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**国银租赁**

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司\*

**CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.\***

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

**(Stock Code: 1606)**

## **ANNOUNCEMENT PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

The board of directors (the “**Board**”) of China Development Bank Financial Leasing Co., Ltd. (the “**Company**”) hereby announces that at the Board meeting held on 11 January 2018, the Company considered and approved the resolution regarding the Amendments to the Articles of Association of China Development Bank Financial Leasing Co., Ltd.

After consideration and approval by the Board, the Company proposed to amend the Articles of Association of China Development Bank Financial Leasing Co., Ltd. (the “**Articles of Association**”) (the “**Proposed Amendments**”), the contents of which mainly include: (1) incorporation of Party-building work into the Articles of Association; (2) revision from “China Development Bank Corporation” to “China Development Bank” due to the change of shareholder’s name; (3) change of the Company’s registered address in the PRC; (4) adjustments to the contents of chapters in relation to the board of supervisors; and (5) change of titles of certain senior managements.

Please refer to the comparison table of amendments in the Appendix to this announcement for details of the Proposed Amendments. The number of relevant chapters and articles will be adjusted accordingly.

\* *CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD. is (a) not an authorized institution within the meaning of the Banking Ordinance; (b) not authorized to carry on banking/ deposit-taking business in Hong Kong; and (c) not subject to the supervision of the Hong Kong Monetary Authority.*

The Proposed Amendments are subject to the approval by way of special resolution at the shareholders' general meeting of the Company, and will become effective upon the approval of the China Banking Regulatory Commission Shenzhen Office (the “**CBRC Shenzhen Office**”). The current Articles of Association shall remain valid until the Proposed Amendments are approved by the CBRC Shenzhen Office. A circular containing, among others, the Proposed Amendments and a notice of the shareholders' general meeting will be dispatched to the shareholders of the Company as soon as reasonably practicable.

By order of the Board  
**CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.**  
**WANG Xuedong**  
*Chairman*

Shenzhen, the PRC, 11 January 2018

*As at the date of this announcement, the executive directors of the Company are Mr. WANG Xuedong and Mr. HUANG Min; the non-executive directors of the Company are Mr. GENG Tiejun, Ms. LIU Hui and Mr. LI Yingbao; and the independent non-executive directors of the Company are Mr. ZHENG Xueding, Mr. XU Jin and Mr. ZHANG Xianchu.*

**APPENDIX**  
**COMPARISON TABLE OF AMENDMENTS**  
**TO THE ARTICLES OF ASSOCIATION**

Original Articles	Amended Articles
<b>CHAPTER 1: GENERAL PROVISIONS</b>	<b>CHAPTER 1: GENERAL PROVISIONS</b>
<p><b>Article 2</b> The Company is a joint stock limited company and non-bank financial institution incorporated in accordance with the Company Law, the Special Regulations and other relevant laws and administrative regulations of the PRC.</p> <p>The Company was restructured from the previous China Development Bank Financial Leasing Company Limited (founded in 1984) into a joint stock company with limited liability as approved by the Approval of the Change of the Company Name of China Development Bank Financial Leasing Company Limited (Shen Yin Jian Fu [2015] No. 295) (《深圳銀監局關於國銀金融租賃有限公司變更公司名稱的批覆》(深銀監覆[2015]295號)), the Approval of the Changes of the Articles of Association of China Development Bank Financial Leasing Company Limited (Shen Yin Jian Fu [2015] No. 296) (《深圳銀監局關於國銀金融租賃有限公司章程變更的批覆》(深銀監覆[2015]296號)) and the Approval of the Change of Registered Capital of China Development Bank Financial Leasing Company Limited (Shen Yin Jian Fu [2015] No. 297) (《深圳銀監局關於國銀金融租賃有限公司變更註冊資本的批覆》(深銀監覆[2015]297號)), issued to the Company by Shenzhen Office of the China Banking Regulatory Commission on September 25, 2015, and the Company was incorporated through the way of promotion on September 28, 2015, and obtained a new business license upon registration changes with the Market and Quality Supervision Commission of Shenzhen Municipality on the same day. The code of the business license of the Company is 440301102880400.</p>	<p><b>Article 2</b> The Company is a joint stock limited company and non-bank financial institution incorporated in accordance with the Company Law, the Special Regulations and other relevant laws and administrative regulations of the PRC.</p> <p>The Company was restructured from the previous China Development Bank Financial Leasing Company Limited (founded in 1984) into a joint stock company with limited liability as approved by the Approval of the Change of the Company Name of China Development Bank Financial Leasing Company Limited (Shen Yin Jian Fu [2015] No. 295) (《深圳銀監局關於國銀金融租賃有限公司變更公司名稱的批覆》(深銀監覆[2015]295號)), the Approval of the Changes of the Articles of Association of China Development Bank Financial Leasing Company Limited (Shen Yin Jian Fu [2015] No. 296) (《深圳銀監局關於國銀金融租賃有限公司章程變更的批覆》(深銀監覆[2015]296號)) and the Approval of the Change of Registered Capital of China Development Bank Financial Leasing Company Limited (Shen Yin Jian Fu [2015] No. 297) (《深圳銀監局關於國銀金融租賃有限公司變更註冊資本的批覆》(深銀監覆[2015]297號)), issued to the Company by Shenzhen Office of the China Banking Regulatory Commission on September 25, 2015, and the Company was incorporated through the way of promotion on September 28, 2015, and obtained a new business license upon registration changes with the Market and Quality Supervision Commission of Shenzhen Municipality on the same day. The code of the business license of the Company is 440301102880400.</p>

Original Articles	Amended Articles
<p>The promoters of the Company were <b>China Development Bank Corporation (國家開發銀行股份有限公司)</b>, HNA Group Company Limited (海航集團有限公司), Xi'an Aircraft Industry (Group) Company Ltd. (西安飛機工業(集團)有限責任公司), Jiangsu Jia Yuan Investment Company Limited (江蘇佳源投資有限公司), Qitian Holding Company Limited (啟天控股有限公司), Bank of Urumqi Co., Ltd. (烏魯木齊銀行股份有限公司), Sichuan Financial Leasing Co., Ltd. (四川金融租賃股份有限公司), and Huilian Assets Management Company Limited (匯聯資產管理有限公司).</p>	<p>The promoters of the Company were <b>China Development Bank (國家開發銀行)</b>, HNA Group Company Limited (海航集團有限公司), Xi'an Aircraft Industry (Group) Company Ltd. (西安飛機工業(集團)有限責任公司), Jiangsu Jia Yuan Investment Company Limited (江蘇佳源投資有限公司), Qitian Holding Company Limited (啟天控股有限公司), Bank of Urumqi Co., Ltd. (烏魯木齊銀行股份有限公司), Sichuan Financial Leasing Co., Ltd. (四川金融租賃股份有限公司), and Huilian Assets Management Company Limited (匯聯資產管理有限公司).</p>
	<p><b><u>Article 3</u></b> <b>The Company shall establish an organisation of the Communist Party of China in accordance with the relevant requirements of the Constitution of the Communist Party of China and the Company Law to carry out activities of the Party. The Party Committee of the Company shall play the role of core leadership, provide direction, manage overall situation and ensure implementation. The working organs of the Party shall be established, equipped with sufficient staff to deal with Party affairs, and provided with sufficient funds to operate the Party organisation.</b></p>
<p><b>Article 4</b> Domicile of the Company: <b><u>50-52/F New World Center, No. 6009 Yitian Road, Futian District, Shenzhen</u></b>  Post code: 518026  Telephone: 86-755-23980999  0999 Fax: 86-755-23980900</p>	<p><b>Article 5</b> Domicile of the Company: <b><u>CDB Financial Center, No. 2003 Fuzhong Third Road, Futian District, Shenzhen, Guangdong Province, the PRC</u></b>  Post code: 518026  Telephone: 86-755-23980999  Fax: 86-755-23980900</p>

Original Articles	Amended Articles
<p style="text-align: center;"><b>CHAPTER 3: SHARES, TRANSFER OF SHARES AND REGISTERED CAPITAL</b></p>	<p style="text-align: center;"><b>CHAPTER 3: SHARES, TRANSFER OF SHARES AND REGISTERED CAPITAL</b></p>
<p><b>Article 18</b> Subject to the approval of the Company’s approving department, the Company may issue a total of 9,500 million ordinary shares to its promoters when the Company was restructured into a joint stock company, of which 8,449,932,938 shares were subscribed and held by <b><u>China Development Bank Corporation</u></b>, representing 88.9466% of the total number of ordinary shares issued by the Company; 795,625,000 shares were subscribed and held by HNA Group Company Limited, representing 8.375% of the total number of ordinary shares issued by the Company; 154,375,000 shares were subscribed and held by Xi’an Aircraft Industry (Group) Company Ltd., representing 1.625% of the total number of ordinary shares issued by the Company; 88,203,937 shares were subscribed and held by Jiangsu Jia Yuan Investment Company Limited, representing 0.9285% of the total number of ordinary shares issued by the Company; 4,500,625 shares were subscribed and held by Qitian Holding Company Limited, representing 0.0474% of the total number of ordinary shares issued by the Company; 3,562,500 shares were subscribed and held by Bank of Urumqi Co., Ltd., representing 0.0375% of the total number of ordinary shares issued by the Company; 2,612,500 shares were subscribed and held by Sichuan Financial Leasing Co., Ltd., representing 0.0275% of the total number of ordinary shares issued by the Company; and 1,187,500 shares were subscribed and held by Huilian Assets Management Company Limited, representing 0.0125% of the total number of ordinary shares issued by the Company.</p>	<p><b>Article 19</b> Subject to the approval of the Company’s approving department, the Company may issue a total of 9,500 million ordinary shares to its promoters when the Company was restructured into a joint stock company, of which 8,449,932,938 shares were subscribed and held by <b><u>China Development Bank</u></b>, representing 88.9466% of the total number of ordinary shares issued by the Company; 795,625,000 shares were subscribed and held by HNA Group Company Limited, representing 8.375% of the total number of ordinary shares issued by the Company; 154,375,000 shares were subscribed and held by Xi’an Aircraft Industry (Group) Company Ltd., representing 1.625% of the total number of ordinary shares issued by the Company; 88,203,937 shares were subscribed and held by Jiangsu Jia Yuan Investment Company Limited, representing 0.9285% of the total number of ordinary shares issued by the Company; 4,500,625 shares were subscribed and held by Qitian Holding Company Limited, representing 0.0474% of the total number of ordinary shares issued by the Company; 3,562,500 shares were subscribed and held by Bank of Urumqi Co., Ltd., representing 0.0375% of the total number of ordinary shares issued by the Company; 2,612,500 shares were subscribed and held by Sichuan Financial Leasing Co., Ltd., representing 0.0275% of the total number of ordinary shares issued by the Company; and 1,187,500 shares were subscribed and held by Huilian Assets Management Company Limited, representing 0.0125% of the total number of ordinary shares issued by the Company.</p>



Original Articles	Amended Articles
<p><b>Article 21</b> Upon the establishment of the Company and the approval of securities regulatory authority of the State Council, the Company has issued 3,142,380,000 Overseas Listed Shares. State-owned shareholders of the Company have transferred to the National Council for Social Security Fund (the “NSSF”) the 314,238,000 state-owned shares in accordance with the national regulations on reduction of the state-owned shares, upon the initial offering of Overseas Listed Shares.</p> <p>Upon the initial public offering of 3,142,380,000 Overseas Listed Shares in July 2016, the total share capital of the Company was 12,642,380,000, and the share capital structure of the Company was as follows: <b>China Development Bank Corporation</b> subscribes and holds 8,141,332,869 shares, representing 64.40% of the total number of ordinary shares issued by the Company; HNA Group Company Limited subscribes and holds 795,625,000 shares, representing 6.29% of the total number of ordinary shares issued by the Company; Xi’an Aircraft Industry (Group) Company Ltd. subscribes and holds 148,737,069 shares, representing 1.18% of the total number of ordinary shares issued by the Company; Jiangsu Jia Yuan Investment Company Limited subscribes and holds 88,203,937 shares, representing 0.70% of the total number of ordinary shares issued by the Company; Qitian Holding Company Limited subscribes and holds 4,500,625 shares, representing 0.04% of the total number of ordinary shares issued by the Company; Bank of Urumqi Co., Ltd. subscribes and holds 3,562,500 shares, representing 0.03% of the total number of ordinary shares issued by the Company; Sichuan Financial Leasing Co., Ltd. subscribes and holds 2,612,500 shares, representing 0.02% of the total number of ordinary shares issued by the</p>	<p><b>Article 22</b> Upon the establishment of the Company and the approval of securities regulatory authority of the State Council, the Company has issued 3,142,380,000 Overseas Listed Shares. State-owned shareholders of the Company have transferred to the National Council for Social Security Fund (the “NSSF”) the 314,238,000 state-owned shares in accordance with the national regulations on reduction of the state-owned shares, upon the initial offering of Overseas Listed Shares.</p> <p>Upon the initial public offering of 3,142,380,000 Overseas Listed Shares in July 2016, the total share capital of the Company was 12,642,380,000, and the share capital structure of the Company was as follows: <b>China Development Bank</b> subscribes and holds 8,141,332,869 shares, representing 64.40% of the total number of ordinary shares issued by the Company; HNA Group Company Limited subscribes and holds 795,625,000 shares, representing 6.29% of the total number of ordinary shares issued by the Company; Xi’an Aircraft Industry (Group) Company Ltd. subscribes and holds 148,737,069 shares, representing 1.18% of the total number of ordinary shares issued by the Company; Jiangsu Jia Yuan Investment Company Limited subscribes and holds 88,203,937 shares, representing 0.70% of the total number of ordinary shares issued by the Company; Qitian Holding Company Limited subscribes and holds 4,500,625 shares, representing 0.04% of the total number of ordinary shares issued by the Company; Bank of Urumqi Co., Ltd. subscribes and holds 3,562,500 shares, representing 0.03% of the total number of ordinary shares issued by the Company; Sichuan Financial Leasing Co., Ltd. subscribes and holds 2,612,500 shares, representing 0.02% of the total number of ordinary shares issued by the</p>

Original Articles	Amended Articles
<p>Company; Huilian Assets Management Company Limited subscribes and holds 1,187,500 shares, representing 0.01% of the total number of ordinary shares issued by the Company; the NSSF holds 314,238,000 shares, representing 2.49% of the total number of ordinary shares; and shareholders of H shares (excluding NSSF) hold 3,142,380,000 shares, representing 24.86% of the total ordinary share capital.</p>	<p>Company; Huilian Assets Management Company Limited subscribes and holds 1,187,500 shares, representing 0.01% of the total number of ordinary shares issued by the Company; the NSSF holds 314,238,000 shares, representing 2.49% of the total number of ordinary shares; and shareholders of H shares (excluding NSSF) hold 3,142,380,000 shares, representing 24.86% of the total ordinary share capital.</p>
	<p><b>CHAPTER 8: THE PARTY ORGANISATION</b></p>
	<p><b><u>Article 63 The Company shall establish Party Committee. The Party Committee shall consist of one secretary, one to two deputy secretaries and several other members. The chairman of the board of directors and the secretary of the Party Committee shall be the same person, and one deputy secretary shall be designated to assist the secretary in carrying out Party-building work. Eligible members of the Party Committee can join the board of directors, the board of supervisors and the management through legal procedures, while eligible Party members of the board of directors, the board of supervisors and the management can also join the Party Committee in accordance with relevant rules and procedures. Meanwhile, the Company shall establish Commission for Discipline Inspection in accordance with the provisions.</u></b></p>

Original Articles	Amended Articles
	<p data-bbox="823 219 1428 568"><b><u>Article 64 The Party Committee of the Company shall, in accordance with the Constitution of the Communist Party of China, the Work Regulation on Party Organization of the Communist Party of China (Trial) and other internal rules and regulations of the Party, perform the duties, including:</u></b></p> <p data-bbox="823 618 1428 967"><b><u>(1) to ensure and supervise the Company’s implementation of policies and guidelines of the Party and the State, and to implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of higher Party organisations.</u></b></p> <p data-bbox="823 1016 1428 1606"><b><u>(2) to strengthen its leadership and gate keeping role in the process of selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision, and to uphold the integration of the principle that the Party manages the cadres with the lawful selection of the management by the board of directors and the lawful exercise of authority of appointment, promotion and demotion of personnel by the management.</u></b></p>



Original Articles	Amended Articles
	<p data-bbox="823 219 1428 768"><b><u>(3) to study and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employees' interests, and to provide suggestions. To support the shareholders' general meeting, the board of directors, the board of supervisors and the operating management of the Company in performing their duties in accordance with laws and to support the staff representative assembly in carrying out its work.</u></b></p> <p data-bbox="823 815 1428 1525"><b><u>(4) to assume the primary responsibility to exercise strict self-governance in every respect of the Party, to lead the Company's ideological and political work, the united front work, the cultural and ethical cultivation, corporate culture cultivation as well as the work of mass organisations such as the Trade Union and the Communist Youth League, to lead the construction of the Party's working style and its clean and honest administration, and to support the Commission for Discipline Inspection of the Party in earnestly performing its supervisory responsibilities.</u></b></p>

Original Articles	Amended Articles
	<p><b><u>(5) to strengthen the building of the Company’s primary Party organisations and ranks of Party members, to give full play to the role of Party branches as militant bastions and to the role of Party members as vanguard and exemplary, to unite and lead cadres and employees to devote themselves into the reform and development of the Company.</u></b></p> <p><b><u>(6) other material matters that fall within the duty of the Party Committee.</u></b></p>
<p align="center"><b>CHAPTER 10: THE BOARD OF DIRECTORS Section 3 Board of Directors</b></p>	<p align="center"><b>CHAPTER 10: THE BOARD OF DIRECTORS Section 3 Board of Directors</b></p>
<p><b><u>Article 126</u></b> The board of directors is accountable to the shareholders’ general meeting and exercises the following functions and powers:</p> <ol style="list-style-type: none"> <li>(1) to convene shareholders’ general meetings and to report its work to the shareholders’ general meeting;</li> <li>(2) to implement the resolutions of the shareholders’ general meeting;</li> <li>(3) to formulate the Company’s development strategic plans; to determine the operation plans, investment proposals and detailed annual business objectives of the Company;</li> <li>(4) to formulate the Company’s annual financial budgets plan and final accounts plan;</li> <li>(5) to formulate the Company’s profit distribution plan and loss recovery plan;</li> </ol>	<p><b><u>Article 129</u></b> The board of directors is accountable to the shareholders’ general meeting and exercises the following functions and powers:</p> <ol style="list-style-type: none"> <li>(1) to convene shareholders’ general meetings and to report its work to the shareholders’ general meeting;</li> <li>(2) to implement the resolutions of the shareholders’ general meeting;</li> <li>(3) to formulate the Company’s development strategic plans; to determine the operation plans, investment proposals and detailed annual business objectives of the Company;</li> <li>(4) to formulate the Company’s annual financial budgets plan and final accounts plan;</li> <li>(5) to formulate the Company’s profit distribution plan and loss recovery plan;</li> </ol>

Original Articles	Amended Articles
<p>(6) to formulate proposals for the increase or reduction of the Company's registered capital and to formulate and approve the detailed plans for the issue of the bonds under the annual plan for the issue of the bonds approved at the shareholders' general meeting, among others, the asset-backed securitisation launched by the Company;</p>	<p>(6) to formulate proposals for the increase or reduction of the Company's registered capital and to formulate and approve the detailed plans for the issue of the bonds under the annual plan for the issue of the bonds approved at the shareholders' general meeting, among others, the asset-backed securitisation launched by the Company;</p>
<p>(7) to prepare plans for the material acquisition, repurchase of the Company's shares or merger, division, dissolution or change of corporate form of the Company;</p>	<p>(7) to prepare plans for the material acquisition, repurchase of the Company's shares or merger, division, dissolution or change of corporate form of the Company;</p>
<p>(8) to determine the structure of internal management departments of the Company and the establishment or revocation of the Company's branches and other sub-branches;</p>	<p>(8) to determine the structure of internal management departments of the Company and the establishment or revocation of the Company's branches and other sub-branches;</p>
<p>(9) to elect the chairman and vice chairman of the board of directors of the Company;</p>	<p>(9) to elect the chairman and vice chairman of the board of directors of the Company;</p>
<p>(10) to appoint or dismiss the President and secretary of the board of directors of the Company, to appoint or dismiss chairmen of all special committees under the board of directors;</p>	<p>(10) to appoint or dismiss the President and secretary of the board of directors of the Company, to appoint or dismiss chairmen of all special committees under the board of directors;</p>

Original Articles	Amended Articles
(11) pursuant to the President’s nominations to appoint or dismiss a Vice President, chief financial officers and other senior management and to decide on their remuneration, incentive and punishment;	(11) pursuant to the President’s nominations to appoint or dismiss a Vice President, chief financial officers and other senior management and to decide on their remuneration, incentive and punishment;
(12) to formulate the Company’s basic management system and terms of reference of all special committees under the board of directors;	(12) to formulate the Company’s basic management system and terms of reference of all special committees under the board of directors;
(13) to propose plans for amendments to the Articles of Association, Rules and Procedures for General Meetings and Rules and Procedures for the board of directors;	(13) to propose plans for amendments to the Articles of Association, Rules and Procedures for General Meetings and Rules and Procedures for the board of directors;
(14) to formulate the Company’s equity incentive scheme;	(14) to formulate the Company’s equity incentive scheme;
(15) to manage the matters in relation to the information disclosure of the Company;	(15) to manage the matters in relation to the information disclosure of the Company;
(16) to determine the establishment of special committees and to elect the their members;	(16) to determine the establishment of special committees and to elect the their members;
(17) to determine the Company’s risk management system which includes risk assessments, financial control, internal audit and legal risk control and monitor its implementation;	(17) to determine the Company’s risk management system which includes risk assessments, financial control, internal audit and legal risk control and monitor its implementation;
(18) to propose the appointment or replacement of the accounting firm of the Company to the shareholders’ general meeting;	(18) to propose the appointment or replacement of the accounting firm of the Company to the shareholders’ general meeting;
(19) to listen to the regular or non-regular work reports from the Company’s President or the senior management which is entrusted by the President, and to approve the President’s work report;	(19) to listen to the regular or non-regular work reports from the Company’s President or the senior management which is entrusted by the President, and to approve the President’s work report;

Original Articles	Amended Articles
(20) to consider and approve the external donation that is more than three million yuan;	(20) to consider and approve the external donation that is more than three million yuan;
(21) to consider and approve the major financial accounting policies and accounting estimates changes;	(21) to consider and approve the major financial accounting policies and accounting estimates changes;
(22) to determine the staff establishment, compensation plan and performance appraisal of the senior management;	(22) to determine the staff establishment, compensation plan and performance appraisal of the senior management;
(23) to consider the material equity investments, bond investments, acquisition of assets, disposition of assets, write off of assets and external guarantee except for those which shall be approved by the shareholders' general meetings in accordance with the Articles of Association;	(23) to consider the material equity investments, bond investments, acquisition of assets, disposition of assets, write off of assets and external guarantee except for those which shall be approved by the shareholders' general meetings in accordance with the Articles of Association;
(24) to consider the material related party transactions which shall be approved by the board of directors pursuant to the laws, regulations and listing rules of the place on which the Company's securities are listed;	(24) to consider the material related party transactions which shall be approved by the board of directors pursuant to the laws, regulations and listing rules of the place on which the Company's securities are listed;
(25) to exercise other functions and powers conferred by laws, regulations, listing rules of the stock exchange on which the Company's shares are listed, the shareholders' general meetings and the Articles of Association.	(25) to exercise other functions and powers conferred by laws, regulations, listing rules of the stock exchange on which the Company's shares are listed, the shareholders' general meetings and the Articles of Association.

Original Articles	Amended Articles
<p>Resolutions relating to the above, with the exception of sub-paragraphs (5), (6), (7), (10), (11), (13) and (23) which shall require the consent of more than two-thirds of the directors, shall require the consent of more than half of the directors. The board of directors shall carry out its duties in accordance with the PRC laws, administrative regulations, the Articles of Association and resolutions of the shareholders.</p> <p>The board of directors of the Company should explain to the shareholders' general meeting in respect of auditors' report with a qualified opinion issued by the certified public accountants regarding the financial report of the Company.</p>	<p>Resolutions relating to the above, with the exception of sub-paragraphs (5), (6), (7), (10), (11), (13) and (23) which shall require the consent of more than two-thirds of the directors, shall require the consent of more than half of the directors. The board of directors shall carry out its duties in accordance with the PRC laws, administrative regulations, the Articles of Association and resolutions of the shareholders.</p> <p>The board of directors of the Company should explain to the shareholders' general meeting in respect of auditors' report with a qualified opinion issued by the certified public accountants regarding the financial report of the Company.</p> <p><b><u>Before deciding on material issues of the Company, the board of directors should first seek advice from the Party Committee of the Company, regarding the study of, and discussion with the Party Committee as a preposition procedure.</u></b></p>
<p><b>Chapter 14: THE BOARD OF SUPERVISORS</b></p>	<p><b>Chapter 14: THE BOARD OF SUPERVISORS</b></p>
<p><b><u>Article 151</u></b> The Company shall have a board of supervisors composed of five supervisors. <b><u>Supervisors who are shareholder representatives of the Company shall be nominated by the board of supervisors or shareholders who hold more than 3% of the Company's shares, and supervisors who are employee representatives of the Company shall be democratically elected by the Company's staff at the staff representative assembly, general staff meeting or otherwise.</u></b></p>	<p><b><u>Article 154</u></b> The Company shall have a board of supervisors composed of five supervisors, <b><u>including shareholder representative supervisors, external supervisors and employee representative supervisors.</u></b></p>



Original Articles	Amended Articles
<p><b>Article 153</b> Supervisors <b>who are not employee</b> representatives shall be nominated by the board of supervisors or shareholders who individually or jointly hold more than 3% of the Company’s voting shares, and shall be elected or removed by the shareholders in general meetings. Supervisors who are employee representatives of the Company shall be elected or removed democratically by the staff of the Company, and shall be not less than one-third of the total number of supervisors.</p>	<p><b>Article 156</b> Supervisors <b>who are shareholder</b> representatives shall be nominated by the board of supervisors or shareholders who individually or jointly hold more than 3% of the Company’s voting shares, and shall be elected or removed by the shareholders in general meetings. <b><u>External supervisors shall be nominated by the board of supervisors or shareholders who individually or jointly hold more than 1% of the Company’s voting shares, and shall be elected or removed by the shareholders’ general meetings.</u></b> Supervisors who are employee representatives of the Company shall be elected or removed democratically by the staff of the Company <b><u>through the staff representative assembly, general staff meeting or otherwise</u></b>, and shall be not less than one-third of the total number of supervisors.</p>

Original Articles	Amended Articles
<p><b>Article 156</b> The board of supervisors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers in accordance with laws:</p> <p>(1) to examine the Company's financial affairs;</p> <p>(2) to supervise the performance of the directors and senior management and to propose the removal of directors and senior management who are in breach of the laws, administrative regulations, the Articles of Association or resolutions of the shareholders' general meeting;</p> <p>(3) to urge directors, the President and other senior management of the Company to correct their acts which impair the interests of the Company;</p>	<p><b>Article 159</b> The board of supervisors shall be accountable to the shareholders' general meeting and shall exercise the following functions and powers in accordance with laws:</p> <p>(1) to examine the Company's financial affairs;</p> <p>(2) to supervise the performance of the directors and senior management and to propose the removal of directors and senior management who are in breach of the laws, administrative regulations, the Articles of Association <b><u>of the Company</u></b> or resolutions of the shareholders' general meeting;</p> <p>(3) to urge directors, the President and other senior management of the Company to correct their acts which impair the interests of the Company <b><u>when discovered</u></b>;</p>

Original Articles	Amended Articles
<p><b><u>(4) to verify financial information such as financial reports, business reports and profit distribution plans that the board of directors intends to submit to the shareholders' general meeting and, in case there is doubt, to be able to appoint, in the name of the Company, a registered accountant or practicing auditor to assist in reviewing such information;</u></b></p> <p><b><u>(5)</u></b> to propose to convene an extraordinary general meeting, and to convene and preside over shareholders' general meetings when the board of directors fails to perform the duty of convening and presiding over shareholders' general meeting;</p> <p><b><u>(6)</u></b> to propose resolutions at a shareholders' general meeting;</p> <p><b><u>(7)</u></b> to negotiate with directors or senior management of the Company on behalf of the Company, or to initiate litigation against directors or senior management of the Company;</p>	<p><b><u>(4)</u></b> to propose to convene an extraordinary general meeting, and to convene and preside over shareholders' general meetings when the board of directors fails to perform the duty of convening and presiding over shareholders' general meeting;</p> <p><b><u>(5)</u></b> to propose resolutions at a shareholders' general meeting;</p> <p><b><u>(6)</u></b> to negotiate with directors or senior management of the Company on behalf of the Company; <b><u>when necessary, to initiate legal proceedings including</u></b> litigation against directors or senior management of the Company;</p>

Original Articles	Amended Articles
(8) to propose to convene an extraordinary meeting of the board of directors;	(7) to propose to convene an extraordinary meeting of the board of directors;
(9) to elect the chairman of board of supervisors;	(8) to elect the chairman of board of supervisors;
(10) to formulate the rule of procedures of the board of supervisors;	(9) to formulate the rule of procedures of the board of supervisors <b><u>and submit it to the shareholders' general meeting for consideration;</u></b>
(11) to propose the remuneration package of supervisors;	(10) to propose the remuneration package of supervisors <b><u>and submit it to the shareholders' general meeting for consideration;</u></b>
(12) other functions and powers provided by the Articles of Association.	(11) other functions and powers provided by <b><u>laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where the shares of the Company are listed and the Articles of Association of the Company.</u></b>
Supervisors shall be present at meetings of the board of directors.	Supervisors <b><u>may</u></b> be present at meetings of the board of directors <b><u>and make enquiries or suggestions regarding matters resolved by the board of directors.</u></b>

Original Articles	Amended Articles
<p><b>Article 157</b> Where there is a proper reason, a supervisor is entitled to <b><u>request the chairman of the board of supervisors</u></b> to convene an extraordinary meeting of the board of supervisors. The notice of each meeting of the board of supervisors shall be delivered by telephone or facsimile or other telecommunications ten days before the meeting. The notice shall include: date and place of the meeting, term of the meeting, subjects of the meeting and the date of the notice.</p> <p>Meetings of the board of supervisors shall be held only if more than two-thirds of the supervisors are present. The meetings of the board of supervisors shall vote in registration. Each of the supervisors has one voting right. The supervisors shall attend the meetings of the board of supervisors in person. If any supervisor is unable to attend the meeting, he/she may appoint another supervisor to attend the meeting on his/her behalf in writing. The power of attorney shall include the scope of authorization.</p> <p>Resolutions of either the ordinary meetings or extraordinary meetings of board of supervisors shall be passed by the affirmative votes of more than two-thirds (inclusive) of all supervisors.</p> <p>The board of supervisors is entitled to demand any director, the President, other senior management of the Company, internal and external auditors to attend the meetings of the board of supervisors.</p>	<p><b>Article 160</b> Where there is a proper reason, a supervisor is entitled to <b><u>propose to the chairman of the board of supervisors</u></b> to convene an extraordinary meeting of the board of supervisors. The notice of each meeting of the board of supervisors shall be delivered by telephone or facsimile or other telecommunications ten days before the meeting. <b><u>Emergencies shall not be subject to the foregoing time limit of notification.</u></b> The notice shall include: date and place of the meeting, term of the meeting, subjects of the meeting and the date of the notice.</p> <p>Meetings of the board of supervisors shall be held only if more than two-thirds of the supervisors are present. The meetings of the board of supervisors shall vote in registration. Each of the supervisors has one voting right. The supervisors shall attend the meetings of the board of supervisors in person. If any supervisor is unable to attend the meeting, he/she may appoint another supervisor to attend the meeting on his/her behalf in writing. The power of attorney shall include the scope of authorization.</p> <p>Resolutions of either the ordinary meetings or extraordinary meetings of board of supervisors shall be passed by the affirmative votes of more than two-thirds (inclusive) of all supervisors.</p> <p>The board of supervisors is entitled to demand any director, the President, other senior management of the Company, internal and external auditors to attend the meetings of the board of supervisors.</p>

Original Articles	Amended Articles
<b>CHAPTER 26: SUPPLEMENTARY</b>	<b>CHAPTER 26: SUPPLEMENTARY</b>
<p><b><u>Article 230</u></b> The term “senior management” referred to herein mean the President, Vice President, <b><u>CFO, secretary to the board of directors, assistants to President and chief inspectors and chief engineer officers employed by the Company according to the needs of its operations and management, such as chief auditor, chief risk officer, chief compliance officer and chief technical officer.</u></b> The “President”, “Vice President”, “the chairman of the board of supervisors” referred to herein shall have same meanings with the “manager”, “vice manager” and “the chairman of the board of supervisors” specified in the Company Law. The “banking regulatory authority” referred to herein means China Banking Regulatory Commission and its branch offices. The “court” referred to herein means a competent court and arbitration institution. The “substantial shareholders” referred to herein mean shareholders who directly, indirectly or jointly hold or control over 5% of the Company’s total number of shares or voting right and could significantly affect the Company’s decisions.</p>	<p><b><u>Article 233</u></b> The term “senior management” referred to herein means the President, Vice President, <b><u>secretary to the board of directors, chief financial officer (CFO) and chief risk officer (CRO).</u></b> The “President”, “Vice President”, “the chairman of the board of supervisors” referred to herein shall have same meanings with the “manager”, “vice manager” and “the chairman of the board of supervisors” specified in the Company Law. The “banking regulatory authority” referred to herein means China Banking Regulatory Commission and its branch offices. The “court” referred to herein means a competent court and arbitration institution. The “substantial shareholders” referred to herein mean shareholders who directly, indirectly or jointly hold or control over 5% of the Company’s total number of shares or voting right and could significantly affect the Company’s decisions.</p>