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

If you have sold or transferred all your shares in Changan Minsheng APLL Logistics Co., Ltd., you should at once hand this circular and the form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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重慶長安民生物流股份有限公司
Changan Minsheng APLL Logistics Co., Ltd. *

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

(Stock Code: 01292)

(I) PROPOSED ADOPTION OF SHARE APPRECIATION RIGHTS SCHEME; AND
(II) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A letter from the Board of Changan Minsheng APLL Logistics Co., Ltd. dated 12 April 2021 is set out on pages 4 to 12 of this circular.

The notices convening each of the EGM (to be held on 27 April 2021 at 10:00 a.m.), Class Meeting for Holders of H Shares (to be held on 27 April 2021 at 10:30 a.m. or immediately after the conclusion or adjournment of the EGM) and Class Meeting for Holders of Domestic Shares (to be held on 27 April 2021 at 10:45 or immediately after the conclusion or adjournment of the EGM and Class Meeting for Holders of H Shares) at the Conference Room, No. 1881, Jinkai Road, Yubei District, Chongqing, the PRC, together with proxy forms and reply slips for each of the EGM, Class Meeting for Holders of H Shares and Class Meeting for Holders of Domestic Shares have already been dispatched to Shareholders on 12 March 2021.

Whether or not you intend to attend the EGM, Class Meeting for Holders of H Shares and where applicable, Class Meeting for Holders of Domestic Shares, you are requested to complete the relevant proxy form in accordance with the instructions printed thereon and return the same to the Company's H Shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the office of the Board of the Company at No. 1881, Jinkai Road, Yubei District, Chongqing, the PRC (Zip Code: 401122) (for the holders of the domestic Shares, including non-H foreign Shares)), as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM (i.e. before 10:00 a.m. on 26 April 2021) or any adjournment thereof. Completion and delivery of the proxy forms will not preclude you from attending, and voting in person at, relevant meetings or any adjournment thereof should you so wish.

* *For identification purpose only*

12 April 2021

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DEFINITIONS

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

“Articles of Association”	the Articles of Association of the Company
“Announcement”	the poll results announcement dated 30 December 2020
“Board”	the board of directors of the Company
“China or PRC”	The People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau and Taiwan
“Circular”	the circular dated 14 December 2020
“Class Meeting for Holders of Domestic Shares”	the 2021 first class meeting for holders of domestic shares including non-H foreign shares of the Company to be held at the Company’s Conference Room, No.1881, Jinkai Road, Yubei District, Chongqing, the People’s Republic of China, at 10:45 a.m. on 27 April 2021 or immediately after the conclusion or adjournment of the EGM and the Class Meeting for Holding of H Shares
“Class Meeting for Holders of H Shares”	the 2021 first class meeting for holders of H shares of the Company to be held at the Company’s Conference Room, No.1881, Jinkai Road, Yubei District, Chongqing, the People’s Republic of China, at 10:30 a.m. on 27 April 2021 or immediately after the conclusion or adjournment of the EGM
“Class Meetings”	collectively, the Class Meeting of the Holders of the H Shares and the Class Meeting of the Holders of the Domestic Shares
“Company”	Changan Minsheng APLL Logistics Co., Ltd. (重慶長安民生物流股份有限公司)
“Date of Grant”	the date on which the Share Appreciation Rights are granted to the Incentive Recipients in accordance with the Scheme
“Director(s)”	the director(s) of the Company
“Effective Period”	the period from the Vesting Date to the Lapse Date of the Share Appreciation Rights under the Scheme
“EGM”	the 2021 first extraordinary general meeting of the Company to be held at the Company’s Conference Room, No.1881, Jinkai Road, Yubei District, Chongqing, the People’s Republic of China, at 10:00 a.m. on 27 April 2021
“Exercise Date”	the date on which the Share Appreciation Rights are exercised at the exercise price
“Exercise Price”	The exercise price shall be determined based on Fair Market Price.
“External Directors”	directors who are not employees of the Company. External Directors do not serve in positions other than as members of the Board and committees thereunder, neither are they involved in the daily management of the

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	Company or in any relationships that might affect their capacity to discharge their role as External Directors in a fair manner
“Fair Market Price”	the fair market price of the Outstanding H Shares of the Company on a Trading Day is referred to as the closing price of H Shares of the Company on the Stock Exchange on such day, unless otherwise defined by the Scheme
“Incentive Recipient(s)”	individual(s) eligible to receive the Share Appreciation Rights to be granted by the Company under the Scheme
“Latest Practicable Date”	6 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Proposed Amendments”	the proposed amendments to the Articles of Association
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC
“Scheme”	the H Share Appreciation Rights Scheme of the Company, also known as “Share Appreciation Rights Scheme”
“Shares”	the ordinary shares of the Company
“Shareholders”	shareholders of the Company
“Share Appreciation Rights”	the right conferred to the Incentive Recipient(s) by the Company to gain benefits from the increase in the price of specified number of shares within a specified period and subject to certain conditions, also referred to as “Appreciation Rights”. The Share Appreciation Rights may be exercised or waived but shall not be transferred, pledged or used to repay debt. The Incentive Recipients do not have the ownership of the shares underlying the Share Appreciation Rights, nor do they have the right of voting or placing as the shareholders
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Validity Period”	5 years from the date of approval by Shareholders at the general meeting.
“Vesting Date(s)”	the date on which the Share Appreciation Rights granted to Incentive Recipients come into effect and the Vesting Date shall be a trading day



重慶長安民生物流股份有限公司

Changan Minsheng APLL Logistics Co., Ltd. *

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

(Stock Code: 01292)

Executive directors:

Xie Shikang
Chen Wenbo
William K Villalon
Shi Jinggang

Non-executive directors:

Chen Xiaodong
Man Hin Wai Paul
Xia Lijun

Independent non-executive directors:

Chong Teck Sin
Poon Chiu Kwok
Jie Jing
Zhang Yun

Registered Office:

No. 1881
Jinkai Road
Yubei District
Chongqing
The PRC

***Principal place of business
in Hong Kong:***

16/F., 144-151
Singa Commercial Centre
Connaught Road West
Hong Kong

* *For identification purpose only*

12 April 2021

To the Shareholders

Dear Sir or Madam,

- (I) PROPOSED ADOPTION OF SHARE APPRECIATION RIGHTS SCHEME; AND**
(II) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

A. INTRODUCTION

Reference is made to the announcements of the Company dated 28 August 2020 and 1 March 2021 in relation to, among others, the Company's proposed adoption of the Scheme and the amendments made thereto as required by the SASAC, respectively. Pursuant to relevant regulations of the SASAC and provisions of the Scheme, the proposed adoption of the Scheme is conditional on the approval of Shareholders at the EGM.

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As disclosed in the Announcement, certain amendments to the Articles of Association as set out in the Circular were passed at the general meeting of the Company held on 30 December 2020. However, according to the advice from the PRC legal adviser of the Company, the proposed amendments to the Articles of Association would need to be passed by class meetings of the holders of H shares and the holders of domestic shares including non-H foreign shares of the Company. Accordingly, the Company has decided to re-convene EGM and to convene the Class Meetings for purpose of considering and, if thought fit, approving the resolution on the Proposed Amendments.

The purposes of this circular are to provide you with:

- (i) further information in relation to the proposed adoption of the Scheme; and
- (ii) further information in relation to the Proposed Amendments.

Shareholders are advised to read this circular carefully for details of (i) the proposed adoption of the Scheme, and (ii) the Proposed Amendments before making their decision as regards voting at the EGM and the Class Meetings.

B. PROPOSED ADOPTION OF SHARE APPRECIATION RIGHTS SCHEME

Background

On 28 August 2020, the Board has considered and approved the Share Appreciation Rights Scheme (comprising the grant of the Share Appreciation Rights to Incentive Recipients). The Scheme was subsequently amended and approved by the SASAC. The Scheme (comprising the grant of the Share Appreciation Rights to Incentive Recipients) shall become effective for implementation after obtaining the approval from the Shareholders at the EGM.

The Scheme does not constitute the grant of options on the new shares or other new securities of the Company (or any of its subsidiaries); it does not fall within the ambit of, and is not subject to, the requirements under Chapter 17 of the Listing Rules.

Summary of Major Terms of the Scheme

Effective Date of the Scheme:	The date on which the Scheme is approved by the SASAC and by the Shareholders at the general meeting.
Validity period of the Scheme:	5 years from the date of approval by Shareholders at the general meeting.
Incentive Recipients:	Individual(s) eligible to receive the Share Appreciation Rights to be granted by the Company under the Scheme, including Directors (External Directors and Supervisors are excluded), senior management, and key employees having immediate impact on the business performance and sustainable development of the Company. The Scheme will include no more than 29 Incentive Recipients. Number and distribution of the Share Appreciation Rights among the Incentive Recipients are set out in section

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	<p>headed “PROPOSED GRANT OF THE SHARE APPRECIATION RIGHTS UNDER THE SCHEME” below.</p>
<p>Restrictions on the number of the Share Appreciation Rights to be granted:</p>	<p>The number of units of the Share Appreciation Rights (number of shares) to be granted under the Scheme shall not in aggregate exceed ten percent (10%) of the issued share capital of the Company as of the Effective Date of the Scheme.</p> <p>Without the consent of Shareholders by way of a special resolution(s), the Share Appreciation Rights received by an Incentive Recipient under the Scheme shall not in aggregate exceed one percent (1%) of the Company’s total share capital issued as of the Effective Date of the Scheme.</p> <p>The Company shall not grant any Share Appreciation Rights to any person according to the Scheme during the Validity Period if such act would render such person receiving (both exercised and outstanding) Share Appreciation Rights with underlying Shares accounting for more than one percent (1%) of the total issued share capital of the Company within any 12-month period.</p> <p>The shares underlying the Share Appreciation Rights to be granted under the Scheme shall not exceed three percent (3%) of the Company’s total issued share capital as of the Effective Date of the Scheme.</p>
<p>Exercise price of the Share Appreciation Rights:</p>	<p>The exercise price shall be determined based on Fair Market Price. The Exercise Price of the Share Appreciation Rights under the Scheme shall be the higher of:</p> <ol style="list-style-type: none"> (1) the closing price of H Share of the Company as stated in the daily quotation sheet of the Stock Exchange on the Date of Grant; (2) the average closing price of H Share of the Company as stated in the daily quotation sheet of the Stock Exchange for five consecutive trading days prior to the Date of Grant; or (3) the par value of the H Share of the Company. <p>In the event of conversion of capital reserve, dividend payout, distribution of bonus shares, share subdivision, or share consolidation within the Validity Period of the Scheme, the Exercise Price will be readjusted in accordance with the provisions of the Scheme.</p>

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Vesting Period:	<p>Vesting Period is a period of two years (24 months) commencing from the Date of Grant until the first Vesting Date, (i.e., no Share Appreciation Rights shall be exercised for a period of two years since the Date of Grant). The Share Appreciation Rights to be granted to the Incentive Recipients shall take effect by one third each year in the next three years upon the expiry of the Vesting Period. Each of the Vesting Dates shall be the second, third and fourth anniversary of the Date of Grant. The Vesting Date may be extended to the next trading day should the anniversaries fall to be on a non-trading day.</p>
Accounting treatment of the Share Appreciation Rights:	<p><i>Accounting treatment on the Date of Grant:</i></p> <p>No accounting treatment is required as the Share Appreciation Rights are not exercisable on that date.</p> <p><i>Accounting treatment during the Vesting Period:</i></p> <p>Pursuant to the relevant requirements of Enterprise Accounting Standard, the Company shall, on each balance sheet date during the restricted period and based on the best estimate of the number of exercisable Share Appreciation Rights, include the services rendered during the then period as costs for related assets or expenses for that period pursuant to the fair value of the Share Appreciation Rights on the Date of Grant, and to record at the same time in the item headed “salaries payable to employees” as liabilities.</p> <p><i>Accounting treatment after the Vesting Date:</i></p> <p>Costs and expenses are no longer to be recognized, but changes in the fair value of liabilities (salaries payable to employees) should be included in the then current profits and losses (fair value change profit and loss account).</p> <p><i>Accounting treatment on the Exercise Date:</i></p> <p>The costs and expenses of the exercised Share Appreciation Rights, shall be debited to “salaries payable to employees” and credited to “cash at bank”.</p> <p>The Company shall disclose in the annual report the audited total cost of the Share Appreciation Rights and amortized expenses recognised each year after the Share Appreciation Rights were granted.</p>

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Termination of the Scheme:	The Scheme will automatically terminate upon the expiry of the Validity Period. The Board has the right to decide an early termination of the Scheme at any time. In the event that the Board decides to terminate the Scheme before its expiry, the Company shall cease to grant any Share Appreciation Rights under the Scheme.
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Please refer to the Appendix I to this circular for the main text of the Scheme.

Proposed Grant of the Share Appreciation Rights under the Scheme

Subject to obtaining the approval from the SASAC and the adoption of the Scheme by Shareholders at the general meeting, the Company intends to grant Incentive Recipients Share Appreciation Rights with no more than 4,861,400 underlying Shares, accounting for 3% of the total issued share capital of 162,064,000 Shares of the Company. Following adoption of the Scheme, the Board will determine the specific Date of Grant of the proposed grant in accordance with the Scheme. The Company will publish further announcement on the formal grant of the Share Appreciation Rights as and when required.

Subject as aforesaid, the Share Appreciation Rights to be granted under the Scheme shall be allocated among the Incentive Recipients as set out in the following table:

Name	Position	Number of Share Appreciation Rights to be granted under the Scheme (shares)	Approximate Percentage to the total number of Share Appreciation Rights to be granted under the Scheme	Approximate percentage of underlying shares to the total number of shares in issue
Xie Shikang	Party Secretary, Chairman of the Board, and Executive Director	378,400	7.78%	0.23%
Shi Jinggang	Deputy Party Secretary, Executive Director, and General Manager	378,400	7.78%	0.23%
Ren Fei	Chief Accountant, and Board Secretary	283,800	5.84%	0.18%
Ren Honglian	Secretary of the Discipline Inspection Committee	283,800	5.84%	0.18%
Wan Nianyong	Deputy Party Secretary and Labor Union President	283,800	5.84%	0.18%
Middle managements ranking M4A or above, and heads supervising Party affairs of tier-2 units ranking M4B or above (subtotaling 24 persons)		3,253,200	66.92%	2.00%
Total (29)		4,861,400	100.00%	3.00%

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Notes:

- (1) Incentive Recipient shall not be a substantial shareholder or de facto controller holding over 5% of the Shares, or parents, spouses or children thereof;
- (2) The number of underlying Shares of the Share Appreciation Rights to be granted to any single Incentive Recipient as listed in the above table is no more than one percent (1%) of the total issued share capital of the Company;
- (3) The maximum gains from the Share Appreciation Rights to be granted to any Director or member of Senior Managements under the Scheme shall not exceed 40% of their total annual remuneration (including expected benefits from Share Appreciation Rights) as at the grant of the Share Appreciation Rights hereunder.
- (4) During the Effective Period, the actual gains to be received by each Incentive Recipient from the Share Appreciation Rights shall not exceed his or her total remuneration (equivalent to an aggregate of two-year remuneration and benefits from Share Appreciation Rights) as at the grant of the Share Appreciation Rights hereunder. Any excess shall be turned over to the discretion of the Company.
- (5) The list of Incentive Recipients shall be subject to review of the Remuneration Committee and the approval of the Board from time to time according to the terms of the Scheme.

In relation to the above proposed grant of the Share Appreciation Rights under the Scheme, each of Mr. Xie Shikang and Mr. Shi Jianggang has abstained from voting in the relevant resolution to approve the grant of the Share Appreciation Rights to himself.

RATIONALE FOR ADOPTING THE SCHEME

The Board believes that the Scheme can establish a long-term incentive mechanism closely linking the interests of the management team with those of the Company and Shareholders and bring them together in focusing on the long-term and sustainable development of the Company. Through the Scheme, the Company expects to:

- (1) establish a long-term incentive mechanism so as to optimize the incentive and restriction system of the Company;
- (2) retain and further motivate valuable personnel so as to form and increase the Company's competitive edge in human resources market; and
- (3) form a concerted force among the Shareholders, the Company and the management to facilitate the accomplishment of the operational goal of the Company and the long-term strategic objectives.

The Board also considers that the proposed terms and conditions of the Scheme are fair and reasonable and are in the best interests of the Company and the Shareholders as a whole.

C. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the relevant requirements of the Company Law of the PRC and the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (Guo Han [2019] No. 97) 《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批復》（國函[2019] 97號） published by the State Council of the PRC, the Board proposed to amend the relevant articles of the Articles of Association after taking into account the actual situations of the Company based on the principles of prudence, appropriateness and necessity.

Details of the Proposed Amendments are set out in Appendix II.

The amendments to the Articles of Association are subject to approval by the Shareholders at the EGM and Class Meeting for Holders of H Shares and where applicable, Class Meeting for Holders of Domestic Shares by way of special resolution and, if required, the approval from the relevant PRC government authorities.

Save for the Proposed Amendments, other chapters and articles of the Articles of Association remain unchanged.

The Company has received a confirmation from its Hong Kong legal adviser confirming that the Proposed Amendments are in compliance with the applicable provisions under the Listing Rules. The Company has also received a confirmation from its PRC legal adviser, Beijing Jincheng Tongda & Neal Law Firm*, confirming that the Proposed Amendments are in compliance with the applicable laws and regulations in the PRC.

D. EGM, CLASS MEETING FOR HOLDERS OF H SHARES AND CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

The EGM will be held at the Conference Room, No.1881, Jinkai Road, Yubei District, Chongqing, the PRC on 27 April 2021 at 10:00 a.m. for the purpose of considering and if thought fit, approving, proposals regarding (i) the proposed adoption of the Scheme, and (ii) the Proposed Amendments. The notice of the EGM, together with the relevant proxy form and reply slip for use at the EGM have been dispatched to Shareholders on 12 March 2021. Whether or not you intend to attend the EGM, you are requested to complete the relevant proxy form in accordance with the instructions printed thereon and return the same to the Company's H Shares registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of the H Shares only) or the office of the Board of the Company at No.1881, Jinkai Road, Yubei District, Chongqing, the PRC (Zip Code: 401122) (for the holders of the Domestic Shares only (in respect of domestic shares, including non-H foreign shares)), as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM (i.e. before 10:00 a.m. on 26 April 2021).

The Class Meeting for Holders of H Shares will be held at the Conference Room, No. 1881, Jinkai Road, Yubei District, Chongqing, the PRC on 27 April 2021 at 10: 30 a.m. (or immediately after the conclusion or adjournment of the EGM) for the purpose of considering and if thought fit, approving, proposal regarding the Proposed Amendments. The notice of the Class Meeting for Holders of H Shares together with the relevant proxy form and reply slip for use thereat have been dispatched to holders of H Shares on 12 March 2021. Whether or not you intend to attend the Class Meeting for Holders of H Shares, you are requested to complete the relevant proxy form in accordance with the instructions printed thereon and return the same to the Company's H Shares Registrar in Hong Kong,

LETTER FROM THE BOARD

Computershare Hong Kong Investor Services Limited as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM (i.e. before 10:00 a.m. on 26 April 2021).

The Class Meeting for Holders of Domestic Shares will be held at the Conference Room, No. 1881, Jinkai Road, Yubei District, Chongqing, the PRC on 27 April 2021 at 10:45 a.m. (or immediately after the conclusion or adjournment of the EGM and the Class Meeting for Holders of H Shares) for the purpose of considering and if thought fit, approving, proposal regarding the Proposed Amendments. The notice of the Class Meeting for Holders of Domestic Shares together with relevant proxy form and reply slip for use thereat have been dispatched to holders of domestic Shares on 12 March 2021. Whether or not you intend to attend the Class Meeting for Holders of Domestic Shares, you are requested to complete the relevant proxy form in accordance with the instructions printed thereon and return the same to the office of the Board of the Company at No.1881, Jinkai Road, Yubei District, Chongqing, the PRC (Zip Code: 401122) (for the holders of the Domestic Shares only (in respect of domestic shares, including non-H foreign shares)), as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM (i.e. before 10:00 a.m. on 26 April 2021).

Completion and return of the form of proxy(ies) shall not preclude you from attending and voting in person at the relevant meeting(s) nor at any adjourned meetings should you wish and be entitled.

All votes of resolutions at the EGM, Class Meeting for Holders of H Shares and Class Meeting for Holders of Domestic Shares will be taken by poll pursuant to the Listing Rules.

E. CLOSURE OF REGISTER OF MEMBERS

The register of members in Hong Kong will be closed from 26 March 2021 to 27 April 2021, both days inclusive. In order to be eligible to attend the EGM and Class Meetings and to vote thereat, non-registered holders of H shares of the Company whose transfer documents have not been registered must deposit the transfer documents accompanied by relevant share certificates with the Company's H share registrar's transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on 25 March 2021, all transfers of Domestic Shares of the Company should be finalized before the close of business on 25 March 2021. Holders of H shares and Domestic Shares whose names are recorded in the register of members of the Company on 27 April 2021 are entitled to attend and vote at the EGM and Class Meetings.

F. RECOMMENDATIONS

None of the Directors is required to abstain from voting on the relevant resolutions at the EGM and the Class Meetings. The Board is of the view that the proposed adoption of the Scheme and the Proposed Amendments are in the interests of the Company and the shareholders as a whole. Accordingly, the Board recommends the Shareholders vote in favor of the resolutions to be proposed at the EGM and, where applicable, Class Meetings.

G. RESPONSIBILITY STATEMENT

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires,

LETTER FROM THE BOARD

confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in this circular misleading.

H. OTHER INFORMATION

Your attention is drawn to Appendices I and II regarding the main text of the Scheme and further details of the Proposed Amendments, respectively.

On behalf of the Board
Changan Minsheng APLL Logistics Co., Ltd.
Xie Shikang
Chairman

CHAPTER I DEFINITIONS

The capitalized terms used in the Scheme are defined as follows:

“Articles of Association”	the Articles of Association of the Company
“Board”	the board of directors of the Company
“Company”	Changan Minsheng APLL Logistics Co., Ltd.
“Director(s)”	director(s) of the Company
“Date of Grant”	the date on which the Share Appreciation Rights are granted to the Incentive Recipients in accordance with the Scheme
“Effective Date”	the date on which the Scheme is approved by the SASAC and adopted at the general meeting
“Exercise Date”	the date on which the Share Appreciation Rights are exercised at the exercise price
“Effective Period”	the period from the Vesting Date to the Lapse Date of Share Appreciation Rights under the Scheme
“Exercise Period(s)”	a period within the Effective Period, commencing from the Vesting Date to the expiration date of each tranch of the Share Appreciation Rights under the Scheme
“External Directors”	directors who are not employees of the Company. External Directors do not serve in positions other than as members of the Board and committees thereunder, neither are they involved in the daily management of the Company or in any relationships that might affect their capacity to discharge their role as External Directors in a fair manner
“Fair Market Price”	the fair market price of the Outstanding H Shares of the Company on a Trading Day is referred to as the closing price of H Shares of the Company on the Stock Exchange on such day, unless otherwise defined by the Scheme
“Incentive Recipient(s)”	individual(s) eligible to receive the Share Appreciation Rights to be granted by the Company under the Scheme
“Independent Director(s)”	The independent non-executive directors of the Company
“Lapse Date”	the date on which the Share Appreciation Rights shall lapse as provided in the Scheme
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange of

	Hong Kong Limited
“Outstanding H share(s)”	the issued ordinary shares of the Company traded on the Stock Exchange, also referred to as “H Share(s)”
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Scheme”	the H share Appreciation Rights Scheme of the Company, also known as “Share Appreciation Rights Scheme”
“Share Appreciation Rights”	the right conferred to the Incentive Recipient(s) by the Company to gain benefits from the increase in the price of specified number of shares within a specified period and subject to certain conditions, also referred to as “Appreciation Rights”. The Share Appreciation Rights may be exercised or waived but shall not be transferred, pledged or used to repay debt. The Incentive Recipients do not have the ownership of the shares underlying the Share Appreciation Rights, nor do they have the right of voting or placing as the shareholders
“Senior Management(s)”	general manager, deputy general managers, chief financial officer, board secretary and other personnel of the Company as specified in the Articles of Association
“Supervisory Committee”	the supervisory committee of the Company
“Supervisor(s)”	supervisor(s) of the Company
“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council of the PRC
“Trading day”	the dates on which the Stock Exchange is open for securities trading
“HKD”	Hong Kong dollar
“Validity Period”	the period from the date on which the Scheme is adopted by the general meeting to the Lapse Date of the Share Appreciation Rights
“Vesting Date(s)”	the date on which the Share Appreciation Rights granted to Incentive Recipients come into effect and the Vesting Date shall be a trading day
“Units of Share Appreciation Rights”	the basic unit of Share Appreciation Rights over issued shares of the Company available under the Scheme, also referred to as “number of shares”

CHAPTER II PURPOSE OF THE SCHEME

Article 1 The Scheme was formulated in accordance with the Company Law of the People's Republic of China, the Listing Rules, the Provisional Measures on the Implementation of Equity Incentive Schemes by State-controlled (Overseas) Listed Companies, the Notice on Regulating the Implementation of Equity Incentive by State-controlled Listed Companies, the Notice on Further Improving the Implementation of Equity Incentive Schemes by Central SOE-controlled Listed Companies, and Guidelines for the Implementation of Equity Incentive Schemes by Central SOE-controlled Listed Companies, and other applicable laws, regulations, regulatory documents and the Articles of Association, for the purpose of improving the Company's corporate governance, facilitating the Company to put in place a sound distribution mechanism integrating incentives and disincentives, fully motivating Senior Management and key employees by aligning their interests with those of Shareholders and the Company, thus enhancing their operation and management skills to boost the business performance of the Company and ensure the realization of its long-term development goals.

Article 2 The Scheme was formulated by the Company based on the principles of:

- (1) adhering to the leadership of the Party;
- (2) acting with fairness, impartiality and transparency;
- (3) complying with applicable laws, regulations, regulatory documents and the Articles of Association; and
- (4) providing for incentives and disincentives that are conducive to the sustainable development of the Company.

CHAPTER III GOVERNING BODIES FOR THE SCHEME

Article 3 The general meeting is the top authority of Company and is responsible for considering and approving the implementation, modification and termination of the Scheme.

Article 4 The Board is responsible for implementing and managing the Scheme. The Remuneration Committee under the Board is responsible for drafting and revising the Scheme, submitting it to the general meeting and the competent authorities for approval, and handling relevant matters as per authorization of the general meeting.

Article 5 The Supervisory Committee is responsible for overseeing the Scheme, examining the list of Incentive Recipients and whether the implementation thereof complies with applicable laws, regulations, regulatory documents and the Listing Rules of the Stock Exchange.

Article 6 Independent Directors shall give independent opinions as to whether the Scheme is conducive to the Company's sustainable development and whether there are any circumstances pertaining to the Scheme that may pose substantial harm against the interests of the Company and Shareholders as a whole.

Article 7 Any alternations to the Scheme up to the date of approval by Shareholders at the general meeting shall be given opinions by Supervisory Committee and Independent Directors as to whether the revised Scheme is conducive to the sustainable development of the Company and whether there are any circumstances pertaining to the revised Scheme that may pose substantial harm against the interests of the Company and Shareholders as a whole.

Article 8 The opinions of the Supervisory Committee and the Independent Directors shall be obtained as to whether the Incentive Recipients meet the criteria for receiving Share Appreciation Rights as set out in the Scheme. Where the list of Incentive Recipients and the Share Appreciation Rights granted thereto changes, the opinions of Independent Directors, the Supervisory Committee shall all be obtained.

CHAPTER IV

BASIS FOR DETERMINATION AND THE SCOPE OF INCENTIVE RECIPIENTS

Article 9 Basis for determination of Incentive Recipients

(1) Legal basis

The Incentive Recipients are determined in accordance with the Provisional Measures on the Implementation of Equity Incentive Schemes by State-controlled (Overseas) Listed Companies, the Notice on Regulating the Implementation of Equity Incentive Scheme by State-controlled Listed Companies, Guidelines for the Implementation of Equity Incentive Schemes by Central SOE-controlled Listed Companies, the Listing Rules and other applicable laws, regulations, regulatory documents as well as the Articles of Association and having considered the Company's actual conditions.

(2) Eligible positions

In principle, the Incentive Recipients under the Scheme are limited to the Directors, Senior Management key employees having immediate impact on the business performance and sustainable development of the Company. External Directors (including Independent Directors) and Supervisors are not included.

(3) Performance requirements

Incentive Recipients must rate C or above in performance assessment for the year prior to the Date of Grant conducted by the Company in accordance with Performance Assessment Method for the Implementation of the Share Appreciation Rights Scheme of Changan Minsheng APLL Logistics Co., Ltd.

Article 10 Principles for the Determination of Incentive Recipients

A person shall not become an Incentive Recipient if

- (a) He or she is an independent director, a supervisor, a shareholder individually or collectively holding over 5% of the Shares or de facto controller, or the spouses, parents or children thereof;
- (b) He or she was publicly reprimanded or announced as ineligible by any securities regulatory authorities during the last three years;
- (c) He or she was imposed of any administrative penalty by any securities regulatory authorities due to material non-compliance with laws and regulations during the last three years;
- (d) He or she is prohibited from acting as a director and a senior management under any of the circumstances as stipulated in the Company Law of the People's Republic of China;
- (e) He or she is prohibited by applicable laws and/or regulations from participating in any equity incentive schemes; or
- (f) He or she is deemed by the Board to have violated the Company's policies or materially damaged the Company's interests.

If any of the above circumstances emerges which rendered any of the Incentive Recipients ineligible during the implementation of the Scheme, the Board shall revoke the outstanding Share Appreciation Rights granted to the Incentive Recipient in question and terminate his or her participation in the Scheme.

The Incentive Recipients shall undertake that he or she shall accept only the incentives granted by the Company, that he or she is not a recipient of equity incentives granted by any other companies when they receive the Share Appreciation Rights granted by the Company, that he or she shall not accept equity incentives granted by other companies until the Share Appreciation Rights granted to them by the Company are fully exercised and that he or she shall relinquish his or her right under the Scheme and to any compensation claim should he or she become ineligible as per the provisions of applicable laws, regulations and the Scheme in the course of implementation thereof.

The Scheme will include no more than a total of 29 Incentive Recipients, comprising Directors (other than External Directors), Senior Management, middle managements ranking M4A or above, and heads supervising Party affairs of tier-2 units ranking M4B or above. The list of Incentive Recipients and their corresponding entitlements under the Scheme and other related matters shall be formulated by the Remuneration Committee and reviewed by the Board.

Article 11 Verification of Incentive Recipients

- (1) Following the approval of the Scheme by the Board, the names and positions of Incentive Recipients shall be displayed on the Company's internal website or otherwise publicly announced within the Company for no less than 10 days. The Supervisory Committee will review the list of Incentive Recipients taking into full consideration the comments solicited through public display.
- (2) The Supervisory Committee shall verify the list of Incentive Recipients on the Date of Grant and give opinions thereon. Any adjustment to the list made by the Board shall also be subject to verification by the Supervisory Committee.

CHAPTER V**NUMBER AND DISTRIBUTION OF SHARES UNDERLYING THE SHARE APPRECIATION RIGHTS UNDER THE SCHEME****Article 12 Number of shares underlying the Share Appreciation Rights to be granted**

The total number of shares underlying the Share Appreciation Rights to be granted under the Scheme depends on the gross benefits the Company expects to grant and the fair value of per Units of the Share Appreciation Rights, and shall be subject to the following restrictions:

- (1) The number of Units of the Share Appreciation Rights (number of shares) to be granted under the Scheme shall not in aggregate exceed ten percent (10%) of the issued share capital of the Company as of the Effective Date of the Scheme. If any grant of Share Appreciation Rights would render the Company fail to meet such a requirement, the Company shall not offer or grant any Share Appreciation Rights in any form according to the Scheme;
- (2) Unless otherwise approved by Shareholder at the general meeting by way of a special resolution(s), the Share Appreciation Rights received by an Incentive Recipient under the Scheme shall not in aggregate exceed one percent (1%) of the Company's total share capital issued as of the Effective Date of the Scheme. The Company shall not grant any Share Appreciation Rights to any person according to the Scheme during the Validity Period if such act would render such person receiving (both exercised and outstanding) Share Appreciation Rights with underlying Shares accounting for more than one percent (1%) of the total issued share capital of the Company within any 12-month period;
- (3) The shares underlying the Share Appreciation Rights to be granted under the Scheme shall not exceed three percent (3%) of the Company's total issued share capital as of the Effective Date of the Scheme.

Without prejudice to preceding paragraphs, Share Appreciation Rights to be granted to any Incentive Recipients are subject to readjustment based on performance assessment result.

During the Validity Period of the Scheme, in the event that there is conversion of capital reserve into shares, distribution of bonus shares, share subdivision, share consolidation, corresponding adjustments will be made to the number of Share Appreciation Rights in accordance with relevant provisions under the Scheme.

Article 13 Number of underlying shares of the Share Appreciation Rights to be granted

The Company intends to grant Incentive Recipients Share Appreciation Rights with no more than

4,861,400 underlying shares, accounting for 3% of the total issued share capital of 162,064,000 shares of the Company as of the Effective Date of the Scheme.

Article 14 Distribution of the Share Appreciation Rights among the Incentive Recipients

Subject to obtaining the approval from the SASAC and the Shareholders at the general meeting, and the determination on the date of grant by the Board, the Share Appreciation Rights to be granted under the Scheme are to be allocated among the Incentive Recipients as set out in the following table:

Name	Position	Number of Share Appreciation Rights to be granted under the Scheme (shares)	Approximate Percentage to the total number of Share Appreciation Rights to be granted under the Scheme	Approximate percentage of underlying shares to the total number of shares in issue
Xie Shikang	Party Secretary, Chairman of the Board, and Executive Director	378,400	7.78%	0.23%
Shi Jinggang	Deputy Party Secretary, Executive Director, and General Manager	378,400	7.78%	0.23%
Ren Fei	Chief Accountant, and Board Secretary	283,800	5.84%	0.18%
Ren Honglian	Secretary of the Discipline Inspection Committee	283,800	5.84%	0.18%
Wan Nianyong	Deputy Party Secretary and Labor Union President	283,800	5.84%	0.18%
Middle managements ranking M4A or above, and heads supervising Party affairs of tier-2 units ranking M4B or above (subtotaling 24 persons)		3,253,200	66.92%	2.00%
Total (29)		4,861,400	100.00%	3.00%

Notes:

- (1) Incentive Recipient shall not be a substantial shareholder or de facto controller holding over 5% of the Shares, or parents, spouses or children thereof;
- (2) The number of underlying Shares of the Share Appreciation Rights to be granted to any single Incentive Recipient as listed in the above table is no more than one percent (1%) of the total issued share capital of the Company;
- (3) The maximum gains from the Share Appreciation Rights to be granted to any Director or member of Senior Managements under the Scheme shall not exceed 40% of their total annual remuneration (including expected benefits from Share Appreciation Rights) as at the grant of the

Share Appreciation Rights hereunder.

- (4) During the Effective Period, the actual gains to be received by each Incentive Recipient from the Share Appreciation Rights shall not exceed his or her total remuneration (equivalent to an aggregate of two-year remuneration and benefits from Share Appreciation Rights) as at the grant of the Share Appreciation Rights hereunder. Any excess shall be turned over to the discretion of the Company.
- (5) The list of Incentive Recipients shall be subject to review of the Remuneration Committee and the approval of the Board from time to time according to the terms of the Scheme.

CHAPTER VI SCHEDULE OF THE SCHEME

Article 15 Validity Period of the Scheme

The Scheme shall remain valid for a period of five (5) years from the date of approval by Shareholders at the general meeting.

Article 16 Vesting Period and Exercise Periods

The Share Appreciation Rights to be granted under the Scheme have a Vesting Period of two years (24 months) commencing from the Date of Grant. No Share Appreciation Rights shall be exercised during the Vesting Period. Subject to the satisfaction of performance evaluation indicators, the Incentive Recipients can exercise the Share Appreciation Rights in tranches within the succeeding three years (36 months) following the expiry of the Vesting Period. Specific arrangements are as follows:

- (1) One-third of the Share Appreciation Rights granted to each Incentive Recipient under the Scheme shall take effect in two years (24 months) from the Date of the Grant;
- (2) One-third of the Share Appreciation Rights granted to each Incentive Recipient under the Scheme shall take effect in three years (36 months) from the Date of the Grant;
- (3) The remaining one-third shall take effect in four years (48 months) from the Date of the Grant.

The Vesting Date of each tranche shall be on the same date of the second, third and fourth anniversary of the Date of Grant respectively. The Vesting Date should be postponed to the succeeding trading day should it fall on a non-trading day. The Incentive Recipients or legal beneficiaries thereof may exercise Share Appreciation Rights on any date within the Effective Period except for any periods restricted by the Stock Exchange from securities trading. For the purpose of management, The Share Appreciation Rights granted under the Scheme shall be collectively exercised on the Exercise Date determined by the Board.

Article 17 Restrictions on the time of grant and exercise of the Share Appreciation Rights

The Board may not grant the Share Appreciation Rights after the occurrence of a price-sensitive event or when a price-sensitive matter may arise as an outcome of a resolution of the Company, until such time that the price-sensitive information has been announced or disclosed in accordance with the Listing Rules. No Share Appreciation Rights shall be exercised by a holder of the Share

Appreciation Rights who has become aware of such information until relevant announcement or disclosure has been made.

Each of the Date of Grant and Exercise Date must be a trading day. No Share Appreciation Rights shall be granted during the period commencing one month immediately before the earlier of:

- (1) the date of the Board meeting for approving the Company's results for any year, half-year, quarterly or any other interim period; and
- (2) the deadline for the Company to announce its results for any year, half-year, quarterly or any other interim period under the Listing Rules,

and ending on the date of the results announcement.

CHAPTER VII EXERCISE PRICE AND DETERMINATION BASIS

Article 18 Basis of Determination of the Exercise Price

The Exercise Price shall be determined based on Fair Market Price. The Exercise Price of the Share Appreciation Rights under the Scheme shall be the higher of:

- (1) the closing price of H Share of the Company as stated in the daily quotation sheet of the Stock Exchange on the Date of Grant;
- (2) the average closing price of H Share of the Company as stated in the daily quotation sheet of the Stock Exchange for five consecutive trading days prior to the Date of Grant; or
- (3) the par value of the H Share of the Company.

In the event of conversion of capital reserve, dividend payout, distribution of bonus shares, share subdivision, or share consolidation within the Validity Period of the Scheme, the Exercise Price will be readjusted in accordance with the provisions thereof.

CHAPTER VIII GRANT AND EXERCISE CONDITIONS

Article 19 Conditions for the grant of Share Appreciation Rights

- (1) As at the Date of the Grant, none of the following is applicable to the Company:
 - (a) any of the annual financial statements for the past three financial years being issued an adverse opinion or a disclaimer of opinion by certified public accountants;
 - (b) being imposed of any administrative penalty by the securities regulatory authorities for material non-compliance in the past three years; or
 - (c) occurrence of any other circumstances which, in the opinion of the securities regulatory authorities, competent government authorities or judicial authorities, would render the implementation of equity incentive infeasible.

- (2) As at the Date of Grant, the Incentive Recipient has not committed any of the following:
- (a) being graded below C in the performance assessment for the year prior to the Date of Grant in accordance with relevant performance assessment measure of the Company;
 - (b) being publicly reprimanded or announced as ineligible by the Stock Exchange in the past three years;
 - (c) being subjected to any administrative penalty by any securities regulatory authorities for material non-compliance in the past three years; or
 - (d) being prohibited from acting as an equity incentive recipient by any regulatory authorities.
- (3) Performance assessment requirements for the Company granting Share Appreciation Rights

The Guidelines for the Implementation of Equity Incentive Schemes by Central SOE-controlled Listed Companies provides that no business performances are required of equity incentive scheme with one-off grant arrangement. Since the Company does not intend to conduct multiple grant of Share Appreciation Rights under the Scheme, no business performance requirements are set for the purpose of granting Share Appreciation Rights under the Scheme.

Article 20 Conditions for exercising Share Appreciation Rights

- (1) In the years where performance assessment is required under the Scheme, none of the following is applicable to the Company:
- (a) the Company's has failed to meet the annual business performance related conditions set forth herein;
 - (b) the annual financial statements have been issued an adverse opinion or a disclaimer of opinion by certified public accountant(s) of the Company;
 - (c) the Supervisory Committee or the audit department has raised material objections to the Company's business performance or annual financial statements;
 - (d) the Company has been subjected to any administrative penalty by the securities regulatory authorities for any material non-compliance; or
 - (e) occurrence of any other circumstances which, in the opinion of any securities regulatory authorities, competent government authorities or judicial authorities, would render the implementation of the Scheme infeasible.
- (2) In the years where performance assessment is required under the Scheme, the Incentive Recipient has not committed any of the following:
- (a) failure to pass performance assessment in accordance with the performance assessment measure of the Company;

- (b) being publicly reprimanded or announced as ineligible by the Stock Exchange in the past three years;
- (c) being imposed of any administrative penalty by any securities regulatory authorities for any material non-compliance in the past three years; or
- (d) being prohibited from acting as an equity incentive recipient by any regulatory authorities.
- (3) Requirements on business performance of the Company

The exercise of the Share Appreciation Rights granted under the Scheme shall be subject to, among others, the assessment results of the business performance of the Company for each fiscal year from 2021 to 2023. The assessment shall be conducted on an annual basis, the result of which shall be one of the factors to determine whether the Company satisfies the conditions for exercising Share Appreciation Rights. The business performance requirements for each of the three years from 2021 to 2023 as set out in the following table:

Exercise Periods	Performance Indicators
The First Exercise Period	<ul style="list-style-type: none"> ● Return on equity for 2021 shall equal to or be more than 1% and no lower than 75 percentile of benchmarking enterprises or industry average; ● The net profit (referring to the net profit after extraordinary items, same hereinafter) for 2020 shall exceed or equal to RMB5,000,000, and compound growth rate of net profit in 2021 over 2020 shall equal to or be more than 20% and no lower than the 75th percentile of the benchmark enterprises or the industry average; and ● The percentage of revenue derived from non-connected transactions in 2021 shall equal to or be more than 28%.
The Second Exercise Period	<ul style="list-style-type: none"> ● Return on equity for 2022 shall equal to or be more than 1.2% with a growth rate not lower than the 75 percentile of the benchmark enterprises or the industry average; ● The net profit for 2020 shall exceed or equal to RMB5,000,000, and compound growth rate of net profit in 2022 over 2020 shall equal to or be more than 20% and no lower than the 75 percentile of the benchmark enterprises or the industry average; and ● The percentage of revenue derived from non-connected transactions in 2022 shall equal to or be more than 30%.
The Third Exercise Period	<ul style="list-style-type: none"> ● Return on equity for 2023 shall equal to or be more than 1.7% with a growth rate not lower than the 75 percentile of the benchmark enterprises or the industry average; ● The net profit for 2020 shall exceed or equal to RMB5,000,000, and compound growth rate of net profit in 2023 over 2020 shall equal to or be more than 20% and no lower than the 75 percentile of the benchmark enterprises or the industry average; and ● The percentage of revenue derived from non-connected transactions in 2023 shall equal to or be more than 31%.

Notes:

- a) The above financial indicators of a specific year are subject to the Company’s published audited financial reports of that year.
- b) Compound growth rate of net profit = $(NP/NP_0)^{1/n} * 100\% - 1$
Where NP represents the net profit for the year under assessment; NP₀ represents the net profit of 2020 and n represents the numbers of years.
- c) The Company shall be benchmarked against listed companies with similar total equity, capitalization, headcount and steady business performance selected in accordance with Global Industry Classification Standard (GICS). In the event of a significant change in the primary business of the benchmark companies, or extreme outliers showing excessive deviation, the corresponding samples will be removed or replaced by Board in the year-end assessment.

(4) Individual performance assessment requirements

Pursuant to the Performance Assessment Method for the Implementation of the Share Appreciation Rights Scheme of Changan Minsheng APLL Logistics Co., Ltd., percentage of Share Appreciation Rights in effect that may be exercised by Incentive Recipients within a specific Exercise Period depends on performance assessment results subject to satisfaction of performance assessment requirements in the year under assessment (2021 to 2023). Incentive Recipients rating D or above in performance assessment for previous year may exercise Share Appreciation Rights in effect proportionally as per the provisions hereof. Incentive Recipients rating E in performance assessment for previous year shall be revoked of the right to exercise Share Appreciation Rights in effect during a specific Exercise Period and the corresponding outstanding Share Appreciation Rights shall be canceled. Performance ratings and corresponding exercisable percentage are set out in the table below.

Rating	A	B	C	D	E
Exercisable percentage	100%	100%	80%	50%	0%

* The number of exercisable Share Appreciation Rights by an Incentive Recipient within an Exercise Period is the total sum by multiplying corresponding exercisable percentage by the total number of Share Appreciation Rights of the same period granted to that Incentive Recipient

CHAPTER IX ADJUSTMENT PROCEDURES AND METHODS

Article 21 Adjustment procedures

Where there is a change (limited to conversion of profits or reserves into shares, rights issue, share subdivision, share consolidation or capital reduction) in the capital structure of the Company while any Share Appreciation Rights remains exercisable, the Board shall have the right to make corresponding adjustment to the Exercise Price and/or the number of outstanding and effective Share Appreciation Rights granted under the Scheme. The adjustment should be made so that Incentive

Recipients' proceeds entitled from Share Appreciation Rights under the Scheme remains the same as much as reasonably possible. No such adjustment is required for change in capital structure by reason of consideration issue.

A written legal opinion shall be made to the Board confirming the fairness and reasonableness of any of the above-mentioned adjustments made to the Scheme.

Article 22 Methods for adjusting the number of Share Appreciation Rights

In the event of conversion of capital reserves into shares, distribution of bonus shares, share subdivision, or share consolidation prior to the exercise of the Share Appreciation Rights, the number of Share Appreciation Rights shall be adjusted according to the following methods:

- (1) Conversion of capital reserves into shares, distribution of bonus shares and share subdivision

$$Q=Q_0*(1+n)$$

where: Q_0 represents the number of Share Appreciation Rights before adjustment; n represents ratio for conversion of capital reserves into shares, distribution of bonus shares or share subdivision per share (i.e. the number of additional shares per share arising from the conversion, distribution or subdivision); Q represents the adjusted number of Share Appreciation Rights.

- (2) Share consolidation

$$Q=Q_0*n$$

where: Q_0 represents the number of Share Appreciation Rights before adjustment; n represents the share consolidation ratio (i.e., one share being consolidated to n shares); Q represents the adjusted number of Share Appreciation Rights.

Article 23 Methods for adjusting the Exercise Price of Share Appreciation Rights

In the event of conversion of capital reserves into shares, dividend payout, distribution of bonus shares, share subdivision or share consolidation prior to the exercise of the Share Appreciation Rights, the Exercise Price of Share Appreciation Rights shall be adjusted according to the following methods:

- (1) Conversion of capital reserves into shares, distribution of bonus shares and share subdivision

$$P=P_0/(1+n)$$

where: P_0 represents the exercise price before adjustment; n represents the ratio of the conversion, distribution and subdivision per share; P represents the exercise price after adjustment.

- (2) Share consolidation

$$P=P_0/n$$

where: P_0 represents the exercise price before adjustment; n represents the ratio of share consolidation; P represents the exercise price after adjustment.

(3) Dividend payout

$$P=P_0-V$$

where: P_0 represents the exercise price before adjustment; n represents the amount of dividend per share; P represents the exercise price after adjustment.

CHAPTER X ACCOUNTING TREATMENT UNDER THE SCHEME

Article 24 Accounting Treatment of the Share Appreciation Rights

According to relevant requirements of Enterprise Accounting Standard No. 11 – Share-based Payments and Enterprise Accounting Standard No.22 – Recognition and Measurement of Financial Instruments, the Company shall calculate and measure the cost of the Share Appreciation Rights granted under the Scheme as follows:

Accounting treatment on the Date of Grant: No accounting treatment is required as the Share Appreciation Rights are not exercisable on that date.

Accounting treatment during the Vesting Period: Pursuant to the relevant requirements of Enterprise Accounting Standard, the Company shall, on each balance sheet date during the restricted period and based on the best estimate of the number of exercisable Share Appreciation Rights, include the services rendered during the then period as costs for related assets or expenses for that period pursuant to the fair value of the Share Appreciation Rights on the Date of Grant, and to record at the same time in the item headed “salaries payable to employees” as liabilities.

Accounting treatment after the Vesting Date: Costs and expenses are no longer to be recognized, but changes in the fair value of liabilities (salaries payable to employees) should be included in the then current profits and losses (fair value change profit and loss account).

Accounting treatment on the Exercise Date: The costs and expenses of the exercised Share Appreciation Rights, shall be debited to "salaries payable to employees" and credited to “cash at bank”.

Article 25 Determination of the fair value of Share Appreciation Rights

The Company selects the internationally accepted Black-Scholes option pricing model to estimate the fair value of the 4,861,400 Share Appreciation Rights granted under the Scheme. The value estimate herein is only a simulated valuation and will not serve as the basis for accounting treatment. The expected value of the Share Appreciation Rights will be re-evaluated based on such data as the actual share price as at the Date of Grant determined by the Board and the volatility of the share price. Based on the current market and data of the Company, the assumed values of relevant data used in the valuation of Share Appreciation Rights are as follows:

- (1) Price of the underlying share: HKD 1.78 (being the assumed closing price at the Date of Grant)
- (2) Expected duration: 4 years
- (3) Historical volatility: 33.57 % (being the historical volatility of the Company’s Shares over the past 4 years)

- (4) Risk-free yield: 2.4256% (being the yield of Treasury bond with a maturity term of four years).
- (5) Dividend yield: 0

According to the above data, the expected value of each Share Appreciation Right granted under the Scheme is estimated to be HKD0.52, and the total expected value of the 4,861,400 Share Appreciation Rights granted under the Scheme is HKD2,527,900.

Article 26 Expected impact of share-based payment expenses on the Company's performance

The total expected value is not the actual costs arising from the grant of Share Appreciation Rights hereunder, but may be considered the best estimate of the costs of the grant of share incentives at the current stage. Assuming the Date of Grant falls within June 2021 and the number of exercisable Share Appreciation Rights remains unchanged, the amortisation of the expenses of Share Appreciation Rights over the next few years is as follows:

Number of Share Appreciations (shares)	Total cost (HKD)	2021 (HKD)	2022 (HKD)	2023 (HKD)	2024 (HKD)	2025 (HKD)
4,861,400	2,527,900	456,400	912,900	702,200	351,100	105,300

The Company shall disclose in the annual report the audited total cost of the Share Appreciation Rights and amortized expenses recognised each year after the Share Appreciation Rights were granted.

CHAPTER XI IMPLEMENTATION OF THE SCHEME

Article 27 Grant procedures

- (1) Upon review and approval by the SASAC, the Scheme shall be submitted to the general meeting for consideration. Subject to approval by the general meeting, the Board shall handle the grant process according to the authorization of the general meeting.
- (2) The Board shall review and make an announcement on whether the Incentive Recipients satisfy the relevant conditions before granting Share Appreciation Rights.
- (3) The Supervisory Committee and Independent Directors shall both express clear opinions as to whether the grant conditions are satisfied.
- (4) The law firm shall issue legal opinions on whether the grant conditions are satisfied.
- (5) Where the list of Incentive Recipients and the Share Appreciation Rights granted thereto changes, the opinions of Independent Directors, the Supervisory Committee and the law firm shall all be obtained.

Article 28 Exercise procedures

- (1) The Board shall determine the Exercise Date and the number of Share Appreciation Rights exercisable by each of the Incentive Recipients.
- (2) The Incentive Recipients may, before the Exercise Date, apply for the exercise of no more than the number of effective Share Appreciation Rights granted thereto.
- (3) The Company shall issue a written notice confirming the completion of the exercise to the Incentive Recipients within one (1) week after their application, and pay the proceeds (after tax) from the exercise to the Incentive Recipients within two (2) weeks.
- (4) Gains from Exercise of the Share Appreciation Rights

Gains from exercise of the Share Appreciation Rights = (Fair Market Price of the underlying Share on the Exercise Date - Exercise Price) × number of Share Appreciation Rights exercised - personal income tax payable.

- (5) Management of the gains from the exercise of the Share Appreciation Rights

In respect of the Share Appreciation Rights granted to the Directors, Senior managements, the cash gained from the exercise of Share Appreciation Rights shall be credited into the accounts opened by the Company for the Incentive Recipients. Not less than 20% of the cash gains in the account may only be withdrawn upon recognition of satisfactory performance at the end of their appointment (or term of office).

CHAPTER XII**RIGHTS AND OBLIGATIONS OF THE COMPANY AND THE INCENTIVE RECIPIENTS****Article 29 Rights and obligations of the Company**

- (1) The Company reserves the right to interpretation and implementation of the Scheme, performance assessment of Incentive Recipients, and supervision and verification of continuing eligibility thereof. Where any of the Incentive Recipients were subject to any of the circumstances as stated in Article 32 hereof, the Company shall take appropriate steps according to the Scheme upon the approval of the Board.
- (2) The Company is required to withhold and pay the individual income tax and other dues on behalf of the Incentive Recipients pursuant to national taxation laws and regulations;
- (3) The Company shall exert timely efforts to fulfill its reporting and disclosure obligations in compliance with relevant regulations;
- (4) Any grant of Incentive Recipient status by the Company does not entail any right of continuous employment of any Incentive Recipients and does not constitute any commitment made by the Company on employment term. The relationship between any Incentive Recipients and the Company shall be subject to the employment contract entered between the parties despite the

Scheme.

- (5) The Company shall undertake that no Incentive Recipient concurrently participates equity incentive Schemes of two or more listed companies; and
- (6) The Company shall be entitled to any other rights and obligations conferred upon by applicable laws and regulations.

Article 30 Rights and obligations of the Incentive Recipients

- (1) The Incentive Recipients shall contribute to the development of the Company by working diligently and ethically in accordance with his or her responsibilities with the Company;
- (2) The Incentive Recipients shall exercise the Share Appreciation Rights granted to them in accordance with the provisions hereof;
- (3) The Incentive Recipients shall pay individual income tax and other dues on the benefits received under the Scheme pursuant to national taxation regulations; and
- (4) The Incentive Recipients shall be entitled to any other rights and obligations conferred upon by applicable laws and regulations.

CHAPTER XIII

ACTIONS TO BE TAKEN IN THE EVENT OF UNUSUAL CHANGES IN COMPANIES AND INCENTIVE RECIPIENTS

Article 31 Actions to be taken in the event of unusual changes in the Company

- (1) The Company shall cancel all outstanding Share Appreciation Rights granted and terminate the Scheme in the event of:
 - (a) change in control of the Company;
 - (b) merger or division of the Company;
 - (c) having its latest annual financial statements issued with adverse opinion or disclaimer of opinion by a certified public accountant;
 - (d) being imposed of any administrative penalty by the securities regulatory authorities in the most recent year for material non-compliance; or
 - (e) Other circumstances under which the regulator deems it necessary to terminate the Scheme.
- (2) In the event of failure by the Company to meet the grant or exercise conditions due to false representations, misleading statements or material omissions in the information disclosure documents, outstanding Share Appreciation Rights that shall be canceled by the Company, and any benefits gained from exercising any part of Share Appreciations Rights shall be returned by

Incentive Recipients. The Board shall recover the benefits received by the Incentive Recipients pursuant to the provision hereof and applicable arrangement under the Scheme.

Article 32 Actions to be taken in the event of unusual changes in Incentive Recipients

- (1) Where an Incentive Recipient remains with the Company despite being assigned to a different position within the Company, a branch or subsidiary thereof or an external post, the Share Appreciation Rights granted thereto shall remain subject to appropriate procedures as provided in the Scheme despite the change. Where an Incentive Recipient is no longer eligible under the scheme as a result of being appointed or otherwise becoming a Supervisor or pursuant to relevant laws and regulations, the outstanding effective Share Appreciation Rights granted thereto shall be exercised within six months from the date on which such circumstance rises and those under his or her name under the Scheme which have not yet come effective shall be revoked and canceled by the Company.
- (2) Where an Incentive Recipient separates due to objective reasons such as job transfer, dismissal, retirement, decease, loss of civil capacity, etc., the Share Appreciation Rights granted thereto which have come into effective shall be exercised in accordance with the corresponding performance-based exercisable percentage on the Exercise Date within 6 months from the date of departure. Any outstanding Share Appreciation Rights in effect shall be canceled upon the expiry of the six-month period and those which have not yet come into effect shall no longer be exercised and shall be canceled by the Company.
- (3) Where an Incentive Recipient resigns or separates for personal reasons, the Share Appreciation Rights granted thereto which have not yet been exercised shall become invalidated on the date of departure and shall be canceled by the Company.
- (4) Where an Incentive Recipient has any of the following circumstances occurred to him or her during the Validity Period of the Scheme, the Share Appreciation Rights granted thereto which have not yet been exercised shall be invalidated and canceled by the Company. The Company may demand return of benefits gained from exercising any part of the Share Appreciation Rights under the Scheme and hold such Incentive Recipient responsible according to relevant laws and regulations.
 - (a) were shown by financial accountability auditing as ineffective performance of functions, gross negligence or malfeasance in office;
 - (b) were in violation of relevant laws, regulations and Articles of Associations of the Company;
 - (c) were in breach of relevant laws and regulations and imposed of punishment(s) for misconducts such as demanding and accepting bribes, engaging in embezzlement and theft, leaking trade and technical secretes of the Company, or conducting connected transactions that damage the Company's interests, reputation and have a significantly negative impact on the Company's image; or
 - (d) has failed to perform or properly perform his or her duties, which has caused significant asset losses and other severe adverse consequences to the Company.

- (5) Other circumstances not specified herein and corresponding handling thereof shall be identified and determined by the Remuneration Committee under the Board.

CHAPTER XIV MODIFICATION AND TERMINATION OF THE SCHEME

Article 33 Modification of the Scheme

With respect to the Incentive Recipients who have accepted Share Appreciation Rights under the Scheme, in the case of modification or suspension of the Scheme, no changes or impairment may be made or caused to the rights and obligations previously attached to such Incentive Recipients without their prior consent. Subject to the foregoing conditions, the Board can make modifications to the Scheme as they deemed necessary in the following manner:

- (1) Any changes made to the Scheme before the general meeting to be held for approving the Scheme shall have to be approved by the Board.
- (2) Any further changes made to the Scheme after the general meeting held for approving the Scheme shall have to be approved by the general meeting.
- (3) The independent opinion of the Independent Directors and the Supervisory Committee shall be obtained as to whether any revised Scheme is conducive to the sustainable development of the Company and whether there is any substantial harm to the interests of the Company and its Shareholders.
- (4) The legal opinion as to whether any revised Scheme complies with the provisions hereof and applicable laws and regulations, and whether there is any substantial harm to the interests of the Company and its Shareholders.

Where relevant laws, regulations, agreements or The Stock Exchange requires that approval must be obtained from the shareholders' general meeting and/or the securities exchange for making certain modifications to the Scheme, the Board shall obtain such approval.

Article 34 Termination of the Scheme

The Scheme will automatically terminate upon the expiry of the Validity Period. The Board has the right to decide an early termination of the Scheme at any time. In the event that the Board decides to terminate the Scheme before its expiry, the Company shall cease to grant any Share Appreciation Rights under the Scheme.

Unless otherwise stated, the Share Appreciation Rights granted prior to the termination of the Scheme shall remain valid and continue to be exercisable in accordance with the provisions thereof.

CHAPTER XV SUPPLEMENTARY PROVISIONS

Article 35 The Scheme shall take effect upon the satisfaction of the following conditions:

- (1) A letter of approval from the SASAC has been obtained; and
- (2) The general meeting has approved and adopted the Scheme in the form of a resolution.

Article 36 The Share Appreciation Rights shall belong to the Incentive Recipient and shall not be transferred. The Incentive Recipient shall not sell, transfer, pledge, charge, mortgage, set off debts with, encumber or create any interest in favour of any third party over or in relation to any Share Appreciation Rights or enter into any agreement to conduct any of the foregoing, and shall not facilitate or hamper any interest of any third party directly or indirectly related to the Share Appreciation Rights. If an Incentive Recipient is in violation of the aforesaid provisions, the Share Appreciation Rights transferred shall lapse automatically. The Company is also entitled to forfeit any remaining Share Appreciation Rights held by such Incentive Recipient (to the extent of outstanding).

The Scheme was originally written in Chinese and its English version, which is an unofficial translation, is for reference only. In case of any inconsistencies between the Chinese and the English versions, the Chinese version shall prevail.

No.	Provisions of the Articles of Association before amendments	Provisions of the Articles of Association after amendments	Note
1.	<p>Article 1</p> <p>Changan Minsheng APLL Logistics Co., Ltd. (hereinafter referred to as the "Company") is a foreign-invested joint stock limited company incorporated in the People's Republic of China (hereinafter referred to as "China") as per the Company Law of the People's Republic of China (hereinafter referred to as "Company Law") and other relevant laws and regulations.</p> <p>The Company was incorporated and converted from Changan Minsheng Logistics Co., Ltd., a sino-foreign joint venture, in accordance with the approval of Shang Zi Pi No. [2004] 1523 issued by Ministry of Commerce of the People's Republic of China on Oct. 14, 2004. The original shareholders are the promoters of the Company. The Company registered at and was granted with the business license of Qi Gu Yu Zong No. 008118 by Chongqing Municipal Administration for Industry and Commerce on Dec. 31, 2004.</p> <p>.....</p>	<p>Article 1</p> <p>Changan Minsheng APLL Logistics Co., Ltd. (hereinafter referred to as the "Company") is a foreign-invested joint stock limited company incorporated in the People's Republic of China (hereinafter referred to as "China") as per the Company Law of the People's Republic of China (hereinafter referred to as "Company Law") and other relevant laws and regulations.</p> <p>The Company was incorporated and converted from Changan Minsheng Logistics Co., Ltd., a sino-foreign joint venture, in accordance with the approval of Shang Zi Pi No. [2004] 1523 issued by Ministry of Commerce of the People's Republic of China on Oct. 14, 2004. The original shareholders are the promoters of the Company. The Company registered at and was granted with the business license with Unified Social Credit Code of 91500000709426199C of Qi Gu Yu Zong No. 008118 by Chongqing Municipal Administration for Industry and Commerce on Dec. 31, 2004.</p> <p>.....</p>	<p>Unified Social Credit Code has been implemented to replace former practice</p>
2.	<p>Article 6</p> <p>The Articles of Association of the Company was passed as an extraordinary resolution at the Shareholders' Meeting on Feb. 22, 2005 and went into effect upon the registration for amendment at Chongqing Municipal Administration for Industry and Commerce after the Company first issued 55,000,000 overseas listed foreign shares (including 5,000,000 existing shares sold by the shareholders of State-owned shares) ("H Shares") in Hong Kong and was listed on the Growth Enterprise Market (hereinafter referred to as "GEM") of Stock Exchange of Hong Kong Limited (hereinafter referred to as "SEHK").</p>	<p>Article 6</p> <p>The Articles of Association of the Company was passed as an extraordinary resolution at the Shareholders' Meeting on Feb. 22, 2005 and went into effect upon the registration for amendment at Chongqing Municipal Administration for Industry and Commerce after the Company first issued 55,000,000 overseas listed foreign shares (including 5,000,000 existing shares sold by the shareholders of State-owned shares) ("H Shares") in Hong Kong and was listed on the Growth Enterprise Market (hereinafter referred to as "GEM") of Stock Exchange of Hong Kong Limited (hereinafter referred to as "SEHK"). <u>With the approval of SEHK, the entire H Shares were transferred for listing from GEM to the Main Board of</u></p>	<p>Updating the provision regarding the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (Guo Han [2019] No. 97).</p>

	<p>The Articles of Association of the Company is made in pursuance with the Company Law, the Constitution of the Communist Party of China (《中國共產黨章程》), the Prerequisite Clauses of Articles of Association of Companies Seeking a Listing outside China No. (1994) 21 (hereinafter referred to as the "Prerequisite Clauses") issued by State Council Securities Commission and State Commission for Restructuring Economic System on Aug. 27, 1994 and the Advice on Supplementary Amendments to Articles of Association of Companies listed in Hong Kong No. [1995] 1 issued by the Overseas Listing Department of China Securities Regulatory Commission and State Commission for Restructuring Economic System on April 3, 1995.</p> <p>.....</p>	<p><u>SEHK with effect from 18 July 2013.</u></p> <p>The Articles of Association of the Company is made in pursuance with the Company Law, the Constitution of the Communist Party of China (《中國共產黨章程》), the Prerequisite Clauses of Articles of Association of Companies Seeking a Listing outside China No. (1994) 21 (hereinafter referred to as the "Prerequisite Clauses") issued by State Council Securities Commission, <u>the State Commission for Restructuring Economic System on Aug. 27, 1994 and the Advice on Supplementary Amendments to Articles of Association of Companies listed in Hong Kong No. [1995] 1 issued by the Overseas Listing Department of China Securities Regulatory Commission and State Commission for Restructuring Economic System on April 3, 1995, and the Reply of the State Council on the Adjustment of the Notice Period of the General Meeting and Other Matters Applicable to the Overseas Listed Companies (Guo Han [2019] No. 97) 《國務院關於調整適用在境外上市公司召開股東大會通知期限等事項規定的批復》(國函[2019] 97號).</u></p> <p>.....</p>	
3.	<p>Article 17</p> <p>Domestic shares refer to shares issued by the Company to domestic investors who subscribe in the currency of RMB; foreign shares refer to shares issued by the Company to foreign investors who subscribe in foreign currencies.</p> <p>Foreign currency referred to in the preceding paragraph shall mean the lawful currencies of other countries or regions, other than RMB, which are recognized by the State's foreign exchange supervisory department and which may be used for payment of shares to the Company.</p> <p>Domestic listed shares refer to shares listed in mainland China. Overseas listed foreign shares refer to foreign shares listed outside mainland China.</p>	<p>Article 17</p> <p>Domestic shares refer to shares issued by the Company to domestic investors who subscribe in the currency of RMB; foreign shares refer to shares issued by the Company to foreign investors who subscribe in foreign currencies.</p> <p>Foreign currency referred to in the preceding paragraph shall mean the lawful currencies of other countries or regions, other than RMB, which are recognized by the State's foreign exchange supervisory department and which may be used for payment of shares to the Company.</p> <p><u>Domestic listed shares refer to shares that may be listed in mainland China. Overseas listed foreign shares refer to foreign shares listed outside mainland China. Overseas listed shares refer to shares listed in overseas stock exchange subject to approval of regulator</u></p>	<p>The description of "Overseas listed foreign share" or "foreign shares". Similar arrangement will also be made in Article 20, Article 21, Article 26, Article 27, Article 28, Article 43, Article 44, Article 46, Article 50, Article 64, Article 66, Article 67, Article 99, Article 154,</p>

	<p>Domestic shares may be listed in securities exchange in mainland China upon approval at the shareholders' Meeting and by relevant government authorities; overseas listed foreign shares may be listed on the Main Board of SEHK.</p> <p>One year after the Company became a joint stock limited company from a sino-foreign joint venture and one year after the overseas listed foreign shares of the Company were listed on the GEM of SEHK, as approved at the Shareholders' Meeting and respective meetings of holders of shares of different classes, including holders of overseas listed foreign shares, holders of domestic shares (including holders of non-listed foreign shares), as well as approved by the State Council or its authorized supervising department and SEHK, domestic shares and non-listed foreign shares of the Company may be converted to overseas listed foreign shares.</p>	<p><u>authorized by State Council and overseas security regulator.</u></p> <p>Domestic shares may be listed in securities exchange in mainland China upon approval at the shareholders' Meeting and by relevant government authorities; overseas listed foreign shares may be listed on the Main Board of SEHK.</p> <p>One year after the Company became a joint stock limited company from a sino-foreign joint venture and one year after the overseas listed foreign shares of the Company were listed on the GEM of SEHK, <u>Upon approval by competent security department of the State Council and approval of overseas stock exchange, all or part of domestic shares and non-listed foreign shares are convertible into overseas listed shares for listing and trading at overseas stock exchange. No shareholders' general meeting or shareholders' class meeting is required with respect to the conversion and/or transfer of the above shares and their listing and trading on overseas stock exchange. The overseas listed shares converted from the domestic shares are the same class of shares as the original overseas listed foreign shares.</u></p>	<p>Article 169, Article 170, Article 182, Article 200, Article 203 and Article 204 of the Articles of Association for revising "foreign listed shares" or "shares" accordingly for consistency.</p>
4	<p>Article 22</p> <p>The registered capital of the Company shall be RMB 162,064,000 Yuan.</p>	<p>Article 22</p> <p>The registered capital of the Company shall be RMB 162,064,000 Yuan.</p>	<p>Amendment made according to the actual circumstances of the Company.</p>
5.	<p>Article 47</p> <p>Within 30 days from the date of Shareholder's Meeting or 5 days from the record date for the Company's distribution of dividends, no change shall be made in the register of shareholders as a result of transfer of shares.</p>	<p>Article 47</p> <p>Within 30 days from the date of Shareholder's Meeting or 5 days from the record date for the Company's distribution of dividends, no change shall be made in the register of shareholders as a result of transfer of shares. <u>In respect of the closure for transfer or conversion of shares prior to the date of a shareholders' general meeting or the record date for the Company's distribution of dividends, where there are laws, regulations, and any other securities regulatory</u></p>	<p>Consequential amendments following the revision made to the original Article 64.</p>

		<p><u>provisions in the place where the Company’s share are listed; or provisions in the announcement/circular of a shareholders’ general meeting in accordance with the abovementioned laws, regulations and any other securities regulatory provision, such provisions shall prevail.</u></p>	
6.	<p>Article 50</p> <p>For any person who is a registered shareholder or who claims to be entitled to have his name (title) entered in the register of shareholders in respect of shares in the Company, if his share certificate (hereinafter, “original share certificate”) is lost, he may apply to the Company for a replacement share certificate in respect of such shares (hereinafter, the “Relevant Shares”). Unless the Company is certain that the original share certificate is destroyed, it shall not issue any new share certificate to replace the original one.</p> <p>Applications for a replacement share certificate by shareholders of domestic shares shall be addressed pursuant to Article 150 of the <i>Company Law</i>.</p> <p>.....</p>	<p>Article 50</p> <p>For any person who is a registered shareholder or who claims to be entitled to have his name (title) entered in the register of shareholders in respect of shares in the Company, if his share certificate (hereinafter, “original share certificate”) is lost, he may apply to the Company for a replacement share certificate in respect of such shares (hereinafter, the “Relevant Shares”). Unless the Company is certain that the original share certificate is destroyed, it shall not issue any new share certificate to replace the original one.</p> <p>Applications for a replacement share certificate by shareholders of domestic shares shall be addressed pursuant to Article 150 <u>relevant article</u> of the <i>Company Law</i>.</p> <p>.....</p>	<p>The specific article number in <i>Company Law</i> quoted in the original Article 50 has changed.</p>
7.	<p>Article 64</p> <p>When the Company convenes the Shareholders’ Meeting, written notices of the meeting shall be provided in no less 45 days prior to the date of the meeting (but not more than 60 days) to notify all the shareholders registered in the register of shares with respect to the matters to be considered, and the date and the place of the meeting. For the overseas listed foreign shares shareholders, the notice of general meeting, circulars and the relevant documents may, in accordance with laws, administrative regulations, listing rules of the place where the Company's shares are listed, be published on the website of the</p>	<p>Article 64</p> <p>When the Company convenes the shareholders’ <u>general meeting</u>, written notices of the meeting shall be provided in no less 45 <u>20 clear business days</u> prior to the date of the meeting (but not more than 60 days) to notify all the shareholders registered in the register of shares with respect to the matters to be considered, and the date and the place of the meeting. <u>When the Company convenes the shareholders extraordinary meeting, written notices of the meeting of the meeting shall be provided in no less 10 clear business days or 15 days (whichever is longer) prior to the date of the meeting to notify all the shareholders registered in the register of shares with respect to the matters to be considered, and the date</u></p>	<p>To comply with the notice requirement under the Listing Rules.</p>

	<p>Company, the website of the Stock Exchange of Hong Kong and other websites designated by the Listing Rules from time to time. A shareholder who intends to attend the meeting shall deliver his written reply concerning his attendance in no less than 20 days before the date of the meeting.</p> <p>.....</p>	<p>and the place of the meeting. For the overseas listed foreign shares shareholders, the notice of general meeting, circulars and the relevant documents may, in accordance with laws, administrative regulations, listing rules of the place where the Company's shares are listed, be published on the website of the Company, the website of the Stock Exchange of Hong Kong and other websites designated by the Listing Rules from time to time. A shareholder who intends to attend the meeting shall deliver his written reply concerning his attendance in no less than 20 days before the date of the meeting.</p> <p><u>The business day mentioned in the Articles of Association of the Company shall mean the date on which the Stock Exchange of Hong Kong opens for securities trading.</u></p> <p>.....</p>	
8.	<p>Article 66</p> <p>The Company shall, based on the written replies received from shareholders, calculate the numbers of voting shares represented by the shareholders who intend to attend the meeting 20 days prior to the date of the general meeting of shareholders. In the event that the number of voting shares represented by the shareholders who intend to attend the meeting represents one half or more of the Company's total voting shares, the Company may hold the meeting. If otherwise, then the Company shall, within 5 days, notify the shareholders again by public notice of the matters to be considered, and the place and the date for the meeting. The Company may not hold the meeting following the publication of such notice.</p>	(Deleted)	As the original Article 66 is proposed to be deleted, the numbering of the subsequent articles will also need to be re-numbered accordingly, which shall include the relevant adjustments to the numbering of other provisions quoted in relevant provisions.
9.	<p>Article 68</p> <p>Notice of general meeting of shareholders shall be served on each shareholder (whether or not entitled to vote at the meeting), by personal delivery or prepaid mail to their addresses as shown in the register of shareholders. For the</p>	<p>Article 6867</p> <p>Notice of general meeting of shareholders shall be served on each shareholder (whether or not entitled to vote at the meeting), by personal delivery or prepaid mail to their addresses as shown in the register of shareholders. For the holders of</p>	Consequential amendments following the revision made to the original Article 64.

	<p>holders of domestic shares, notices of the general meeting may also be issued by way of public announcements. For holders of overseas listed foreign shares, the notice of general meeting, circulars and the relevant documents may, in accordance with laws, administrative regulations, listing rules of the place where the Company's shares are listed, be published on the website of the Company, the website of the Stock Exchange of Hong Kong and other websites specified by the Listing Rules from time to time.</p> <p>The public announcement as referred to in the preceding paragraph shall be published in 1 or more national newspapers designated by the securities regulatory authority of the State Council within 45 days to 50 days prior to the date of the meeting. Upon publication of such announcements, the holders of domestic shares shall be deemed to have received the notice for the Shareholders' Meeting.</p>	<p>domestic shares, notices of the general meeting may also be issued by way of public announcements. For holders of overseas listed foreign shares, the notice of general meeting, circulars and the relevant documents may, in accordance with laws, administrative regulations, listing rules of the place where the Company's shares are listed, be published on the website of the Company, the website of the Stock Exchange of Hong Kong and other websites specified by the Listing Rules from time to time.</p> <p>The public announcement as referred to in the preceding paragraph shall be published <u>20 clear business days prior to the shareholders' general meeting or 10 clear business days or 15 days (whichever is longer) prior to shareholders' extraordinary meeting</u> in 1 or more national newspapers designated by the securities regulatory authority of the State Council within 45 days to 50 days prior to the date of the meeting. Upon publication of such announcements, the holders of domestic shares shall be deemed to have received the notice for the Shareholders' Meeting.</p>	
<p>10.</p>	<p>Article 98</p> <p>A written notice of a class meeting shall be given 45 days prior to the date of the class meeting to notify all the registered shareholders of such class of the matters to be considered, the date and the place of the class meeting. For holders of overseas listed foreign shares; the notice of class meeting, circulars and the relevant documents may, in accordance with laws, administrative regulations, listing rules of the place where the Company's shares are listed, be published on the website of the Company, the website of the Stock Exchange of Hong Kong and other websites specified by the Listing Rules from time to time. A shareholder who intends to attend the class meeting shall deliver his written reply for the attendance at the meeting 20 days prior to the date of the meeting.</p>	<p>Article 9897</p> <p>A written notice of a class meeting shall be given 45 <u>20 clear business days</u> prior to the date of <u>a shareholders general meeting or 10 clear business days or 15 days (whichever is longer) of a shareholders extraordinary meeting</u> the class meeting to notify all the registered shareholders of such class of the matters to be considered, the date and the place of the class meeting. For holders of overseas listed foreign shares; the notice of class meeting, circulars and the relevant documents may, in accordance with laws, administrative regulations, listing rules of the place where the Company's shares are listed, be published on the website of the Company, the website of the Stock Exchange of Hong Kong and other websites specified by the Listing Rules from time to time. A shareholder who intends to attend the class meeting shall deliver his written reply for the attendance at the meeting 20 days prior</p>	<p>To comply with the notice requirement under the Listing Rules.</p>

	<p>In the event that the shareholders who intend to attend such a meeting represent more than half of the total number of voting shares of that class, the Company may hold the class meeting; otherwise, the Company shall within 5 day notify the shareholders of the class, again by public notice, of matters to be considered as well as the date and place for the class meeting. The Company may then hold the class meeting after the publication of such notice.</p>	<p>to the date of the meeting. In the event that the shareholders who intend to attend such a meeting represent more than half of the total number of voting shares of that class, the Company may hold the class meeting; otherwise, the Company shall within 5 day notify the shareholders of the class, again by public notice, of matters to be considered as well as the date and place for the class meeting. The Company may then hold the class meeting after the publication of such notice.</p>	
<p>11.</p>	<p>Article 100</p> <p>Except for other class of shareholders, shareholders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes. Shareholders of domestic shares and non-listed foreign shares shall not be deemed to be shareholders of different classes.</p> <p>The special procedures for approval by class shareholders shall not apply in the following circumstances:</p> <ol style="list-style-type: none"> (1) where the Company issues, upon the approval by special resolution of its shareholders at a general meeting, either separately or concurrently once every 12 months, not more than 20% of each of its existing issued domestic shares and overseas listed foreign shares; (2) where the Company’s plan to issue domestic shares and overseas listed foreign shares at the time of its establishment is carried out within 15 months from the date of approval of the securities regulatory authority under the State Council; (3) On transfer of the shares held by the domestic shareholders mentioned in Article 17 of 	<p>Article 10099</p> <p>Except for other class of shareholders, shareholders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes. Shareholders of domestic shares and non-listed foreign shares shall not be deemed to be shareholders of different classes.</p> <p>The special procedures for approval by class shareholders shall not apply in the following circumstances:</p> <ol style="list-style-type: none"> (1) where the Company issues, upon the approval by special resolution of its shareholders at a general meeting, either separately or concurrently once every 12 months, not more than 20% of each of its existing issued domestic shares and overseas listed foreign shares; (2) where the Company’s plan to issue domestic shares and overseas listed foreign shares at the time of its establishment is carried out within 15 months from the date of approval of the securities regulatory authority under the State Council; (3) On transfer of the shares all or part of the shares held by the domestic shareholders <u>or non-listed foreign shares mentioned in Article 17 of the Articles of Association</u> to overseas investors , then such shares will be listed and traded on overseas stock market <u>upon</u> 	<p>Amendments made according to the circumstances of the Company.</p>

	<p>the Articles of Association to overseas investors, then such shares will be listed and traded on overseas stock market.</p>	<p><u>approval of the securities regulation authorities of the State Council and such transferred shares are listed and traded on the overseas stock exchanges under the approval of the overseas securities regulatory authorities, or the domestic shareholders or non-listed foreign shareholders of the Company convert all or part of the issued domestic shares of the Company into overseas listed shares and such converted shares are listed and traded on the overseas stock exchange.</u></p>	
12.	<p>Article 170</p> <p>The Company shall appoint a receiving agent for the shareholders of the overseas-listed foreign shares. Such receiving agent shall receive dividends of the overseas-listed foreign shares on behalf of such relevant shareholders, as well as all other amounts payable to such shareholders.</p> <p>The receiving agent appointed by the Company shall meet relevant requirements of the laws of the places or the relevant regulations of the stock exchange in which the Company's shares are listed. The receiving agent appointed for shareholders of overseas-listed foreign shares listed in Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p>	<p>Article 170169</p> <p>The Company shall appoint a receiving agent for the shareholders of the overseas-listed foreign shares. Such receiving agent shall receive dividends of the overseas-listed foreign shares on behalf of such relevant shareholders, as well as all other amounts payable to such shareholders.</p> <p>The receiving agent appointed by the Company shall meet relevant requirements of the laws of the places or the relevant regulations of the stock exchange in which the Company's shares are listed. The receiving agent appointed for shareholders of overseas-listed foreign shares listed in Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.</p> <p><u>The Company may exercise the right to forfeit unclaimed dividends, subject to the requirements of the regulations of the jurisdictions in which the shares of the Company are listed, but the right can only be exercised six years or more after the dividend declaration date.</u></p>	<p>To comply with the requirements under the Listing Rules.</p>