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中國國際航空股份有限公司
AIR CHINA LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00753)

**(1) PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF THE COMPANY
AND
(2) PROPOSED AMENDMENTS TO THE RULES AND PROCEDURES
OF SHAREHOLDERS' MEETINGS AND THE RULES AND
PROCEDURES OF MEETINGS OF THE BOARD OF DIRECTORS**

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Air China Limited (the “**Company**”) announces that, according to the provisions and regulatory requirements of the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Official Reply of the State Council regarding Adjusting the Application of Provisions to Matters Including the Notice Period for Convention of Shareholders’ Meetings by Overseas Listed Companies (《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批覆》), the Guidelines for the Articles of Association of Listed Companies (《上市公司章程指引》), the Code of Corporate Governance for Listed Companies (《上市公司治理準則》) and other laws and regulations and regulatory documents as well as the actual operational and management needs of the Company, the board of directors of the Company (the “**Board**”) has resolved on 26 November 2021 to propose to the shareholders of the Company (the “**Shareholder(s)**”) certain amendments to the articles of association of the Company (the “**Articles of Association**”).

The full text of the proposed amendments to the Articles of Association is set out in Appendix I to this announcement.

The proposed amendments to the Articles of Association are subject to approval by the Shareholders by way of special resolution at a general meeting of the Company.

PROPOSED AMENDMENTS TO THE RULES AND PROCEDURES OF SHAREHOLDERS' MEETINGS AND THE RULES AND PROCEDURES OF MEETING OF THE BOARD

On 26 November 2021, the Board also resolved to propose to the Shareholders certain amendments to the Rules and Procedures of Shareholders' Meetings and the Rules and Procedures of Meetings of the Board, so as to, among others, align with the proposed amendments to the Articles of Association. The full texts of the proposed amendments to the Rules and Procedures of Shareholders' Meetings and the Rules and Procedures of Meetings of the Board are set out in Appendices II and III to this announcement, respectively.

The proposed amendments to the Rules and Procedures of Shareholders' Meetings and the Rules and Procedures of Meetings of the Board are subject to approval by the Shareholders by way of special resolutions at a general meeting of the Company.

GENERAL

A circular containing, among other things, details of (i) the proposed amendments to the Articles of Association; and (ii) the proposed amendments to the Rules and Procedures of Shareholders' Meetings and the Rules and Procedures of Meetings of the Board, will be despatched to the Shareholders in due course.

By Order of the Board
Air China Limited
Huang Bin Huen Ho Yin
Joint Company Secretaries

Beijing, the PRC, 26 November 2021

As at the date of this announcement, the directors of the Company are Mr. Song Zhiyong, Mr. Ma Chongxian, Mr. Feng Gang, Mr. Patrick Healy, Mr. Xue Yasong, Mr. Duan Hongyi, Mr. Stanley Hui Hon-chung* and Mr. Li Dajin*.*

* *Independent non-executive director of the Company*

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Set out below are the details of the proposed amendments to the Articles of Association. The revisions have been underlined (if applicable) for the convenience of perusal.

Existing Articles	Proposed Revised Articles
<p>Article 3 The Company’s address: Basement 1-101 9th Floor, Building 1, 30 Tianzhu Road, Shunyi District, Beijing, China.</p>	<p>Article 3 The Company’s address: Basement 1-101 <u>1st Floor</u>-9th Floor <u>101</u>, Building 1, 30 Tianzhu Road, Shunyi District, Beijing, China.</p>
<p>Article 8 The Articles of Association are binding on the Company and its shareholders, directors, supervisors, president, vice presidents and other senior officers; all of whom may, according to the Company’s Articles of Association, assert their rights in respect of the affairs of the Company.</p>	<p>Article 8 The Articles of Association are binding on the Company and its shareholders, <u>members of the Party Committee</u>, directors, supervisors, president, vice presidents and other senior officers; all of whom may, according to the Company’s Articles of Association, assert their rights in respect of the affairs of the Company.</p>
<p>Article 11 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.</p>	<p>Article 11 According to the Constitution of the Communist Party of China, the Company shall establish an organization of the Communist Party of China <u>to carry out the activities of the Party, establish a working organ for the Party.</u> 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 <u>allocate</u> sufficient <u>and competent</u> personnel to handle Party affairs and provided with sufficient funds to operate the Party organization.</p>

Existing Articles	Proposed Revised Articles
<p>Article 29 The Company may, in accordance with the procedures set out in the Company’s Articles of Association and with the approval of the relevant governing authority of the State, repurchase its issued shares under the following circumstances:</p> <p>(1) cancellation of shares for the purposes of reducing its capital;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) granting shares as an incentive to the employees of the Company;</p> <p>(4) acquiring as requested the shares of shareholders who vote against any resolution on the merger or demerger of the Company adopted at a shareholders’ general meeting;</p> <p>(5) other circumstances permitted by laws and administrative regulations.</p> <p>The Company’s repurchase of its issued shares shall comply with the provisions of Article 30 to Article 33 of the Articles of Association.</p>	<p>Article 29 The Company may, in accordance with the procedures set out in the Company’s Articles of Association and with the approval of the relevant governing authority of the State, repurchase its issued shares under the following circumstances:</p> <p>(1) cancellation of shares for the purposes of reducing its registered capital;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) granting using the shares for the employee share ownership plan or as share incentive as an incentive to the employees of the Company;</p> <p>(4) acquiring as requested the shares of shareholders who vote against any resolution on the merger or demerger of the Company adopted at a shareholders’ general meeting;</p> <p><u>(5) using the shares for the conversion of the corporate bonds issued by the listed company which are convertible into shares;</u></p> <p><u>(6) necessary for safeguarding the value of the Company and the shareholders’ interests;</u></p> <p>(7)(5) other circumstances permitted by laws and administrative regulations.</p> <p><u>Save as the aforesaid circumstances, the Company shall not conduct activities of dealing in its shares.</u></p> <p>The Company’s repurchase of its issued shares shall comply with the provisions of Article 30 to Article 33 of the Articles of Association.</p>

Existing Articles	Proposed Revised Articles
<p>Article 30 The Company may repurchase shares in one of the following ways, with the approval of the relevant governing authority of the State:</p> <p>(1) by making a general offer for the repurchase of shares to all its shareholders on a pro rata basis;</p> <p>(2) by repurchasing shares through public dealing on a stock exchange;</p> <p>(3) by repurchasing shares outside of the stock exchange by means of an agreement;</p> <p>(4) by any other mean which is permitted by law and administrative regulations and by the authority in charge of securities of the State Council.</p>	<p>Article 30 The Company may repurchase shares in one of the following ways, with the approval of the relevant governing authority of the State:</p> <p>(1) by making a general offer for the repurchase of shares to all its shareholders on a pro rata basis;</p> <p>(2) by repurchasing shares through public dealing on a stock exchange;</p> <p>(3) by repurchasing shares outside of the stock exchange by means of an agreement;</p> <p>(4) by any other mean which is permitted by law and administrative regulations and by the authority in charge of securities of the State Council.</p> <p><u>The repurchase of the shares of the Company arising from the circumstances provided under items (3), (5) and (6) of the first paragraph of Article 29 of these Articles of Association shall be carried out by way of open and centralized trading.</u></p>

Existing Articles	Proposed Revised Articles
<p>Article 32 Shares which have been lawfully repurchased by the Company shall be cancelled or transferred within the period prescribed by law, administrative regulation and the relevant Listing Rules, and, in the case of cancellation of shares, the Company shall apply to the original companies registration authority for registration of the change in its registered capital.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company’s registered share capital.</p>	<p>Article 32 Shares which have been lawfully repurchased by the Company shall be cancelled or transferred within the period prescribed by law, administrative regulation and the relevant Listing Rules, and, in the case of cancellation of shares, the Company shall apply to the original companies registration authority for registration of the change in its registered capital. <u>The purchase of the shares of the Company arising from the circumstances provided under items (1) and (2) of the first paragraph of Article 29 of the Articles of Association shall be made by the resolution of the shareholders’ general meeting; the purchase of the shares of the Company arising from the circumstances provided under items (3), (5) and (6) of the first paragraph of Article 29 of the Articles of Association may be made by the resolutions of the board of directors in a board meeting where more than two-thirds (2/3) of directors are present under the provisions of the Articles of Association or the authorization granted at the shareholders’ general meeting.</u></p> <p><u>After the purchase of the shares of the Company according to the provision of Article 29, the shares shall be cancelled within 10 days from the date of purchase under the circumstance of the item (1) of the first paragraph; the shares shall be transferred or cancelled within 6 months under the circumstances of items (2) and (4) of the first paragraph; the total number of shares then held by the Company shall not exceed ten percent of the total number of its issued shares and the shares so purchased shall be transferred or cancelled within 3 years under the circumstances of items (3), (5) and (6) of the first paragraph.</u></p>

Existing Articles	Proposed Revised Articles
	<p><u>If it is otherwise provided for the repurchase and cancellation of shares under the relevant rules of the regulatory authorities and stock exchanges of the jurisdictions where the shares of the Company are listed, such requirements shall prevail.</u></p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company's registered share capital.</p>
<p>Article 39 Share certificates of the Company shall be signed by the legal representative of the Company's board of directors. Where the stock exchange(s) on which the Company's shares are listed require other senior officer(s) of the Company to sign on the share certificates, the share certificates shall also be signed by such senior officer(s). The share certificates shall take effect after being affixed with the seal of the Company (including the seal of the Company especially for securities). The share certificate shall be affixed with the seal of the Company or the seal of the Company especially for securities under the authorization of the board of directors. The signatures of the Chairman of the board of directors or other senior officer(s) of the Company may be in printed form.</p>	<p>Article 39 Share certificates of the Company shall be signed by the legal representative of the Company's board of directors. Where the stock exchange(s) on which the Company's shares are listed require other senior officer(s) of the Company to sign on the share certificates, the share certificates shall also be signed by such senior officer(s). The share certificates shall take effect after being affixed with the seal of the Company (including the seal of the Company especially for securities). The share certificate shall be affixed with the seal of the Company or the seal of the Company especially for securities under the authorization of the board of directors. The signatures of the Chairman of the board of directors or other senior officer(s) of the Company may be in printed form. <u>Subject to the conditions of paperless offering and trading of the shares of the Company, the laws and rules otherwise provided by the regulatory authorities of the jurisdictions where the shares of the Company are listed are applicable.</u></p>
<p>Article 48 No change may be made in the register of shareholders as a result of a transfer of shares within thirty (30) days prior to the date of a shareholders' general meeting or within five (5) days before the record date for</p>	<p>Article 48 No change may be made in the register of shareholders as a result of a transfer of shares within thirty (30) days prior to the date of a shareholders' general meeting or within five (5) days before the record date for</p>

Existing Articles	Proposed Revised Articles
<p>the Company’s distribution of dividends. The aforementioned regulation applies to holders of H Shares.</p>	<p>the Company’s distribution of dividends. The aforementioned regulation applies to holders of H Shares.</p> <p><u>Where provisions of laws, administrative regulations, other directives and the relevant stock exchanges or regulatory authorities of the jurisdictions where the shares of the Company are listed governing the period of closure of register of members before convening the shareholders’ general meeting or the record date for determining the distribution of dividends of the Company, such requirements shall prevail.</u></p>
<p>Article 66 Shareholders’ general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meetings shall be convened once every year and shall be held within six months from the end of the preceding financial year. Meeting venues shall be fixed for the shareholders’ general meetings, and the shareholders’ general meetings shall be convened in the on-site conference mode.</p> <p>The Company shall facilitate the shareholders participating in the shareholders’ general meetings through all practicable manners and means and priority shall be given to modern information technological means such as voting platform through internet, provided that the legality and effectiveness of the shareholders’ general meeting are ensured. Shareholders are deemed to be present in the shareholders’ general meetings through the aforesaid means.</p> <p>.....</p>	<p>Article 66 Shareholders’ general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meetings shall be convened once every year and shall be held within 6 months from the end of the preceding financial year. Meeting venues shall be fixed for the shareholders’ general meetings, and the shareholders’ general meetings shall be convened in the on-site conference mode.</p> <p><u>The Company also provides the online voting manner for the convenience of shareholders in attending their general meetings.</u></p> <p>The Company shall may facilitate the shareholders participating in the shareholders’ general meetings through all practicable manners by providing other manners and means <u>to participate in the shareholders’ general meetings</u> and priority shall be given to modern information technological means such as voting platform through internet, provided that the legality and effectiveness of the shareholders’ general meeting are ensured.</p>

Existing Articles	Proposed Revised Articles
	<p>Shareholders are deemed to be present in the shareholders' general meetings through<u>in</u> the aforesaid <u>manners and means</u>forms.</p> <p>.....</p>
<p>Article 67 When the Company convenes a shareholders' general meeting, written notice of the meeting shall be given forty-five (45) days before the date of the meeting to notify all of the shareholders whose names appear on the share register of the matters to be considered and the date and place of the meeting. A shareholder who intends to attend the meeting shall deliver to the Company his written reply concerning his attendance at such meeting twenty (20) days before the date of the meeting.</p>	<p>Article 67 <u>Where the Company convenes an annual general meeting, a written notice of the meeting shall be given to the shareholders entitled to attend this general meeting 20 days prior to the date of the meeting. Where the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given to the shareholders entitled to attend this general meeting 15 days prior to the date of the meeting.</u></p> <p><u>If it is otherwise provided in the laws, administrative regulations, departmental rules and the securities regulatory authorities or stock exchanges in the jurisdictions where the shares of the Company are listed, such requirements shall prevail.</u></p> <p>When the Company convenes a shareholders' general meeting, written notice of the meeting shall be given forty five (45) days before the date of the meeting to notify all of the shareholders whose names appear on the share register of the matters to be considered and the date and place of the meeting. A shareholder who intends to attend the meeting shall deliver to the Company his written reply concerning his attendance at such meeting twenty (20) days before the date of the meeting.</p>
<p>Article 69 The Company shall, based on the written replies which it receives from the shareholders twenty (20) days before the date</p>	<p>Article 69 The Company shall, based on the written replies which it receives from the shareholders twenty (20) days before the date</p>

Existing Articles	Proposed Revised Articles
<p>of the shareholders' general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amount to more than one-half of the Company's total voting shares, the Company may hold the meeting; if not, then the Company shall, within five (5) days, further notify the shareholders by way of public announcement the matters to be considered at, and the place and date for, the meeting. The Company may then hold the meeting after publication of such announcement.</p>	<p>of the shareholders' general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amount to more than one-half of the Company's total voting shares, the Company may hold the meeting; if not, then the Company shall, within five (5) days, further notify the shareholders by way of public announcement the matters to be considered at, and the place and date for, the meeting. The Company may then hold the meeting after publication of such announcement.</p>
<p>Article 73 Notice of shareholders' general meeting shall be served on the shareholders (whether or not such shareholder is entitled to vote at the meeting), by personal delivery or by prepaid mail to the address of the shareholder as shown in the register of shareholders.</p> <p>For the holders of A shares, notice of the meetings may be issued by way of public announcement. Such public announcement shall be published in one (1) or more national newspapers designated by the securities authority of the State Council within the interval of forty-five (45) days to fifty (50) days before the date of the meeting; after the publication of such announcement, all holders of A shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p> <p>For holders of Overseas-Listed Foreign Shares, subject to compliance with the laws and regulations and the relevant listing rules of the jurisdictions where the shares of the Company are listed, the notice of</p>	<p>Article 72Article 73 Notice of shareholders' general meeting shall be served on the shareholders (whether or not such shareholder is entitled to vote at the meeting), by personal delivery or by prepaid mail to the address of the shareholder as shown in the register of shareholders.</p> <p>For the holders of A shares, notice of the meetings may be issued by way of public announcement. Such public announcement shall be published in one (1) or more national newspapers designated by the securities authority of the State Council within the interval of forty five (45) days to fifty (50) days before the date of the meeting; after the publication of such announcement, all holders of A shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p> <p>For holders of Overseas-Listed Foreign Shares, subject to compliance with the laws and regulations and the relevant listing rules of the jurisdictions where the shares of the Company are listed, the notice of</p>

Existing Articles	Proposed Revised Articles
<p>shareholders’ general meeting may also be issued by other means as specified in Article 231 herein.</p>	<p>shareholders’ general meeting may also be issued by other means as specified in Article 231 herein.</p>
<p>Article 106 The Company shall establish the Party Committee. The Party Committee is comprised of one secretary and several other members. The positions of Chairman and the secretary of the Party Committee shall be assumed by the same person in principle, and a full-time deputy secretary of the Party Committee shall be appointed to take charge of the Party building work. Eligible members of the Party Committee are entitled to be admitted to the board of directors, the supervisory committee, and the management through legal procedures, and eligible Party members from the board of directors, the supervisory Committee, and the management are entitled to be admitted to the Party Committee in accordance with relevant rules and procedures. Meanwhile, a discipline inspection committee shall be established in accordance with appropriate requirements.</p>	<p>Article 105Article 106 <u>According to the requirements of the Constitution of the Communist Party of China and subject to the approval by upper Party organization, the Company shall establish the Chinese Communist Party Committee of Air China Limited. The Company shall establish the Party Committee. The Party Committee is comprised of one secretary and several other members, and shall establish the Commission for Discipline Inspection of the Party in accordance with the requirements. The positions of Chairman and the secretary of the Party Committee shall be assumed by the same person in principle, and a full time deputy secretary of the Party Committee shall be appointed to take charge of the Party building work. Eligible members of the Party Committee are entitled to be admitted to the board of directors, the supervisory committee, and the management through legal procedures, and eligible Party members from the board of directors, the supervisory committee, and the management are entitled to be admitted to the Party Committee in accordance with relevant rules and procedures. Meanwhile, a discipline inspection committee shall be established in accordance with appropriate requirements.</u></p>
<p>Article 107 The Party Committee of the Company shall perform its duties by the internal laws and regulations of the Party such as the Constitution of the Communist Party of China.</p> <p>(1) To guarantee and supervise the Company’s implementation of policies and guidelines of the Party and the State, implement major</p>	<p>Article 106Article 107 <u>The Party Committee of the Company shall perform its duties by the internal laws and regulations of the Party such as the Constitution of the Communist Party of China. The Party Committee of the Company shall play a leading role, set the right direction, keep in mind the big picture, promote the implementation of Party policies and principles, discuss and decide</u></p>

Existing Articles	Proposed Revised Articles
<p>strategic decisions of the Central Committee of the Party and the State Council, as well as make deployment for the relevant material works of the Party Committee of the State-owned Assets Supervision and Administration Commission of the State Council and the superior Party organisation.</p> <p>(2) To adhere to the principle of the Party exercising leadership over cadres, the selection of management by the board of directors, and the exercise of power as regards the right of cadres' appointment by the management in accordance with laws. The Party Committee shall deliberate and give opinions on the candidates nominated by the board of directors or the general manager, or recommend nominees to the board of directors or the general manager. The Party Committee of the Company, together with the board of directors, shall observe the proposed candidates and give opinions collectively.</p> <p>(3) To study and discuss the Company's material matters on its reform, development and stability, as well as major issues relating to the Company's operation and management and to the interests of the staff, and propose opinions and suggestions thereon.</p> <p>(4) To assume full responsibility for enforcing the strict discipline of the Party. Leading the Company's ideological and political work, the front unification work, building of spiritual civilization as well as building of corporate culture, and lead mass organizations such as the labour union and the Communist Youth League. Playing a leading role in the construction of the Party's working style and</p>	<p><u>on major issues of the Company in accordance with the regulations. Decisions relating to major operation and management matters shall be made in accordance with relevant regulations by the board of directors or the management after the pre-study and discussion by the Party Committee. The main duties of the Party Committee are as follows:</u></p> <p><u>(1) to enhance the political building of the Party in the Company, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics, educate and guide all Party members to closely align with the Party Central Committee with Comrade Xi Jinping at its core in terms of political stance, direction, principles and path;</u></p> <p><u>(2) to thoroughly study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, study and propagate the Party's theory, thoroughly implement the Party's line, principles and policies, supervise and guarantee the implementation of major strategy deployments of the Party Central Committee and the resolutions of the Party organization at a higher level in the Company;</u></p> <p><u>(3) to investigate and discuss major issues relating to the operation and management of the Company and support the board of directors and the management in exercising their powers and performing their duties in accordance with the laws;</u></p>

Existing Articles	Proposed Revised Articles
<p>a clean and honest government, and support the discipline inspection committee in fulfilling its responsibility of supervision in practice.</p>	<p><u>(4) to strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and enhance the building of the leadership team, the cadre team and the talent team of the Company;</u></p> <p><u>(5) to undertake the main responsibility in improving Party conduct and upholding integrity, lead and support the internal discipline inspection committee to discharge its supervisory and disciplining responsibilities as well as exercise strict administrative discipline and political rules and promote Party self-governance exercised fully and with right into the grassroots level;</u></p> <p><u>(6) to strengthen the building of primary-level Party organizations and of its contingent of Party members, unite and lead employees to devote themselves into the reform and development of the Company;</u></p> <p><u>(7) to lead the Company’s ideological and political work, the spirit and civilization progress, the United Front work and lead the mass organizations such as the Labour Union, the Communist Youth League and the Women’s Organization of the Company.</u></p> <p>(1) To guarantee and supervise the Company’s implementation of policies and guidelines of the Party and the State, implement major strategic decisions of the Central Committee of the Party and the State Council, as well as make deployment for the relevant material works of the Party Committee of the State-owned Assets Supervision and Administration Commission of the State Council and the superior Party organisation.</p>

Existing Articles	Proposed Revised Articles
	<p>(2) To adhere to the principle of the Party exercising leadership over cadres, the selection of management by the board of directors, and the exercise of power as regards the right of cadres' appointment by the management in accordance with laws. The Party Committee shall deliberate and give opinions on the candidates nominated by the board of directors or the general manager, or recommend nominees to the board of directors or the general manager. The Party Committee of the Company, together with the board of directors, shall observe the proposed candidates and give opinions collectively.</p> <p>(3) To study and discuss the Company's material matters on its reform, development and stability, as well as major issues relating to the Company's operation and management and to the interests of the staff, and propose opinions and suggestions thereon.</p> <p>(4) To assume full responsibility for enforcing the strict discipline of the Party. Leading the Company's ideological and political work, the front unification work, building of spiritual civilization as well as building of corporate culture, and lead mass organizations such as the labour union and the Communist Youth League. Playing a leading role in the construction of the Party's working style and a clean and honest government, and support the discipline inspection committee in fulfilling its responsibility of supervision in practice.</p>
	<p><u>Article 107 By insisting on and improving the leadership mechanism of “Dual Entry and Cross Appointment”, eligible members of the Party Committee may take seats in the board of directors and the management through statutory procedures, while eligible members of the board of directors and the</u></p>

Existing Articles	Proposed Revised Articles
	<p><u>management who are also Party members may take seats in the Party Committee in accordance with relevant requirements and procedures.</u></p> <p><u>Generally, the position of the secretary of the Party Committee and the chairman of the board of directors shall be assumed by the same person. The president who is a Party member shall serve as the deputy secretary of the Party Committee. The full-time deputy secretary should generally take seat in the board of directors and hold no positions in the management.</u></p>
<p>Article 109 Directors (excluding the employee representative director) shall be elected at the shareholders’ general meeting and the employee representative director shall be elected or dismissed by the employee representative meeting each for a term of three (3) years (starting from the election date to the date on which a new board of directors is elected at a shareholders’ general meeting). At the expiry of a director’s term, the term is renewable upon re-election, provided that the term of reappointment of an independent director shall not be more than six (6) years.</p>	<p>Article 109 Directors (excluding the employee representative director) shall be elected <u>or replaced</u> at the shareholders’ general meeting and the employee representative director shall be elected or dismissed by the employee representative meeting each for a term of three (3) years (starting from the election date to the date on which a new board of directors is elected at a shareholders’ general meeting). At the expiry of a director’s term, the term is renewable upon re-election, provided that the term of reappointment of an independent director shall not be more than six (6) years.</p>
<p>Article 114 The board of directors is responsible to the shareholders’ general meeting and shall exercise the following duties and powers:</p> <p>.....</p>	<p>Article 114 The board of directors is responsible to the shareholders’ general meeting <u>for formulating strategies, making decisions and preventing risks</u> and shall exercise the following duties and powers <u>in accordance with statutory procedures and the Articles of Association:</u></p> <p>.....</p>

Existing Articles	Proposed Revised Articles
<p>(11) to appoint or dismiss the president of the Company, secretary to the board of directors and determine their remunerations; and to appoint or dismiss, with reference to the nomination by the president, the vice presidents, chief accountant, chief pilot and other senior officers and determine their remunerations;</p> <p>.....</p> <p>(17) to exercise any other powers conferred by the shareholders in general meetings and these Articles of Associations.</p> <p>.....</p>	<p>(11) to appoint or dismiss the president of the Company, secretary to the board of directors, <u>conduct appraisal on their performance</u> and determine their remunerations; and to appoint or dismiss, with reference to the nomination by the president, the vice presidents, chief accountant, chief pilot, <u>general legal counsel</u> and other senior officers, <u>conduct appraisal on their performance</u> and determine their remunerations;</p> <p>.....</p> <p><u>(17) to determine the risk management system, the internal control system and the legal compliance management system of the Company, and monitor the relevant systems and their implementation;</u></p> <p><u>(18) to guide, inspect and assess the internal audit works and approve the annual audit plan and important audit reports pursuant to laws;</u></p> <p><u>(19) to promote the development of corporate governance and supervise the legality of the operation of the management;</u></p> <p>(2017) to exercise any other powers conferred by the shareholders in general meetings and these Articles of Associations.</p> <p>.....</p>
<p>Article 115 Upon authorization by the board of directors, the Chairman may exercise part of the functions and powers of the board of directors when the board of directors is not in session. Issues involving material interests of the Company shall be subject to collective decision by the board of directors.</p>	<p>Article 115 Upon authorization by the board of directors, the Chairman may exercise part of the functions and powers of the board of directors when the board of directors is not in session. Issues involving material interests of the Company shall be subject to collective decision by the board of directors. <u>The Chairman of the board of directors and</u></p>

Existing Articles	Proposed Revised Articles
	<p><u>the president may exercise part of the functions and powers of the board of directors upon authorization by the board of directors. The authorization by the board of directors and the exercise of the authorized functions and powers by the authorized person shall comply with the relevant regulations of the Measures for Authorization Management, which is formulated by the board of directors.</u></p>
<p>Article 118 The board of directors may establish the strategy and investment committee, the audit and risk management committee, the nomination and remuneration committee, the aviation safety committee and other special committees. The members' composition, duties and responsibilities, and procedures of each special committee of the board of directors are specifically determined according to the terms of reference of each special committee, which are drawn up by the board of directors.</p>	<p>Article 118 The board of directors may establish the strategy and investment committee, the audit and risk management committee (<u>the supervision committee</u>), the nomination and remuneration committee, the aviation safety committee and other special committees. The members' composition, duties and responsibilities, and procedures of each special committee of the board of directors are specifically determined according to the terms of reference of each special committee, which are drawn up by the board of directors.</p>
<p>Article 119 The Chairman of the board of directors shall exercise the following powers:</p> <p>.....</p> <p>(4) to convene Chairman's office meeting;</p> <p>(5) to exercise other powers conferred by the board of directors.</p> <p>.....</p>	<p>Article 119 The Chairman of the board of directors shall exercise the following powers:</p> <p>.....</p> <p><u>(4) to sign important documents of the board of directors and other documents that shall be signed by the legal representative of the Company;</u></p> <p>(4) to convene Chairman's office meeting;</p> <p><u>(5) to exercise the authorities of legal representative;</u></p> <p><u>(6) to receive reports on operation and management and study related issues;</u></p>

Existing Articles	Proposed Revised Articles
	<p><u>(7) to manage the internal audit of the Company as the primary responsible person for internal audit work;</u></p> <p><u>(8) in the event of emergency due to force majeure or major crisis that makes it impossible to convene a board meeting in a timely manner, to exercise special disposal powers within the authority of the board of directors in accordance with laws and regulations and in the interests of the Company, and to report to the board of directors after exercising such power so as to ratify the same in accordance with the procedures;</u></p> <p>(95) to exercise other powers conferred by the board of directors.</p> <p>.....</p>
<p>Article 120 Meetings of the board of directors shall be held at least twice every year and shall be convened by the Chairman of the board of directors. All directors and supervisors shall be notified of the meeting fourteen days beforehand. The notice of the board meetings shall contain:</p> <p>.....</p>	<p>Article 120 Meetings of the board of directors shall be held at least four times twice every year and shall be convened by the Chairman of the board of directors. All directors and supervisors shall be notified of the meeting fourteen days beforehand. The notice of the board meetings shall contain:</p> <p>.....</p>
<p>Article 121 The notice of board meeting shall be issued via the following methods:</p> <p>(1) For regular meetings of the board of directors of which the time and venue have been stipulated by the board of directors beforehand, no notice of the convening of such meetings will be needed.</p>	<p>Article 121 The notice of board meeting shall be issued via the following methods:</p> <p>(1) For regular periodic meetings of the board of directors of which the time and venue have been stipulated by the board of directors beforehand, no notice of the convening of such meetings will be needed.</p>

Existing Articles	Proposed Revised Articles
<p>(2) For meetings of the board of directors of which the time, venue and agenda have not been decided by the board of directors beforehand, the secretary of the board of directors shall notify the directors and supervisors of the time and venue of such meeting at least 14 days in advance by telex, by telegram, by facsimile, by express service or by registered mail or in person or by email, unless otherwise provided for in Article 120 herein.</p> <p>.....</p>	<p>(2) For meetings of the board of directors of which the time, venue and agenda have not been decided by the board of directors beforehand, the secretary of the board of directors shall notify the directors and supervisors of the time and venue of such meeting at least 14 days in advance by telex, by telegram, by facsimile, by express service or by registered mail or in person or by email, unless otherwise provided for in Article 1210 herein.</p> <p>.....</p>
<p>Article 122 third paragraph Any regular or ad hoc meeting of the board of directors may be held by way of telephone conferencing 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 122 third paragraph Any regular or ad hoc meeting of the board of directors may be held by way of telephone conferencing or similar communication equipment <u>In principle, the board meetings shall be convened in the form of on-site meetings. When the directors have sufficient information to vote, they may also pass the resolution by forms of communication such as video conference and teleconference, or a combination of onsite meeting and other forms of communication or present such information in writing to be considered separately as a written resolution. If a board meeting is held in the form of a teleconference, with the aid of similar communication equipment or a combination of onsite meeting and the aforementioned forms of communication,</u> so long as all the <u>the</u> directors participating in the meeting can clearly hear and communicate with each other, they. All such directors shall be deemed to be present in person at the meeting.</p>

Existing Articles	Proposed Revised Articles
<p>Article 125 The board of directors may accept a written resolution in lieu of a board meeting provided that a draft of such written resolution shall be delivered to each director in person, by mail, by telegram or by facsimile. If the board of directors has delivered such proposed written resolution to all the directors and the directors who signed and approved such resolution have reached the required quorum, and the same have been delivered to the secretary of the board of directors, such resolution shall take effect as a board resolution, without having to hold a board meeting.</p>	<p>Article 125 The board of directors may accept a written resolution in lieu of a board meeting provided that a draft of such written resolution shall be delivered to each director in person, by mail, by telegram or by facsimile. If the board of directors has delivered such proposed written resolution to all the directors and the directors who signed and approved such resolution have reached the required quorum, and the same have been delivered to the secretary of the board of directors, then such resolution shall take effect as a board resolution, without having to hold a board meeting.</p>
<p>Article 126 The board of directors shall keep minutes of resolutions passed at meetings of the board of directors in Chinese. The directors attending the board meeting shall have the right to request to have the descriptive information on their speech given thereat to be recorded in the minutes. Opinions of the independent (non-executive) directors shall be clearly stated in the resolutions of the board of directors. The minutes of each board meeting shall be provided to all the directors promptly. Directors who wish to amend or supplement the minutes shall submit the proposed amendments to the Chairman in writing within one week after receipt of the meeting minutes. The minutes shall be signed by the directors present at the meeting and the person who recorded the minutes after they are finalised. The minutes of board meetings shall be kept at the premises of the Company in the PRC and a complete copy of the minutes shall be promptly sent to each director. The minutes shall be kept for a period of not less than 10 years.</p>	<p>Article 126 The board of directors shall keep minutes of resolutions passed at meetings of the board of directors in Chinese. The directors attending the board meeting shall have the right to request to have the descriptive information on their speech given thereat to be recorded in the minutes. Opinions of the independent (non-executive) directors shall be clearly stated in the resolutions of the board of directors. The minutes of each board meeting shall be provided to all the directors promptly. Directors who wish to amend or supplement the minutes shall submit the proposed amendments to the Chairman in writing within one week after receipt of the meeting minutes. The minutes shall be signed by the directors present at the meeting and the person who recorded the minutes after they are finalised. The minutes of board meetings shall be kept at the premises of the Company in the PRC and a complete copy of the minutes shall be promptly sent to each director. The minutes shall be kept for a period of not less than 10 years. <u>Documents of meetings shall be kept as permanent records.</u></p>

Existing Articles	Proposed Revised Articles
<p>Article 138 The secretary of the Company’s board of directors shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board of directors.</p> <p>The main tasks and duties of the secretary of the board of directors include:</p> <p>(1) assist the directors in the day-to-day work of the board of directors, continuously provide the directors with, advise the directors of and ensure that the directors understand the regulations, policies and requirements of the foreign and domestic regulatory authorities on the operation of the Company, assist the directors and the president in effectively complying with relevant foreign and domestic laws, regulations, the Company’s Articles of Association and other relevant regulations;</p> <p>(2) responsible for the organization and preparation of documents for board meetings and shareholders’ meetings, take proper meeting minutes, ensure that the resolutions passed at the meetings comply with statutory procedures and supervise the implementation of the resolutions of the board of directors;</p> <p>(3) responsible for the organization and coordination of information disclosure, coordinate the relationship with investors and enhance transparency of the Company;</p> <p>(4) participate in arranging of financing through capital markets;</p> <p>(5) deal with intermediaries, regulatory authorities and media, maintain good public relations work;</p>	<p>Article 138 The secretary of the Company’s board of directors shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board of directors.</p> <p>The main tasks and duties of the secretary of the board of directors include:</p> <p>(1) <u>assist the board of directors of the Company to strengthen the development of modern enterprise system and corporate governance mechanism with Chinese characteristics, organize research on corporate governance and organize the formulation of rules and regulations in relation to corporate governance;</u></p> <p>(2) <u>to organize the implementation of the corporate governance system and manage the relevant affairs;</u></p> <p>(3) assist the directors in the day-to-day work of the board of directors, continuously provide the directors with, advise the directors of and ensure that the directors understand the regulations, policies and requirements of the foreign and domestic regulatory authorities on the operation of the Company, assist the directors and the president in effectively complying with relevant foreign and domestic laws, regulations, the Company’s Articles of Association and other relevant regulations;</p> <p>(42) responsible for the organization and preparation of documents for board meetings and shareholders’ meetings, take proper meeting minutes, ensure that the resolutions passed at the meetings comply with statutory procedures and supervise the implementation of the resolutions of the board of directors;</p>

Existing Articles	Proposed Revised Articles
<p>(6) execute other tasks assigned by the board of directors or the chairman of the board of directors.</p>	<p>(53) responsible for the organization and coordination of information disclosure, coordinate the relationship with investors and enhance transparency of the Company;</p> <p>(64) participate in arranging of financing through capital markets;</p> <p>(75) deal with intermediaries, regulatory authorities and media, maintain good public relations work;</p> <p><u>(8) assist the Chairman in formulating major proposals, establishing or amending various rules and regulations for the operation of the board of directors;</u></p> <p>(96) execute other tasks assigned by the board of directors or the chairman of the board of directors;</p> <p><u>(10) other duties as stipulated by laws, administrative regulations, rules and the listing rules of the jurisdictions in which the shares of the Company are listed and other regulatory documents and the Articles of Association.</u></p>
<p>Article 139 A director or other senior management personnel of the Company may also act as the secretary of the board of directors. The certified public accounting firm which has been appointed by the Company to act as its auditors shall not act as the secretary of the board of directors.</p> <p>Where the office of secretary is held concurrently by a director, and an act is required to be done by a director and a secretary separately, the person who holds the office of director and secretary may not perform the act in a dual capacity.</p>	<p>Article 139 A director or other senior management personnel of the Company may also act as the secretary of the board of directors. The certified public accounting firm which has been appointed by the Company to act as its auditors shall not act as the secretary of the board of directors.</p> <p>Where the office of secretary is held concurrently by a director, and an act is required to be done by a director and a secretary separately, the person who holds the office of director and secretary may not perform the act in a dual capacity.</p>

Existing Articles	Proposed Revised Articles
<p>Article 141 The Company shall have a president who shall be appointed or dismissed by the board of directors.</p> <p>The Company shall have several vice president, one chief financial officer and one chief pilot who shall assist the president. The vice presidents, chief financial officer and chief pilot shall be nominated by the president and appointed or dismissed by the board of the directors.</p>	<p>Article 141 The Company shall have a president who shall be appointed or dismissed by the board of directors.</p> <p>The Company shall have several vice president, one chief financial officer, and one chief pilot <u>and one general legal counsel</u> who shall assist the president. The vice presidents, chief financial officer, and chief pilot <u>and general legal counsel</u> shall be nominated by the president and appointed or dismissed by the board of the directors.</p>
<p>Article 143 The president shall be accountable to the board of directors and shall exercise the following functions and powers:</p> <p>.....</p> <p>(8) to propose the appointment or dismissal of the vice presidents, chief accountant and chief pilot of the Company;</p> <p>.....</p>	<p>Article 143 The president shall be accountable to the board of directors and shall exercise the following functions and powers:</p> <p>.....</p> <p>(8) to propose the appointment or dismissal of the vice presidents, chief accountant, and chief pilot <u>and general legal counsel</u> of the Company;</p> <p>.....</p>
<p>Article 145 In performing their duties and powers, the president, vice presidents, chief accountant, chief pilot and other senior officers shall act honestly and diligently in accordance with laws, administrative regulations and the Articles of Association.</p>	<p>Article 145 In performing their duties and powers, the president, vice presidents, chief accountant, chief pilot, <u>general legal counsel</u> and other senior officers shall act honestly and diligently in accordance with laws, administrative regulations and the Articles of Association.</p>
<p>Article 205 The Company’s internal audit system and the responsibility of the auditing personnel shall become effective after the approval of the board of directors. The person in charge of the audit shall be accountable to the board of directors and shall report to the board of directors.</p>	<p>Article 205 The Company’s <u>basic systems for internal audit system and internal control assessment</u> the responsibility of the auditing personnel shall become effective after the approval of the board of directors. <u>The establishment of the internal audit institution of the Company and the person</u></p>

Existing Articles	Proposed Revised Articles
	<p><u>in charge, who</u> The person in charge of the audit shall be accountable to the board of directors and shall report to the board of directors, <u>are determined by the board of directors.</u></p>

Note: Save as the table above, if the serial numbering of the chapters and articles is changed due to the addition, deletion or re-arrangement of certain articles, the serial numbering of the chapters and articles of the Articles of Association as so amended shall be changed accordingly, including references.

The proposed amendments to the Articles of Association are prepared in the Chinese language and the English version is therefore a translation only. In the event of any discrepancy between the English translation and the Chinese version of the Articles of Association, the Chinese version shall prevail.

APPENDIX II PROPOSED AMENDMENTS TO THE RULES AND PROCEDURES OF SHAREHOLDERS' MEETINGS

Set out below are the details of the proposed amendments to the Rules and Procedures of Shareholders' Meetings and revisions have been underlined (if applicable) for the convenience of perusal.

Existing Articles of the Rules and Procedures of Shareholders' Meetings	Proposed Revised Articles
CHAPTER 1 GENERAL PROVISIONS	CHAPTER 1 GENERAL PROVISIONS
<p>Article 3 Meeting venues shall be fixed for the shareholders' general meetings, and the shareholders' general meetings shall be convened in the on-site conference mode.</p> <p>On condition that the general meeting shall be held legally and validly, the Company shall adopt safe, economical and convenient network or other means to facilitate the shareholders to participate in the meeting as required by laws, administrative regulations, CSRC and the Articles of Association. Shareholders are deemed to be present in the shareholders' general meetings through the aforesaid means.</p>	<p>Article 3 Meeting venues willshall be fixed for the shareholders' general meetings, and the shareholders' general meetings shall be convened in the on-site conference mode. <u>The Company shall also provide convenience for the shareholders attending general meetings by the provision of the online voting.</u></p> <p>On condition that the general meeting shall be held legally and validly, the Company <u>may set up other means and ways to attend the general meeting</u>shall adopt safe, economical and convenient network or other means to facilitate the shareholders to participate in the meeting as required by laws, administrative regulations, CSRC and the Articles of Association. Shareholders are deemed to be present in the shareholders' general meetings through the aforesaid means.</p>
<p>Article 7 The secretariat of the Company's board of directors is responsible for all works of preparation and organization for holding of the general meetings.</p>	<p>Article 7 The <u>office</u>secretariat of the Company's board of directors is responsible for all works of preparation and organization for holding of the general meetings.</p>

Existing Articles of the Rules and Procedures of Shareholders' Meetings	Proposed Revised Articles
<p align="center">CHAPTER 3 FUNCTIONS AND POWERS OF THE SHAREHOLDERS' GENERAL MEETING</p>	<p align="center">CHAPTER 3 FUNCTIONS AND POWERS OF THE SHAREHOLDERS' GENERAL MEETING</p>
<p>Article 20</p> <p>(2) Authority of the Board of Directors.....</p> <p>2. Connected transactions that are subject to the approval of the meeting of the board of directors (as defined under the relevant listing rules of the jurisdictions where the shares of the Company are listed, as amended from time to time) including:</p> <p>(1) in the tests conducted on the connected transactions (The definition of connected transactions shall be based on the Listing Rules of the Stock Exchange, as amended from time to time.) based on assets ratio, profit ratio, revenue ratio, consideration ratio and equity capital ratio (in accordance with the Listing Rules of the Stock Exchange, as amended from time to time.), each of the ratios is equal to or more than 0.1% but less than 5%, unless the transaction consideration is less than HK\$1 million; or each of the above ratios is equal to or more than 5% but less than 25% and the transaction consideration is less than HK\$10 million; or</p> <p>.....</p>	<p>Article 20</p> <p>(2) Authority of the Board of Directors.....</p> <p>2. Connected transactions that are subject to the approval of the meeting of the board of directors (as defined under the relevant listing rules of the jurisdictions where the shares of the Company are listed, as amended from time to time) including:</p> <p>(1) in the tests conducted on the connected transactions (The definition of connected transactions shall be based on the Listing Rules of the Stock Exchange, as amended from time to time.) based on assets ratio, profit ratio, revenue ratio, consideration ratio and equity capital ratio (in accordance with the Listing Rules of the Stock Exchange, as amended from time to time.), each of the ratios is equal to or more than 0.1% but less than 5%, unless the transaction consideration is less than HK\$13 million; or each of the above ratios is equal to or more than 5% but less than 25% and the transaction consideration is less than HK\$10 million; or</p> <p>.....</p>
<p>Article 21 The board of directors shall be authorized by the shareholders' general meetings to dispose of any fixed assets of the Company where the estimated value of the consideration for the proposed disposal and the value of the consideration for any such disposal of any fixed assets of the Company that has been completed in the period of four</p>	<p>Article 21 The board of directors shall be authorized by the shareholders' general meetings to dispose of any fixed assets of the Company where the estimated value of the consideration for the proposed disposal and the value of the consideration for any such disposal of any fixed assets of the Company that has been completed in the period of four</p>

Existing Articles of the Rules and Procedures of Shareholders' Meetings	Proposed Revised Articles
<p>(4) months immediately preceding the proposed disposal, on an aggregate basis exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet which was considered at a shareholders' general meeting. If the abovementioned ratio is lower than 0.2%, shareholders' general meetings shall authorise the president's office meetings to approve the disposal of such fixed assets. When what's provided above is inconsistent with that of the rules pertaining listing of corporate securities of the securities exchange, the latter shall prevail.</p>	<p>(4) months immediately preceding the proposed disposal, on an aggregate basis exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet which was considered at a shareholders' general meeting. If the abovementioned ratio is lower than 0.2%, shareholders' general meetings shall <u>agree that the board of directors shall</u> authorise the president's office meetings to approve the disposal of such fixed assets. When what's provided above is inconsistent with that of the rules pertaining listing of corporate securities of the securities exchange, the latter shall prevail.</p>
<p style="text-align: center;">CHAPTER 6 NOTICE OF THE SHAREHOLDERS' GENERAL MEETING</p>	<p style="text-align: center;">CHAPTER 6 NOTICE OF THE SHAREHOLDERS' GENERAL MEETING</p>
<p>Article 37 Where the Company convenes a general meeting, a written notice shall be given 45 days prior to the date of the meeting to notify all the shareholders whose names appear on the register of shareholders of the issues to be considered at the meeting and the date and venue of the meeting.</p> <p>Notice of shareholders' general meeting shall be served on the shareholders (whether or not such shareholder is entitled to vote at the meeting), by personal delivery or by prepaid mail to the address of the shareholder as shown in the register of shareholders.</p> <p>For the holders of A shares, notice of the meetings may be issued by way of public announcement. Such public announcement shall be published in one (1) or more national newspapers designated by the securities authority of the State Council within the interval of forty-five (45) days to fifty (50) days before the date of the meeting;</p>	<p>Article 37 Where the Company convenes a general meeting, a written notice shall be given 45 days prior to the date of the meeting to notify all the shareholders whose names appear on the register of shareholders of the issues to be considered at the meeting and the date and venue of the meeting. <u>To hold an annual general meeting, the Company shall give a written notice of the meeting to shareholders who are entitled to attend the general meeting twenty days prior to the meeting. To hold an extraordinary general meeting, the Company shall give a written notice of the meeting to shareholders who are entitled to attend the general meeting fifteen days prior to the meeting.</u></p> <p><u>Where the laws, administrative regulations, departmental rules and the regulatory authorities or stock exchange in the place where the shares of the Company are listed has any other provisions, such provisions shall prevail.</u></p>

<p align="center">Existing Articles of the Rules and Procedures of Shareholders' Meetings</p>	<p align="center">Proposed Revised Articles</p>
<p>after the publication of such announcement, all holders of A shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p> <p>For holders of Overseas-Listed Foreign Shares, subject to compliance with the laws and regulations and the relevant listing rules of the jurisdictions where the shares of the Company are listed, the notice of shareholders' general meeting may also be issued by other means as specified in Article 231 of the Articles of Association.</p> <p>Unless otherwise required by applicable laws, the aforesaid duration of 45 days is inclusive of the date on which the notice is issued and exclusive of the date of the general meeting.</p>	<p>Notice of shareholders' general meeting shall be served on the shareholders (whether or not such shareholder is entitled to vote at the meeting), by personal delivery or by prepaid mail to the address of the shareholder as shown in the register of shareholders.</p> <p>For the holders of A shares, notice of the meetings may be issued by way of public announcement. Such public announcement shall be published in one (1) or more national newspapers designated by the securities authority of the State Council within the interval of forty five (45) days to fifty (50) days before the date of the meeting; after the publication of such announcement, all holders of A shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p> <p>For holders of Overseas-Listed Foreign Shares, subject to compliance with the laws and regulations and the relevant listing rules of the jurisdictions where the shares of the Company are listed, the notice of shareholders' general meeting may also be issued by other means as specified in Article 231 of the Articles of Association.</p> <p>Unless otherwise required by applicable laws, the aforesaid duration of 45 days is inclusive of the date on which the notice is issued and exclusive of the date of the general meeting.</p>
<p>Article 40 The board or any other convener shall specify in the notice issued to shareholders that shareholders and authorized proxies intending to attend a general meeting shall deliver to the Company their written</p>	<p>Article 40 The board or any other convener shall specify in the notice issued to shareholders that shareholders and authorized proxies intending to attend a general meeting shall deliver to the Company their written</p>

Existing Articles of the Rules and Procedures of Shareholders' Meetings	Proposed Revised Articles
<p>replies concerning their attendance at such meeting 20 days prior to the date of the meeting.</p> <p>The Company shall, based on the written replies which it receives from the shareholders twenty (20) days before the date of the shareholders' general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amount to more than onehalf of the Company's total voting shares, the Company may hold the meeting; if not, then the Company shall, within five (5) days, further notify the shareholders by way of public announcement the matters to be considered at, and the place and date for, the meeting. The Company may then hold the meeting after publication of such announcement.</p>	<p>replies concerning their attendance at such meeting 20 days prior to the date of the meeting.</p> <p>The Company shall, based on the written replies which it receives from the shareholders twenty (20) days before the date of the shareholders' general meeting, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting amount to more than onehalf of the Company's total voting shares, the Company may hold the meeting; if not, then the Company shall, within five (5) days, further notify the shareholders by way of public announcement the matters to be considered at, and the place and date for, the meeting. The Company may then hold the meeting after publication of such announcement.</p>
<p>Article 80 The secretary to the board of directors shall be responsible for keeping written information of the register of attendees, power of attorney, photocopies of identification documents, statistical information on online voting and other means of voting, minutes of the meeting and resolutions of shareholders' meetings for no less than 10 years.</p>	<p>Article 80 Article 79 The secretary to the board of directors shall be responsible for keeping written information of the register of attendees, power of attorney, photocopies of identification documents, statistical information on online voting and other means of voting, minutes of the meeting and resolutions of shareholders' meetings for no less than 10 years, and such documents of the meeting shall be kept as permanent records.</p>

Note: Save as the table above, if the serial numbering of the chapters and articles is changed due to the addition, deletion or re-arrangement of certain articles, the serial numbering of the chapters and articles of these Rules and Procedures of Shareholders' Meetings as so amended shall be changed accordingly, including the references.

The proposed amendments to the Rules and Procedures of Shareholders' Meetings are prepared in the Chinese language and the English version is therefore a translation only. In the event of any discrepancy between the English translation and the Chinese version of the Rules and Procedures of Shareholders' Meetings, the Chinese version shall prevail.

APPENDIX III PROPOSED AMENDMENTS TO THE RULES AND PROCEDURES OF MEETINGS OF THE BOARD

Set out below are the details of the proposed amendments to the Rules and Procedures of Meetings of the Board and revisions have been underlined (if applicable) for the convenience of perusal.

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
CHAPTER 1 GENERAL PROVISIONS	CHAPTER 1 GENERAL PROVISIONS
<p>Article 2 As authorized by the general meeting, the board of directors shall be responsible for the operation and management of the Company’s assets, and acts as central business decision-making body that is accountable to the general meeting.</p>	<p>Article 2 As authorized by the general meeting, the board of directors shall be responsible for the operation and management of the Company’s assets, and acts as central business decision-making body that is accountable to the general meeting.</p> <p><u>The board of directors shall uphold the leading role of the Party Committee in setting the right direction, keeping in mind the big picture, promoting the implementation of Party policies and principles. Major operation and management matters of the Company shall be first submitted to the Party Committee for pre-study and discussion.</u></p>
CHAPTER 2 FORMATION AND COMMITTEES OF THE BOARD	CHAPTER 2 FORMATION AND COMMITTEES OF THE BOARD
<p>Article 4 Directors (excluding the employee representative director) shall be elected or changed at the shareholders’ general meeting, and the employee representative director shall be elected or changed by the employee representative meeting, each for a term of three years. At the expiry of a director’s term, the term is renewable upon re-election, provided that the term of reappointment of an independent director shall not be more than six years. Directors shall not be dismissed without reason before the expiry of a director’s term. A</p>	<p>Article 4 Directors (excluding the employee representative director) shall be elected or changed at the shareholders’ general meeting, and the employee representative director shall be elected or changed by the employee representative meeting, each for a term of three years. At the expiry of a director’s term, the term is renewable upon re-election, provided that the term of reappointment of an independent director shall not be more than six years. Directors shall not be dismissed without reason before the expiry of a director’s term. A</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p>director's term starts from the election date to the date on which a new board of directors is elected at a shareholders' general meeting.</p>	<p>director's term starts from the election date to the date on which a new board of directors is elected at a shareholders' general meeting.</p>
<p>Article 6 The board of directors shall include one chairman and one deputy chairman, who are elected and removed by a majority of directors.</p> <p>The Chairman of the board of directors shall exercise the following powers:</p> <p>(1) to preside over shareholders' general meetings and to convene and preside over meetings of the board of directors;</p> <p>(2) to check on the implementation of resolutions passed by the board of directors;</p> <p>(3) to sign the securities certificates issued by the Company;</p> <p>(4) to sign material documents of the board of directors and other documents which shall be signed by the legal representative of the Company;</p> <p>(5) to exercise power of the legal representative;</p>	<p>Article 6 The board of directors shall include one chairman, <u>which is generally served by the secretary of the Party Committee</u>, and one vice chairmen, who are elected and removed by a majority of directors.</p> <p>The Chairman of the board of directors shall exercise the following powers:</p> <p><u>(1) to determine an annual schedule for periodic meetings of the board of directors;</u></p> <p>(2)(1) to preside over shareholders' general meetings and to convene and preside over meetings of the board of directors;</p> <p>(3)(2) to check on the implementation of resolutions passed by the board of directors;</p> <p>(4)(3) to sign the securities certificates issued by the Company;</p> <p>(5)(4) to sign material documents of the board of directors and other documents which shall be signed by the legal representative of the Company;</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p>(6) to exercise special disposal power as to the matters of the company on the basis of complying with laws and regulations and corporate interests in the situation of force majeure such as the occurrence of extraordinary natural disaster and subsequently report to the board of directors and the shareholder's general meetings;</p> <p>(7) to convene Chairman's office meeting and listen to reports on operation and management of the Company regularly or irregularly and conduct research on related issues;</p> <p>(8) to exercise other powers conferred by the board of directors.</p>	<p>(6)(5) to exercise power of the legal representative;</p> <p>(6) to exercise special disposal power as to the matters of the company on the basis of complying with laws and regulations and corporate interests in the situation of force majeure such as the occurrence of extraordinary natural disaster, and subsequently report to the board of directors and the shareholder's general meetings;</p> <p>(7) to convene Chairman's office meeting and listen to reports on operation and management of the Company regularly or irregularly and conduct research on related issues;</p> <p><u>(7) to listen to reports on operation and management and conduct research on related issues;</u></p> <p><u>(8) to manage the internal audit of the Company as the first responsible person for internal audit works;</u></p> <p><u>(9) in the event of emergency due to force majeure or major crisis that makes it impossible to convene a board meeting in a timely manner, to exercise special disposal powers within the authority of the board of directors in accordance with laws and regulations and in the interests of the Company, and to report to the board of directors after exercising such power so as to ratify the same in accordance with relevant procedures;</u></p> <p>(10)(8) to exercise other powers conferred by the board of directors.</p>

<p style="text-align: center;">Existing Articles of the Rules and Procedures of Meetings of the Board</p>	<p style="text-align: center;">Revised Articles</p>
<p>Article 8 The board of directors shall establish a strategy and investment committee, an audit and risk control committee, a nomination and remuneration committee, an aviation safety committee and other special subcommittees in accordance with relevant resolutions of the shareholders’ general meeting. These special committees shall consider specific matters and provide their opinions and advice as a reference for the board’s decision making based on the proposals made by the board of directors, the chairman of the board of directors and the recommendations from the president.</p> <p>The members’ composition, duties and responsibilities, and procedures of each special committee of the board of directors are specifically determined according to the terms of reference of each special committee, which are drawn up by the board of directors.</p>	<p>Article 8 The board of directors shall establish a strategy and investment committee, an audit and risk control committee <u>(the supervision committee)</u>, a nomination and remuneration committee, an aviation safety committee and other special subcommittees in accordance with relevant resolutions of the shareholders’ general meeting. These special committees shall consider specific matters and provide their opinions and advice as a reference for the board’s decision making based on the proposals made by the board of directors, the chairman of the board of directors and the recommendations from the president.</p> <p>The members’ composition, duties and responsibilities, and procedures of each special committee of the board of directors are specifically determined according to the terms of reference of each special committee, which are drawn up by the board of directors.</p>
<p style="text-align: center;">CHAPTER 3 FUNCTIONS AND POWERS OF THE BOARD OF DIRECTORS</p>	<p style="text-align: center;">CHAPTER 3 FUNCTIONS AND POWERS OF THE BOARD OF DIRECTORS</p>
<p>Article 9 The board of directors is responsible to the shareholders’ general meeting and shall exercise the following duties and powers:</p> <p>.....</p>	<p>Article 9 The board of directors is responsible to the shareholders’ general meeting <u>for formulating strategies, making decisions and preventing risks</u> and shall exercise the following duties and powers <u>in accordance with statutory procedures and the Articles of Association:</u></p> <p>.....</p>

<p align="center">Existing Articles of the Rules and Procedures of Meetings of the Board</p>	<p align="center">Revised Articles</p>
<p>(11) to appoint or dismiss the president of the Company, secretary to the board of directors and determine their remunerations; and to appoint or dismiss, with reference to the nomination by the president, the vice presidents, chief accountant, chief pilot and other senior officers and determine their remunerations, rewards and punishment;</p> <p>.....</p> <p>(17) to exercise any other powers stipulated by laws, regulations or the Articles of Associations and conferred by the shareholders in general meetings.</p>	<p>(11) to appoint or dismiss the president of the Company, secretary to the board of directors, <u>conduct appraisal on their performance</u> and determine their remunerations; and to appoint or dismiss, with reference to the nomination by the president, the vice presidents, chief accountant, chief pilot, <u>general legal counsel</u> and other senior officers, <u>conduct appraisal on their performance</u> and determine their remunerations, rewards and punishment;</p> <p>.....</p> <p><u>(17) to determine the risk management system, the internal control system and the compliance management system of the Company, and monitor the relevant systems and their implementation;</u></p> <p><u>(18) to guide, inspect and assess the internal audit works and approve the annual audit plan and important audit reports pursuant to laws;</u></p> <p><u>(19) to promote the development of corporate governance and supervise the lawful management by the management;</u></p> <p>(20)(17) to exercise any other powers stipulated by laws, regulations or the Articles of Associations and conferred by the shareholders in general meetings.</p>
<p>Article 11 The approval authority of the board of directors in relation to the decisions concerning transactions, investments and guarantees, etc. is as follows:</p> <p>.....</p>	<p>Article 11 The approval authority of the board of directors in relation to the decisions concerning transactions, investments and guarantees, etc. is as follows:</p> <p>.....</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p>(2) Connected transactions which shall be subject to the approval of the board of directors (the term「connected transactions」as defined under the relevant listing rules of the place where the shares of the Company are listed, as amended from time to time) include specifically:</p> <p>1. in the size tests conducted on the connected transactions (The definition of connected transactions shall be based on the Listing Rules of the Stock Exchange, as amended from time to time.) based on assets ratio, revenue ratio, consideration ratio and equity capital ratio (in accordance with the Listing Rules of the Stock Exchange, as amended from time to time.), each of the ratios is equal to or more than 0.1% but less than 5%, unless the transaction consideration is less than HK\$1 million; or each of the above ratios is equal to or more than 5% but less than 25% and the transaction consideration is less than HK\$10 million;</p> <p>.....</p>	<p>(2) Connected transactions which shall be subject to the approval of the board of directors (the term「connected transactions」as defined under the relevant listing rules of the place where the shares of the Company are listed, as amended from time to time) include specifically:</p> <p>1. in the size tests conducted on the connected transactions (The definition of connected transactions shall be based on the Listing Rules of the Stock Exchange, as amended from time to time.) based on assets ratio, revenue ratio, consideration ratio and equity capital ratio (in accordance with the Listing Rules of the Stock Exchange, as amended from time to time.), each of the ratios is equal to or more than 0.1% but less than 5%, unless the transaction consideration is less than HK\$13 million; or each of the above ratios is equal to or more than 5% but less than 25% and the transaction consideration is less than HK\$10 million;</p> <p>.....</p>
<p>Article 12 The authority of the board to approve the disposals of the Company’s fixed assets:</p> <p>The board of directors shall not, without the prior approval of shareholders in a shareholders’ general meeting, dispose of or agree to dispose of any fixed assets of the Company, unless the estimated value of the consideration for a fixed asset to be disposed of and the value of consideration for any such disposals of fixed assets of the Company for a period of four (4) months prior to the proposed disposal, on an aggregated basis does not exceed 33% of the value of the Company’s</p>	<p>Article 12 The authority of the board to approve the disposals of the Company’s fixed assets:</p> <p>The board of directors shall not, without the prior approval of shareholders in a shareholders’ general meeting, dispose of or agree to dispose of any fixed assets of the Company, unless the estimated value of the consideration for a fixed asset to be disposed of and the value of consideration for any such disposals of fixed assets of the Company for a period of four (4) months prior to the proposed disposal, on an aggregated basis does not exceed 33% of the value of the Company’s</p>

<p align="center">Existing Articles of the Rules and Procedures of Meetings of the Board</p>	<p align="center">Revised Articles</p>
<p>fixed assets as shown in the latest balance sheet tabled at a shareholders' general meeting. Should the above percentage be lower than 0.2%, the disposal of those fixed assets shall be subject to the approval of the president's office under the authority granted at the shareholders' general meeting. Should there be any inconsistency between the preceding requirements and provisions of the stock exchange on which the Company's shares are listed and traded in respect of the issue, the latter shall prevail.</p> <p>.....</p>	<p>fixed assets as shown in the latest balance sheet tabled at a shareholders' general meeting. Should the above percentage be lower than 0.2%, the disposal of those fixed assets shall be subject to the approval of the president's office under the authority granted at the shareholders' general meeting <u>by the board of directors.</u> Should there be any inconsistency between the preceding requirements and provisions of the stock exchange on which the Company's shares are listed and traded in respect of the issue, the latter shall prevail.</p> <p>.....</p>
<p>Article 14 During the recess of the board meeting, the chairman of the board, with authorization from the board, may perform partial duties of the board.</p> <p>The chairman shall be authorized by the board in accordance with the following principles:</p> <p>(1) to focus on the operation and development of the Company, to make good use of market opportunities and to ensure smooth and efficient operation of the Company;</p> <p>(2) to be flexible and pragmatic, to avoid excessive formalities on condition that it is not against the Articles of Association, and to ensure the business decision of the Company is made in a timely manner;</p> <p>(3) not to harm the interests of the Company and shareholders as a whole, especially the legal interests of minority shareholders.</p>	<p>Article 14 <u>The chairman of the board and the president may, to the extent authorized by the board of directors, perform partial duties of the board. The grant of authorization by the board of directors and the exercise of authorization by the authorizee shall comply with the relevant requirements of the Authorization Management Measures, which shall be formulated by the board of directors.</u> During the recess of the board meeting, the chairman of the board, with authorization from the board, may perform partial duties of the board.</p> <p>The chairman shall be authorized by the board in accordance with the following principles:</p> <p>(1) to focus on the operation and development of the Company, to make good use of market opportunities and to ensure smooth and efficient operation of the Company;</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
	<p>(2) to be flexible and pragmatic, to avoid excessive formalities on condition that it is not against the Articles of Association, and to ensure the business decision of the Company is made in a timely manner;</p> <p>(3) not to harm the interests of the Company and shareholders as a whole, especially the legal interests of minority shareholders.</p>
CHAPTER 4 RULES FOR BOARD MEETINGS	CHAPTER 4 RULES FOR BOARD MEETINGS
<p>Article 15 The board meetings include regular board meetings and extraordinary board meetings. Regular board meetings include: annual meetings, interim meetings, first-quarter meetings and third-quarter meetings.</p> <p>(1) Regular board meetings</p> <p>.....</p> <p>(2) Extraordinary board meetings</p> <p>If any of the following circumstances occurs, the secretary to the board of directors shall issue a notice convening an extraordinary board meeting within ten (10) days which shall not be limited by the notice period prescribed in Article 25 hereof:</p> <p>.....</p> <p>8. the Articles of Association of the Company provide other circumstances for convening it.</p>	<p>Article 15 The board meetings include regular periodic board meetings and extraordinary board meetings. Regular Periodic board meetings include: annual meetings, interim meetings, first-quarter meetings and third-quarter meetings.</p> <p>(1) Regular Periodic board meetings</p> <p>.....</p> <p>(2) Extraordinary board meetings</p> <p>If any of the following circumstances occurs, the secretary to the board of directors chairman shall issue a notice convening an extraordinary board meeting within ten (10) days <u>upon receipt of the proposal</u>which shall not be limited by the notice period prescribed in Article 25 hereof:</p> <p>.....</p> <p>8. the Articles of Association of the Company provide other circumstances for convening it.</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p>Article 16 The board meetings may be held on-site, by conference call or by written resolutions.</p> <p>The board meetings may be held by conference call or other similar communication equipment, provided that the attending directors are able to hear clearly other directors' speech at the meeting and communicate among themselves. All attending directors shall be considered as being present at the meetings. In the event that the attending directors are unable to sign on the resolutions on site, they shall express their opinions orally during the meeting and complete the signing procedures as soon as possible. The oral vote of directors shall have the same authenticity as signatures in writing, provided that the subsequent signatures in writing shall be consistent with the oral vote at the meeting.</p> <p>When the board of directors accepts discussion on any motion in written form instead of holding a board meeting, the draft of the motion must be sent to each director by hand, post, telegraph, facsimile transmission or email. In addition, when the number of the directors signed on the draft satisfies the quorum required by laws, regulations and the Articles of Association, and the motion has been sent to secretary to the board by foregoing methods, such motion shall be deemed as the board resolution, then no further board meeting will be necessary. However, regular board meetings shall not resolve on any motion in such a way of written motions. Furthermore, if the board considers that any major shareholder or director has any material conflict of interests in any motion to be resolved at a board meeting (as defined by</p>	<p>Article 16 The board meetings may be held on-site, by conference call or by written resolutions. <u>In principle, the board meetings shall be convened in the form of on-site meetings. When the directors have sufficient information to vote, they may also pass the resolution by means of video conference, teleconference, or a combination of onsite meetings and other methods or present such information in writing to be considered separately as a written resolution.</u></p> <p>If the board meetings are may be held in the form of a teleconference, with the aid of by conference call or other similar communication equipment, <u>or a combination of onsite meeting and the aforementioned forms of communication, and so long as</u> provided that the attending directors are able to hear clearly other directors' speech at the meeting and communicate among themselves, All attending directors <u>they</u> shall be considered as being present at the meetings. In the event that the attending directors are unable to sign on the resolutions on site, they shall express their opinions orally during the meeting and complete the signing procedures as soon as possible. The oral vote of directors shall have the same authenticity as signatures in writing, provided that the subsequent signatures in writing shall be consistent with the oral vote at the meeting.</p> <p>When the board of directors accepts discussion on any motion in written form instead of holding a board meeting, the draft of the motion must be sent to each director by hand, post, telegraph, facsimile transmission or email. In addition, when the number of the directors signed on the draft satisfies the</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p>applicable domestic and overseas regulations), such motion shall not be resolved in such a way of written motions.</p>	<p>quorum required by laws, regulations and the Articles of Association, and the motion has been sent to secretary to the board by foregoing methods, such motion shall be deemed as the board resolution, then no further board meeting will be necessary. However, regular periodic board meetings shall not resolve on any motion in such a way of written motions. Furthermore, if the board considers that any major shareholder or director has any material conflict of interests in any motion to be resolved at a board meeting (as defined by applicable domestic and overseas regulations), such motion shall not be resolved in such a way of written motions.</p>
<p>Article 19 Directors shall attend the meetings of the board of directors in person. Where a director is unable to attend a meeting for any reason, he may by a written power of attorney appoint another director to attend the meeting on his behalf. The power of attorney shall set out the names of the proxies, the matters to be dealt with by the agents, the scope of the authorization and the effective term thereof. The powers of attorney shall be signed or sealed by the principals.</p>	<p>Article 19 Directors shall attend the meetings of the board of directors in person. Where a director is unable to attend a meeting for any reason, he may by a written power of attorney appoint another director to attend <u>and vote at</u> the meeting on his behalf. <u>The appointor shall carefully review the meeting materials in advance and form clear opinions.</u> The power of attorney shall set out the names of the proxies, the matters to be dealt with by the agents, the scope of the authorization, <u>proxy vote</u> and the effective term thereof. The powers of attorney shall be signed or sealed by the principals.</p>
<p>CHAPTER 6 NOTICE OF MEETINGS</p>	<p>CHAPTER 6 NOTICE OF MEETINGS</p>
<p>Article 25 The notice of the board meetings shall be given in accordance with the following requirements:</p> <p>(1) For regular meetings of the board of directors of which the time and venue have been stipulated by the board of directors beforehand, no notice of the convening of</p>	<p>Article 25 The notice of the board meetings shall be given in accordance with the following requirements:</p> <p>(1) For regular periodic meetings of the board of directors of which the time and venue have been stipulated by the board of directors beforehand, no notice of the convening of</p>

<p style="text-align: center;">Existing Articles of the Rules and Procedures of Meetings of the Board</p>	<p style="text-align: center;">Revised Articles</p>
<p>such meetings will be needed unless the time and place of regular board meeting are changed. The agenda and relevant documents of the meeting shall be given to all directors, supervisors and other persons attending the meeting at least 3 days in advance;</p> <p>(2) For meetings of the board of directors of which the time and venue have not been decided by the board of directors beforehand, the secretary of the board of directors shall notify all directors, supervisors and other persons attending the meeting of the time, venue and agenda of such meeting at least 14 days in advance by facsimile, by express service, by registered mail, in person or by email.</p> <p>(3) If an extraordinary board meeting is proposed to be convened in accordance with Article 15 herein, the secretary to the board shall issue a notice of the extraordinary board meeting within 10 days from the receipt of such proposal, and the notice period of the meeting shall not be subject to the foregoing provisions of this Article.</p> <p>(4) Notice of meetings may be served in Chinese, with an English translation attached thereto when necessary. A director may waive his right to receive notice of a board meeting.</p>	<p>such meetings will be needed unless the time and place of regular <u>periodic</u> board meeting are changed. The agenda and relevant documents of the <u>periodic board meeting</u> shall be given to all directors, supervisors and other persons attending the meeting at least 3 days in advance;</p> <p>(2) For meetings of the board of directors of which the time and venue have not been decided by the board of directors beforehand, the secretary of the board of directors shall notify all directors, supervisors and other persons attending the meeting of the time, venue and agenda of such meeting at least 14 days in advance <u>by telex, by telegram,</u>by facsimile, by express service, by registered mail, in person or by email;<u>;</u></p> <p>(3) If an extraordinary board meeting is proposed to be convened in accordance with Article 15 herein, the secretary to the board shall issue a notice of the extraordinary board meeting <u>shall usually be delivered to all directors 5 days before convening the extraordinary meeting</u> within 10 days from the receipt of such proposal, and the notice period of the meeting shall not be subject to the foregoing provisions of this Article.</p> <p>(4) Notice of meetings may be served in Chinese, with an English translation attached thereto when necessary. A director may waive his right to receive notice of a board meeting.</p>
<p style="text-align: center;">CHAPTER 7 CONSIDERING AND VOTING ON PROPOSED RESOLUTIONS</p>	<p style="text-align: center;">CHAPTER 7 CONSIDERING AND VOTING ON PROPOSED RESOLUTIONS</p>
<p>Article 31 When reviewing the relevant motions and items, in order to understand the main points and situations in detail, the board</p>	<p>Article 31 When reviewing the relevant motions and items, in order to understand the main points and situations in detail, the board</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p>may require heads of the relevant departments to attend the meeting to answer relevant questions. If any proposal being considered at the meeting is found unclear or infeasible to be fully discussed, the board shall adjourn the discussion on that subject.</p>	<p>may require heads of the relevant departments to attend the meeting to answer relevant questions. If any proposal being considered at the meeting is found unclear or infeasible to be fully discussed, the board shall adjourn the discussion on that subject. <u>the board may arrange the relevant senior management, heads of the functional departments and experts to attend the meetings as necessary to elaborate, receive inquiry or give advice on the motions involved. When considering matters involving legal issues, the general counsel shall attend the board meeting and express legal opinions.</u></p> <p><u>If the motion is considered to warrant further study or material changes based on the review opinions of the board, the motion shall be amended and improved for review according to the time and method determined by the meeting of the board.</u></p>
<p>Article 34 In reviewing the proposed resolutions at the board meeting, all directors present at meetings shall declare their affirmative, dissenting votes or abstaining opinions.</p> <p>.....</p>	<p>Article 34 In reviewing the proposed resolutions at the board meeting, all directors present at meetings shall declare their affirmative, dissenting votes or abstaining opinions. <u>The directors shall provide specific reasons for dissenting votes or abstaining opinions and record the same in the minutes.</u></p> <p>.....</p>
<p>Article 35 If a director fails to attend a board meeting in person or by proxy, he shall be deemed to have waived his rights to vote at the meeting.</p>	<p>Article 35 <u>The directors shall attend the board meetings in person. A director may, in case he is unable to attend a meeting, entrust another director in writing to attend and exercise the right of vote on his behalf. However, an independent director shall not appoint a non-independent director to attend the meeting on his behalf.</u> If a</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
	director fails to attend a board meeting in person or by proxy, he shall be deemed to have waived his rights to vote at the meeting.
CHAPTER 8 RESOLUTIONS AND MINUTES OF THE MEETINGS	CHAPTER 8 RESOLUTIONS AND MINUTES OF THE MEETINGS
<p>Article 43 The minutes of the board meeting shall record in detail the matters discussed by the directors. The minutes shall state the following:</p> <p>(1) the date and place of the meeting, and the name of convener of the meeting;</p> <p>.....</p>	<p>Article 43 The minutes of the board meeting shall record in detail the matters discussed by the directors. The minutes shall state the following:</p> <p>(1) the date and place of the meeting, and the name of convener <u>and the person presiding</u> of the meeting;</p> <p>.....</p>
<p>Article 45 After the minutes are finalized, directors, secretary to the board of directors and recorder(s) present at meetings shall sign the minutes. Each director shall be entitled to request for an explanation of his comments made at the meetings to be noted in the minutes. Such minutes shall be kept as important documents of the Company in its domicile located in China for a period of not less than 10 years.</p>	<p>Article 45 After the minutes are finalized, directors, secretary to the board of directors and recorder(s) present at meetings shall sign the minutes. Each director shall be entitled to request for an explanation of his comments made at the meetings to be noted in the minutes. Such minutes shall be kept as important documents of the Company in its domicile located in China <u>and shall be preserved permanently</u> for a period of not less than 10 years.</p>
CHAPTER 9 BOARD MEETING INFORMATION DISCLOSURE	CHAPTER 9 BOARD MEETING INFORMATION DISCLOSURE
<p>Article 47 The board of the Company shall strictly comply with the laws, regulations and requirements of the stock exchange on which the Company's share are listed and transacted in relation to the disclosure of the Company's information. It shall ensure that matters examined and/or resolutions passed at the board meeting are disclosed truly, accurately, thoroughly and in a timely manner.</p>	<p>Article 47 The board of the Company shall strictly comply with the laws, regulations and requirements of the stock exchange on which the Company's share are listed and transacted in relation to the disclosure of the Company's information. It shall ensure that matters examined and/or resolutions passed at the board meeting are disclosed <u>fairly,</u> truly, accurately, thoroughly and in a timely manner.</p>

Existing Articles of the Rules and Procedures of Meetings of the Board	Revised Articles
<p align="center">CHAPTER 10 IMPLEMENTATION OF THE RESOLUTIONS OF THE BOARD MEETING AND FEEDBACKS</p>	<p align="center">CHAPTER 10 IMPLEMENTATION OF THE RESOLUTIONS OF THE BOARD MEETING AND FEEDBACKS</p>
<p>Article 49 The following matters shall not be carried out until they are examined and approved by the board of directors and submitted to and approved by the shareholders' general meeting:</p> <p>(1) to formulate the Company's preliminary and final annual financial budgets;</p> <p>(2) to formulate the Company's profit distribution proposal and loss recovery proposal;</p> <p>(3) to formulate proposals for the increase or reduction of the Company's registered capital;</p> <p>(4) to formulate the issuance of the Company's debentures;</p> <p>(5) to draw up the Company's proposals for the merger, division, dissolution or change of the form of the Company;</p> <p>(6) to formulate proposals for any amendment of the Company's Articles of Association;</p> <p>(7) to make recommendations to the shareholders' general meetings on the appointment or change of the accounting firm which performs the audit work for the Company.</p>	<p>Article 49 The following matters <u>that shall be decided by the general meeting</u> shall not be carried out until they are examined and approved by the board of directors and submitted to and approved by the shareholders' general meeting.:</p> <p>(1) to formulate the Company's preliminary and final annual financial budgets;</p> <p>(2) to formulate the Company's profit distribution proposal and loss recovery proposal;</p> <p>(3) to formulate proposals for the increase or reduction of the Company's registered capital;</p> <p>(4) to formulate the issuance of the Company's debentures;</p> <p>(5) to draw up the Company's proposals for the merger, division, dissolution or change of the form of the Company;</p> <p>(6) to formulate proposals for any amendment of the Company's Articles of Association;</p> <p>(7) to make recommendations to the shareholders' general meetings on the appointment or change of the accounting firm which performs the audit work for the Company.</p>

Note: Save as the table above, if the serial numbering of the chapters and articles is changed due to the addition, deletion or re-arrangement of certain articles, the serial numbering of the chapters and articles of these Rules and Procedures of Meetings of the Board as so amended shall be changed accordingly, including references.