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

If you have sold or transferred all your shares in China COSCO Holdings Company Limited, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser and transferee.

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中國遠洋控股股份有限公司
China COSCO Holdings Company Limited*

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

(Stock Code: 1919)

- (1) PROPOSED CHANGE OF COMPANY NAME**
- (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE RULES OF PROCEDURES OF THE GENERAL MEETING AND THE RULES OF PROCEDURES OF THE BOARD**
- (3) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE SUPERVISORY COMMITTEE**
- (4) PROVISION OF GUARANTEES MANDATE**

A notice convening the EGM to be held at Conference Room, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No.1171, Dong Da Ming Road, Shanghai, People's Republic of China on Thursday, 25 August 2016 at 10:30 a.m., together with the proxy form (the "**First Proxy Form**") and reply slip, have been despatched to the Shareholders on 11 July 2016. A supplemental notice of the EGM and a revised form of proxy (the "**Revised Proxy Form**"), which contain an additional resolution to be proposed at the EGM on the Group's acquisition of equity interests in eight offshore companies, are enclosed with this circular.

Whether or not you intend to attend the EGM, you are requested to complete and return the Revised Proxy Form in accordance with instructions printed on it. The First Proxy Form and/or the Revised Proxy Form should be returned to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the EGM or any adjournment thereof. If you intend to attend the EGM in person or by proxy, you are required to complete and return the reply slip to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 5 August 2016. Completion and return of the First Proxy Form and/or the Revised Proxy Form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

* *For identification purpose only*

8 August 2016

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended, revised or supplemented from time to time
“Board”	the board of Directors
“Company”	China COSCO Holdings Company Limited* (中國遠洋控股股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1919) and the A shares of which are listed on the Shanghai Stock Exchange in the PRC (Stock Code: 601919)
“COSCON”	COSCO Container Lines Co., Ltd. (中遠集裝箱運輸有限公司), a company established in the PRC and a subsidiary of the Company
“CSRC”	China Securities Regulatory Commission of the PRC
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Conference Room, 47th Floor, COSCO Tower, 183 Queen’s Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No.1171, Dong Da Ming Road, Shanghai, People’s Republic of China on Thursday, 25 August 2016 at 10:30 a.m. (or any adjournment thereof) for the Shareholders to consider and approve the resolutions set out in the notice of the EGM and the supplemental notice of the EGM
“General Meeting”	the general meeting of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Proposed Change of Company Name”	the proposed change of the Company’s English name from “China COSCO Holdings Company Limited” to “COSCO SHIPPING Holdings Co., Ltd.” and Company’s Chinese name from “中國遠洋控股股份有限公司” to “中遠海運控股股份有限公司”

DEFINITIONS

“Provision of Guarantees Mandate”	the provision of guarantees mandate proposed to be sought at the EGM to approve the provision of external guarantees by the Company for the borrowings of COSCON and its subsidiaries not exceeding US\$1 billion
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) (including A shares and H shares of the Company) of RMB1.00 each in the issued share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisory Committee”	the supervisory committee of the Company
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

LETTER FROM THE BOARD



中國遠洋控股股份有限公司
China COSCO Holdings Company Limited*

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

(Stock Code: 1919)

Directors:

Mr. WAN Min²(Chairman)
Mr. HUANG Xiaowen¹(Vice Chairman)
Ms. SUN Yueying²
Mr. SUN Jiakang¹
Mr. YE Weilong¹
Mr. WANG Yuhang²
Mr. XU Zunwu¹
Dr. FAN HSU Lai Tai, Rita³
Mr. KWONG Che Keung, Gordon³
Mr. Peter Guy BOWIE³
Mr. YANG, Liang Yee Philip³

Registered Office:

2nd Floor, 12 Yuanhang Business Centre
Central Boulevard and East Seven Road Junction
Tianjin Port Free Trade Zone
Tianjin, the PRC

*Head office and principal place of business
in Hong Kong:*

49th Floor
COSCO Tower
183 Queen's Road Central
Hong Kong

¹ *Executive Director*

² *Non-executive Director*

³ *Independent Non-executive Director*

8 August 2016

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED CHANGE OF COMPANY NAME**
**(2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE
RULES OF PROCEDURES OF THE GENERAL MEETING AND THE RULES OF
PROCEDURES OF THE BOARD**
**(3) PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE
SUPERVISORY COMMITTEE**
(4) PROVISION OF GUARANTEES MANDATE

* *For identification purpose only*

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to the announcement of the Company dated 11 July 2016 in relation to the Proposed Change of Company Name and the proposed amendments to the Articles of Association.

The purpose of this circular is to provide you with information in relation to (1) the Proposed Change of Company Name; (2) the proposed amendments to the Articles of Association, the rules of procedures of the General Meeting and the rules of procedures of the Board; (3) the proposed amendments to the rules of procedures of the Supervisory Committee; and (4) the Provision of Guarantees Mandate.

1. THE PROPOSED CHANGE OF COMPANY NAME

The Board proposed to change the Company's English name from "China COSCO Holdings Company Limited" to "COSCO SHIPPING Holdings Co., Ltd." and the Company's Chinese name from "中國遠洋控股股份有限公司" to "中遠海運控股股份有限公司".

Reasons for the Proposed Change of Company Name

As the Company's material asset restructuring proposal and the relevant resolutions have been considered and approved at the Company's extraordinary general meeting held on 1 February 2016, upon completion of the restructuring, the principal business operations of the Group has changed to container shipping and terminal services. China COSCO Shipping Corporation Limited* has become an indirect controlling Shareholder through the transfer of 100% equity interest in China Ocean Shipping (Group) Company* at nil consideration. Hence, the Company proposed to change its company name in line with its strategic positioning for future development, and to highlight its core competitive advantages. The Board considers that the Proposed Change of Company Name is in the interests of the Company and the Shareholders as a whole.

Conditions for the Proposed Change of Company Name

The Proposed Change of Company Name is subject to (1) the approval by the Shareholders of an ordinary resolution at the EGM; and (2) the approval by the competent commercial department and competent industrial and commercial department of the PRC.

Subject to the satisfaction of the conditions set out above, the effective date of the Proposed Change of Company Name will be the date of issue of the new business license of the Company in respect of the Proposed Change of Company Name by the administration for industry and commerce of the PRC. The Company will then carry out all necessary filing procedures with the Registrar of Companies in Hong Kong.

LETTER FROM THE BOARD

Effects of the Proposed Change of Company Name

The Proposed Change of Company Name will not affect any rights of the Shareholders. All existing share certificates of the Company in issue bearing the existing name of the Company will, after the Proposed Change of Company Name becomes effective, continue to be evidence of title to the Shares and will be valid for trading, settlement, registration and delivery for the same number of Shares in the new name of the Company. As soon as the Proposed Change of Company Name becomes effective, any new issue of share certificates of the Company will be issued bearing the new name of the Company. There will be no special arrangement for the exchange of the existing share certificates of the Company for new share certificates bearing the new name of the Company.

A further announcement regarding, among other things, the effective date of the trading in the Shares on the Stock Exchange under the new name of the Company will be made after the new name of the Company take effect.

2. THE PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

A special resolution will be proposed at the EGM to, among other things, approve certain amendments to the Articles of Association in order to reflect the Proposed Change of Company Name and the amendments to the relevant requirements of the laws, regulations and rules in the PRC, including the Company Law of the PRC, the Governance Standards of Listed Companies, the Guidance for Articles of Association of Listed Companies and Regulatory Guidance for Listed Companies No. 3 — Distribution of Cash Dividends by Listed Companies issued by the CSRC, and the Listing Rules. The proposed amendments to the Articles of Association shall be subject to all necessary approvals, authorisations and registrations (if applicable) to be obtained from or filed with the relevant governmental or regulatory authorities.

The Articles of Association are written in Chinese without an official English version. Therefore, any English translation is for reference only. In case of inconsistency, the Chinese version shall prevail.

Details of the proposed amendments to the Articles of Association are set out in Appendix I to this circular.

3. THE PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE GENERAL MEETING

A special resolution will be proposed at the EGM to, among other things, approve certain amendments to the rules of procedures of the General Meeting to, among other things, satisfy the actual business needs of the Company and reflect the Proposed Change of Company Name and the amendments to the relevant requirements of the laws, regulations and rules in the PRC, including the Company Law of the PRC, the Governance Standards of Listed Companies, the Guidance for Articles of Association of Listed Companies and Regulatory Guidance for Listed Companies No. 3 — Distribution of Cash Dividends by Listed Companies issued by the CSRC, and the Listing Rules.

LETTER FROM THE BOARD

Details of the proposed amended rules of procedures of the General Meeting are set out in Appendix II to this circular.

4. THE PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD

A special resolution will be proposed at the EGM to, among other things, approve certain amendments to the rules of procedures of the Board to, among other things, satisfy the actual business needs of the Company and reflect the Proposed Change of Company Name and the amendments to the relevant requirements of the laws, regulations and rules in the PRC, including the Company Law of the PRC, the Governance Standards of Listed Companies, the Guidance for Articles of Association of Listed Companies and Regulatory Guidance for Listed Companies No. 3 — Distribution of Cash Dividends by Listed Companies issued by the CSRC and the Listing Rules.

Details of the proposed amended rules of procedures of the Board are set out in Appendix III to this circular.

5. THE PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE SUPERVISORY COMMITTEE

A special resolution will be proposed at the EGM to make certain amendments to the rules of procedures of the Supervisory Committee to, among other things, satisfy the actual business needs of the Company, reflect the Proposed Change of Company Name and reflect the proposed amendments to the Articles of Association.

Details of the proposed amendments to the rules of procedures of the Supervisory Committee are set out in Appendix IV to this circular.

6. PROVISION OF GUARANTEES MANDATE

As of 31 December 2015: (i) the amount of external guarantees provided by the Company was RMB20,880 million (audited), representing approximately 46% of the audited net assets of the Group as of 31 December 2015; and (ii) the amount of external guarantees provided by the subsidiaries of the Company was RMB8,981 million (audited), representing approximately 20% of the audited net assets of the Group as of 31 December 2015. The Company has not provided any overdue external guarantees.

Pursuant to the relevant regulations in the PRC and the Articles of Association: (i) any provision of guarantee where the total amount of external guarantees provided by the Company or its subsidiaries exceeds 50% of the latest audited net assets of the Group; (ii) any provision of guarantee to any person whose gearing ratio exceeds 70%; or (iii) any provision of a single guarantee whose amount exceeds 10% of the latest audit net assets of the Group, shall require approval by the Shareholders.

LETTER FROM THE BOARD

To satisfy the Group's daily operations requirements, based on the Company's estimate, the Company will be required to provide guarantees for the working capital loans of COSCON (a subsidiary of the Company) and its subsidiaries to satisfy daily working capital requirements of an amount not exceeding US\$ 1 billion up to the date of the annual general meeting of the Company for the year ending 31 December 2016. Therefore, the Provision of Guarantee Mandate will be proposed by the Board to the Shareholders at the EGM as an ordinary resolution, pursuant to which the Directors shall be authorized to approve the provision of guarantees by the Company for the borrowings of COSCON and its subsidiaries not exceeding US\$1 billion.

EGM

The EGM will be convened at Conference Room, 47th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong and Ocean Hall, 5th Floor, Shanghai Ocean Hotel, No.1171, Dong Da Ming Road, Shanghai, People's Republic of China on Thursday, 25 August 2016 at 10:30 a.m. (or any adjournment thereof). The notice of the EGM, together with the First Proxy Form and reply slip, have been despatched to the Shareholders on 11 July 2016. The supplemental notice of the EGM and the Revised Proxy Form, which contain the additional resolution to be proposed at the EGM on the Group's acquisition of equity interests in eight offshore companies, are enclosed with this circular.

None of the Shareholders has any material interest in (1) the Proposed Change of Company Name; (2) the proposed amendments to the Articles of Association, the rules of procedures of the General Meeting and the rules of procedures of the Board; (3) the proposed amendments to the rules of procedures of the Supervisory Committee; or (4) the Provision of Guarantees Mandate. Accordingly, none of the Shareholders will be required to abstain from voting on any of resolutions to be proposed at the EGM.

Whether or not you intend to attend the EGM, you are requested to complete and return the First Proxy Form and/or the Revised Proxy Form to the Hong Kong H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the EGM or any adjournment thereof. If you intend to attend the EGM, you are required to complete and return the reply slip to the Hong Kong H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 20 days before the date of the EGM, i.e. 5 August 2016.

The H share registrar of members of the Company will be closed from Tuesday, 26 July 2016 to Thursday, 25 August 2016, both days inclusive, during which period no transfer of the H shares of the Company will be effected. Shareholders whose names appear on the register of members of the Company on Monday, 25 July 2016 at 4:30 p.m. are entitled to attend and vote at the EGM. In order to attend and vote at the EGM, all transfer documents accompanied by relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 25 July 2016.

LETTER FROM THE BOARD

Completion and return of the First Proxy Form and/or the Revised Proxy Form will not preclude you from attending and voting in person at the EGM or any adjournment of it should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders to be taken at a general meeting of the Company shall be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement of the poll results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

The Directors believe that (1) the Proposed Change of Company Name; (2) the proposed amendments to the Articles of Association, the rules of procedures of the General Meeting and the rules of procedures of the Board; (3) the rules of procedures of the Supervisory Committee; and (4) the Provision of Guarantee Mandate are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions set out in the notice of EGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By order of the Board
China COSCO Holdings Company Limited
GUO Huawei
Company Secretary

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

This English version is for reference only. If there is any discrepancy between the English and Chinese version, the Chinese version shall prevail.

The full text of the proposed amendments to the Articles of Association is set out as follows:

Article Number	Existing Provision	Proposed Amended Provision
Article 1	China COSCO Holdings Company Limited (the “Company”) is a joint stock limited company incorporated in accordance with Company Law of the People’s Republic of China (the “Company Law”), Special Regulations of State Council Concerning Share Offerings and Listings Outside the People’s Republic of China of Joint Stock Limited Companies (the “Special Regulations”) and other relevant state laws and administrative regulations.	COSCO SHIPPING Holdings Co., Ltd. (the “Company”) is a joint stock limited company incorporated in accordance with the Company Law, Special Regulations of State Council Concerning Share Offerings and Listings Outside the People’s Republic of China of Joint Stock Limited Companies (the “Special Regulations”) and other relevant state laws and administrative regulations.
	Approved by State-owned Assets Supervisory and Management Commission of the State Council on 18th February 2005 by (Guo-Zi-Gai-Ge [2005] No. 191 Document) Approval Reply on Incorporation of China COSCO Holdings Company Limited, the Company was incorporated by means of promotion and was registered with State Administration for Industry and Commerce of the PRC on 3 March 2005 and obtained a business license as a company.	Approved by State-owned Assets Supervisory and Management Commission of the State Council on 18th February 2005 by (Guo-Zi-Gai-Ge [2005] No. 191 Document) Approval Reply on Incorporation of China COSCO Holdings Company Limited, the Company was incorporated by means of promotion and was registered with State Administration for Industry and Commerce of the PRC on 3 March 2005 and obtained a business license as a company.
	The number of Company’s business license is 1000001003947.	The number of Company’s business license is 100000400011790.
	The promoter of the Company is China Ocean Shipping (Group) Company.	The promoter of the Company is China Ocean Shipping (Group) Company.
Article 2	Registered name of the Company: Chinese: 中國遠洋控股股份有限公司 Chinese abbreviation: 中國遠洋 English: China COSCO Holdings Company Limited English abbreviation: CHINA COSCO	Registered name of the Company: Chinese: 中遠海運控股股份有限公司 English: COSCO SHIPPING Holdings Co., Ltd.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 3	<p>Address: Level 3, No. 1 Tongda Square, Tianjin Port Free Trade Zone, Tianjin Postal code: 300461 Tel: 0086-22-66270898 Fax: 0086-22-66270899</p>	<p>Address: 2nd Floor, 12 Yuanhang Business Centre, Central Boulevard and East Seven Road Junction, Tianjin Port Free Trade Zone, Tianjin Postal code: 300461 Tel: 0086-22-66270898 Fax: 0086-22-66270899</p>
Article 6	<p>Pursuant to the Company Law, the Special Provisions, Mandatory Provisions for the Articles of Association of Companies to be Listed Outside the People’s Republic of China (the “Mandatory Provisions”), Guidelines for the Articles of Association of Listed Companies (the “Guidelines for the Articles”), Code of Corporate Governance for Listed Companies (the “Code of Corporate Governance”) and other relevant state laws and administrative regulations, amendments were made to the Company’s former Articles of Association, and these Articles of Association (the “Articles” or the “Articles of Association”) were formulated, which had been approved and authorized at the Second Extraordinary General Meeting in 2012.</p>	<p>Pursuant to the Company Law, the Special Provisions, the Mandatory Provisions, the Guidelines for the Articles, the Code of Corporate Governance and other relevant state laws and administrative regulations, amendments were made to the company’s former Articles of Association, and these Articles of Association (the “Articles” or the “Articles of Association”) were formulated, which had been approved and authorized at the Second Extraordinary General Meeting in 2016.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 46	<p>.....</p> <p>The H shares listed in Hong Kong for which all share capital is paid in full may be assigned freely under this Articles of Association. Unless it complies with the following conditions, the Board of Directors may refuse to recognize any assignment instrument without giving any reason:</p> <p>(1) a fee of HK\$2.50, or a higher fee as HKEX agrees at the time, has been paid to the Company for register of assignment instrument of the shares and other documents in relation to title of the shares or that may effect title of the shares;</p> <p>(2) the assignment instrument only involves the H shares listed in Hong Kong;</p> <p>(3) stamp tax for the assignment instrument is paid;</p> <p>(4) relevant shares and any evidence indicating the assignor is entitled to assign such shares as the Board of Directors may reasonably require shall be made available;</p> <p>(5) if the shares shall be assigned to joint holders, the number of joint holders shall be no more than 4; and</p> <p>(6) the relevant shares have no additional lien of any company.</p> <p>.....</p>	<p>.....</p> <p>The H shares listed in Hong Kong for which all share capital is paid in full may be assigned freely under this Articles of Association. Unless it complies with the following conditions, the Board of Directors may refuse to recognize any assignment instrument without giving any reason:</p> <p>(1) a fee has been paid to the Company for register of assignment instrument of the shares and other documents in relation to title of the shares or that may effect title of the shares, such fee shall not exceed the maximum fees prescribed by the HKEX from time to time under the Listing Rules;</p> <p>(2) the assignment instrument only involves the H shares listed in Hong Kong;</p> <p>(3) stamp tax for the assignment instrument is paid;</p> <p>(4) relevant shares and any evidence indicating the assignor is entitled to assign such shares as the Board of Directors may reasonably require shall be made available;</p> <p>(5) if the shares shall be assigned to joint holders, the number of joint holders shall be no more than 4; and</p> <p>(6) the relevant shares have no additional lien of any company.</p> <p>.....</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 50	<p>.....</p> <p>Applications for the replacement of share certificates from holders of A shares who have lost their certificates shall be dealt with in accordance with Article 144 of the Company Law.</p> <p>.....</p>	<p>.....</p> <p>Applications for the replacement of share certificates from holders of A shares who have lost their certificates shall be dealt with in accordance with Article 143 of the Company Law.</p> <p>.....</p> <p>The Company shall have the right to terminate sending dividend warrants to shareholders by mail after a dividend warrants are not redeemed on two consecutive occasions. However, the Company can exercise the right after the first occasion when such a dividend warrant is returned.</p> <p>The Company shall not exercise the right to sell the shares of a shareholder who is untraceable unless:</p> <p>(1) at least three dividends in respect of the relevant shares have become payable in a period of 12 years and no person has claimed the dividends during that period; and</p> <p>(2) on the expiry of the 12 years, the Company gives notice of its intention to sell the shares by way of an advertisement published in newspapers and notifies the HKEX of such intention.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 72	<p>The notice of a shareholders’ general meeting shall meet the following requirements:</p> <p>.....</p> <p>(7) contain conspicuously a statement that shareholders entitled to attend and vote have the right to appoint one or more proxies to attend and vote on their behalf and that such proxies need not be a shareholder: and</p> <p>(8) state the time and place for serving the powers of attorney to vote at the meeting.</p>	<p>The notice of a shareholders’ general meeting shall meet the following requirements:</p> <p>.....</p> <p>(7) contain conspicuously a statement that shareholders entitled to attend and vote have the right to appoint one or more proxies to attend and vote on their behalf and that such proxies need not be a shareholder:</p> <p>(8) contain the share registration date of shareholders who are entitled to attend the general meeting; and</p> <p>(9) state the time and place for serving the powers of attorney to vote at the meeting.</p>
Article 73	<p>Notice of a shareholders’ general meeting shall be delivered to the shareholders (whether or not entitled to vote thereat) by personal delivery or pre-paid mail at the recipient’s address shown in the register of shareholders. For holders of H shares, such notice of meeting may also be given by posting on the website of the Company. For holders of A shares, notice of a shareholders’ general meeting may also be given by a public announcement.</p> <p>.....</p>	<p>Notice of a shareholders’ general meeting shall be delivered to the shareholders (whether or not entitled to vote thereat) by personal delivery or pre-paid mail at the recipient’s address shown in the register of shareholders. For holders of H shares (excluding the holders of H shares who have chosen to receive printed copies of the Company’s corporate communications), such notice of meeting may also be given by publishing the electronic version on the website of the Company. For holders of A shares, notice of a shareholders’ general meeting may also be given by a public announcement.</p> <p>.....</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 85	<p>Unless specified by the rules set out by HKEX or any other exchanges from time to time, votes of the shareholders' general meeting shall be taken by show of hands. Unless a vote by ballot is demanded before or after any vote by show of hands by:</p> <ol style="list-style-type: none"> (1) the chairman of the meeting; (2) at least two shareholders with voting rights or their proxies; or (3) one or several shareholders (including proxies) holding, alone or in concert with others, 10 or more percent of the shares carrying the right to vote at the meeting. <p>Unless otherwise specified by applicable listing rules or other laws or regulations relating to securities or proposed by a person to vote by poll, the chairman of the meeting shall declare whether the proposal has been adopted, in accordance with the result of the vote by show of hands, and shall record the same in the minutes of the meeting, which shall be conclusive evidence, without any need to certify the number or proportion of the votes for or against the resolution adopted at the meeting.</p> <p>The demand for a vote by ballot may be withdrawn by the person who made it.</p>	<p>Any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 107	<p>The Company shall establish a board of directors. The Board of Directors shall be composed of 12 directors. External directors (referred to as those who do not take a post at the Company, as below) shall account for more than half of the number of directors. Independent directors shall account for one-third of the number of the directors, of which there shall be 4 or more independent (non-executive) directors (referred to as directors who are independent from the shareholders of the Company and do not have a post at the Company, as below), of which at least one independent director shall have appropriate professional qualification or have appropriate accounting or relevant financial management skills.</p> <p>.....</p>	<p>The Company shall establish a board of directors. The Board of Directors shall be composed of 9 to 15 directors, subject to the composition of directors elected by the shareholders' general meeting. External directors (referred to as those who do not have a post at the Company, as below) shall account for more than half of the number of directors. There shall be at least 3 independent (non-executive) directors (referred to as directors who are independent from the shareholders of the Company and do not have a post at the Company, as below), who shall account for at least one-third of the number of directors, of which at least one independent director shall have appropriate professional qualifications or have appropriate accounting or relevant financial management skills.</p> <p>.....</p>
Article 108	<p>.....</p> <p>The written notice of the directors' intention to nominate a candidate and the candidates' acceptance of such nomination shall be sent to the Company no earlier than the day when the circular of the shareholders' general meeting is despatched and no later than 7 days before the meeting.</p> <p>The candidates for directors of the first Board shall be nominated by the promoters, and elected during the incorporation meeting. Twelve candidates shall be elected as directors for each term and approved by the shareholders' general meeting in the form of ordinary resolution. In case the number of elected candidates exceeds the above-stipulated number, the candidates receiving the larger number of votes shall become the directors.</p> <p>.....</p>	<p>.....</p> <p>The written notice of the directors' intention to nominate a candidate and the candidates' acceptance of such nomination shall be sent to the Company on the day after the circular of the shareholders' general meeting is despatched and no later than 10 business days before the meeting.</p> <p>The candidates for directors of the first Board shall be nominated by the promoters, and elected during the incorporation meeting. The number of directors elected for each term shall be determined by the shareholders' general meeting in the form of an ordinary resolution. In case the number of elected candidates exceeds the proposed maximum number, the candidates receiving the larger of directors number of votes shall become the directors.</p> <p>.....</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 116	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 of the directors shall be notified of the meeting 10 days beforehand.	The Board should meet regularly and meetings of the Board of Directors shall be held at least four times every year at approximately quarterly intervals and shall be convened by the chairman of the Board of Directors. Regular board meetings shall be called by 14 days' notice to all the directors.
Article 121	The Board of Directors may accept proposals in writing instead of holding a meeting of the Board of Directors but the draft of such a proposal must be sent to each director by person, mail, cable or facsimile. If the Board of Directors has distributed the proposal to all the directors and the number of directors who agree on the proposal by giving their signatures satisfy the quorum required for decision-making and the proposal is submitted to secretary of the board in the aforesaid way, it shall become a resolution of the Board of Directors and no further meeting of the Board of Directors shall be required.	The Board of Directors may accept proposals in writing instead of holding a meeting of the Board of Directors but the draft of such a proposal must be sent to each director by person, mail, cable, facsimile or email. If the Board of Directors has distributed the proposal to all the directors and the number of directors who agree on the proposal by giving their signatures satisfy the quorum required for decision-making and the proposal is submitted to secretary of the board in the aforesaid way, it shall become a resolution of the Board of Directors and no further meeting of the Board of Directors shall be required.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 126	<p>An independent director candidate of the Company shall be nominated by the Board of Directors, the Supervisory Board, or shareholder(s) individually or jointly holding more than 1% of the total number of shares carrying the right to vote, and shall be elected by a shareholders’ general meeting of the Company.</p> <p>.....</p> <p>(4) If an extempore motion is put forward at a general meeting for the election of any independent director by shareholder(s) who, individually or jointly, hold(s) more than 3% of the total number of shares of the Company carrying the voting right, or by the Supervisory Board, the following documents shall be submitted to the Company 10 days before the shareholders’ general meeting: the written notice of the intent to nominate a director candidate and the nominee expressing his willingness to accept the nomination, and the written materials pertaining to the particulars of the nominee and the nominee’s undertakings as mentioned in the preceding sub-paragraphs (1) and (2) of this Article;</p> <p>.....</p>	<p>An independent director candidate of the Company shall be nominated by the Board of Directors, the Supervisory Board, or shareholder(s) individually or jointly holding more than 1% of the total number of shares carrying the right to vote, and shall be elected by a shareholders’ general meeting of the Company.</p> <p>.....</p> <p>(4) If an extempore motion is put forward at a general meeting for the election of any independent director by shareholder(s) who, individually or jointly, hold(s) more than 3% of the total number of shares of the Company carrying the voting right, or by the Supervisory Board, the following documents shall be submitted to the Company 20 days before the shareholders’ general meeting: the written notice of the intent to nominate a director candidate and the nominee expressing his willingness to accept the nomination, and the written materials pertaining to the particulars of the nominee and the nominee’s undertakings as mentioned in the preceding sub-paragraphs (1) and (2) of this Article;</p> <p>.....</p>
Article 136	<p>Secretary of the Board of Directors shall diligently fulfill his duties in compliance with the provisions under the Articles and Guidelines of Secretary Work.</p> <p>.....</p>	<p>Secretary of the Board of Directors shall diligently fulfill his duties in compliance with the provisions under the Articles and relevant requirement.</p> <p>.....</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 169	<p>.....</p> <p>A director shall not vote for any contract, transaction or arrangement in which he or his associate (as defined in the Listing Rules) has a material interest,, nor be counted in the quorum of a meeting.</p>	<p>.....</p> <p>A director shall not vote on any board resolution approving any contract, arrangement or any other proposal in which he or his close associate (as defined in the Listing Rules) has a material interest, nor be counted in the quorum of a meeting.</p>
Article 183	<p>.....</p> <p>The Company shall send copies of the said reports to each holder of H shares at least 21 days prior to the date of an annual general meeting by prepaid mail at the recipient’s address shown in the register of shareholders.</p>	<p>.....</p> <p>The Company shall send copies of the said reports and directors’ report to each holder of H shares at least 21 days prior to the date of an annual general meeting by prepaid mail at the recipient’s address shown in the register of shareholders. The Company may also publish the said reports in electronic form on its website in accordance with Listing Rules in order to meet the requirement of dispatch (except for the holders of H shares who have chosen to receive printed copies of the Company’s corporate communications).</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 193	<p>The profit distribution policy of the Company is as follows:</p> <p>.....</p> <p>(3) Decision-making mechanisms and procedures: The profit distribution proposal of the Company shall be formulated and reviewed by the Board of Directors and submitted to the shareholders’ general meeting for approval. Independent directors shall express clearly their opinions in regard to the profit distribution proposal. The Supervisory Board shall supervise the implementation of the profit distribution proposal.</p> <p>.....</p> <p>(5) When determining the particulars of the cash dividend proposal of the Company, the Board of Directors shall seriously study and discuss the timing, conditions as well as the minimum ratio of the cash dividend, conditions on adjustments and other factors as required for making the decisions. The independent directors shall express clearly their opinions. When considering the particulars of the profit distribution proposal, the Company shall communicate with the shareholders proactively, especially the minority shareholders, through various channels (including but not limited to hotlines, mailbox to the Secretary of the Board of Directors and inviting minority investors to attend the meeting), in order to gather</p>	<p>The profit distribution policy of the Company is as follows:</p> <p>.....</p> <p>(3) Decision-making mechanisms and procedures: The profit distribution proposal of the Company shall be formulated and reviewed by the Board of Directors and submitted to the shareholders’ general meeting for approval. In proposing a profit distribution plan, the Board shall take into consideration the opinions of relevant stakeholders, especially independent directors and minority shareholders. Independent directors shall express clearly their opinions in regard to the profit distribution proposal. The Supervisory Board shall supervise the implementation of the profit distribution proposal.</p> <p>.....</p> <p>(5) When determining the particulars of the cash dividend proposal of the Company, the Board of Directors shall seriously study and discuss the timing, conditions as well as the minimum ratio of the cash dividend, conditions on adjustments and other factors as required for making the decisions. The independent directors shall express clearly their opinions. The independent directors may solicit opinions of minority shareholders, put forth profit distribution proposals and submit it directly to the Board for</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
	<p>sufficient opinions from the minority shareholders and respond to their concerns in a timely manner.</p> <p>.....</p> <p>(7) Disclosure of cash dividends in periodic reports: The Company shall disclose the details regarding the formulation and implementation of its cash dividend policy in periodic reports. In case of any adjustments or amendments to cash dividend policies, it shall also explain in detail the conditions and the procedures for such adjustments or amendments.</p>	<p>consideration and approval. Before considering the particulars of the profit distribution proposal at a general meeting, the Company shall communicate with the shareholders proactively, especially the minority shareholders, through various channels (including but not limited to hotlines, mailbox to the Secretary of the Board of Directors and inviting minority investors to attend the meeting), in order to gather sufficient opinions from the minority shareholders and respond to their concerns in a timely manner.</p> <p>.....</p> <p>(7) The Company shall disclose in detail in its annual report the formulation and implementation of its cash dividend policy, and state the following matters, including: 1. whether the policy is in compliance with the requirements of the Articles of Association or the resolutions passed at the shareholders' general meeting; 2. whether the basis and ratio of the distribution of dividends are clear; 3. whether the relevant decision-making procedures and systems are sound; 4. whether the independent directors have duly performed their duties; 5. whether there are enough channels for minority shareholders to express their opinions and concerns, and whether their legal interests are sufficiently protected. If the cash dividend policy is to be adjusted or amended, it shall be disclosed in detail whether the conditions and procedures of such adjustment or amendment are in compliance with laws and transparent.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 195	<p>The Company may distribute dividends in the following forms: (1) cash; (2) shares.</p> <p>Conditions of distributing dividends in cash: Where there are distributable profits and accumulated undistributed profits of the Company in any given year, and the auditing firm has issued a standard unqualified audit report in respect to the financial report of the Company for such a year, the Company shall distribute dividends in cash if the Company does not have any major investment plan or significant cash expenditure, provided that the Company has abundant cash and the cash dividend distribution does not harm the on-going operations of the Company.</p> <p>Conditions of distributing dividends in shares: After taking into account the distributable profits, common reserve fund and cash flow status, the Company may distribute dividends in the form of shares for profit distribution, provided that there are sufficient liquidity for cash dividend distribution and a reasonable shareholding structure. The dividend payout ratio shall be submitted to the shareholders' general meeting for consideration and approval after being reviewed and adopted by the Board of Directors.</p> <p>.....</p>	<p>The Company may distribute dividends in the following forms: (1) cash; (2) shares; (3) a combination of cash and shares.</p> <p>If the Company satisfies the conditions for cash dividends, priority shall be given to profit distribution by means of cash dividends.</p> <p>Conditions of distributing dividends in cash: If the Company has made a profit for that year, and after compensating for losses in previous years and withdrawing reserves according to law, the cumulative undistributed profits is positive, and auditors issue an audit report with no qualified opinion for the Company's financial report for the year, the Company shall distribute dividends in cash in priority. If the Company distributes dividend in cash, it shall follow the rules below:</p> <ol style="list-style-type: none"> 1. Where the Company is in a developed stage with no substantial capital expenditure arrangement, the dividend to be distributed in cash shall not be less than 80% of the total profit distribution; 2. Where the Company is in a developed stage with substantial capital expenditure arrangement, the dividend to be distributed in cash shall not be less than 40% of the total profit distribution;

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
		<p>3. Where the Company is in a developing stage with substantial capital expenditure arrangement, the dividend to be distributed in cash shall not be less than 20% of the total profit distribution.</p> <p>Where it is difficult to identify the development stage of the Company but there is substantial capital expenditure arrangement, dividend distribution may be dealt with in accordance with the preceding provisions. Significant capital expenditure refers to the proposed external investment, acquisition of assets (including land use rights) or purchase of equipment by the Company in the coming twelve months with accumulated expenses amounting to or exceeding 10% of the latest audited net assets of the Company.</p> <p>Conditions of distributing dividends in shares: After taking into account the distributable profits, common reserve fund and cash flow status, the Company may distribute dividends in the form of shares for profit distribution, provided that there are sufficient liquidity for cash dividend distribution and a reasonable shareholding structure, and the Board considers that distributing dividends in shares will be in the interest of all Shareholders of the Company as a whole. The dividend payout ratio shall be submitted to the shareholders' general meeting for consideration and approval after being reviewed and adopted by the Board of Directors.</p> <p>.....</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article Number	Existing Provisions	Proposed Amended Provisions
Article 199	<p>.....</p> <p>Save and except the rights attached to any share or as required by the provisions on issuance, dividends shall be declared and paid based on the paid shares entitled to the dividend. In this respect, any payment for the shares made before the calling of payment shall not be deemed as paid shares.</p>	<p>.....</p> <p>Save and except the rights attached to any share or as required by the provisions on issuance, dividends shall be declared and paid based on the paid shares entitled to the dividend. In this respect, any payment for the shares made before the calling of payment shall not be deemed as paid shares, but any amount paid up in advance of calls on any share may carry interest.</p>

This English version is for reference only. If there is any discrepancy between the English and Chinese version, the Chinese version shall prevail.

**RULES OF PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS
OF
COSCO SHIPPING HOLDINGS CO., LTD.**

CHAPTER 1 GENERAL PROVISIONS

- Article 1** In order to protect the legitimate interests of COSCO SHIPPING Holdings Co., Ltd. (the “Company”) and its shareholders, to specify the duties and limits on powers of the general meetings, to ensure the proper, efficient and smooth operation of general meetings and to ensure the general meetings exercise their functions and powers legally, these rules of procedures are formulated in accordance with laws and regulations such as the “Company Law of the People’s Republic of China” (the “Company Law”), “Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas”, “Guide to Articles of Association of Listed Companies”, “Standards for the Governance of Listed Companies” and other provisions of relevant governing laws, rules and regulations of China and abroad together with provisions of the articles of association of COSCO SHIPPING Holdings Co., Ltd. (the “Articles of Association”). Should there be any inconsistency or conflict between these rules of procedures and any applicable laws, regulations or listing rules, the applicable laws, regulations and listing rules shall prevail.
- Article 2** These Rules of Procedures apply to the general meetings of the Company and shall be binding on the Company, all the shareholders or their authorized proxy (“shareholder proxy”), directors of the Company, supervisors of the Company and senior management personnel including the general manager, deputy general manager, chief financial officer and secretary to the board and other relevant personnel present at the meeting.
- Article 3** Any shareholder who holds the shares of the Company legally and validly is entitled to personally or authorize a proxy of the shareholders to attend a general meeting, and shall have various rights including the right to be informed of the Company’s affairs, the right to speak, the right to raise questions and the right to vote pursuant to law and these Rules of Procedures.
- Article 4** The board of the Company shall strictly comply with the provisions of the relevant laws, regulations and the Articles of Association regarding the convening of general meetings when organizing the general meetings. The directors of the Company shall not obstruct the lawful exercise of powers by a general meeting.

Article 5 The Company shall maximize the attendance of shareholders at any general meeting by whatever means including the use of modern communication channels to the full extent, on condition that the general meeting shall be held legally and validly. Selection of time and place for any general meeting shall allow as many shareholders as possible to be present at the meeting.

CHAPTER 2 SYSTEM OF SHAREHOLDERS' GENERAL MEETINGS

Article 6 Shareholders and their proxies or representatives attending a general meeting shall comply with the provisions of the relevant laws, regulations, the Articles of Association, applicable listing rules and these Rules of Procedures, and shall take initiatives to maintain the order of the meeting and shall not infringe the legitimate rights and interests of other shareholders.

Article 7 The general meeting is classified into annual general meetings (“AGM”) and extraordinary general meetings.

Article 8 All shareholders are entitled to attend the AGMs and extraordinary general meetings.

Holders of different classes of shares are class shareholders. Holders of domestic shares (“holders of A shares”) and holders of H shares are deemed to be shareholders of different classes, and holders of H shares shall be deemed to be the same class shareholders.

In the circumstances specified in the Articles of Association or the listing rules, the Company shall convene a class meeting. The class meeting shall be attended by shareholders of corresponding classes.

Article 9 AGMs shall be held by the board once every year and convened within six months from the end of the previous financial year.

Article 10 Under any of the following circumstances, the board shall convene an extraordinary general meeting within two months from the date upon which the circumstance occurs:

- (1) The number of directors is less than eight;
- (2) The unrecovered losses of the Company amount to one-third of the total amount of its share capital;
- (3) Shareholder(s) individually or jointly holding more than 10% of the Company’s issued and outstanding shares carrying voting rights request(s);
- (4) It is deemed necessary by the board or proposed by the supervisory committee;
- (5) It is proposed by two or more independent directors;

- (6) Any other circumstance so specified by the Articles of Association or relevant laws and regulations occurs.

The amount(s) of shareholding mentioned in (3) above is calculated as at the day when the shareholder(s) in question make(s) the request(s) in writing.

Upon the occurrence of event (1), (2) or (3) of this Article and if the meeting is convened by the supervisory committee, if the board fails to convene an extraordinary general meeting within the specified period, shareholder(s) who fulfill(s) the requirement or the supervisory committee may convene an extraordinary general meeting in accordance with the Articles of Association and the provisions hereof.

Article 11 The general meetings convened in each year, except for AGMs, shall be extraordinary general meetings, which shall be sequenced on the basis of the year of convening.

Article 12 To vary or abrogate the rights of the class shareholders, the Company must approve it by a special resolution in a class meeting and it must also be approved by the affected holders of shares of that class at a separate meeting in accordance with the Articles of Association. Voting may be taken in such ways as permitted by laws at a general meeting when necessary.

Article 13 The board, independent directors and qualified shareholders (in accordance with the standards issued by competent regulatory authorities from time to time) may collect voting rights from shareholders of the Company at a general meeting. The voting rights shall be collected without any consideration, and voting rights collected at a consideration are void. The person who collects voting rights shall fully disclose relevant information to the person whose voting rights are collected.

Article 14 The board of the Company shall strictly comply with the provisions of the Company Law and other relevant laws and regulations regarding convening general meetings to organize the general meetings in good faith and on time. All the directors of the Company shall bear obligations of good faith toward the normal proceeding of the general meeting, and shall not obstruct the lawful exercise of powers by the general meeting. Directors present at the meeting shall faithfully perform their duties, guarantee that the contents of the resolutions are true, accurate and complete, and shall not use statements that are likely to lead to ambiguities.

Article 15 The affairs management department of the Company's board of directors is responsible for preparing and organising the holding of the general meetings under the guidance of the secretary to the board.

Article 16 The convening of the general meetings shall conform to the principle of simplicity, and no additional benefits shall be granted to the shareholders (or shareholders' representatives) attending the meeting.

Article 17 The chairman of a general meeting may require any of the following persons to leave the meeting:

- (1) any person who is not qualified to be present at the meeting;
- (2) any person who causes disorder at the meeting;
- (3) any person who is dressed improperly or immorally;
- (4) any person who carries dangerous objects.

If any of the aforesaid persons disobey an order of retirement, the chairman may take necessary action to enforce the retirement from the meeting.

Article 18 The board of the Company shall engage a lawyer to attend the shareholders' general meeting in accordance with the applicable law. The lawyer shall provide a legal opinion and publish an announcement on the following issues:

- (1) whether the convocation and procedures for convening the meeting comply with the requirements of relevant laws, regulations, these Rules of Procedures and the Articles of Association;
- (2) whether the attendees and convenor are eligible to attend the meeting;
- (3) whether the voting procedures and results of the meeting are valid;
- (4) verify the eligibility of the shareholders proposing new motions at the general meeting;
- (5) issuing legal opinions on other matters upon request by the Company.

The board of the Company may also engage a notary to attend the shareholders' general meeting.

CHAPTER 3 FUNCTIONS AND POWERS OF THE SHAREHOLDERS' GENERAL MEETINGS

Article 19 The powers exercisable by a general meeting are as follows:

- (1) to decide on the Company's business policy and material investment plans requiring approval by the general meeting;
- (2) to elect and replace directors and to decide on matters relating to the remuneration of directors;

- (3) to elect and replace supervisors who are representatives of shareholders and to decide on matters relating to the remuneration of supervisors;
- (4) to examine and approve the reports of the board;
- (5) to examine and approve the reports of the supervisory committee;
- (6) to examine and approve the Company's proposed annual budgets and final accounts;
- (7) to examine and approve the Company's profit distribution proposals and loss recovery proposals;
- (8) to resolve on the proposals for increase or reduction of the Company's registered capital;
- (9) to resolve on the proposals for merger, demerger, dissolution and liquidation of the Company and amendment to the form of the Company;
- (10) to resolve on the proposal for issue of the Company's debt securities;
- (11) to resolve on the proposal for appointment, removal or discontinuation of reappointment of the Company's accounting firm;
- (12) to amend the Articles of Association;
- (13) to resolve on the Company's external guarantees which shall be approved by a general meeting as provided by relevant laws, regulations and the Articles of Association;
- (14) to review the share option incentive plan;
- (15) to review and approve changes to fund raised;
- (16) to resolve on other matters which, in accordance with the relevant laws, regulations, the listing rule of the stock exchange(s) on which the Company's shares are listed and Articles of Association, must be approved by a general meeting.

The general meeting may authorize or entrust the board of directors to handle the matters so authorized or entrusted by it. A general meeting shall exercise its powers within the scope stipulated by the Company Law and the Articles of Association and shall not interfere with the decisions of shareholders regarding their own rights.

Article 20 Any external guarantee of the Company under any of the following circumstances shall be approved by the general meeting after being considered and passed by the board of directors:

- (1) any provision of guarantee, where the total amount of external guarantees provided by the Company or its controlled subsidiaries exceeds 50% of the latest audited net assets;
- (2) provision of guarantee to anyone whose liability-asset ratio exceeds 70%;
- (3) provision of a single guarantee whose amount exceeds 10% of the latest audited net assets;
- (4) provision of guarantee to shareholders, actual controllers and their related parties;
- (5) any external guarantees of the Company, the total amount of which reaches or exceeds 30% of latest audited total assets of the Company;
- (6) other matters that shall be approved by the general meeting as stipulated by laws and regulations, the Listing Rules and the Articles of Association.

Any director, the general manager, deputy general manager and other senior management personnel who commit any act in violation of the laws, regulations or the Articles of Association concerning the examination and approval authority and rules of procedures on external guarantees, thus causing losses to the Company, shall be liable for compensation, and the Company may bring a lawsuit against them according to law.

Article 21 Matters which, in accordance with the provisions of the relevant laws, regulations and the Articles of Association, are required to be approved by the general meeting must only be considered at such meetings so as to protect the decision-making power of the shareholders of the Company on such matters. Under necessary and reasonable circumstances, the general meeting may authorize the board to decide, within the scope of authorization granted by the general meeting, specific issues relating to matters to be resolved on by the general meeting which may not be decided upon immediately at a general meeting.

Article 22 With regard to an authorization granted by a general meeting to the board, if the matter is within the scope of the ordinary resolution, it shall be passed by votes representing a majority of the voting rights held by the shareholders (including their proxies) present at the meeting; and if it is within the scope of the special resolution, it shall be passed by votes representing more than two-thirds of the voting rights held by the shareholders (including their proxies) present at the meeting. The contents of the authorization shall be clear and specific.

Article 23 Authorization to be granted by a general meeting to the board shall be granted in accordance with the following principles:

- (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;
- (2) to be flexible and pragmatic, to avoid excessive and cumbersome formalities on the condition that it is not against the Articles of Association, and to ensure the decision of the Company is made in a timely manner;
- (3) not to harm the interests of the Company and shareholders as a whole, especially the legal interests of minority shareholders.

Article 24 For the purposes of ensuring a prudent investment policy for the Company and enhancing the efficiency of its daily operations, the Company's investment projects shall be subject to approval by the board if such transaction is required to be disclosed under the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, and by the general meeting if such transaction is required to be approved by the general meeting under the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.

Article 25 In disposing of fixed assets, where the sum of the expected value of the consideration for a fixed asset to be disposed of and the amounts generated from all completed disposals of fixed assets of the Company during a period of four months prior to the proposed disposal does not exceed 33% of the value of the Company's fixed assets as shown in the latest balance sheet reviewed at a shareholders' general meeting, the board is authorized by the shareholders' general meetings to examine and approve the disposal of fixed assets. If the percentage described above is less than 0.2%, the general manager is authorized by the shareholders' general meetings to examine and approve the disposal of the fixed assets.

Disposals of the fixed assets include the transfer of certain asset interests, but does not include the guarantee by way of pledge of fixed assets.

CHAPTER 4 MOTIONS IN THE SHAREHOLDERS' GENERAL MEETING

Article 26 Motions in a general meeting refers to specific motions regarding issues which shall be discussed in a general meeting, and general meetings shall resolve on specific motions.

Motions in a general meeting shall meet the following requirements:

- (1) contents of motions shall comply with provisions of the relevant laws, regulations and the Articles of Association and shall fall within the scope of business of the Company and terms of reference of a general meeting;
- (2) motions shall cover a specific subject with specific issues to be resolved;
- (3) motions shall be submitted or delivered to the board of directors or convenor in written form.

Article 27 Before the issuance of a notice regarding the convening of a shareholders' general meeting, the secretary to the board of directors may collect motions from shareholder(s), supervisors and independent directors holding individually more than 3% of the Company's voting shares and submit the same to the board of directors for examination and approval and subsequently submit the same as motions to the shareholders' general meeting for consideration.

Article 28 The proposals of the general meeting shall generally be raised by the board of directors.

Article 29 Where an extraordinary general meeting is proposed by two or more independent directors, they shall be responsible for proposing a motion to this effect. In the event the board of directors dissents from convening the extraordinary general meeting, it shall disclose full particulars thereof.

Article 30 After the issue of notice of the general meeting, the board shall not propose any new motion which is not included in the notice of general meeting. Any amendment to the original motions shall be announced fifteen days prior to the convention of the general meeting. Otherwise, the date of the general meeting shall be postponed for a period of no less than fifteen days.

Article 31 The supervisory committee and the shareholders individually or jointly holding more than 3% of the total voting shares of the Company may propose provisional motions in a general meeting.

If a provisional motion represents a new item not listed in the notice of a Board meeting, the proposer shall submit the motion to the board twenty days prior to the general meeting, and the board shall issue a supplementary notice of the general meeting to announce the contents of the provisional motion to the public within two days upon receipt of the motion and at least ten business days before the date of the general meeting.

Article 32 If the general meeting is proposed by the supervisory committee, the supervisory committee shall be responsible for raising the proposals.

Article 33 In the event that shareholders individually or jointly holding more than 10% of the Company's voting shares propose the general meeting, the proposing shareholders shall be responsible for raising the proposals regardless of whether the meeting is convened by the board of directors.

- Article 34** The AGM shall at least consider the following agenda:
- (1) consider the annual report of the board, including the investment plans and operating strategies of the following year;
 - (2) consider the annual report of the supervisory committee;
 - (3) consider the audited final financial account plan of the Company for the previous year;
 - (4) consider the Company's plans on profit distribution for the previous year;
 - (5) appointment, removal or non-reappointment of the Company's accounting firm.
- Article 35** The board shall review and approve provisional motions proposed by the supervisory committee and shareholders individually or jointly holding more than 3% of the Company's voting shares at a general meeting, and where issues involved in the motion are directly related to the Company and fall within the scope of the functions of a general meeting as stipulated by the relevant laws, regulations and the Articles of Association, the motion shall be submitted to the general meeting for discussion.
- Article 36** Where the board of directors decides not to include any of motions proposed to the shareholders' general meeting in the agenda thereof, the board of directors shall give an explanation at the meeting and announce the contents of such motion and explanation of the board, together with the resolutions of the shareholders' general meeting after the conclusion of the meeting. Any shareholder proposing a motion who disagrees with the exclusion by the board of directors of his motion from the agenda of the shareholders' general meeting may, according to the provisions in the Articles of Association and these Rules of Pocedures, request the convening of an extraordinary general meeting.
- Article 37** Where supervisors and shareholder(s) individually or jointly holding 10% or more of the Company's voting shares propose to convene an extraordinary general meeting or a class general meeting, the shareholder(s) shall sign one or more written request(s) in identical form requiring the board to convene an extraordinary general meeting or a class shareholders' general meeting and stating the subject of the meeting, and at the same time submit motions complying with the requirements of these rules of procedures to the board.
- Article 38** Motions in a general meeting regarding the following shall be deemed to be a variation or abrogation of the rights of certain class shareholder and the board shall submit the same to a class shareholders' general meeting for review:
- (1) to increase or decrease the number of shares of such class, or to increase or decrease the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;

- (2) to change all or part of the shares of such class into shares of another class or to change all or part of the shares of another class into shares of that class or to grant relevant conversion rights;
- (3) to cancel or reduce rights to accrued dividends or cumulative dividends attached to shares of such class;
- (4) to reduce or cancel rights attached to the shares of such class to preferentially receive dividends or to receive distributions of assets in a liquidation of the Company;
- (5) to add, cancel or reduce share conversion rights, options, voting rights, transfer rights, pre-emptive placing rights, or rights to acquire securities of the Company attached to the shares of such class;
- (6) to cancel or reduce rights to receive payments made by the Company in a particular currency attached to the shares of such class;
- (7) to create a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (8) to restrict the transfer or ownership of the shares of such class or to impose additional restrictions;
- (9) to issue rights to subscribe for, or to convert into, shares of such class or another class;
- (10) to increase the rights and privileges of the shares of another class;
- (11) to restructure the Company in such a way as to cause shareholders of different classes to bear liabilities disproportionately during the restructuring;
- (12) to amend or abrogate the provisions of Chapter 9 of the Articles of Association “Special Procedures for Voting by a Class of Shareholders”.

Article 39 Resolutions in relation to investment, disposal of assets, acquisition and merger shall be proposed with sufficient details, including the amount involved, consideration (or basis of calculation thereof), book value of assets, impact on the Company, status of approval and whether connected transactions are involved. The board shall announce the results of assets valuation, results of audit or independent financial report at least five days prior to the date on which the shareholders’ general meeting is to be held, if the conduct of asset valuation, audit or the preparation of independent financial reports are required in accordance with the applicable regulations.

Article 40 Where the board proposes a motion to change the use of proceeds, it shall state the reasons thereof, the status of new projects and effects on the prospects of the Company in the notice convening the shareholders’ general meeting.

Article 41 For a matter related to issuance of new shares and convertible bonds which are subject to approval by the regulatory securities authority of the State Council, it shall be proposed as a specific motion.

Article 42 The board, after approving an annual report, shall resolve on the proposal of profit distribution and make it a motion for AGM. When the board makes a motion of capitalizing the capital reserve, it shall state the reason in detail and disclose it in an announcement.

The listed company shall accomplish the profit distribution and share capital increase within two months after the plan is considered and approved at the general meeting.

Article 43 The engagement of an accounting firm shall be proposed as a motion by the board of directors and is subject to the approval of the shareholders' general meeting. Where the board proposes the removal or discontinuation of re-appointment of an accounting firm, prior notice shall be given to the accounting firm and the reasons for such proposal shall be given at the shareholders' general meeting. The accounting firm shall have the right to give opinions at the meeting.

During the recess period, the board may if reasonably required, appoint another accounting firm that does not undertake the Company's auditing business temporarily to fill the vacancy arising from the due removal of the existing accounting firm. However, such temporary appointment shall be rectified at the next shareholders' general meeting. Where the accounting firm tenders its resignation, the board shall explain the reason thereof at the next shareholders' general meeting. The resigning accounting firm is obliged to give an explanation in writing or in person by a representative attending the shareholders' general meeting of whether there is any improper matter involved with the Company.

Article 44 List of nominations for directors or supervisors are submitted by way of motion to be resolved by general meeting.

Shareholders individually or jointly holding more than 3% of the issued voting shares of the Company may make a motion of nominations for directors (excluding independent directors). Such motion shall be submitted to the board for review and announcement.

Shareholders individually or jointly holding more than 3% of the issued voting shares of the Company may make a motion of nominations for non-staff representative supervisors. Such motion shall be reviewed by supervisory committee and passed to the board for announcement.

The proposer shall provide the board with the brief biographies, background information and relevant supporting documents of the nominees, which shall be reviewed by the board or the supervisory committee. Motions which comply with the relevant laws and regulations and the Company's Articles of Association shall be submitted to a general meeting for consideration. Motions which are not in compliance with the aforesaid requirement and which are not submitted to a general meeting for consideration shall be explained at the general meeting.

Article 45 An independent director candidate shall be nominated by the board of directors, the supervisory committee, or shareholder(s) individually or jointly holding more than 1% of the total number of shares carrying the right to vote, and shall be elected by a shareholders' general meeting of the Company.

Article 46 Procedures for nomination of independent directors are as follows:

- (1) The party nominating any independent director candidate shall have obtained the nominee's consent prior to the nomination, and shall be fully aware of such particulars of the nominee in terms of such as his occupation, academic qualification, professional title, detailed work experience and all information regarding his positions held concurrently and be responsible for providing to the Company his opinions in relation to the nominee's qualification as an independent director and independence. The nominee shall make a public announcement in accordance with such requirements stating that there exists no relationship between the Company and him that affects his independent and objective judgment. Before the general meeting is convened for the election of independent directors, the Company shall announce the abovementioned information in accordance with the relevant requirements.
- (2) If the shareholder or the supervisory committee individually or jointly holding more than 3% of the total voting shares of the company proposes the interim proposal to elect individual directors, the written notice on the intention of the nomination of the director candidates and the nominees' expression of willingness to accept the nomination, as well as the written materials and statements of the nominee mentioned in the preceding paragraph of this Article shall be delivered to the Company twenty days prior to the date of the general meeting.
- (3) Before the shareholders' general meeting for the election of an independent director, the Company shall submit the relevant materials concerning the nominee to the regulatory securities authority of the State Council. If the board of directors disputes the particulars pertaining to the nominee, it shall also submit its written opinions to the relevant authorities, when required.
- (4) The above regulatory securities authorities shall verify the qualifications and degrees of independence of the nominees for independent directors within the

periods of time as required. Any such nominee objected by the regulatory securities authority of the State Council may not be treated as a nominee for independent director. When a general meeting is convened to nominate independent directors, the board shall make a statement on whether the regulatory securities authority of the State Council has any objection against the nominations.

Chapter 5 Notice of the Shareholders' General Meeting

Article 47 The notice of a shareholders' general meeting shall be issued by the convener, which can be the board of directors, the supervisory committee or shareholder(s) who individually or jointly holds or hold more than 10% of the total number of the Company's voting shares for over ninety days consecutively.

Article 48 Where the Company convenes a general meeting, a notice of the meeting shall be given forty five days prior to the date of the meeting to notify all the shareholders recorded in the register of shareholders of the agenda to be considered at the meeting, and the date and venue of the meeting.

The notice of a general meeting shall be delivered to shareholders (whether or not they are entitled to vote at the general meeting) by hand or by pre-paid mail to their addresses as shown in the register of shareholders. For holders of H shares, the notice of the meeting may also be issued by posting on the website of the Company, except for the holders of H shares who have chosen to receive printed form(s) of the Company's communications. For holders of A shares, the notice of a general meeting may also be given by public announcement.

Public notices referred to in the preceding paragraph shall be published in one or more newspaper(s) designated by the China Securities Regulatory Commission during the period between forty five days and fifty days before the meeting. Once the announcement is made, holders of A shares shall be deemed to have received the notice of the relevant general meeting.

Unless otherwise required by applicable laws, the aforesaid duration shall include the date upon which the notice is issued and exclusive of the date upon which the general meeting is convened.

In the event the Company fails to issue the notice as scheduled, and thus resulting in the failure of the Company to convene the AGM within six months from the end of the previous financial year, the Company shall report the same to the stock exchanges on which the Company is listed at the earliest possible time to explain the reasons thereof and make a public announcement.

Article 49 The notice of a class meeting shall be delivered only to shareholders entitled to vote at such meeting.

Article 50 The notice of a general meeting shall meet the following requirements:

- (1) be in written form;
- (2) specifying the venue, date and time of the meeting;
- (3) stating matters to be discussed at the meeting, and adequately discloses the content of all the proposals. If it is necessary to modify the matters covered in the resolution of the previous general meeting, the content of the proposal shall be completed and shall not include only the content of modification; those listed under “other matters” but without details specified cannot be deemed as proposals and shall not be voted on and resolved at the general meeting;
- (4) providing shareholders with such information and explanation as necessary to enable them to make an informed decision on issues to be discussed. Such principle includes (but is not limited to) where a proposal is made to merge the Company, to repurchase shares of the Company, to reorganize its share capital or to undertake any other reorganization of the Company, and detailed conditions of the proposed transaction shall be provided together with contracts (if any) and the cause and effect of any such proposal shall also be properly explained;
- (5) containing a disclosure of the nature and extent of the material interests of any director, supervisor, general manager, deputy general manager, financial director and secretary to the board. in relation to the issue to be discussed. Where the effect of the issue to be discussed on any director, supervisor, general manager, deputy general manager, financial director and secretary to the board in their capacity as shareholders is different from the effect on other class shareholders, the difference shall be clearly explained;
- (6) containing the full text of any special resolution to be proposed at the meeting;
- (7) containing a clear statement that a shareholder entitled to attend and vote at such meeting is entitled to appoint one or more proxies to attend and vote at such meeting on his behalf and that such proxy needs not be a shareholder;
- (8) specifying the date of record (the “date of determination”) of the shareholders entitled to attend the general meeting;
- (9) specifying the time and place at which the proxy form for voting at the meeting shall be delivered;
- (10) name(s) and telephone number(s) of the permanent contact person(s) of meeting affairs (when necessary).

Article 51 The board, after receiving a proposal in writing from the supervisory committee about holding the general meeting which meets all requirements, shall in accordance with the laws, administrative regulations and these Articles, make a written response as to whether or not it agrees to convene an extraordinary general meeting or a class general meeting within ten days. In case the board agrees to convene an extraordinary general meeting or a class general meeting, the board of directors shall issue a notice calling for an extraordinary general meeting or a class general meeting within five days since the relevant board resolution. In case changes are made to the original proposal, agreement on the changes shall be sought from the original proposing party. In case the board of directors disagrees with the supervisory board on convening an extraordinary general meeting or a class meeting, or it does not give any feedback within ten days after receiving the proposal, the action shall be deemed as incapable of performing or not performing its duty to convene a shareholders meeting. Under these circumstances, the supervisory committee may, after informing the board in writing and filing the case for record in accordance with the requirements of the securities governing authority of the State Council and/or the stock exchanges on which the Company is listed, convene and chair the shareholders meeting at its discretion. Procedures of convening the meeting shall to the greatest possible extent be the same as that of convening the general meeting. Costs incurred shall be borne by the Company.

Article 52 After receiving a motion in writing from an independent director, the board shall in accordance with the laws, administrative regulations and this Articles, make a written response as to whether or not it agrees to convene an extraordinary general meeting or a class general meeting within ten days. In case the board agrees to convene an extraordinary general meeting or a class meeting, the board of directors shall issue a notice calling for an extraordinary general meeting or a class general meeting within five days since the relevant board resolution. In case changes are made to the original proposal, agreement on the changes shall be sought from the original proposing party. Where the board of directors objects to convening an extraordinary general meeting or a class meeting, it shall explain the reasons thereof and make a public announcement.

Article 53 Where the board accepts a written request for convening interim general meeting conforming to the requirements from shareholders individually or jointly holding more than 10% of the Company's voting shares, it shall in accordance with laws, administrative regulations and these Articles, make a written response as to whether or not it agrees to convene an extraordinary general meeting or a class general meeting issue a notice convening the general meeting within ten days. In case the board agrees to convene an extraordinary general meeting or a class general meeting, the board of directors shall issue a notice calling for an extraordinary general meeting or a class meeting within five days since the relevant board resolution. In case changes are made to the original proposal, agreement on the changes shall be sought from the original proposing party. Where the board of directors objects to the proposal made by the shareholders to convene an extraordinary general meeting or a class meeting, the shareholders shall make such proposal to the supervisory committee in writing.

Article 54 Where the board objects to the proposal made by the shareholders to convene an extraordinary general meeting or a class general meeting, upon receipt of a written request from shareholders individually or jointly holding more than 10% of the Company's voting shares, the shareholders shall make such proposal to the supervisory committee in writing to convene a shareholders' general meeting.

Where the supervisory committee consents to the convening of the general meeting, it shall, within five days after the receipt of the proposal, issue a notice convening the general meeting. In case changes are made to the original proposal, agreement on the changes shall be sought from the original proposing party. Where the supervisory committee fails to issue a notice convening the general meeting within the stipulated time limit, it shall be deemed as failure of the supervisory committee to convene or preside over the general meeting, the shareholder(s) who individually or jointly holds or hold more than 10% shares in the Company for over ninety days may convene or preside over such meeting at his/their own discretion. Procedures of convening the meeting shall to the greatest possible extent be the same as that of convening the general meeting.

Where the proposing shareholders decide to convene such a meeting by themselves, they shall notify the board in writing in advance, conduct the filing as required by the securities governance authority of the State Council and/or the stock exchanges on which the Company is listed and issue a notice convening the meeting. The notice of the meeting shall comply with general requirements for notices of meetings and shall also meet the following requirements:

- (1) new contents shall not be added to a motion, otherwise the proposing shareholders must resubmit the request to convene a general meeting to the board;
- (2) the meeting shall be held at the address of the Company.

Where the supervisory committee or the shareholders convocate and convene the meeting at their own discretion as stipulated in Article 51 and Article 54 of these Rules of Procedures, they shall issue a written notice to the board of directors and file the record with the relevant competent authorities in accordance with appropriate provisions. The board of directors and the secretary to the board shall render assistance to the meeting, and the board of directors shall provide the roster of shareholders. The reasonable expenses incurred in connection with the meeting shall be borne by the Company and shall be deducted from the sums owed by the Company to the negligent directors.

Article 55 The proposers who are entitled to propose provisional motions in accordance with Article 31 shall submit or deliver provisional motions to the convenor in written form twenty days prior to the date of the general meeting. Within two days after the receipt of the motions, the convenor shall issue supplementary notice of the general meeting to announce the contents of the provisional motions to the public.

In addition to the provisions of the preceding paragraph, the convenor shall not, after the issuing of the notice of the general meeting, modify the motions already specified in the notice of the general meeting or add new motions.

Article 56 The contents of the motions shall fall within the functions and powers of the general meeting, cover a specific subject with specific issues to be resolved, and shall comply with the relevant laws and regulations and the Articles of Association.

The motions that are not specified in the notice of the general meeting or do not conform to the provisions of the preceding paragraph shall not be voted on at that shareholders' general meeting.

Article 57 The board shall specify in the notice issued to shareholders that shareholders and shareholders' representatives intending to attend a general meeting shall deliver to the Company their written replies concerning their attendance at such meeting twenty days prior to the date of the meeting. The Company shall, based on the written replies received from shareholders twenty days prior to the date of the general meeting, calculate the number of voting shares held by shareholders and shareholders' representatives intending to attend the meeting.

Where the number of voting shares represented by shareholders intending to attend the meeting amounts to more than half of the Company's voting shares, the Company may convene the general meeting; if not, the Company shall, within five days, notify shareholders again of the issues to be reviewed, and date and venue of the meeting in the form of public notices. The Company may then convene the general meeting after the publication of such notices.

Article 58 After a notice convening the general meeting is issued by the convenor, the general meeting shall not be convened before the date announced, nor shall it be postponed with no reason. If, for any special reason, the Company must delay the convening of the general meeting, the convenor shall issue a notice of postponement at least five working days prior to the original date of general meeting. The convenor shall explain in the notice of postponement the reason and announce the new convening date.

Article 59 Any postponement in convening a general meeting of the Company shall not cause any change to the originally scheduled date of registration of the shareholding of the shareholders, for determining the eligibility of attending the general meeting.

Article 60 The Company shall, as required by the stock exchanges on which the Company is listed, at least ten days prior to the date on which the shareholders' general meeting is to be held, publish all the meeting information on the website of the stock exchange.

Chapter 6 Registration for the Shareholders' General Meeting

Article 61 Shareholder may attend the general meeting in person or appoint a proxy to attend and vote on his behalf.

Article 62 The Company shall be responsible for preparing an attendance register to be signed by those attending the general meeting. The attendance register shall state the names (and/or names of the corporations), identification document number and the address of the attendees, information to confirm the identity of the shareholders (such as the shareholders' account numbers) the number of voting shares held or represented, names of the principal (or names of the corporations) and so on, when necessary.

Article 63 The shareholders or the shareholder proxies present at the shareholders' general meeting shall register the following contents:

- (1) confirm the identities of the shareholders or the shareholder proxies;
- (2) request for statements and record the content of the statements (if any);
- (3) obtain the voting ballots based on the shares held/represented by the shareholders or shareholder proxies;
- (4) register new motions (if any).

Article 64 The shareholders shall appoint proxies in written form, and the power of attorney shall specify the following contents:

- (1) the name of the proxy of the shareholder;
- (2) the number of shares held by the principal represented by the proxy;
- (3) whether or not the proxy has any voting right(s);
- (4) direction(s) to vote for or against each and every issue included in the agenda of the general meeting;
- (5) whether or not the proxy has any voting right(s) in respect of provisional motions which may be included in the agenda of the AGM; and, if the proxy has such voting right(s), specific instructions as to the exercise of those voting rights;
- (6) the date of issue and validity period of the proxy form;
- (7) the signatures (or seals) of the principal and the proxy appointed in writing. Where the principal is a corporate shareholder, the proxy form shall bear its corporate seal or be signed by its director or a proxy duly appointed. Where a shareholder appoints more than one proxy to attend and vote on his behalf, he shall specify the number of shares represented by each proxy in the proxy form;

- (8) the proxy form shall state clearly that the proxy shall be entitled to vote at his discretion in the absence of specific instructions from the shareholder.

Article 65 The proxy form shall be lodged at the Company's premises or such other venue as specified in the notice convening the meeting at least 24 hours prior to the time of the relevant meeting, or 24 hours prior to the scheduled voting time. Where the proxy form is signed by a person authorized by the principal, the power of attorney or other letter of authorization stating the authorization shall be notarized. The notarized power of attorney or other letter of authorization shall be lodged at the Company's premises or such other venue as specified in the notice convening the meeting together with the voting proxy form.

Article 66 The shareholders and/or the shareholder proxies shall make registrations when attending the general meeting. The shareholders and/or shareholder proxies shall, respectively, furnish the following documents, vouchers and certificates (or photocopies thereof) when making registrations for the meeting:

- (1) natural person shareholder: where a natural person shareholder attends the general meeting in person, he shall produce his identification card and shareholding certificate or other identification documentation; where a natural person shareholder is represented by a shareholder proxy at the general meeting, the shareholder proxy shall produce a copy of the identification card, shareholding certificate of the principal and other identification documentation and proxy form signed by the principal;
- (2) corporate shareholder: where a corporate shareholder is represented by its legal representative at the general meeting, the legal representative shall produce his identification card, legal representative certificate, shareholding certificate and other identification documentations certifying his capacity of the legal representative; where a corporate shareholder is represented by a shareholder proxy other than its legal representative, the shareholder proxy shall produce his identification card, proxy form signed and sealed with the common chop of the legal representative, shareholding certificate and other identification documentations.

Article 67 The eligibility of an attendee of the general meeting shall be deemed invalid if the evidence produced involves one of the following conditions:

- (1) the identification card of principal or attendee of the general meeting is found to be forged or expired or has been altered or does not comply with the residential identification card regulation;
- (2) the information on the identification card produced by the principal or attendee of the general meeting is illegible;

- (3) where multiple proxies shall have been appointed by the shareholder with more than two instrument of authorization and the combined representing shares exceed the shares held by the shareholder;
- (4) the signature on the instrument of authorization faxed in for registration and that on the original copy of instrument of authorization produced when attending the general meeting are inconsistent;
- (5) lack of signature or seal on the instrument of authorization;
- (6) the relevant evidence produced by the principal or his proxy attending the general meeting contravenes the relevant provisions of laws, regulations, Articles of Association and these Rules of Procedures.

Article 68 Where the principal or his shareholder proxy is ineligible for attending the general meeting as a result of irregularities of the principal's authorization or the fact that documents evidencing the legitimate identity of the principal or the authorization do not comply with the laws, regulations or these Rules of Procedures and the Articles of Association, the legal consequences so arising shall be borne by the principal or his shareholder proxy.

Article 69 Any shareholders or shareholder proxies requesting to make a statement at a general meeting shall register to the Company prior to the convening of the general meeting. Those with a bigger share shall have precedence in making the statements.

Article 70 The board shall take necessary measures to ensure the solemnity and proper order of the general meeting. The Company shall have the right to reject persons, other than shareholders (or shareholder proxies), directors, supervisors, secretary to the board, lawyer(s) engaged, the general manager, deputy general manager, financial director and persons invited by the board, to enter the meeting venue. The Company shall take actions to stop anyone from provoking a quarrel, making trouble or infringing the lawful interests of other shareholders and refer the case to relevant authorities for settlement in time.

CHAPTER 7 REGISTRATION FOR THE SHAREHOLDERS' GENERAL MEETING

Article 71 The general meeting shall be convened by the chairman of the board of directors, and the chairman of the board shall preside over and act as the chairman of the meetings. If the chairman is unable to attend the meeting for any reason, the deputy chairman shall act as the chairman of the meetings. In the event that the chairman and the deputy chairman are both unable to attend the meeting, a director shall be elected by a simple majority of directors to preside over and act as the chairman of the meeting.

If the board of directors is unable or fails to perform its duties of convening the general meeting, the supervisory committee shall convene and preside over the

meeting in a timely manner. If the supervisory committee does not convene or preside over such meeting, the shareholder(s) individually or jointly holding no less than 10% of the shares for no less than 90 consecutive days may convene and preside over such meeting on their own.

The shareholder(s) who individually or jointly holds or hold more than 10% shares in the Company for over ninety days may convene or preside over such meeting at his/their own discretion, and the convenor may elect representatives to preside over the meeting. If no chairman is appointed by any reason, shareholders present shall choose one person to act as the chairman of the meeting. If for any reason, the shareholders fail to elect a chairman, then the shareholder (including a proxy) holding the largest number of shares carrying the right to vote therein shall be the chairman of the meeting. When a general meeting is held and the chairman of the meeting violates the rules of procedure which makes it difficult for the general meeting to continue, subject to the approval of more than half of the shareholders having the voting rights who are present at the meeting, a person may be elected at the general meeting to act as the chairman of the meeting.

Article 72 The Company shall hold shareholders' general meeting in the Company's domicile or the place specified in the Articles of Association.

Shareholders' general meeting should be set up at a venue and should be held by way of a physical meeting. Shareholders' general meeting should adopt safe, economic and convenient network and other methods to enable shareholders to attend general meeting conveniently in accordance with the law, administrative regulations or regulations stipulated by China Securities Regulatory Commission or the Articles of Association. Shareholders attending the general meeting by the abovementioned methods will be regarded as attending the general meeting.

Article 73 If online voting or other voting method is adopted, the voting time and the voting procedures of online voting or other voting methods should be clearly stated in the notice of the shareholders' general meeting.

The commencement time for online voting or other voting method for the shareholders' general meeting should not be earlier than 3:00 p.m. on the day before the shareholders' general meeting and should not be later than 9:30 a.m. on the day of the convening of the shareholders' general meeting and it should not end earlier than 3:00 p.m. on the day of the conclusion of the shareholders' general meeting.

Article 74 The Company's controlling shareholders or actual controller shall not restrict or obstruct small and medium investors from legally exercising voting right or prejudice legitimate rights and interests of small and medium investors.

Article 75 For an extraordinary general meeting separately convened by shareholders individually or jointly holding more than 10% of the total number of the Company's

voting shares for over ninety days, the board and its secretary shall duly perform their duties. Directors and supervisors may attend the meeting while the secretary to the board shall attend the meeting to ensure the normal order of the meeting. Reasonable expenses of the meeting shall be borne by the Company.

The chairman of the meeting shall be subject to the provisions of the previous clause hereof regarding the chairman of the meeting. The shareholders making such proposal shall engage a lawyer to provide legal advice at the general meeting in accordance with the relevant requirements. The legal fees shall be borne by such shareholders. The shareholders may also engage a notary to provide advice at the meeting and the charge shall be borne by such shareholders. The secretary to the board shall perform his duties practically and other convening procedures shall be in compliance with relevant provisions of the Articles of Association.

Article 76 Having been informed of the lawful requirements of the attendees, the new proposals and the registration by shareholder for the opportunity to speak, the chairman of the meeting shall declare the commencement of the meeting at the appointed time, but the meeting may be declared to have commenced after the appointed time if any of the circumstances arises:

- (1) equipment failure in the venue affecting the normal proceeding of the meeting;
- (2) other material matter affecting the normal proceeding of the meeting.

Article 77 After announcing the formal commencement of the meeting, the chairman of the meeting shall first declare that the number of the shareholders present at the meeting and the number of shares they represent comply with the statutory requirements and provisions of the Articles of Association of the Company, and then announce the meeting agenda stated in the notice, and inquire whether the people who are present at the meeting have objections over the sequence of voting on motions. Where the Board or the chairman of the meeting does not include the temporary proposal of the supervisory committee or shareholders in the meeting agenda, explanations and statements should be made at the general meeting.

Article 78 The chairman of the meeting shall read or appoint another person to read the motions after enquiring the agenda of the general meeting and explain the motion when necessary:

- (1) where the party proposing the motion is the board, chairman of the board, or other persons entrusted by the chairman shall make explanation on the motion;
- (2) where the party proposing the motion is the supervisory committee or shareholders individually or jointly holding more than 3% of the Company's voting shares, the proposing party or its legal representative or a legal and valid proxy shall make explanations on the motion.

- Article 79** For items included in the agenda of the meeting, the chairman of the meeting may, by reference to the actual situation, adopt an approach of general reporting first, followed by considering and voting on each item, or singling out more complicated items for reporting and then considering and voting on each of them.
- Article 80** At an AGM, the supervisory committee shall deliver special reports relating to supervision in the previous year, including:
- (1) review results of the financial information of the Company;
 - (2) performance of duties by directors and senior officers of the Company and implementation of the relevant laws, regulations, the Articles of Association and resolutions of the general meeting;
 - (3) other events to be reported to the general meeting as deemed necessary by the supervisory committee.
- Article 81** Pursuant to the relevant laws and regulations, the Articles of Association or other system of the Company, independent directors shall express their opinions on matters requiring their views. If it is required under applicable laws and regulations, independent directors shall submit their yearly work reports at the AGM and make a statement on their fulfillment of duties.
- Article 82** Where a certified public accountant includes explanatory statements, qualified opinion, disclaimer of opinion or adverse opinion on the financial statement of the Company in its audit report, the board shall make an explanation to the general meeting for relevant issues which led the accountant to express the aforesaid opinions and the effect on the financial and operating condition of the Company. Where such issues have direct impact on the profit for the current accounting period, the board shall determine the plans on profit distribution or shareholder reserve funds on a “whichever-is-lower” basis.
- Article 83** For motions to be resolved and included in the agenda of a general meeting, reasonable discussion time shall be granted for each motion before voting.
- Article 84** Motions to be included in the agenda of a general meeting shall be reviewed before voting, and reasonable discussion time shall be granted for each motion by the general meeting. The chairman shall solicit orally from the shareholders present whether the review is completed, and the review shall be deemed completed if no disagreements have been raised by the shareholders present.
- Article 85** In the event that the shareholders are associated or materially interested in the matters to be considered at the shareholders’ general meeting, the shareholders shall abstain from voting and the voting shares held by the shareholders shall not be counted in the total number of voting shares represented at the general meeting.

When the shareholders' general meeting considers matters that could materially affect the interest of small and medium investors, the votes by small and medium investors shall be counted separately in respect of A Shares, and the results of such separate vote counting shall be disclosed promptly.

Shares held by the Company have no voting rights and such shares shall not count in the total number of voting shares represented at the general meeting.

The board of directors, independent directors, and shareholders who meet the relevant requirements may solicit voting rights from other shareholders. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights.

Article 86 Any shareholder or shareholder proxy may request to make a statement at a general meeting. A statement at any general meeting may take a written or verbal form. Request for making a statement shall be subject to permission by the chairman of the meeting. The chairman of the meeting may arrange for statements to be made by reference to the progress of the meeting. In general, unless consented by the chairman of the meeting, each shareholder or shareholder proxy may not make more than two statements, and each statement may not exceed five minutes in principle. The shareholder requesting to make a statement shall not interrupt the speech of any speaker or the statements of other shareholders.

Article 87 Only shareholders and proxies have the right to make a statement at a general meeting when motions are under consideration. Any of them wishing to make a statement shall raise his or her hand to seek the permission of the chairman.

Article 88 Shareholders or shareholder proxies may inquire about or make suggestion to a resolution, except for trade secrets that cannot be publicized at the general meeting, the chairman of the meeting shall by himself or appoint any of the directors, supervisors or other appropriate persons who are present at the meeting, to provide an answer or explanation in response to the inquiries.

The chairman of the meeting may refuse to answer any inquiries under any of the following circumstances provided that he shall state the reason:

- (1) the statement is irrelevant to the subject;
- (2) matters inquired about is subject to investigation;
- (3) trade secrets and/or undisclosed inside information of the Company are involved, which may not be disclosed at the general meeting;

(4) answering the inquiry will significantly harm the common interests of shareholders;

(5) other important reasons.

Article 89 In reviewing the motions included in the notice of an extraordinary general meeting, no alteration shall be made to the relevant motions in respect of the following matters:

(1) increase or reduction of the registered capital of the Company;

(2) issue of debt securities of the Company;

(3) demerger, merger, dissolution and liquidation of the Company;

(4) amendment to the Articles of Association;

(5) profits distribution plans and loss recovery plans of the Company;

(6) appointment and removal of a member of the board of directors and the supervisory committee;

(7) change of the use of proceeds from a share offer;

(8) connected transaction which requires the approval of the shareholders in general meetings;

(9) acquisition or sale of assets which requires the approval of the shareholders in general meetings;

(10) change of the accounting firm engaged.

Any alteration in respect of the contents of the above motions shall be deemed to be a new motion and shall not be voted on at that shareholders' general meeting.

Article 90 The general meetings shall resolve separately on each motion included in the agenda, and shall not for any reason cause delay in voting on, or failure to vote on, any motion. Where different motions for the same issue are proposed at the AGM, such motions shall be voted on and resolved in the order of time in which they are proposed.

Article 91 Unless otherwise stipulated in the Articles of Association, applicable laws and regulations, and securities regulatory rules of the places where the Company's shares are listed, the chairman shall request the general meeting to vote on the motions by open ballot. Each shareholder or shareholder proxy shall exercise his voting right based on the number of voting shares represented by him. Except where the motions in respect of the election of directors or supervisors are passed by way of cumulative voting according to the Articles of Association, each of the shares shall carry one vote.

Article 92 On a poll, shareholders (including shareholder proxies) entitled to two or more votes need not cast all his votes in the same way of affirmative votes or dissenting votes.

Article 93 Resolutions in respect of the election of directors or supervisors shall be passed by a way of cumulative voting at a shareholders' general meeting in accordance with the Articles of Association. The main procedures of the cumulative voting system are as follows:

- (1) where the number of directors or supervisors to be elected is more than two, the cumulative voting system must be adopted;
- (2) where cumulative voting system is adopted, each of the shares held by a shareholder shall carry the same number of votes as the number of directors or supervisors to be elected;
- (3) the notice of a shareholders' general meeting shall notify the shareholders that a cumulative voting system will be adopted for the election of directors or supervisors. The convenors of the shareholders' general meeting shall prepare ballots suitable for cumulative voting, and shall give descriptions and explanations in writing regarding the cumulative voting system, the completion method of the ballots and the methods of counting the votes;
- (4) in casting his votes for the candidates of directors or supervisors at a shareholders' general meeting, a shareholder may exercise his voting rights by spreading his votes evenly and cast for each of the candidates of directors or supervisors the number of votes corresponding to the number of shares he holds; or he may focus on one particular candidate of directors or supervisors and cast for that candidate of directors or supervisors the total number of votes carried by all of his shares; or he may spread his votes over several candidates and cast for each of them part of the total number of votes carried by the shares he holds;
- (5) upon the exercise of his voting rights by focusing all his votes on one or several of the candidates of directors or supervisors, a shareholder shall not have any right to vote for any other candidates of directors or supervisors;
- (6) where the total number of votes cast by a shareholder is in excess of all the votes held by him, the votes cast by the shareholder shall be invalid, and the shareholder shall be deemed to have waived his voting rights. Where the total number of votes cast by a shareholder is less than all the votes held by such shareholder, the votes cast by the shareholder shall be valid, and the voting rights attached to the shortfall between the votes actually cast and the votes which the shareholder is entitled to cast shall be deemed to have been waived by the shareholder;

- (7) where the number of votes for a candidate of directors or supervisors exceeds half of the total votes of the shareholders and/or the shareholder proxies present at the shareholders' general meeting, the candidate shall be the elected director or supervisor. If the number of the elected candidates of directors or supervisors exceeds the total number of directors or supervisors to be elected, those candidates who win the largest number of votes shall be elected as directors or supervisors (however, if the elected directors whose votes are comparatively fewer win the same number of votes, and the election of such candidates as directors will give rise to the number of directors or supervisors elected exceeding the number of directors or supervisors to be elected, such candidates shall be deemed as having not been elected); if the number of directors or supervisors elected at a shareholders' general meeting falls short of the number of directors or supervisors to be elected, a new round of voting shall be carried out for the purpose of filling such vacancies of directors or supervisors, until all the directors or supervisors to be elected are validly elected;
- (8) where a new round of voting is carried out in accordance with the provisions of paragraph (7) of this Article at the shareholders' general meeting, the number of votes cast by the shareholders in the cumulative voting shall be re-counted in accordance with the number of directors or supervisors to be elected in the new round of voting.

Article 94 The motions on the review of the elections of the directors and supervisors by the general meeting shall resolve separately on all the director and supervisor candidates.

Article 95 Resolutions of a general meeting shall be divided into ordinary resolutions and special resolutions.

(I) Ordinary resolutions

1. Ordinary resolutions shall be passed by votes exceeding one-half (excluding one-half) of voting rights represented by shareholders (including proxies) attending the general meeting.
2. The following issues shall be approved by ordinary resolutions at a general meeting:
 - (1) working reports of the board and the supervisory committee;
 - (2) profit distribution plans and loss recovery plans formulated by the board;

- (3) appointment and replacement of the members of the board and the supervisory committee (excluding staff supervisors), their remuneration and the method of payment thereof;
- (4) company annual budgets and final accounting scheme;
- (5) company annual report;
- (6) other issues, except for those required by laws, regulations or the Articles of Association to be passed by special resolutions; and
- (7) other matters required by the listing rules of the stock exchanges on which the company is listed, excluding those required to be approved by special resolutions.

(II) Special resolutions

1. Special resolutions shall be passed by votes representing more than two-thirds of voting rights represented by shareholders (including proxies) attending the general meeting.
2. The following issues shall be approved by special resolutions at general meetings:
 - (1) increase or reduction in share capital of the Company and the issue of shares of any class, warrants and other similar securities;
 - (2) issue of debt securities of the Company;
 - (3) demerger, merger, dissolution and liquidation of the Company;
 - (4) amendments to the Articles of Association;
 - (5) approval of share option incentive scheme;
 - (6) any other issue confirmed by an ordinary resolution at a general meeting that it may have material impact on the Company and accordingly shall be approved by special resolutions; and
 - (7) other matters to be approved by special resolutions as required by the listing rules of the stock exchanges on which the company is listed, excluding those required.

Article 96 Where issues specified in sub-paragraphs (2) to (8), (11) to (12) of the Article 38 of these Rules of Procedures are involved, the affected class shareholders, whether or not they are entitled to vote at general meetings originally, shall have the right to vote at class meetings. However, interested shareholder(s) shall not be entitled to vote at such class meetings. “Interested shareholder(s)” as specified in the preceding paragraph refers to:

- (1) in the event of a repurchase of shares by the Company by way of a general offer to all shareholders of the Company or by way of public transactions on a stock exchange pursuant to Article 30 of the Articles of Association, an “interested shareholder” is a controlling shareholder within the meaning of Article 59 of the Articles of Association;
- (2) in the event of a repurchase of shares by the Company by an off-market agreement pursuant to Article 30 of the Articles of Association, an “interested shareholder” is a shareholder related to the agreement;
- (3) in the event of a reorganization of the Company, an “interested shareholder” is a shareholder who assumes a relatively less proportion of obligation than that of any other shareholder of that class or who has an interest different from that of any other shareholder of that class.

Article 97 Resolutions of a class meeting shall be approved by votes representing more than two-thirds of the voting rights of shareholders of that class present at the meeting who, in accordance with the provisions of the preceding article, are entitled to vote at the meeting.

Where any shareholder is obliged to abstain from voting on a motion at a class meeting or when any shareholder is restricted to vote in favour of or against a motion at a class meeting according to the listing rules of the stock exchanges on which the company is listed, any vote of such shareholder or its proxy which violates the provisions of the preceding article shall not be counted in the voting result.

Special voting procedures for class shareholders shall not apply in the following circumstance:

- (1) with the approval by special resolution at a general meeting, the Company issues and plans to issue, at one or more occasions, a total number of shares not exceeding 20% of each of its existing issued and outstanding domestic shares and overseas listed foreign shares in every 12 months;
- (2) the Company’s plan to issue domestic shares and overseas listed foreign shares at the time of its establishment is completed within 15 months from the date of approval of the regulatory securities authorities of the State Council.

- Article 98** When the matters relating to the connected transactions are being reviewed at a shareholders' general meeting, the connected shareholders shall not participate in the voting, and the number of voting shares represented by them shall not be counted in the total number of valid voting shares. Announcement of the general meeting resolutions shall fully disclose the voting by the non-connected shareholders.
- Article 99** The shareholders (or shareholder proxies) shall carefully fill out the voting ballots as required. For ballots that are left blank, incorrectly filled out, illegible or not cast, the voter shall be deemed to have waived his voting rights, and the voting results of the number of shares held by him shall be counted as "waiver".
- Article 100** Before voting, at least one supervisor and two shareholders' representatives and lawyer(s) shall be elected by the shareholders present at the meeting as scrutineers to participate in the counting and supervision of the votes (applicable to A shares). Voting ballots are counted and analyzed on site, the statistical document on the votes are signed by the scrutineers, and an announcement on the voting result is made on site by the representative of the scrutineers to the public or an announcement is issued in accordance with the securities regulatory rules of the places where the Company's shares are listed. If the chairman of the meeting doubts the voting result, he may count the votes cast; if the votes are not counted by the chairman, the shareholders and shareholder proxies present at the meeting who dispute over the result announced by the chairman of the meeting shall have the right to request a vote count immediately after the announcement of the voting result, in which case the chairman of the meeting shall count the votes in a timely manner.
- Article 101** The chairman of the meeting shall be responsible for deciding on whether to pass the resolutions of the general meeting based on the result of vote count obtained by the scrutineers, and shall announce the result and record it in the meeting minutes. The Company shall announce the resolutions of the shareholders' general meetings in accordance with applicable laws and the relevant provisions of the stock exchanges on which the shares in the Company are listed.

CHAPTER 8 CLOSING AND ADJOURNMENT OF THE MEETING

- Article 102** The Company's board of directors shall guarantee that the shareholders' general meetings are held continuously within reasonable working hours until the conclusion of final resolutions. The chairman of the meeting shall have the right to announce a temporary adjournment of the meeting based on the meeting arrangements and progress, and to announce the adjournment when he deems necessary to do so.
- Article 103** If, in the course of the meeting, any dispute is raised by the shareholders present at the meeting over matters such as the shareholders' identities and the counting result, which cannot be resolved on site and therefore results in meeting disorders or prevents continuation of the meeting, the chairman of the meeting shall announce a temporary adjournment of the meeting. Upon clearance of the aforementioned circumstances, the chairman of the meeting shall promptly notify the shareholders to resume the meeting.

Article 104 Where the shareholders' general meeting is adjourned for more than one business day due to an event of force majeure or other extraordinary causes, thus affecting the normal proceeding of the meeting or the making of any resolution, the Company's board of directors shall state the reasons to the stock exchanges and make a public announcement thereof, and the board of the Company shall be obliged to take necessary measures to resume the general meeting as soon as possible.

Article 105 The chairman of the meeting shall declare the meeting closed after all motions have been considered and approved at the general meeting.

CHAPTER 9 RESOLUTIONS AND MINUTES OF THE MEETING

Article 106 A shareholders' general meeting shall pass resolutions for the motions which are listed in the agenda of the meeting.

Article 107 Minutes of a general meeting shall be kept. The minutes shall record the following information:

- (1) the number of voting shares represented by shareholders present at the meeting, and the percentage of such shares in the total number of shares in the Company;
- (2) the date and venue of the meeting;
- (3) the name of the chairman of the meeting and the agenda of the meeting;
- (4) the summary of each attendee's opinion on motions;
- (5) the voting result of each issue voted on;
- (6) the inquiries and suggestions of shareholders and the answers or explanation made by the board and the supervisory committee;
- (7) If the votes are counted at the general meeting, the counting results shall be recorded into the minutes of the meeting;
- (8) other issues that shall be recorded in the minutes in accordance with opinions of the general meeting and provisions of the Articles of Association.

Article 108 Resolutions and minutes of a general meeting shall be signed by directors attending the meeting and the minutes recorder, while minutes of the meeting shall be signed by the person in charge (the chairman of the meeting), and be kept permanently by the board as the Company's record.

Article 109 The secretary to the board shall be responsible for keeping such written information as the register of attendees, power of attorney, voting statistics sheet, minutes of the meeting, legal opinions witnessed by the lawyer and resolutions of a general meeting.

CHAPTER 10 DISCLOSURE OF INFORMATION

Article 110 The board of the Company shall strictly comply with the relevant laws, regulations and requirements of the stock exchange on which the Company's shares 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.

Article 111 The secretary to the board shall be responsible to submit the meeting minutes, resolutions and other relevant materials to the competent regulatory authorities and post announcements on the designated media in accordance with relevant laws and regulations and the requirement of the regulatory securities authority under the State Council and the stock exchanges on which the Company is listed.

Article 112 The announcement of the resolutions of the general meeting shall specify (including without limitation) the number of shareholders (or shareholder proxies) present at the meeting, the total number of shares held (or proxy shares) and their proportion in the Company's total voting shares, the voting system and the voting results of each motion.

Announcements of the general meeting resolutions shall be published in the designated newspaper(s) and website(s). The Company shall disclose the information within the time limit and in the manner as provided for in laws and regulations and as required by the supervisory and regulatory authorities.

CHAPTER 11 SUPPLEMENTARY PROVISIONS

Article 113 These Rules of Procedures are an appendix to the Articles of Association prepared by the board.

Article 114 These Rules of Procedures shall come into effect, together with the Articles of Association amended in accordance with the requirement for domestically listed companies, upon approval of a shareholders' general meeting by passing a special resolution.

Article 115 Any amendment to these Rules of Procedures shall be submitted to the shareholders' general meeting for approval by passing a special resolution.

Article 116 The shareholders' general meeting authorizes the board to interpret these Rules.

Article 117 Where any matter is not covered by these Rules of Procedures or where these Rules of Procedures fail to comply with the relevant laws, regulations promulgated from time to time, and provisions of the Articles of Association, those relevant laws, regulations, and provisions of the Articles of Association shall prevail.

Article 118 The phrases "more than" and "less than" herein for the numbers includes the numbers indicated themselves while "majority" and "exceed" excludes the numbers indicated themselves.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

This English version is for reference only. If there is any discrepancy between the English and Chinese version, the Chinese version shall prevail.

RULES OF PROCEDURES OF THE BOARD OF DIRECTORS OF COSCO SHIPPING HOLDINGS CO., LTD.

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to further regulate the official business discussion and decision-making procedure of COSCO SHIPPING Holdings Co., Ltd. (hereinafter referred to as “the Company” or this Company) and to ensure the working efficiency and the scientific strategic decision-making of the board of directors, these Rules of Procedures are formulated in accordance with the articles of association of COSCO SHIPPING Holdings Co., Ltd. (the “Articles of Association”), relevant laws and regulations including the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Guide to Articles of Association of Listed Companies, Standards for the Governance of Listed Companies, as well as in light of overall conditions of the Company. Should there be any inconsistency or conflict between these Rules of Procedures and any applicable laws, regulations or listing rules, the applicable laws, regulations and listing rules shall prevail.

CHAPTER 2 FUNCTIONS AND POWERS AND DELEGATION OF THE BOARD

Article 2 Directors may require the general manager or the relevant department of the Company through the general manager to provide the information and explanation necessary for their decision-making. The general manager shall provide directors with necessary information and data for the board of directors to make decisions.

If independent directors deem necessary, they may retain an independent firm to issue independent opinions as the basis for their decision at the expense of the Company.

Article 3 The board of directors shall consider and resolve on matters to be submitted to the shareholders’ general meeting for decision (including matters put forward by over two independent directors) in accordance with laws and regulations and the Articles of Association of the Company.

With respect to the provisional proposals put forward by the shareholders who individually or jointly hold over 3% of voting shares of the Company at the shareholders’ general meeting, the board of directors shall consider and decide on whether submitting such proposals to the shareholders’ general meeting.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

Article 4 In order to allow the Company to operate efficiently, the board of directors shall grant the functions and powers including investment and financing, asset disposal, external guarantee and establishment of organs to management according to the provisions of the Articles of Association of the Company and the authorization of the shareholders' general meeting.

Article 5 The board shall be responsible to the shareholders' general meeting and exercise the following functions and powers:

- (1) to be responsible for convening shareholders' general meetings and report on its work to the shareholders' general meetings;
- (2) to implement the resolutions passed at the shareholders' general meetings;
- (3) to determine the Company's business plans and investment plans except those requiring approval by the General Meeting;
- (4) to formulate the Company's annual budgets and final accounts;
- (5) to formulate the Company's profit distribution proposals and loss recovery proposals;
- (6) to formulate the proposals for increase or reduction of the Company's registered capital, and proposals for issue and listing of the Company's bonds and other securities;
- (7) to formulate the proposals for the Company's material acquisition, acquisition of shares in the Company or merger, division, dissolution or amendment to the form of the Company;
- (8) according to laws regulations and the Articles of Association, to decide on other external guarantees other than those requiring the approval of the general meetings;
- (9) to decide on the investment, assets acquisition, assets pledge, entrusted wealth management, connected transactions and other affairs of the Company within the authority granted by the shareholders' general meeting;
- (10) to decide on the establishment of the Company's internal management bodies;
- (11) to appoint or remove the Company's general manager, to appoint or remove the Company's deputy general manager and financial director according to the proposals of the general manager; to appoint or remove secretary to the board of directors; and determine their remunerations;

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

to appoint or remove members of the Board of Directors and supervisory committee of the wholly owned-subsiidiaries; to appoint, remove or recommend shareholders' representatives, directors and supervisors of the controlled subsidiaries and joint venture companies;

- (12) to decide on the establishment of branches of the Company;
- (13) to formulate the proposals for any amendment to the Articles of Association;
- (14) to formulate the Company's fundamental management system;
- (15) to formulate equity incentive mechanism plan (including stock option plan permitted by laws and regulations);
- (16) to resolve on the important issues and administrative issues of the Company other than those which should be resolved at general meetings pursuant to relevant laws and the Articles of Association of the Company, and to sign other important agreements;
- (17) to exercise other functions and powers as granted by the shareholders' general meeting and stipulated by the Articles of Association.

Article 6 With the authorization of the board of directors, the chairman of the board is entitled to exercise some of the functions and powers of the board of directors while the board is not in session. The substance of the authorization of the board of directors shall be clear and specific.

Article 7 The board's authorities to determine the disposals of the Company's assets:

The board of directors shall not, without the prior approval of shareholders in a general meeting, dispose of or agree to dispose of any fixed assets of the Company where the aggregate of the amount or value of the consideration for the proposed disposal, and the amount or value of the consideration for any such disposal of any fixed assets of the Company that has been completed in the period of four months immediately preceding the proposed disposal, exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet which was tabled at a shareholders' general meeting.

In the event that the board of directors makes decisions on market development, mergers and acquisitions, and investments in new areas, for the projects with the investment amounts or mergers and acquisitions of more than 10% of the Company's total assets, a public consultant institution shall be retained to provide professional advice as the important basis for the board's decision-making.

The board of directors shall determine the authorities and establish strict reviewing and decision-making processes for investment, asset acquisition, asset pledge, entrusted wealth management, connected transactions and other affairs of the Company. Major projects shall be assessed by experts and professionals and approved by the shareholders' general meeting.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

Article 8 In order to ensure a prudent investment policy for the Company and enhance the efficiency of its daily operations, if a transaction is not required to be submitted to a general meeting for approval but is required to be disclosed under the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Rules Governing the Listing of Shares on The Shanghai Stock Exchange, it shall be approved by the board of directors. If a transaction does not meet the approval criteria for the board of directors, it shall be approved by the management of the Company.

CHAPTER 3 FORMATION AND COMMITTEES OF THE BOARD

Article 9 The board of directors shall be established in accordance with applicable laws, regulations, securities regulatory rules in the place where the Company's shares are listed and the Articles of Association, with the appropriate proportion of independent directors and external directors.

The election, replacement and term of service of directors shall follow the requirements of the Articles of Association. A director, before his term of office expires, shall not be removed by the general meeting without any reason. The term of a director shall be calculated from the date of passing the resolution at the general meeting to the expiry of that session of the board.

When the term of office of all directors are expired, in the event that the new board of directors has not been elected, the former directors shall continue to perform their responsibilities until the new board of directors is formed.

Article 10 The board shall include one chairman and one vice-chairman.

The board shall establish special committees such as audit committee, remuneration committee, nomination committee and other committees in accordance with related resolutions and/or authorization of the Articles of Association of the Company and the shareholders' general meeting. These special committees shall consider specific matters and give their opinions and advice for the board's decision-making based on the proposals made by the board of directors, the chairman of the board and general manager.

CHAPTER 4 SECRETARY TO THE BOARD

Article 11 The Company shall have a secretary to the board, whose main duty is to promote the governance standard and ensure proper information disclosure of the Company.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

Article 12 The main duties of the secretary to the board include:

- (1) organizing and arranging for the board meetings and shareholders' general meetings; preparing meeting materials, handling relevant meeting affairs; making minutes of the meetings and ensuring their accuracy; keeping meeting documents and minutes; taking initiative to monitor the progress of the implementation of relevant resolutions; reporting any important issues occurring during the implementation to the board and giving relevant advice to the board.
- (2) ensuring the material matters decided by the board of the Company are carried out strictly in accordance with the procedures stipulated; at request of the board, participating in the arrangement of consultation on and analysis of the matters to be decided by the board and offering relevant opinions and suggestions; handling the day-to-day affairs of the board and its committees as entrusted.
- (3) acting as the liaison officer of the Company with the regulatory securities authorities, responsible for organizing, preparation and timely submission of the documents required by the regulatory authorities as well as accepting and organizing the implementation of any assignment from the regulatory authorities.
- (4) coordinating and organizing the Company's disclosure of information; establishing and improving the information disclosure system; participating in all of the Company's meetings involving the disclosure of information; and keeping informed of the Company's material operation decisions and related information in a timely manner.
- (5) keeping the Company's price-sensitive information confidential and establishing effective confidentiality systems and measures; in case of any of the Company's price-sensitive information divulged due to any reason, taking necessary remedial measures, timely explaining and clarifying it, and making relevant reports to the regulatory authorities in overseas jurisdictions where the shares of the Company are listed and the CSRC.
- (6) coordinating and organizing marketing activities; coordinating reception of visitors, handling the investor relations; keeping in touch with investors, intermediaries and news media; coordinating replies to inquiries from the public; and ensuring investors to obtain the information disclosed by the Company in a timely manner; organise and prepare the Company's domestic and overseas marketing and promotion activities; preparing conclusive reports on marketing and important visits; and organizing the submission of the reports on relevant matters to the CSRC.
- (7) handling and keeping the materials in relation to information on register of shareholders, register of directors, amount of shares held by major shareholders and records of directors' shares, and the list of beneficiaries of outstanding bonds of the Company.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

- (8) assisting directors and general managers in duly implementing the domestic and foreign laws, regulations, the Articles of Association and other related provisions in exercising their functions and powers; upon becoming aware that the Company has passed or may pass resolutions which may breach the relevant provisions, being liable for immediately reminding the board and being entitled to report such facts to the CSRC and other regulatory authorities.
- (9) coordinating the provision of relevant information necessary for the Company's supervisory committee and other regulatory authorities to discharge their duties; assisting in carrying out due diligence on the compliance by chief financial officer, directors and the general managers of the Company of their fiduciary duties.
- (10) exercising other functions and powers as conferred by the board, as well as other functions and powers as required by laws in the jurisdictions and the stock exchanges where the shares of the Company are listed.

Article 13 The Company shall establish a secretarial department with the Board where the secretary of the Board fulfills his or her duties.

Article 14 The Company shall formulate the work system for the secretary of the Board, which shall be responsible for information disclosure and investor relations. The said system shall take effect upon approval of the Board.

CHAPTER 5 BOARD MEETING SYSTEM

Article 15 The Board meetings include regular board meetings and extraordinary board meetings.

Board meetings shall in principle be convened at the domicile or listing place of the Company.

Board meetings shall generally be held onsite, or where necessary, via video conference, conference call, fax or email voting provided that the directors can adequately express their views and the convener and proposer can grant approval. Board meetings may also be held onsite and off-site simultaneously.

Where a Board meeting is held offsite, the number of attending directors shall be counted according to the directors seen at the videoconference, the directors expressing their views at the conference call, valid votes such as faxes or emails received within the prescribed period, or written acknowledgements submitted after the meeting by the directors for attending the meeting.

Where directors are unable to sign promptly on the resolutions passed at a video conference meeting during the meeting, the mode of verbal voting shall be adopted and the signing shall be done as soon as possible. The verbal voting of directors shall have the same effect as their signing on the resolutions.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

Where the matters to be considered at a board meeting are relatively more procedural and more of a case-by-case basis, the meeting may be held by way of written resolutions, i.e., proposals shall be considered and resolved through circulation. Unless otherwise recorded on the resolutions, the signature of directors on the resolutions shall be deemed as their voting for the resolutions.

Article 16 Regular board meetings

The Board shall meet at least four times in one year, approximately once per quarter, including but not limited to:

(1) Annual board meetings

The meeting shall be held within three months after the end of the financial year of the Company, which shall mainly examine the annual results announcement and annual report of the Company and handle other relevant matters. The time of holding the annual board meeting shall ensure that the annual results announcement and annual report of the Company can be published and distributed to shareholders within the time specified by relevant laws and regulations and the Articles of Association of the Company, that the annual preliminary financial results of the Company can be announced within the time specified by relevant laws and regulations (if applicable) and that the annual shareholders' general meeting can be held within six months after the end of the financial year of the Company.

(2) Interim board meetings

The meeting shall be held within two months after the end of the first six months of the financial year of the Company, which shall mainly examine the interim results announcement and interim report of the Company and handle other relevant matters.

Article 17 Extraordinary board meetings

If any of the following circumstances occurs, the chairman of the board of directors shall issue a notice convening an extraordinary board meeting within ten days:

- (1) shareholder(s) representing more than 10% of the voting rights consider(s) it necessary;
- (2) more than one-third of the directors jointly propose it;
- (3) more than one-half of the independent directors jointly propose it;
- (4) the supervisory committee proposes it;
- (5) the general manger proposes it;

(6) the chairman of the board of directors considers it necessary.

CHAPTER 6 RULES OF PROCEDURE OF THE BOARD OF DIRECTORS

Article 18 Collection of proposals

Before the issuance of the notice for a regular board meeting, the secretary to the board of directors shall be responsible for collecting the proposals. The persons who put forward relevant proposals shall submit the proposals and relevant explanatory materials twenty working days prior to the holding of the meeting. The proposals concerning significant connected transactions (defined according to the standards issued by competent regulatory departments from time to time) subject to the examination by board meeting or shareholders' general meeting shall first be approved by independent directors. After sorting out relevant information, the board secretary shall set forth the time, venue and agenda of the board meeting and form a provisional proposal for the decision by the chairman of the board.

Before deciding a proposal, the chairman shall, where necessary, seek opinions of the general manager and other senior executives. A proposal for convening an extraordinary Board meeting shall be in written form and affixed with the signature (seal) of the proposer and submitted to the office of the Board or directly to the chairman. A written proposal shall specify:

- (1) name of the proposer;
- (2) reason for the proposal;
- (3) time or time limit, venue or form of the meeting proposed;
- (4) well-defined and specific motions;
- (5) means to contact the proposer, date of proposal, etc.

The contents of the proposal shall be within the power of the Board specified in the Articles of Association, and the documents relating to the motion shall be submitted together with the proposal itself.

The office of the Board shall transfer to the chairman the aforesaid proposal and related documents on the day of receipt of the same. Where the chairman deems the proposal not well-defined or specific or the relevant documents inadequate, the chairman may require the proposer to amend or supplement the proposal.

The chairman shall convene and preside over a board meeting within 10 days after receipt of the proposal.

APPENDIX III PROPOSED AMENDED RULES OF PROCEDURES OF THE BOARD

Article 19 Tabling of proposals

Board proposals shall be put forward mainly based on the following circumstances:

- (1) Matters proposed by directors;
- (2) Matters proposed by the supervisory committee;
- (3) Proposals of special committees of the board of directors;
- (4) Matters proposed by the general manager;
- (5) The matters to be examined by the shareholders' meeting of the controlled subsidiaries and joint ventures of the Company.

Article 20 Convening of meeting

A board meeting shall be convened by the chairman of the board. Where the chairman is unable to convene the meeting, the meeting shall be convened by the vice chairman of the board or another designated director. Where both the chairman and the vice chairman of the board are unable to convene the meeting and no person is designated to convene the meeting on their behalf, a director elected by over half of the directors shall be responsible for convening the meeting.

Article 21 Notice of meeting

Notice in respect of shareholders meeting shall be given in accordance to the following requirement and method:

- (1) In the event that the place and time of any regular board meetings has been specified by the Board of Directors, except by reason that such place and time of the board meeting is to be changed, notice shall not be required to be given for such meeting to be held, and the agenda of the regular board meeting and other related documents shall be given to all the directors, supervisors and other attendees three days before the meeting is to be held;
- (2) In the event that the place and time of any board meeting has not been specified by the Board of Directors, the Administrative and Management Department of the Board of Directors shall deliver a notice in respect of the time, venue and agenda of which such board meeting is to be held. Notice shall be given ten days before the day of the board meeting and shall either be directly delivered to all directors, supervisors and other attendees by hand, fax, email or any other method, or if not delivered by hand, to be confirmed by telephone calls afterwards with respective records (in case of a regular board meeting, a 14-day prior notice shall be given to all directors);

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- (3) The notice shall be written in Chinese and, when necessary, English translation of the notice may be attached, and shall set out the meeting agenda. Any director may waive the right to receive a notice of board meeting.

In case of emergency, if a temporary board meeting is required to be held, notice of such meeting can be given by phone or any other verbal method. However, the convener shall make such statement in the meeting.

The notice of such meeting shall at least set out the following:

- (1) the time and venue of the meeting;
- (2) the form of the meeting;
- (3) issues (proposals) to be deliberated;
- (4) convener and chairman of the meeting, proposer of and written proposal for the extraordinary meeting;
- (5) documents needed for voting of directors;
- (6) requirements for the directors to attend the meeting in person or by proxy;
- (7) contact person and contact details.

A verbal notice of meeting shall at least include (1) and (2) above, and explanation for an extraordinary Board meeting to be held in emergency.

After receipt of the notice of meeting, the directors shall responsively (not later than 2 days before convening of the meeting) send acknowledgements to the office of the Board.

If any director has been present in the meeting, and he does not claim before his arrival or claim at the meeting that no such notice is received by him, it shall be deemed that the notice of meeting has been served on him.

Article 22 Pre-meeting communication

From the issuance of notice of meeting to the holding of a meeting, the board secretary shall communicate and contact relevant directors in light of actual conditions, obtain their opinions and suggestions on relevant proposals and forward such opinions or suggestions to the persons putting forward the proposals in a timely manner for the purpose of perfecting the proposals. The board secretary shall also supplement necessary information as required by directors. The agenda and relevant documents of

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a regular board meeting shall be delivered to all directors completely and timely, and shall be sent at least three days before the date on which the board or committee meeting is scheduled to be held (or other agreed date). The arrangement above shall be also adopted for all of other board meetings when practicable.

Article 23 Change of the notice of meeting

If, after the written notice of a regular Board meeting is sent, it is necessary to change the time, venue, etc. of the meeting or add, change or cancel proposals to the meeting, a written notice of change shall be sent 3 days before the original designated date for convening the meeting, to explain why and provide contents and documents relating to the new proposals. Where the notice of change is sent in less than 3 days in advance, the date of meeting shall be postponed accordingly or approved by all the attending directors.

If, after the notice of an extraordinary Board meeting is sent, it is necessary to change the time, venue, etc. of the meeting or add, change or cancel proposals to the meeting, then it shall be necessary to seek the prior consent of all the attending directors and make relevant records.

Article 24 Attendance

The quorum of board meetings shall be formed by a majority of directors (including any directors appointed in writing pursuant to Article 20 of the Articles of Association of the Company to attend the meeting as the representatives of other directors).

Where any relevant director refuses or fails to attend the meeting so that the number of attendants falls short of the quorum required for convening the meeting, the chairman and Board secretary shall responsively report to the supervisory department.

A supervisor may be present at the Board meeting; the manager and secretary to the Board who are not directors shall also be present at the Board meeting. Other relevant persons may be notified to be present at the Board meeting if considered necessary by the chairman.

In principle, the board meeting shall be attended by directors in person. If a director is unable to attend the meeting for certain reasons, he may authorize another director in writing to attend the meeting on his behalf (however, if an independent director is unable to attend the meeting in person, he shall authorize another independent director to attend the meeting on his behalf). The letter of authorization shall set forth:

- (1) the name of the principal and proxy;
- (2) the principal's brief opinion on each proposal;
- (3) the principal's extent of authority and instruction for voting on the proposals;

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- (4) the principal's signature and the date, etc.

Where any director signs the regular reports by proxy, the said director shall specify such authorization in the power of attorney.

The proxy director shall present the written power of attorney to the chairperson of the meeting, and explain proxy attendance in the attendance book.

Article 25 Restriction on proxy attendance

Proxy attendance at Board meetings shall follow the principles below:

- (1) When any connected transaction is under examination, a non-connected director shall not appoint any connected director to attend the meeting and vote on his behalf; and a connected director shall not accept the appointment by any non-connected director;
- (2) An independent director shall not appoint any non-independent director to attend the meeting and vote on his behalf; and a non-independent director shall not accept the appointment by any independent director;
- (3) A director shall not give any other director carte blanche to attend the meeting and vote on his behalf without providing his own opinions on the proposals and his voting intent, and the relevant director shall not accept the carte blanche or any appointment not well defined;
- (4) One director shall not accept appointment by over two directors, and a director shall not appoint any other director who has been appointed by two other directors to attend the meeting and vote on his behalf.

The board of directors shall propose to the shareholders' general meeting to dismiss or replace the director who has not been present in person or by proxy for two times consecutively at board meetings and the independent director who has not been present in person for three times consecutively at board meetings.

Article 26 A board meeting shall be presided over by the chairman of the board. Where the chairman of the board is unable to preside over the meeting, the meeting shall be presided over by the vice chairman of the board. Where both the chairman of the board and the vice chairman of the board are unable to preside over the meeting, a director elected by over half of the directors shall be responsible for presiding over the meeting.

Subsequent to an election of a new board of directors at the shareholders' general meeting, the director who obtains the most affirmative votes at the shareholders' general meeting (in case of more than one director, one of them shall be elected) shall preside over a meeting to elect the chairman of the new board of directors.

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Article 27 Examination of proposals

The chairperson shall announce the holding of meeting as scheduled.

After the directors present at the meeting reach agreement on the agenda, the meeting shall examine each proposal one by one under the direction of the chairperson. Firstly, the persons putting forward the proposals or persons entrusted by such persons shall report work and explain the proposals to the board of directors.

For any proposal requiring prior acknowledgements of independent directors, the chairperson shall, before discussing the relevant proposal, appoint one independent director to read the written acknowledgements of independent directors.

The chairperson shall stop any director from hindering the normal progress of the meeting or affecting the speech of other directors.

The Board meeting shall not vote on any proposal not included in the notice of the meeting unless with the unanimous consent of the attending directors. A proxy director shall not vote on any proposal not included in the notice of the meeting.

In order to better understand the main points and circumstances of relevant plans, proposals and reports in detail, the board meeting may require the persons in charge of undertaking departments to attend the meeting when examining such plans, proposals and reports so that directors may learn and inquire about relevant information and make correct resolutions. The directors may, before the meeting, learn and inquire about information needed for decision making from relevant persons or institutions such as the special committee liaison department, the convener of the meeting, the general manager and other senior executives, select committees, the accounting firm and the law firm, or may, while the meeting is underway, suggest to the chairperson that the aforesaid persons or institutions appear at the meeting to provide relevant explanations.

If it is found during examination that there is anything unclear about the proposal or that the feasibility of the proposal is problematic, the board of directors shall require the responsible departments to provide explanations. Such proposal may be returned for handling and temporarily not be put to vote.

The directors shall carefully review documents relating to the meeting and shall express well-informed, independent and discreet opinions.

Article 28 The independent directors shall give their independent opinions to the board on the following matters:

- (1) the nomination, appointment and removal of any director;
- (2) the appointment and dismissal of any senior officer;

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- (3) the remuneration of the directors and senior officers of the Company;
- (4) issues that the independent directors consider possible to impair on the rights and interests of minority shareholders;
- (5) material funds transfer as defined by the listing rules of the stock exchanges where the Company is listed between the Company and its shareholders or connected enterprises;
- (6) distribution plans of the cash profits that the board of directors has not made;
- (7) other matters as stipulated by laws, regulations, securities regulatory rules in the places where the Company's shares are listed or the Articles of Association.

Article 29 An independent director shall explicitly express opinions on the matters set forth in the preceding article in the following manner and shall explain the reasons under the requirements of applicable laws, regulations and securities regulatory rules in the places where the Company's shares are listed:

- (1) agreeing;
- (2) reserving his opinion with reasons;
- (3) objecting with reasons;
- (4) expressing his view as not being able to provide his comments and the difficulties thereof.

Article 30 Voting on proposals

After adequate discussion of each proposal, the chairperson shall submit it to voting by the attending directors.

Directors' voting include affirmative, dissenting votes and abstaining opinions. All directors present at the meeting shall select one of the above options. Where any director does not select any option or select two or more options, the chairperson shall require the said director to select an option again, otherwise the said director shall be deemed as having abstained from voting. Any director who has left the meeting mid-way without coming back and has not made any option shall be deemed as having abstained from voting. The directors authorized to attend the meeting by proxy shall exercise rights on behalf of their principals within the scope of authorization. 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.

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The board of directors shall examine the proposals submitted and any resolutions of the board with respect to any of the following matters shall be passed by more than two-thirds of the votes while other resolutions of the board shall be passed by over half of the votes:

- (1) the formulation of the Company's plans for increase or reduction of registered capital (including but not limited to repurchase of the shares of the Company) and issue and listing of any kind of securities (including but not limited to corporate bonds);
- (2) the formulation of the Company's plans for merger, division, dissolution and amendment to the form of the Company;
- (3) the decision on granting external guarantees;
- (4) adopting and amending the Articles of Association of the Company and its appendices.

A board meeting may adopt the mode of voting by a show of hands or poll. Each director shall have one vote.

Article 31 Voting result statistics

After voting of the attending directors, the securities affairs representative and Board working personnel shall responsively collect votes cast by the directors, which shall be counted by the Board secretary under supervision of a supervisor or an independent director.

Where the meeting is held onsite, the chairperson shall announce the voting result onsite. In other circumstances, the chairperson shall require the Board secretary to announce the voting result within one working day after the prescribed voting deadline.

The votes cast by directors after the chairperson has announced the voting result or after the prescribed voting deadline shall not be counted.

Article 32 Abstention from voting

In any of the following circumstances, the directors shall abstain from voting on the relevant proposals:

- (1) the listing rules of the stock exchanges on which the Company is listed require the abstention of voting by the directors;
- (2) the directors themselves think they should abstain from voting;

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- (3) the directors are connected with the enterprises involved in the proposals and shall therefore abstain from voting pursuant to the Articles of Association of the Company.

When directors abstain from voting, such board meetings shall be convened with more than half of the directors who are not connected, and the decisions made by the board meetings shall be passed by more than half of the directors who are not connected. The matters to be passed by more than two-thirds of the directors shall be passed by votes of more than two-thirds of the directors who are not connected. If the number of directors attending the board meetings is less than three, no voting should be conducted on the proposals, and such matters shall be submitted to the Company's general meeting for approval.

Where a director or his associates (as defined under the listing rules of the stock exchanges on where the Company is listed) are materially interested in respect of any contract, transaction or arrangement requiring approval by the board of directors, he shall not vote at the relevant meeting of the board of directors on relevant matters, and he shall not be counted in the quorum of such meeting. Where a resolution cannot be finalized because of abstention of any director from voting, the said proposal shall be submitted to the general meeting for deliberation.

Article 33 Not acting beyond authority

The directors shall act as authorized by the general meetings and the Articles of Association of the Company, and shall not make any resolution beyond their authority.

Article 34 Special regulations for profit distribution

The board meeting shall resolve on the proposal of profit distribution. The profit distribution proposal to be submitted to the Board may first be submitted to the accountants, who shall be required to produce a draft audit report (all financial data except those involving profit distribution have been determined). After resolving on profit distribution, the Board shall require the accountants to produce a formal audit report, according to which the Board shall resolve on other relevant issues to be reported regularly.

Article 35 Processing of proposals not passed

Where any proposal is not passed, any Board meeting shall not deliberate any proposal with the same contents within one month if the relevant conditions and factors have not changed significantly.

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Article 36 Suspension of voting

Where more than half of the attending directors or more than two independent directors think they cannot make judgments on relevant issues because the relevant proposal is not clear or specific or the meeting documents are inadequate, the chairperson shall require the meeting to suspend voting on the said proposal.

The director proposing a suspension of voting shall provide definite requirements for the conditions to be met for resubmitting the said proposal for deliberation. Unless such requirements are presented directly at the Board meeting, the Board secretary shall responsively notify the directors, supervisors and attendants of the written requirements jointly presented by relevant directors for suspending Board meeting or deliberation on some issues of the meeting.

Article 37 Resolutions of the meeting

Liability of the directors for the resolutions of the Board

Any written resolution by the directors in accordance with the statutory procedure shall have no legal effect as a resolution of the meeting of the board of directors even if each director has expressed his opinion by different means.

The directors shall be responsible for resolutions made at board meetings. If a resolution is passed at a board meeting in violation of the law, regulations or Company's Articles of Association leading to material losses to the Company, the directors casting in favour shall bear direct liability (including liability for compensation). If it can be proven that a director has voted against such a resolution and that such objection was recorded in the minutes of the meeting, such director may be released from any liability. Any director who has cast an abstention vote, or who has been absent at the meeting and has not authorized another person to be present on his behalf at the meeting, may not be released from such liability. Similarly, any director who has clearly expressed his opposition during the discussion but has not voted against the relevant resolution may not be released from liability.

A resolution of the board on the Company's connected transaction shall not be valid until it is signed by the independent directors in writing. Opinions of the independent (non-executive) directors shall be clearly stated in the resolutions of the board of directors.

Article 38 Recordings of the meeting

A Board meeting held onsite or via video or telephone may be recorded where necessary.

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Article 39 Minutes of the meeting

The minutes of the Board meeting, which are the formal evidence for the resolutions of the Board, shall be made in detail. The minutes of the board meeting shall contain the following information:

- (1) the session of the meeting and the date, venue, the names of the convener and chairperson of the meeting;
- (2) the names of the directors attending the meeting in person or by proxy and the names of their proxies;
- (3) service of the notice of the meeting;
- (4) agenda of the meeting;
- (5) motions proposed at the meeting, the summary of the directors' speeches and opinions and voting intentions (for a meeting by written resolution, the directors' opinions in writing shall prevail);
- (6) the voting method and result of each proposed resolution (the result of the voting shall set out the respective number of the votes of assenting, dissenting or abstention);
- (7) signatures of the directors;
- (8) other matters deemed as necessary by the directors to be recorded.

For a board meeting held by way of written communication and voting, the reply forms as signed by directors shall be deemed as contents of the minutes of the meeting.

Article 40 Minutes of the meeting and record of the resolutions

Besides the meeting minutes, the Board secretary may where necessary arrange a clerk of a special committee's liaison department to prepare a summary of the meeting, and prepare separate records of the resolutions according to the voting results.

Article 41 Signing of the directors

The attending directors shall sign the minutes of the meeting and the records of the resolutions in person or on behalf of the directors appointing them to attend the meeting. Where the directors disagree over the minutes of the meeting or the records of the resolutions, they may attach written remarks when signing the said minutes or records. Where necessary, they shall responsively report to the supervisory department or make public statements.

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Where any director neither signs as per the preceding paragraph nor provides his different opinions in writing, reports to the supervisory department or makes a public statement, the said director shall be deemed to have agreed with the minutes of the meeting or the contents of the resolutions.

Article 42 Announcement of the resolutions

Resolutions made by the Board shall be announced by the Board secretary pursuant to the listing rules of the stock exchanges on which the Company is listed. Before the announcement of the resolutions, the attending directors, other attendants, and the recording and service staff shall fulfill confidentiality obligations or otherwise the person breaching the said obligation shall be pursued for legal liability.

Article 43 Implementation of the resolutions

The chairman shall urge the relevant personnel to execute the resolutions of the Board, supervise such execution, and report at future Board meetings how the resolutions are executed.

Article 44 Keeping of meeting archives

Archives of Board meetings include notices of meeting, meeting documents, powers of attorney for proxy directors, meeting recordings, votes, meeting minutes signed by the attending directors, meeting summaries, records of the resolutions, announcements of the resolutions, etc., which shall be kept by the Board secretary.

Archives of Board meetings shall be kept for at least 10 years.

CHAPTER 7 RULES OF PROCEDURE OF SPECIAL COMMITTEES

Article 45 Each special committee shall irregularly hold meetings as required. A meeting shall be presided over by the chairman of the special committee. A meeting may be convened upon the proposal by any member of the committee, the chairman of the board or the general manager.

Article 46 The holding of a meeting of each special committee of the board of directors shall be subject to the attendance of more than half of all the members of the committee. Each member shall have one vote. The resolutions made by each special committee shall be subject to approval by over half of all members of the special committee.

Article 47 A member of each special committee shall attend a committee meeting in person or in the manner of telephone conference or by aid of similar communication equipment. If the member is unable to attend the meeting for certain reasons, he may authorize another committee member in writing to attend the meeting on his behalf. The power of attorney shall set forth the scope of authorization.

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- Article 48** The senior executives of the Company and other persons who, in the opinion of the special committee, should attend the meeting shall have the right to attend meeting of the special committee as non-voting delegates.
- Article 49** The special committee's liaison department of the Company shall inform each member of the committee and non-voting attendees of the time, venue and agenda of the meeting and relevant materials at an appropriate time prior to the holding of the meeting.
- Article 50** Complete written minutes shall be prepared for a meeting of each special committee and kept at the administration department of the board of directors. The first and final draft of meeting minutes shall be served on all members of the committee within 14 days of the meeting. The first draft shall be served on the members of the committee for them to express opinions. The final draft shall be for record and signing by the members of the committee.
- Article 51** The Board affairs department shall properly keep the meeting minutes of each special committee and make them available for review by all members of the board of directors at any time.
- Article 52** Each special committee shall report the status of its performance of its responsibilities listed in Code on Corporate Governance Practices at the regular meetings of the board of directors.

CHAPTER 8 INFORMATION DISCLOSURE OF BOARD MEETINGS

- Article 53** The board of directors of the Company shall strictly observe the regulations of the regulatory authorities and stock exchanges at the places where the Company's shares are listed on information disclosure, and fully, timely and accurately disclose the matters examined or resolutions passed by the board of directors which should be disclosed. The information concerning important matters shall be reported to the stock exchange as soon as possible and shall be submitted to relevant regulatory authorities for record. The board secretary and administration department of the board of directors shall handle the relevant matters.

Before the disclosure of the resolution announcement, directors present and attending personnel, recording and service personnel shall be responsible for keeping the content of resolutions confidential.

- Article 54** If relevant matters on which independent directors express independent opinions are matters which should be disclosed, the Company shall announce the opinions of the independent directors. In case the independent directors fail to reach an agreement, the board of directors shall disclose the opinions of each independent director respectively.

Chapter 9 Implementation and Feedback of Board Resolutions

- Article 55** The following matters shall be subject to the examination and approval at the meetings of the board of directors and shall not be implemented until the shareholders' general meeting approves the same:
- (1) the formulation of the annual financial budget and final accounts of the Company;
 - (2) the formulation of the Company's plans for profit distribution and plans for making up losses;
 - (3) the formulation of the Company's plans for increase or reduction of registered capital (including repurchase of the stocks of the Company) and issue and listing of corporate bonds or other securities;
 - (4) the formulation of the Company's plans for merger, division, dissolution and amendment to the form of the Company;
 - (5) the formulation of the plan for making amendments to the Articles of Association of the Company;
 - (6) the proposal for requiring the shareholders' general meeting to retain or replace the certified public accountants performing audit services for the Company;
 - (7) other matters so stipulated by applicable laws, regulations, securities regulatory rules in the places where the Company's shares are listed and the Articles of Association.
- Article 56** The chairman of the board shall have the right to, or authorize vice chairman or directors to, inspect and procure the implementation of resolutions of board meetings.
- Article 57** At each board meeting, the general manager shall report the status of implementation of the resolutions passed at the previous board meeting in writing to the meeting.
- Article 58** Under the leadership of the board of directors and chairman of the board, the board secretary shall take initiative to monitor the progress of implementation of board resolutions, timely report important issues found during the implementation to the board of directors and the chairman of the board and make relevant suggestions.

CHAPTER 10 SUPPLEMENTARY PROVISIONS

Article 59 These Rules of Procedures are an appendix to the Company’s Articles of Association and prepared by the board.

Article 60 These Rules of Procedures shall come into effect, together with the Company’s Articles of Association and Rules of Procedure of Shareholders’ General Meeting amended in accordance with the requirement for domestically listed companies, upon approval of a shareholders’ general meeting by passing a special resolution. Any amendment to these Rules of Procedures shall be proposed by the board in the form of an amendment proposal, and shall come into effect upon approval of a shareholders’ general meeting by passing a special resolution.

Article 61 Where any matter is not covered by these Rules of Procedures or where these Rules of Procedures are in conflict with relevant laws and regulations promulgated from time to time and provisions of the Articles of Association and Rules of Procedures of Shareholders’ General Meeting, those laws and regulations and provisions of the Articles of Association and Rules of Procedures of Shareholders’ General Meeting shall prevail.

Article 62 The shareholders’ general meeting authorizes the board to interpret these rules of procedure.

Article 63 The phrases “more than” and “less than” herein for the numbers includes the numbers indicated themselves while “majority” and “exceed” excludes the numbers indicated themselves.

**APPENDIX IV PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES
OF THE SUPERVISORY COMMITTEE**

This English version is for reference only. If there is any discrepancy between the English and Chinese version, the Chinese version shall prevail.

The full text of the proposed amendments to the rules of procedures of the Supervisory Committee is set out as follows:

Article Number	Existing Provision	Proposed Amended Provision
Article 1	In order to regularize the operation of the supervisory committee of China COSCO Holdings Company Limited (the “Company”) and to ensure the supervisory committee to perform its obligations granted by all shareholders, these Rules shall be formulated according to relevant laws and regulations, onshore and offshore, such as the Company Law of the People’s Republic of China, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Guide to Articles of Association of Listed Companies, Standards for the Governance of Listed Companies, and provisions of the Articles of Association of China COSCO Holdings Company Limited (the “Articles of Association”).	In order to regularize the operation of the supervisory committee of COSCO SHIPPING Holdings Co., Ltd. (the “Company”) and to ensure the supervisory committee to perform its obligations granted by all shareholders, these Rules shall be formulated according to relevant laws and regulations, onshore and offshore, such as the Company Law of the People’s Republic of China, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas, Guide to Articles of Association of Listed Companies, Standards for the Governance of Listed Companies, and provisions of the Articles of Association of COSCO SHIPPING Holdings Co., Ltd. (the “Articles of Association”).