market contract under <u>Article 38</u>, a holder of the shares to which the proposed contract relates;</p> <p>.....</p>	<p>Article 155 Shareholders of the affected class, whether or not otherwise having the right to vote at shareholders’ general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning Clauses (2) to (8), (11) and (12) of Article 154, but interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>The meaning of “interested shareholder(s)” as mentioned in the preceding paragraph is:</p> <p>(1) in the case of a repurchase of shares by offers to all shareholders on a pro rata basis or public dealing on a stock exchange under Article 39, a “controlling shareholder” within the meaning of Article 72;</p> <p>(2) in the case of a repurchase of share by an off-market contract under Article 39, a holder of the shares to which the proposed contract relates;</p> <p>.....</p>
28	<p><u>Article 155</u> Resolutions of a <u>class of shareholders</u> shall be passed by votes representing more than two-thirds of the voting rights of shareholders of that class represented at the relevant meeting who, according to <u>Article 153</u>, are entitled to vote at <u>class meetings</u>.</p>	<p>Article 156 Resolutions of a class of shareholders shall be passed by votes representing more than two-thirds of the voting rights of shareholders of that class represented at the relevant meeting who, according to Article 154, are entitled to vote at class meetings.</p>
29	<p><u>Article 156</u> Notice of a <u>class meeting</u> shall be given by way of announcement or by</p>	<p>Article 157 Notice of a class meeting shall be given by way of announcement or</p>

	<p>any other manner as provided in these Articles of Association (if necessary) not less than forty-five days (including forty-five days) before the date of the class meeting to notify all of the shareholders in the share register of the class of the matters to be considered, the date and the place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply concerning attendance at the class meeting to the Company twenty days before the date of the class meeting.</p> <p>If the number of shares carrying voting rights at the class meeting represented by the shareholders who intend to attend the meeting reaches more than one half of the voting shares at the class meeting, the Company may hold <u>the class meeting</u>; if not, the Company shall within five days notify the shareholders again by public notice of the matters to be considered, the date and the place for the class meeting. The Company may then hold <u>the class meeting</u> after such publication of notice.</p>	<p>by any other manner as provided in these Articles of Association (if necessary) not less than forty-five days (including forty-five days) before the date of the class meeting to notify all of the shareholders in the share register of the class of the matters to be considered, the date and the place of the class meeting. A shareholder who intends to attend the class meeting shall deliver his written reply concerning attendance at the class meeting to the Company twenty days before the date of the class meeting.</p> <p>If the number of shares carrying voting rights at the class meeting represented by the shareholders who intend to attend the meeting reaches more than one half of the voting shares at the class meeting, the Company may hold the class meeting; if not, the Company shall within five days notify the shareholders again by public notice of the matters to be considered, the date and the place for the class meeting. The Company may then hold the class meeting after such publication of notice.</p>
30	<p><u>Article 157</u> Notice of <u>class meetings</u> need only be served on shareholders entitled to vote thereat.</p> <p>Any <u>meeting of a class of shareholders</u> shall be conducted in a manner as similar as possible to that of shareholders' general meetings. The provisions of these Articles of Association relating to the manner to conduct any shareholders' general meeting shall apply to any <u>meeting of a class of shareholders</u>.</p>	<p>Article 158 Notice of class meetings need only be served on shareholders entitled to vote thereat.</p> <p>Any meeting of a class of shareholders shall be conducted in a manner as similar as possible to that of shareholders' general meetings. The provisions of these Articles of Association relating to the manner to conduct any shareholders' general meeting shall apply to any meeting of a class of shareholders.</p>
31	<p><u>Article 160</u> The Company shall have a Board of Directors which is responsible to the shareholders' general meetings. <u>The Board of Directors shall comprise thirteen members, one of whom shall be the chairman.</u></p>	<p>Article 161 The Company shall have a Board of Directors which is responsible to the shareholders' general meetings. The Board of Directors shall comprise seven to eleven members, one of whom shall be the chairman and one of whom shall be vice-chairman.</p>
32	<p><u>Article 161</u> The Board shall be responsible to the shareholders' general meeting and shall exercise the following</p>	<p>Article 162 The Board shall be responsible to the shareholders' general meeting and shall exercise the following</p>

	<p>powers:</p> <p>.....</p> <p>(11) <u>To appoint or dismiss the Company's president</u>, and pursuant to the president's nominations to appoint or dismiss the vice president, <u>the financial controller and other senior administrative officers of the Company and decide on their remunerations and rewards and punishments;</u></p> <p>.....</p> <p>(17) To receive the work report and to check the work of <u>the president</u> of the Company;</p> <p>.....</p>	<p>powers:</p> <p>.....</p> <p>(11) To appoint or dismiss the Company's president and the board secretary, and pursuant to the president's nominations to appoint or dismiss the vice president, the chief financial officer and other senior administrative officers of the Company and decide on their remunerations and rewards and punishments;</p> <p>.....</p> <p>(17) To receive the work report and to check the work of the president of the Company;</p> <p>.....</p>
33		<p>Adding Article 163 after Article 162, the subsequent Articles shall be renumbered accordingly.</p> <p>Article 163 Prior to making decisions on material issues of the Company, the Board shall first seek advice from the Party Committee of the Company.</p>
34	<p><u>Article 169 Board meetings shall be held at least twice every year and be convened by the chairman of the Board by serving notice of each Board meeting on all the directors by telex, telegram, facsimile, express delivery, registered mail personal delivery or other methods where delivery can be confirmed ten days before the date of the proposed meeting. A special board meeting may be held upon requisition by either the chairman, one third or more of the directors (including the one third), the supervisory committee or president of the Company.</u></p> <p>.....</p>	<p>Article 171 Regular board meetings shall be held at least four times every year and be convened by the chairman of the Board. by serving notice of each Board meeting on all the directors by telex, telegram, facsimile, express delivery, registered mail personal delivery or other methods where delivery can be confirmed ten days before the date of the proposed meeting. A special board meeting may be held upon requisition by either the chairman, one third or more of the directors (including the one third), the supervisory committee or president of the Company.</p> <p>.....</p>
35	<p><u>Article 171 Notice of meetings and special meetings of the Board of Directors</u></p>	<p>Article 173 the method and time of</p>

	<p><u>shall be delivered by the means and at the times as follows:</u></p> <p><u>(1) No notice is required if the timing and venue of the meetings have been decided by the Board of Directors in advance.</u></p> <p><u>(2) If the Board of Directors has not decided the timing and venue of the meetings, the chairman shall, through the board secretary, deliver notices of the meetings to all directors and the chairman of the supervisory committee by email, telegraph, facsimile, express delivery service, registered mail or by specially-assigned person at least ten days before the meetings.</u></p> <p><u>(3) Such notices shall be in Chinese, with English version when necessary, and shall include the meeting agendas.</u></p> <p><u>(4) Where it is necessary to convene a special board meeting, a notice shall be given to all directors by telephone, telegraph or facsimile at least eight hours in advance.</u></p>	<p>notice of the board meeting as follows:</p> <p>(1) Notify the directors via hand delivery, fax, email or other methods where delivery can be confirmed ten days before the date of the regular meeting;</p> <p>(2) Notify the directors via hand delivery, telephone, fax, email or other methods where delivery can be confirmed five days before the date of the extraordinary meeting.</p> <p>(3) For a meeting notice sent by hand, the recipient shall sign (or seal) the relevant receipt. The receipt date shall be the date of service; for a notice sent by registered mail, the 5th working day from the date of sending shall be the date of service; for a notice sent by fax, the day of sending shall be the date of service subject to the date indicated on the fax report; for a notice sent by e-mail, the time of e-mail reaching the recipient's specific system shall be the time of service.</p> <p>(4) When a special meeting of the Board needs to be held as early as possible in case of an emergency, the meeting notice is allowed to be given by telephone or in other verbal forms at any time provided that the convener makes necessary explanations at the meeting.</p> <p>(5) Such notices shall be in Chinese, with English version when necessary.</p>
<p>36</p>	<p><u>Article 172</u> Notice of a board meeting shall contain:</p> <p>(1) the date and venue of the meeting;</p> <p>(2) the method and agendas for which the meeting is held and <u>the duration of the meeting;</u></p> <p>(3) the matters to be discussed (the agendas);</p> <p>(4) the convener and the chairman of the</p>	<p>Article 174 Notice of a board meeting shall contain:</p> <p>(1) the date and venue of the meeting;</p> <p>(2) the method and agendas for which the meeting is held; and the duration of the meeting;</p> <p>(3) the matters to be discussed (the agendas);</p> <p>(4) the convener and the chairman of the</p>

	<p>meeting, the person who proposes the special board meeting and his/her written proposal;</p> <p>(5) the materials necessary for the directors to vote in the meeting;</p> <p>(6) the request for the personal attendance of the directors or the attendance through the appointment of an alternate director;</p> <p>(7) the contact person and the method of contact.</p> <p>.....</p>	<p>meeting, the person who proposes the special board meeting and his/her written proposal;</p> <p>(5) the materials necessary for the directors to vote in the meeting;</p> <p>(6) the request for the personal attendance of the directors or the attendance through the appointment of an alternate director;</p> <p>(7) the contact person and the method of contact;</p> <p>(8) the date of the notice.</p> <p>.....</p>
37	<p><u>Article 175</u> Any regular or special board meeting may be held by way of telephone conference or similar communication equipment so long as all directors participating in the meeting can clearly hear and communicate with each other. All such directors shall be deemed to be present in person at the meeting.</p>	<p>Article 177 Any regular or special board meeting may be held by way of telephone conference or similar communication equipment so long as all directors participating in the meeting can clearly hear and communicate with each other. All such directors shall be deemed to be present in person at the meeting.</p>
38	<p><u>Article 176</u> For matters which need to be approved at a special board meeting, in lieu of convening a board meeting, a written resolution may be adopted by the Board if such resolution has been sent to all members of the Board and affirmatively signed and adopted by the number of directors necessary to make such a decision as stipulated in <u>Article 173</u>.</p>	<p>Article 178 For matters which need to be approved at a special board meeting, in lieu of convening a board meeting, a written resolution may be adopted by the Board if such resolution has been sent to all members of the Board and affirmatively signed and adopted by the number of directors necessary to make such a decision as stipulated in Article 175.</p>
39	<p><u>Article 186</u> Directors shall be elected by the shareholders' general meeting from the Board of Directors or candidates <u>nominated by shareholders representing 5% (including the 5%) or more of the issued shares</u>.</p> <p>.....</p> <p><u>Where shareholders severally or jointly holding 5% or more of the voting rights</u> or the supervisory committee of the Company propose any special resolutions for election of non-independent directors at the Company's annual general</p>	<p>Article 188 Directors shall be elected by the shareholders' general meeting from the Board of Directors or candidates nominated by shareholders individually or jointly holding 5% or more of the shares carrying the right to vote.</p> <p>.....</p> <p>Where shareholders individually or jointly holding 5% or more of the shares carrying the right to vote of the Company propose any special resolutions for election of non-independent directors at the Company's annual general</p>

	meeting,	meeting,
	
40	<p><u>Article 202</u> The Company may set up several special committees according to the resolutions of shareholders' general meeting (including strategy, audit, nomination, remuneration and evaluation, and independent board committees). Members of special committees shall all be directors. In the audit committee, the remuneration committee and the evaluation committee, the independent directors shall form the majority and shall be responsible for convening the committee meetings. In the auditing committee at least one independent director shall be an accounting professional.</p>	<p>Article 204 The Board of Directors may set up General Committee, Strategy and Investment Committee, Audit and Risk Management Committee, Nomination Committee, Remuneration and Evaluation Committees and Aviation Safety Committee and other special committees. General Committee and each committee shall be comprised of directors, among which, General Committee shall be comprised of Chairman and executive directors, while the majority of Audit and Risk Management Committee, Nomination Committee, Remuneration and Evaluation Committee shall be independent directors and the chairman shall be independent director. In the Audit and Risk Management Committee at least one independent director shall be an accounting professional.</p>
41	<p><u>Article 210</u> The president shall be accountable to the Board of Directors and exercise the following functions and powers:</p> <p>.....</p> <p>(6) To propose the appointment or dismissal of the Company's vice president(s) and <u>financial controller</u>;</p> <p>(7) To appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;</p> <p>(8) Other powers conferred by these Articles of Association and the Board of Directors.</p>	<p>Article 212 The president shall be accountable to the Board of Directors and exercise the following functions and powers:</p> <p>.....</p> <p>(6) To propose the appointment or dismissal of the Company's vice president(s), chief financial officer and other senior administrative officers;</p> <p>(7) To appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board of Directors;</p> <p>(8) To request the convening of special meeting of the Board;</p> <p>(9) Other powers conferred by these Articles of Association and the Board of Directors.</p>
42	<p><u>Article 216</u> <u>Article 182</u> of these Article of</p>	<p>Article 218 Article 184 of these Article</p>

	Association in relation to the eligibility of the directors also applies to other senior administrative officers; <u>Article 184</u> in relation to the fiduciary obligations of directors and clauses (4) to (6) of <u>Article 185</u> concerning the diligence obligations also apply to the senior administrative officers of the Company.	of Association in relation to the eligibility of the directors also applies to other senior administrative officers; Article 186 in relation to the fiduciary obligations of directors and clauses (4) to (6) of Article 187 concerning the diligence obligations also apply to the senior administrative officers of the Company.
43	<u>Article 218</u> The Company shall have a supervisory committee. <u>The supervisory committee shall be composed of five supervisors.</u>	Article 220 The Company shall have a supervisory committee. The supervisory committee shall be composed of three to five supervisors.
44	<u>Article 219</u> The supervisory committee shall comprise of representatives of shareholders and the Company's staff and workers. <u>Two of them shall be representatives of the staff and workers. Supervisors representing shareholders</u> shall be elected by the shareholders' general meeting from the supervisory committee or from the candidates nominated by <u>shareholders representing over 5% (including 5%) of shares of the Company.</u>	Article 221 The supervisory committee shall comprise of representatives of shareholders and the Company's staff and workers. Not less than one third of them shall be representatives of the staff and workers. Supervisors representing shareholders shall be elected by the shareholders' general meeting from the supervisory committee or from the candidates nominated by shareholders individually or jointly holding 5% or more of the shares carrying the right to vote.
45	<u>Article 221</u> The supervisory committee shall be accountable to entire shareholders and exercise the following functions and powers in accordance with law: (1) To examine the Company's financial situation; (2) To <u>check</u> whether the directors, president and other senior administrative officers have <u>violated any laws, administrative regulations and these Articles of Association in the course of performing their duties;</u> (3) To demand rectification from the directors, president or other senior administrative officers when the acts of such persons are harmful to the Company's interest; (4) <u>To check the financial information</u>	Article 223 The supervisory committee shall be accountable to entire shareholders and exercise the following functions and powers in accordance with law: (1) To review the regular reports of the Company prepared by the Board of Directors, and to provide written comments in respect thereof; (2) To examine the Company's financial situation; (3) To oversee the Company's directors, general managers and other senior officers for any violation of laws, administrative regulations, the Articles of Association or any resolution of shareholders' meetings when performing their duties for the Company, and to propose to remove such directors, general

	<p><u>such as the financial report, business report and plans for distribution of profits to be submitted by the Board of Directors to the shareholders' general meetings and, should any queries arise, to authorises in the name of the Company public certified accountants and practising auditors to re-examine the financial information;</u></p> <p><u>(5) To propose the convening of extraordinary general meeting;</u></p> <p><u>(6) To represent the Company in negotiation with or bringing an action against a director;</u></p> <p>(7) To supervise the establishment and implementation of internal control by the Board of Directors;</p> <p>(8) Other functions and powers specified in these Articles of Association.</p> <p>.....</p>	<p>managers and other senior officers;</p> <p>(4) To demand rectification from the directors, president or other senior administrative officers when the acts of such persons are harmful to the Company's interest;</p> <p>(5) Where there is any abnormality in the Company's operations, to conduct investigations accordingly; and when necessary, to engage professionals such as accountant firms or law firms to assist in the work, at the cost of the Company;</p> <p>(6) To propose the convening of extraordinary shareholders' meetings and, in the event the Board of Directors fails to perform their duties to convene and preside over the shareholders' meeting in accordance with the Company Law, to convene and preside over the shareholders' meeting;</p> <p>(7) To submit proposals to the shareholders' meeting;</p> <p>(8) To initiate legal proceedings against the directors and senior officers pursuant to the provisions contained in Article 151 of the Company Law;</p> <p>(9) To supervise the establishment and implementation of internal control by the Board of Directors;</p> <p>(10) Other functions and powers specified in these Articles of Association.</p> <p>.....</p>
46	<p><u>Article 232</u></p> <p><u>Article 182</u> of these Article of Association in relation to the eligibility of the directors also applies to supervisors.</p>	<p>Article 234</p> <p>Article 184 of these Article of Association in relation to the eligibility of the directors also applies to supervisors.</p>
47	<p><u>Article 233</u> Directors, <u>president</u> and other senior administrative officers of the Company shall not act concurrently as supervisors.</p>	<p>Article 235 Directors, president and other senior administrative officers of the Company shall not act concurrently as supervisors.</p>

<p>48</p>	<p><u>Article 235</u> A person may not serve as a director, supervisor, president and other senior administrative officers of the Company if any of the circumstances of <u>Article 182</u> in these Articles of Association applies.</p> <p><u>Persons who hold positions other than directors in any entity of the controlling shareholders or beneficial controller shall not be appointed as senior management personnel of the Company.....</u></p>	<p>Article 237 A person may not serve as a director, supervisor, president and other senior administrative officers of the Company if any of the circumstances of Article 184 in these Articles of Association applies.</p> <p>Persons who hold positions other than directors in any entity of the controlling shareholders or beneficial controller shall not be appointed as senior management personnel of the Company, unless there is an exemption approved by the CSRC.....</p>
<p>49</p>	<p><u>Article 242</u> Except as provided in <u>Article 69</u> hereof, a director, supervisor, president and any other senior administrative officer of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a shareholders' general meeting.</p>	<p>Article 244 Except as provided in Article 70 hereof, a director, supervisor, president and any other senior administrative officer of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a shareholders' general meeting.</p>
<p>50</p>	<p><u>Article 247</u> A loan made by the Company in breach of <u>Article 246</u> shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.</p>	<p>Article 249 A loan made by the Company in breach of Article 248 shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.</p>
<p>51</p>	<p><u>Article 248</u> A guarantee for repayment of loan provided by the Company in breach of <u>Article 246</u> shall not be enforceable against the Company,</p>	<p>Article 250 A guarantee for repayment of loan provided by the Company in breach of Article 248 shall not be enforceable against the Company,</p>
<p>52</p>	<p><u>Article 252</u></p> <p>(2) An offer made by any person with a view to the offeror becoming a "controlling shareholder" within the meaning of <u>Article 70</u>.</p>	<p>Article 254</p> <p>(2) An offer made by any person with a view to the offeror becoming a "controlling shareholder" within the meaning of Article 71.</p>
<p>53</p>		<p>Adding Chapter 16 Party Committee after Chapter 15 and adding Articles 256 and 257 after Article 255, the subsequent Chapters and Articles shall be renumbered accordingly.</p> <p>Chapter 16 Party Committee</p> <p>Article 256 The Company shall</p>

		<p>establish the Party Committee consisting of one secretary and several other members. The chairman of the Board of Directors and the secretary of the Party Committee shall be assumed by the same person in principle and the Party Committee shall set up a special position of deputy secretary who mainly takes in charge of the work of Party's building. Eligible members of the Party Committee may join the Board of Directors, the Supervisory Committee and the management through legal procedures, and eligible Party members in the Board of Directors, the Supervisory Committee and the management may join the Party Committee in accordance with relevant regulations and procedures. Meanwhile, the Company shall establish the Discipline Committee in accordance with relevant regulations.</p> <p>Article 257 The Party Committee of the Company shall perform its duties in accordance with the regulations of the Party including the Constitution of Communist Party of China (《中國共產黨章程》) and Regulations for the Work of the Communist Party of China (《中國共產黨黨委工作條例》).</p> <p>(1) To monitor the implementation of the principles and policies of the Party and of the country within the Company, and to implement material strategic decisions made by the Central Committee of the Party and the State Council, as well as other important deployment of works assigned by the Party committee of the State-owned Assets Supervision and Administration Commission and Party organizations of higher levels.</p> <p>(2) To persist in combining the principle of administration of officers by the Party with the legitimate selection by the Board of the managers and the legitimate use of human resources by the managers. The Party</p>
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54	<p><u>Article 256</u> During each accounting year, the Board of Directors of the Company shall place before the shareholders at every <u>annual general meeting</u> such financial reports as are required by any laws, administrative regulations or directives promulgated by competent <u>regional and central governmental</u> authorities to be prepared by the Company.</p>	<p>Article 260 The Board of Directors of the Company shall place before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or directives promulgated by competent regional and central governmental authorities to be prepared by the Company.</p>
55	<p><u>Article 276</u> The accountant firm appointed by the Company shall hold office from the conclusion of <u>the annual general meeting</u> until the conclusion of the next <u>annual general meeting</u>, and the appointment may be renewed.</p>	<p>Article 280 The accountant firm appointed by the Company shall hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting, and the appointment may be renewed.</p>

<p>56</p>	<p><u>Article 287</u> Consideration and approval in the general meeting is required for the following external guarantees provided by the Company.</p> <p>(1) Guarantee which is given after the total amount of the external guarantee provided by the Company and its controlling subsidiaries exceeds 50% of net assets as shown in its latest audited consolidated financial statement;</p> <p>(2) <u>Guarantee which is given after the total amount of external guarantees given by the Company which is equal to or exceed 50% of the latest audited total assets of the Company;</u></p> <p>(3) Guarantee which is provided in favour of an object which has an asset to liability ratio exceeding 70%;</p> <p>(4) Guarantee of which the single guarantee amount exceeds 10% of the latest audited net assets of the Company;</p> <p>(5) Guarantee which is provided to shareholders, Actual Controller and their respective connected persons;</p> <p><u>(6) Any guarantee that exceeds the approval limit of the Board of Directors.</u></p>	<p>Article 291 Consideration and approval in the general meeting is required for the following external guarantees provided by the Company.</p> <p>(1) Guarantee which is given after the total amount of the external guarantee provided by the Company and its controlling subsidiaries exceeds 50% of net assets as shown in its latest audited consolidated financial statement of the company ;</p> <p>(2) When aggregated with the amount of guarantees incurred in the preceding 12 consecutive months, guarantee which is given after the total amount of external guarantees given by the Company which is equal to or exceed 30% of the latest audited total assets of the Company;</p> <p>(3) Guarantee which is provided in favour of an object which has an asset to liability ratio exceeding 70%;</p> <p>(4) Guarantee of which the single guarantee amount exceeds 10% of the latest audited net assets of the Company;</p> <p>(5) Guarantee which is provided to shareholders, Actual Controller and their respective connected persons;</p> <p>(6) Any other guarantees which are subject to approval at the shareholders' general meeting as stipulated by laws, regulations and the listing rules of the stock exchange where the Company is listed.</p>
<p>57</p>	<p><u>Article 304</u> The Company may amend these Articles of Association in accordance with the requirement of laws, administrative regulations and these Articles of Association.</p> <p>The amendment to these Articles of Association involving the contents of <u>the Mandatory Provisions for Articles of Association of Companies to be Listed</u></p>	<p>Article 308 The Company may amend these Articles of Association in accordance with the requirement of laws, administrative regulations and these Articles of Association.</p> <p>The amendment to these Articles of Association involving the contents of the Mandatory Provision shall become effective upon approvals by the</p>

	<p><u>Overseas (the “Mandatory Provision”)</u> shall become effective upon approvals by the companies approving department authorised by the State Council. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes in accordance with law.</p>	<p>companies approving department authorised by the State Council. If there is any change relating to the registered particulars of the Company, application shall be made for registration of the changes in accordance with law.</p>
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2. Table of Amendments to the Procedural Rules of the Shareholders' General Meeting

No.	Existing articles	Articles to be revised
1	<p>Article 2 The shareholders' general meeting shall be the source of authority of the Company and shall exercise the following functions and powers in accordance with law:</p> <p>.....</p> <p>(2) To elect or remove Directors and decide on matters relating to the remuneration of Directors;</p> <p>(3) To elect or remove Supervisors <u>who are not representatives of shareholders</u> and decide on matters relating to the remuneration of Supervisors;</p> <p>.....</p> <p>(11) <u>To decide the external guarantee of the Company in accordance with the Company's Articles of Association ;</u></p> <p>(12) To decide on the appointment, dismissal or non-renewal of accountants;</p> <p>(13) To amend the Company's Articles of Association;</p> <p>(14) To consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(15) To consider and approve the equity incentive scheme;</p> <p><u>(16) To consider motions raised by the shareholders who represent more than 3% (including 3%) of the Company's shareholding with voting rights;</u></p> <p><u>(17) To consider and approve the Company's purchase, sale and exchange of major assets (as defined in the listing rules of the stock exchange(s) on which</u></p>	<p>Article 2 The shareholders' general meeting shall be the source of authority of the Company and shall exercise the following functions and powers in accordance with law:</p> <p>.....</p> <p>(2) To elect or remove Directors who are not representatives of staff and decide on matters relating to the remuneration of Directors;</p> <p>(3) To elect or remove Supervisors who are not representatives of staff and decide on matters relating to the remuneration of Supervisors;</p> <p>.....</p> <p>(11) To decide the external guarantee of the Company in accordance with the Company's Articles of Association ;</p> <p>(11) To decide on the appointment, dismissal or non-renewal of accountants;</p> <p>(12) To amend the Company's Articles of Association;</p> <p>(13) To consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(14) To consider and approve the equity incentive scheme;</p> <p>(15) To consider motions raised by the shareholders who individually or jointly hold more than 3% (including 3%) of the Company's shareholding with voting rights;</p> <p>(16) To consider and approve the Company's major purchase, sale and</p>

	<p>the shares are listed);</p> <p><u>(18) To consider and approve external guarantees made by the Company at a general meeting as required by the laws, rules and regulations and provisions of Company's Articles of Association;</u></p> <p><u>(19) To decide other matters required to be decided by the shareholders' general meeting pursuant to the laws, regulations and the Company's Articles of Association;</u></p> <p><u>(20) To decide on which matters the Board of Directors may be authorised or delegated to deal with by the shareholders at shareholders' general meetings.</u></p> <p>.....</p>	<p>exchange of assets (as defined in the listing rules of the stock exchange(s) on which the shares are listed);</p> <p>(17) To consider external guarantees made by the Company at a general meeting as required by the laws, rules and regulations, the listing rules of the stock exchange where the Company is listed and provisions of Company's Articles of Association;</p> <p>(18) To consider other matters required to be decided by the shareholders' general meeting pursuant to the laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and the Company's Articles of Association;</p> <p>(19) To decide on which matters the Board of Directors may be authorised or delegated to deal with by the shareholders at shareholders' general meetings.</p> <p>.....</p>
2	<p>Article 3 The shareholders' general meeting shall include <u>annual general meeting</u> and extraordinary general meetings. Annual general meetings shall be held once every year, and within six (6) months of the end of the preceding financial year. In case that the Company is unable to hold a shareholders' <u>general meeting</u> within the aforesaid time frame, it shall be reported and explained to the local office of the China Securities Regulatory Commission ("CSRC") in the region where the Company operates and the stock exchange where its stock is traded (hereinafter referred to as the "stock exchange"), and make an announcement.</p>	<p>Article 3 The shareholders' general meeting shall include annual general meeting and extraordinary general meetings. Annual general meetings shall be held once every year, and within six (6) months of the end of the preceding financial year. In case that the Company is unable to hold a shareholders' annual general meeting within the aforesaid time frame, it shall be reported and explained to the local office of the China Securities Regulatory Commission ("CSRC") in the region where the Company operates and the stock exchange where its stock is traded (hereinafter referred to as the "stock exchange"), and make an announcement.</p>
3	<p>Article 4 The Board of Directors shall convene an extraordinary general meeting within two (2) months on the happening of any of the following events:</p>	<p>Article 4 The Board of Directors shall convene an extraordinary general meeting within two (2) months on the happening of any of the following events:</p>

	<p>.....</p> <p>(3) when shareholder holding <u>10% or more (inclusive)</u> of the Company outstanding shares carrying voting rights requests in writing the convening of an extraordinary general meeting;</p> <p>.....</p>	<p>.....</p> <p>(3) when shareholder holding 10% or more (inclusive) of the Company outstanding shares carrying voting rights requests in writing the convening of an extraordinary general meeting;</p> <p>.....</p>
4	<p>Article 10 When supervisory committee or <u>shareholder(s) severally or jointly holding ten per cent or more of the Company's shares carrying voting rights</u> request(s) the Board of Directors to convene the extraordinary general meeting, the agenda of the meeting and full details of the resolutions to be proposed in the meeting shall be submitted to the Board of Directors in writing.</p> <p>.....</p> <p>(II)The <u>shareholding proportion</u> of the convening shareholders <u>shall not be lower than 10%</u> prior to the announcement of the resolutions of the general meeting.</p> <p>.....</p>	<p>Article 10 When supervisory committee or shareholder(s) severally or jointly holding 10% or more (inclusive) of the Company's shares carrying voting rights (hereinafter the "Proposing Shareholders") request(s) the Board of Directors to convene the extraordinary general meeting, the agenda of the meeting and full details of the resolutions to be proposed in the meeting shall be submitted to the Board of Directors in writing.</p> <p>.....</p> <p>(II).....The shareholding proportion in the Company carrying the right to vote of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the general meeting.</p> <p>.....</p>
5	<p>Article 12 If the Board of Directors does not agree to convene the extraordinary general meeting or does not furnish any reply within ten days upon receipt of such requisition, shareholders <u>individually or jointly holding over 10% of the shares of the Company</u> shall be entitled to propose to the supervisory committee that an extraordinary general meeting be convened, and such motion shall be made in writing to the supervisory committee.</p> <p>If the supervisory committee agrees to convene the extraordinary general meeting, a notice of meeting shall be issued within five days upon receipt of such requisition. Any changes to the</p>	<p>Article 12 If the Board of Directors does not agree to convene the extraordinary general meeting or does not furnish any reply within ten days upon receipt of such requisition, shareholders individually or jointly holding 10% or more of the shares of the Company carrying the right to vote shall be entitled to propose to the supervisory committee that an extraordinary general meeting be convened, and such motion shall be made in writing to the supervisory committee.</p> <p>If the supervisory committee agrees to convene the extraordinary general meeting, a notice of meeting shall be issued within five days upon receipt of</p>

	<p>original requisition made in the notice shall require the approval of the relevant shareholders.</p> <p>If the supervisory committee does not issue the notice of meeting within the required period, it shall be deemed as not convening or presiding over the shareholders' general meeting. Shareholders <u>individually or jointly holding over 10% of the shares of the Company</u> for more than 90 days consecutively may convene and preside over a shareholders' general meeting himself or themselves.</p> <p>If neither the Board of Directors nor the supervisory committee convenes and presides over the shareholders' general meeting, the requisitionists themselves may convene such a meeting in a manner as similar as possible as that in which the shareholders' meeting is to be convened by the Board of Directors within four months from the date of receipt of the requisition by the Board of Directors.</p>	<p>such requisition. Any changes to the original requisition made in the notice shall require the approval of the relevant shareholders.</p> <p>If the supervisory committee does not issue the notice of meeting within the required period, it shall be deemed as not convening or presiding over the shareholders' general meeting. Shareholders individually or jointly holding 10% or more of the shares of the Company for more than 90 days consecutively may convene and preside over a shareholders' general meeting himself or themselves.</p> <p>If neither the Board of Directors nor the supervisory committee convenes and presides over the shareholders' general meeting, the requisitionists themselves may convene such a meeting in a manner as similar as possible as that in which the shareholders' meeting is to be convened by the Board of Directors within four months from the date of receipt of the requisition by the Board of Directors.</p>
6	<p>Article 16 Shareholder(s) <u>individually or jointly holding 3% or more than 3% of the Company's issued shares carrying voting rights</u> shall have the right to propose an extempore motion ten days prior to the general meeting by furnishing the same to the convener in writing.</p> <p>.....</p>	<p>Article 16 Shareholder(s) individually or jointly holding 3% or more of the Company's issued shares carrying voting rights shall have the right to propose an extempore motion ten days prior to the general meeting by furnishing the same to the convener in writing.</p> <p>.....</p>
7	<p>Article 20</p> <p>(3) <u>The shareholders who severally or jointly represent more than 3% (including 3%) of the Company's outstanding shares with voting rights or the Supervisory Committee can directly raise a motion at the annual general meeting. Other motions</u> shall be submitted or delivered to the Board of Directors in writing and the Board of Directors shall decide whether such motions shall be included in the agenda of the shareholders' general</p>	<p>Article 20</p> <p>(3) The shareholder(s) who individually or jointly represent 3% or more of the Company's shares with voting rights or the Supervisory Committee can directly raise the extraordinary motion(s) of the shareholders' general meeting. The extraordinary motion(s) shall be submitted or delivered to the Board of Directors in writing and the Board of Directors shall decide whether such</p>

	meeting.	motions shall be included in the agenda of the shareholders' general meeting.
8	Article 29 After issue of notice of shareholders' general meeting by the Company about election of Directors and Supervisors, shareholders <u>holding individually or in aggregate more than 5% of the voting shares of the Company</u> may propose nominees of Directors and Supervisors before the shareholders' general meeting,	Article 29 After issue of notice of shareholders' general meeting by the Company about election of Directors and Supervisors, shareholder(s) individually or jointly holding 5% or more of the voting shares of the Company may propose nominees of Directors and Supervisors before the shareholders' general meeting,
9	Article 67 (3) by one or more shareholders present in person or by proxy and <u>representing 10% or more of all shares carrying the rights to vote at the meeting.</u> 	Article 67 (3) by one or more shareholders present in person or by proxy and representing 10% or more of all shares carrying the rights to vote at the meeting.

3. Table of Amendments to the Procedural Rules of the Board of Directors

No.	Existing articles	Articles to be revised
1	<p>Article 5 <u>The Board of Directors and shareholder(s) who solely or jointly hold(s) 5% or more than 5% of the issued shares of the Company shall have the right to nominate candidates as directors subject to a election at the shareholders' general meeting. Shareholder(s) who individually or jointly hold(s) 1% or more of the voting rights of the Company may nominate candidate(s) as independent director(s) to be approved at a shareholders' general meeting after consideration by the Board of Directors.</u></p> <p>.....</p>	<p>Article 5 The Board of Directors and shareholder(s) who individually or jointly hold(s) 5% or more of the voting rights of the Company shall have the right to nominate candidates as directors subject to an election at the shareholders' general meeting. Shareholder(s) who individually or jointly hold(s) 1% or more of the voting rights of the Company may nominate candidate(s) as independent director(s) to be approved at a shareholders' general meeting after consideration by the Board of Directors.</p> <p>.....</p>
2	<p>Article 35 The Board of Directors shall comprise <u>thirteen</u> members, one of whom shall be the Chairman and <u>two</u> shall be the vice Chairmen.....</p>	<p>Article 35 The Board of Directors shall comprise seven to eleven members, one of whom shall be the Chairman,and one shall be the vice Chairmen......</p>
3	<p>Article 36 The Board of Directors shall exercise the following powers:</p> <p>.....</p> <p>(9) <u>To determine matters relating to external security (including pledging of assets) representing less than 50% of the audited net assets according to the audited financial report of the previous year;</u></p> <p>.....</p>	<p>Article 36 The Board of Directors shall exercise the following powers:</p> <p>.....</p> <p>(9) To determine matters relating to external security in accordance with the laws, administrative regulations, listing rules of the stock exchange at the place where the Company is listed and requirements of the Articles of Association; an external security which is required to be approved by the shareholders' general meeting shall be submitted to the shareholders' general meeting for examination after being approved for examination;</p> <p>.....</p>
4		<p>Adding Article 38 after Article 37, the subsequent Articles shall be renumbered accordingly.</p> <p>Article 38 The exercise of functions and</p>

		<p>powers by the Board of Directors shall be integrated with the performance of the Party Committee as the core leader and political role. Prior to making decisions on material issues of the Company, the Board shall first seek advice from the Party Committee of the Company.</p>
5	<p><u>Article 40</u> The Company may set up several special committees, including audit, strategic, nomination, remuneration and assessment, and independent Board committees, based on the actual situations. Members of special committees shall all be directors. In the audit committee, the nomination committee and the remuneration and assessment committee, the majority of members shall compose of independent directors who shall be responsible for convening the committee meetings. In the audit committee, at least one independent director shall be an accounting professional.</p> <p>(1) The major terms of reference of the strategic decision-making committee are to study the long-term development strategies and major investment decisions of the Company and make recommendations to the Board of Directors.</p> <p>(2) The major terms of reference of the audit committee are: (i) to make recommendations to the Board of Directors on the appointment and removal of the external audit firms; (ii) to examine the Company's internal audit system and its implementation; (iii) to ensure co-ordination between the internal and external auditors; (iv) to review and monitor the Company's financial information and its disclosure; (v) to review the Company's internal control system.</p> <p>(3) The major terms of reference of the nomination committee are: (i) to research and make recommendations to the Board</p>	<p>Article 41 The Company may set up several special committees, including general committee, strategy and investment committee, audit and risk management committee, nomination committee, remuneration and assessment committees and aviation safety committee. Members of special committees shall all be directors. In the audit and risk management committee, the nomination committee and the remuneration and assessment committee, the majority of members shall compose of independent directors who shall be responsible for convening the committee meetings. In the audit and risk management committee, at least one independent director shall be an accounting professional. The Board of Directors may make adjustments to the above-mentioned committees or establish other special committees in accordance with the needs of the Company.</p> <p>(1) The major terms of reference of the general committee are: (i) to consider and make decisions on Company's major transactions, major investments and major matters related to the daily operation activities as authorised by the Board of Directors; (ii) to supervise and inspect on the execution status of the decision-making matters of the Board of Directors.</p> <p>(2) The major terms of reference of the strategy and investment committee are to study the long-term development strategies and major investment decisions of the Company and make recommendations to the Board of</p>

<p>of Directors on the criteria and procedures for selection of directors and <u>senior management</u>; (ii) to extensively look for individuals suitably qualified to be Board members and <u>senior management</u>; (iii) to review and make recommendations to the Board of Directors on the <u>candidates of directors and senior management</u>.</p> <p>(4) The major terms of reference of <u>the remuneration and assessment committee</u> are: (i) to research the evaluation criteria of directors and <u>senior management</u> and make recommendations to the Board of Directors; (ii) to study and review the remuneration policies and plans for all directors and senior management.</p> <p>(5) <u>The major terms of reference of the independent Board committee</u> are: (i) to review the connected transactions of the Company; (ii) to review the matters in relation to the usage of funds by the shareholders of the Company and the recovery of funds; (iii) to review matters relating to the security provided to external parties by the Company; (iv) to review whether the Company has matters which may harm the interests of the minority shareholders.</p>	<p>Directors.</p> <p>(3) The major terms of reference of the audit and risk management committee are: (i) to make recommendations to the Board of Directors on the appointment and removal of the external audit firms; (ii) to examine the Company's internal audit system and its implementation; (iii) to ensure co-ordination between the internal and external auditors; (iv) to review and monitor the Company's financial information and its disclosure; (v) to review the Company's internal control and risk management system.</p> <p>(4) The major terms of reference of the nomination committee are: (i) to research and make recommendations to the Board of Directors on the criteria and procedures for selection of directors and senior administrative officer(s); (ii) to extensively look for individuals suitably qualified to be Board members and senior administrative officer(s); (iii) to review and make recommendations to the Board of Directors on the candidates of directors and senior administrative officer(s).</p> <p>(5) The major terms of reference of the remuneration and assessment committee are: (i) to research the evaluation criteria of directors and senior administrative officer(s) and make recommendations to the Board of Directors; (ii) to study and review the remuneration policies and plans for all directors and senior administrative officer(s).</p> <p>(6) The major terms of reference of the aviation safety committee are: (i) to supervise management over the Company's aviation safety management; (ii) to conduct research, examine and put forward suggestions to the Company's safety work plan and major issues related to safety work and supervise the implementation.</p>
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6		<p>Adding Article 44 after Article 43, the subsequent Articles shall be renumbered accordingly.</p> <p>Article 44 Within the requirements of laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and the Articles of Association, and in order to improve the Company's decision-making efficiency, the Board of Directors shall give authorization to the general committee, the chairman of the Board of Directors or the general manager in accordance with the terms of reference.</p>
7	<p><u>Article 47</u> The Chairman exercises the following authority:</p> <p>.....</p> <p><u>(7) approve and sign financial expenses (including investment items) over 15% of the Company's financial budget plan, a single financial expense item out of the Company's financial budget plan of below RMB10 million and annual accumulated financial expenses out of the Company's financial budget plan of below RMB30 million;</u></p> <p><u>(8) approve a single short-term borrowing of pledged financing and loan below RMB100 million;</u></p> <p>(9) exercise discretion on business of the Company in compliance with legal requirements and in the Company's interest in force majeure emergency such as large-scale natural disasters and report to the Board of Directors and shareholders' general meeting ;</p> <p><u>(10) other authorities authorized by the Board of Directors and as stipulated in the Articles of Association.</u></p>	<p>Article 49 The Chairman exercises the following authority:</p> <p>.....</p> <p>(7) approve and sign financial expenses (including investment items) over 15% of the Company's financial budget plan, a single financial expense item out of the Company's financial budget plan of below RMB10 million and annual accumulated financial expenses out of the Company's financial budget plan of below RMB30 million;</p> <p>(8) approve a single short-term borrowing of pledged financing and loan below RMB100 million;</p> <p>(7) exercise discretion on business of the Company in compliance with legal requirements and in the Company's interest in force majeure emergency such as large-scale natural disasters and report to the Board of Directors and shareholders' general meeting ;</p> <p>(8) other authorities authorized by the Board of Directors and as stipulated in the Articles of Association.</p>
8	<p><u>Article 49</u> The Office of Secretary to the Board of Directors is established under</p>	<p>Article 51 The Company Secretary Bureau is established under the Board of</p>

	<p>the Board of Directors and its person in charge is the Secretary to the Board of Directors. The Secretary to the Board of Directors is senior management personnel of the Company and is responsible to the Board of Directors. The Secretary to the Board of Directors is nominated by the Chairman and dismissed by the Board of Directors.</p>	<p>Directors and its person in charge is the Secretary to the Board of Directors. The Secretary to the Board of Directors is senior management personnel of the Company and is responsible to the Board of Directors. The Secretary to the Board of Directors is nominated by the Chairman and dismissed by the Board of Directors.</p>
9	<p><u>Article 59</u> Meetings of the Board of Directors include regular meetings and extraordinary meetings. Regular meetings of the Board of Directors shall be held twice every year, and these meetings shall be held on the date of release of the Company's annual report for the previous year and the release of the Company's interim report for the current year to discuss and examine the relevant reports.</p>	<p>Article 61 Meetings of the Board of Directors include regular meetings and extraordinary meetings. Regular meetings of the Board of Directors shall be held four times every year, and two of which shall be held on the date of release of the Company's annual report for the previous year and the release of the Company's interim report for the current year to discuss and examine the relevant reports.</p>
10	<p><u>Article 60</u> Before issuing the notice of regular Board meeting, <u>the Office of Secretary to the Board of Directors</u> shall sufficiently seek the opinion of all directors. The preliminary agenda shall be formed and passed to the Chairman for drafting.</p> <p>Before drafting the agenda, the Chairman shall seek the opinion of <u>Managers</u> and other senior management members according to needs.</p>	<p>Article 62 Before issuing the notice of regular Board meeting, the Company Secretary Bureau shall sufficiently seek the opinion of all directors. The preliminary agenda shall be formed and passed to the Chairman for drafting.</p> <p>Before drafting the agenda, the Chairman shall seek the opinion of General Manager and other senior management members according to needs.</p>
11	<p><u>Article 61</u> The Chairman of the Board of Directors shall convene an extraordinary Board meeting within <u>ten days</u> when it is:</p> <p>.....</p> <p><u>(6) proposed by the one third or more of the supervisors;</u></p> <p><u>(7) proposed by the General Manager;</u></p> <p><u>(8) requested to be convened by the securities regulatory body;</u></p> <p><u>(9) otherwise provided by the Articles of Association.</u></p>	<p>Article 63 The Chairman of the Board of Directors shall convene an extraordinary Board meeting within ten days when it is:</p> <p>.....</p> <p>(6) proposed by the one third or more of the supervisors;</p> <p>(6) proposed by the General Manager;</p> <p>(7) requested to be convened by the securities regulatory body;</p> <p>(8) otherwise provided by the Articles of Association.</p>

<p>12</p>	<p><u>Article 62</u> When convening a special Board meeting in accordance with <u>Article 61</u> of the Rules, a written proposal signed (sealed) by the proposer shall be submitted through <u>the Office of Secretary to the Board of Directors</u> or directly to the Chairman of the Board of Directors.</p> <p>.....</p> <p><u>The Office of Secretary to the Board of Directors</u> shall transfer the above written proposal and relevant materials to the Chairman on the date of receipt.....</p>	<p>Article 64 When convening a special Board meeting in accordance with Article 63 of the Rules, a written proposal signed (sealed) by the proposer shall be submitted through the Company Secretary Bureau or directly to the Chairman of the Board of Directors.</p> <p>.....</p> <p>The Company Secretary Bureau shall transfer the above written proposal and relevant materials to the Chairman on the date of receipt.....</p>
<p>13</p>	<p><u>Article 63</u> <u>Board meeting shall be convened by the following ways:</u></p> <p>(1) notice for convening a <u>Board meeting</u> shall be given to all members, via direct delivery, fax email or other methods where <u>delivery</u> can be confirmed, <u>ten days</u> before the date of the proposed meeting;</p> <p>(2) notice for convening an extraordinary Board meeting shall be given to all members, via direct delivery, fax, email or other methods where <u>delivery</u> can be confirmed, five days before the date of the proposed meeting.</p> <p>The date of delivery of the notice of meeting sent by personal delivery is the date which the recipient signs (or stamps) on the receipt; the date of delivery of the notice sent by post is the fifth working day after the date of delivery to post office; the date of delivery of the notice sent by fax shall be the date shown in the fax machine report slip; the date of delivery of the notice sent by email is the date when the email reaches the recipient's system.</p> <p>In case of emergency and an extraordinary Board meeting is required to be convened as soon as possible, the notice of meeting can be given anytime by phone or otherwise orally yet the convener shall explain the case in the</p>	<p>Article 65 Board meeting shall be convened by the following ways and at the times as follows:</p> <p>(1) notice for convening a regular meetings of the Board of Directors shall be given to all members, via direct delivery, fax email or other methods where delivery can be confirmed, ten days before the date of the proposed meeting;</p> <p>(2) notice for convening an extraordinary Board meeting shall be given to all members, via direct delivery, fax, email or other methods where delivery can be confirmed, five days before the date of the proposed meeting.</p> <p>(3) the date of delivery of the notice of meeting sent by personal delivery is the date which the recipient signs (or stamps) on the receipt; the date of delivery of the notice sent by post is the fifth working day after the date of delivery to post office; the date of delivery of the notice sent by fax shall be the date shown in the fax machine report slip; the date of delivery of the notice sent by email is the date when the email reaches the recipient's system.</p> <p>(4) In case of emergency and an extraordinary Board meeting is required to be convened as soon as possible, the</p>

	meeting.	notice of meeting can be given anytime by phone or other instant messaging yet the convener shall explain the case in the meeting. (5) Such notices shall be in Chinese, with English version when necessary.
14	<u>Article 64</u> Notice of a Board meeting shall contain: <u>(5) the date of the notice. The materials necessary for the directors to vote in the meeting;</u> 	Article 66 Notice of a Board meeting shall contain: (5) the materials necessary for the directors to vote in the meeting; (8) the date of the notice.
15	<u>Article 73</u> The supervisors, <u>the Managers</u> and the Secretary to the Board without a concurrent post of director shall attend the meeting of the Board. The meeting moderator, if he/she considers necessary, can inform other relevant personnel to attend the meeting.	Article 75 The supervisors, the General Managers and the Secretary to the Board without a concurrent post of director shall attend the meeting of the Board. The meeting moderator, if he/she considers necessary, can inform other relevant personnel to attend the meeting.
16	<u>Article 75</u> The directors are allowed to learn the information necessary for the decision-making from <u>the Office of Secretary to the Board of Directors</u> , the meeting convener, <u>the Managers</u> and other senior management staff, various special committees, accounting firms and law firms and other relevant personnel and organizations before the meeting,	Article 77 The directors are allowed to learn the information necessary for the decision-making from the Company Secretary Bureau , the meeting convener, the General Manager and other senior management staff, various special committees, accounting firms and law firms and other relevant personnel and organizations before the meeting,
17	<u>Article 80</u> After the voting of the directors present at the meeting, the Securities Representative and relevant personnel of <u>the Office of Secretary to the Board of Directors</u> shall timely collect the directors' votes,.....	Article 82 After the voting of the directors present at the meeting, the Securities Representative and relevant personnel of the Company Secretary Bureau shall timely collect the directors' votes,.....
18	<u>Article 91</u> In addition to the meeting minutes, the Secretary to the Board may	Article 93 In addition to the meeting minutes, the Secretary to the Board may

	also arrange the staff of <u>the Office of Secretary to the Board of Directors</u> to work out a clear and concise meeting summary,	also arrange the staff of the Company Secretary Bureau to work out a clear and concise meeting summary,
19	<u>Article 93</u> If a director neither signs for confirmation in accordance with <u>Article 92</u> of these Rules, nor make any written explanation or report to the regulatory authorities or make a public announcement regarding his/her different views, he/she shall be deemed to fully agree with the content of the meeting minutes and resolution record.	Article 95 If a director neither signs for confirmation in accordance with Article 94 of these Rules, nor make any written explanation or report to the regulatory authorities or make a public announcement regarding his/her different views, he/she shall be deemed to fully agree with the content of the meeting minutes and resolution record.
20	<u>Article 99</u> Matters concerning proposal to convene a shareholders' general meeting: (2) <u>the Office of the Secretary to the Board of Directors</u> , Financial Department and relevant departments of the Company shall prepare the materials; 	Article 101 Matters concerning proposal to convene a shareholders' general meeting: (2) the Company Secretary Bureau , Financial Department and relevant departments of the Company shall prepare the materials;
21	<u>Article 100</u> Matters concerning the passing of <u>the annual financial audit report</u> of the Company: 	Article 102 Matters concerning the passing of the annual financial report of the Company:
22	<u>Article 102</u> Matters concerning drawing up plans for substantial acquisition and disposal of the Company: <u>(2) the Board of Directors shall authorize relevant departments to prepare the materials;</u> <u>(6) a resolution of the Board shall be reached and submitted for consideration in the shareholders' general meeting.</u>	Article 104 Matters concerning drawing up plans for substantial acquisition and disposal of the Company: (2) the Chairman or the General Manager shall instruct relevant departments of the Company to prepare the materials; (6) a resolution of the Board shall be reached, in accordance with laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and the Articles of

		Association, the substantial acquisition and disposal approved by the Company at a shareholders' general meeting shall submit to the shareholders' general meeting.
23	<p><u>Article 105</u></p> <p><u>Matters concerning the documentation for the approval and signature for financial expenses (including investment items) over 15% of the Company's financial budget plan, a single financial expense item in the Company's financial budget plan of over RMB10 million and a single short-term borrowing of pledged financing and loan over RMB100 million:</u></p> <p>(1) The Chairman shall make proposal;</p> <p>(2) the General Manager shall instruct relevant departments of the Company to organize the materials and formulate a draft proposal;</p> <p>(3) the General Manager shall examine and submit the proposal to the Board of Directors;</p> <p>(4) the Secretary to the Board of Directors shall consolidate the materials and make arrangements for meeting-related matters;</p> <p>(5) the Board of Directors shall discuss on the proposal;</p> <p>(6) a resolution of the Board shall be reached and the total amount of such expense representing over 15% of the Company's net tangible assets shall be disclosed by the Secretary to the Board of Directors while the total amount representing over 50% of the Company's net tangible assets shall be submitted to shareholders' meeting for consideration;</p> <p>(7) the Office of the Secretary to the Board of Directors shall inform the</p>	<p>Deleting the original Article 105 of Rules of Procedures for the Board Meetings, the subsequent Articles shall be renumbered accordingly.</p> <p>Article 105</p> <p>Matters concerning the documentation for the approval and signature for financial expenses (including investment items) over 15% of the Company's financial budget plan, a single financial expense item in the Company's financial budget plan of over RMB10 million and a single short-term borrowing of pledged financing and loan over RMB100 million:</p> <p>(1) The Chairman shall make proposal;</p> <p>(2) the General Manager shall instruct relevant departments of the Company to organize the materials and formulate a draft proposal;</p> <p>(3) the General Manager shall examine and submit the proposal to the Board of Directors;</p> <p>(4) the Secretary to the Board of Directors shall consolidate the materials and make arrangements for meeting-related matters;</p> <p>(5) the Board of Directors shall discuss on the proposal;</p> <p>(6) a resolution of the Board shall be reached and the total amount of such expense representing over 15% of the Company's net tangible assets shall be disclosed by the Secretary to the Board of Directors while the total amount</p>

	<p><u>relevant departments.</u></p>	<p>representing over 50% of the Company's net tangible assets shall be submitted to shareholders' meeting for consideration;</p> <p>(7) the Office of the Secretary to the Board of Directors shall inform the relevant departments.</p>
24	<p><u>Article 106 Matters concerning connected transactions exceeding the requirements of current Listing Rules and other regulatory provisions:</u></p> <p>.....</p> <p>(7) a resolution of the Board shall be reached and <u>a disclosure of connected transactions exceeding the requirements of current Listing Rules and other regulatory provisions shall be made by the Secretary to the Board of Directors according to the resolution;</u></p> <p>(8) <u>the Office of the Secretary to the Board of Directors shall inform the relevant departments.</u></p>	<p>Article 107 To consider connected transactions:</p> <p>.....</p> <p>(7) a resolution of the Board shall be reached, in accordance with laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and the Articles of Association, the external guarantee which should be approved by the shareholders' general meeting shall be submitted to the shareholders' general meeting for examination;</p> <p>(8) the Company Secretary Bureau shall inform the relevant departments.</p>
25	<p><u>Article 107</u></p> <p>(7) <u>the Office of the Secretary to the Board of the Directors shall inform the personnel department of the Company.</u></p>	<p>Article 108</p> <p>(7) the Company Secretary Bureau shall inform the personnel department of the Company.</p>
26	<p><u>Article 110</u></p> <p>Matters concerning external guarantee:</p> <p>.....</p> <p>(2) <u>the Office of the Secretary to the Board of Directors and relevant departments shall prepare the materials;</u></p> <p>.....</p> <p>(6) a resolution of the Board shall be reached and the Secretary to the Board of Directors shall disclose any consideration of <u>RMB50 million or above</u> and submit to the shareholders' general meeting according to the</p>	<p>Article 111</p> <p>To consider external guarantee:</p> <p>.....</p> <p>(2) the Company Secretary Bureau and relevant departments of the Company shall prepare the materials;</p> <p>.....</p> <p>(6) a resolution of the Board shall be reached, in accordance with laws, administrative regulations, the listing rules of the stock exchange where the Company is listed and the Articles of Association, the external guarantee which should be approved by the</p>

	resolution.	shareholders' general meeting shall be submitted to the shareholders' general meeting for examination; (7) the Company Secretary Bureau shall inform the relevant departments.
27	<u>Article 111</u> Matters concerning the formulations of plans to issue shares and bonds of the Company: (2) <u>the Office of the Secretary to the Board of Directors, financial department, legal department and other departments</u> shall prepare the materials; 	Article 112 Matters concerning the formulations of plans to issue shares and bonds of the Company: (2) the Company Secretary Bureau and relevant departments of the Company shall prepare the materials;
28	<u>Article 112</u> Matters concerning the formulation of plans to increase or reduce the Company's registered capital: (2) <u>the Office of the Secretary to the Board of Directors</u> and relevant departments of the Company shall prepare the materials; 	Article 113 Matters concerning the formulation of plans to increase or reduce the Company's registered capital: (2) the Company Secretary Bureau and relevant departments of the Company shall prepare the materials;
29	<u>Article 113</u> Matters concerning drawing up plans for the Company's merger, division or dissolution: (2) <u>the Office of the Secretary to the Board of Directors</u> and relevant departments of the Company shall prepare the materials; 	Article 114 Matters concerning drawing up plans for the Company's merger, division or dissolution: (2) the Company Secretary Bureau and relevant departments of the Company shall prepare the materials;
30	<u>Article 114</u>	Article 115

	<p>Matters concerning amendment to the Company's Articles of Association:</p> <p>.....</p> <p>(2) <u>the Office of the Secretary to the Board of Directors and departments of the Company</u> shall prepare the materials;</p> <p>.....</p>	<p>Matters concerning amendment to the Company's Articles of Association:</p> <p>.....</p> <p>(2) the Company Secretary Bureau and relevant departments of the Company shall prepare the materials;</p> <p>.....</p>
31	<p><u>Article 116</u></p> <p>Matters concerning the election of Chairman:</p> <p>.....</p> <p>(5) <u>the Office of the Secretary to the Board of Directors</u> shall draft the document and send it in the name of the Company.</p>	<p>Article 117</p> <p>Matters concerning the election of Chairman and vice-chairman:</p> <p>.....</p> <p>(5) the Company Secretary Bureau shall draft the document and send it in the name of the Company.</p>
32	<p><u>Article 117</u></p> <p>Appointment or dismissal of the Company's General Manager and decision on remuneration and rewards and punishments:</p> <p>.....</p> <p>(7) <u>the Office of the Secretary to the Board of Directors</u> shall draft the document and send it in the name of the Company.</p>	<p>Article 118</p> <p>Appointment or dismissal of the Company's General Manager and decision on remuneration and rewards and punishments:</p> <p>.....</p> <p>(7) the Company Secretary Bureau shall draft the document and send it in the name of the Company.</p>
33	<p><u>Article 118</u></p> <p>Other important matters in the operation of the Company:</p> <p>.....</p> <p>(7) <u>the Office of the Secretary to the Board of Directors</u> shall inform relevant departments.</p>	<p>Article 119</p> <p>Other important matters in the operation of the Company:</p> <p>.....</p> <p>(7) the Company Secretary Bureau shall inform relevant departments.</p>
34	<p><u>Article 119</u></p> <p>Matters concerning the Company's assigned external directors obtaining authorization from the Board of Directors for the resolution of items</p>	<p>Article 120</p> <p>Matters concerning the Company's assigned external directors obtaining authorization from the Board of Directors for the resolution of items regarding</p>

	<p>regarding matters mentioned above in this section in their position in the Board of Directors and shareholders (especially items in <u>Articles 100 to 114</u>):</p> <p>.....</p> <p>(7) <u>the Office of the Secretary to the Board of Directors</u> shall inform the assigned external director and relevant departments.</p>	<p>matters mentioned above in this section in their position in the Board of Directors and shareholders (especially items in Articles 102 to 115):</p> <p>.....</p> <p>(7) the Company Secretary Bureau shall inform the assigned external director and relevant departments.</p>
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4. Table of Amendments to the Procedural Rules of the Supervisory Committee

No.	Existing articles	Articles to be revised
1	<p>Article 6 Shareholders’ representatives shall be elected or replaced by shareholders’ general meeting. Supervisor candidates who are shareholders’ representatives shall be nominated by the Supervisory Committee of the previous session, <u>or by shareholders representing 5% or above of issued ordinary shares of the Company</u> and confirmed by the Supervisory Committee. Such supervisors shall be elected by shareholders representing half or more of the voting rights of the shareholders present at the shareholders’ general meeting, and requirements are the same for their replacement.</p>	<p>Article 6 Shareholders’ representatives shall be elected or replaced by shareholders’ general meeting. Supervisor candidates who are shareholders’ representatives shall be nominated by the Supervisory Committee of the previous session, or by shareholders individually or jointly holding 5% or more of the Company’s shares carrying the right to vote and confirmed by the Supervisory Committee. Such supervisors shall be elected by shareholders representing half or more of the voting rights of the shareholders present at the shareholders’ general meeting, and requirements are the same for their replacement.</p>
2	<p>Article 20 The Company shall have a Supervisory Committee. The Supervisory Committee shall be composed of <u>five</u> supervisors.</p> <p>.....</p>	<p>Article 20 The Company shall have a Supervisory Committee. The Supervisory Committee shall be composed of three to five supervisors, of which supervisors assumed by staff representatives shall not be less than one third.</p> <p>.....</p>
3	<p>Article 23 The Supervisory Committee shall exercise the following functions and powers:</p> <p>.....</p> <p>(7) To institute proceedings against the directors and senior management personnel in accordance with the provisions of <u>Article 65</u> of the Articles of Association;</p> <p>.....</p>	<p>Article 23 The Supervisory Committee shall exercise the following functions and powers:</p> <p>.....</p> <p>(7) To institute proceedings against the directors and senior management personnel in accordance with the provisions of Article 66 of the Articles of Association;</p> <p>.....</p>
4	<p>Article 33 The Supervisory Committee shall convene at least two regular meetings each year, which shall be held within two days before the announcement of Company’s annual report for the previous year and quarterly</p>	<p>Article 33 The Supervisory Committee shall convene at least two regular meetings each year, which shall be held within two days before the announcement of Company’s annual report for the previous year and quarterly report and</p>

	report and interim report of the year, to consider such reports and related issues.	interim report of the year, to consider such reports and related issues.
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