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

If you have sold or transferred all your shares in Weiqiao Textile Company Limited, you should at once hand this circular together with the enclosed forms of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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魏橋紡織股份有限公司

Weiqiao Textile Company Limited*

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

(Stock Code: 2698)

**PROPOSED DECLARATION OF FINAL DIVIDEND, PROPOSED
AMENDMENTS TO THE ARTICLES OF ASSOCIATION, PROPOSED
RENEWAL OF GENERAL MANDATE TO ISSUE SHARES,
PROPOSED RENEWAL OF GENERAL MANDATE TO REPURCHASE H
SHARES AND
NOTICES OF ANNUAL GENERAL MEETING AND CLASS MEETINGS**

A letter from the Board is set out on pages 3 to 9 of this circular.

Notices convening the Annual General Meeting and the Class Meetings to be convened and held at 9:00 a.m. and immediately after the conclusion of the Annual General Meeting on Friday, 27 May 2022 at the conference hall 401 on the Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the People's Republic of China are set out on pages 30 to 44 of this circular. Whether or not you are able to attend the above meetings, you are requested to complete the forms of proxy in accordance with the instructions printed thereon and return them to the Company's branch H Shares registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) or to the office of the secretary to the Board, Room 412, Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, The PRC (for holders of Domestic Shares) as soon as possible and in any event not less than 24 hours before the time for holding the above meetings or the time appointed for taking the poll. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the Annual General Meeting and the Class Meetings or any adjournment thereof if you so wish.

6 April 2022

* For identification purposes only.

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DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this circular:

“Annual General Meeting”	the annual general meeting of the Company to be held at 9:00 a.m. on Friday, 27 May 2022 at the conference hall 401 on the Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the PRC
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Board”	the board of Directors
“Class Meetings”	the class meeting for holders of H Shares to be held immediately after the conclusion of the Annual General Meeting and the class meeting for holders of Domestic Shares to be held immediately after the conclusion of the said class meeting for holders of H Shares, the respective notices of which or any adjournment thereof respectively are set out on pages 37 to 44 of this circular
“Company”	魏橋紡織股份有限公司 (Weiqiao Textile Company Limited)
“Company Law”	the Company Law of the PRC
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Shares”	domestic shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for in RMB
“Group”	the Company and its subsidiaries
“H Shares”	overseas listed foreign shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
“Holding Company”	Shandong Weiqiao Chuangye Group Company Limited (山東魏橋創業集團有限公司)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Latest Practicable Date”	30 March 2022, 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
“Mandatory Provisions”	《到境外上市公司章程必備條款》(the Mandatory Provisions for the Articles of Association of the Companies to be Listed Overseas) issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System of the PRC
“PRC”	the People’s Republic of China (excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region and Taiwan)
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in this circular
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the repurchase mandate at the Annual General Meeting and the Class Meetings, the general mandate to be granted to the Board to exercise the power of the Company to repurchase H Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of H Shares in issue of the Company as at the date of the passing of the relevant resolution as set out in the notices of the Annual General Meeting and the Class Meetings
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	State Administration of Foreign Exchange of the PRC and its competent local branches
“Share(s)”	include Domestic Shares and H Shares
“Shareholder(s)”	registered holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



魏橋紡織股份有限公司
Weiqiao Textile Company Limited*

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

(Stock Code: 2698)

Executive Directors:

Ms. Zhang Hongxia (*Chairman*)

Ms. Zhang Yanhong (*Vice Chairman*)

Mr. Wei Jiakun (*General Manager*)

Ms. Zhao Suwen

(Chief Financial Officer, Authorized Representative)

Mr. Zhang Jinglei

(Company Secretary, Authorized Representative)

Non-executive Director:

Ms. Zhao Suhua

Independent Non-executive Directors:

Mr. George Chan Wing Yau

Mr. Chen Shuwen

Mr. Liu Yanzhao

Registered Office:

No. 1, Wei Fang Road

Zouping Economic Development Zone

Zouping City

Shandong Province

The PRC

Principal Place of Business in the PRC:

No. 1, Wei Fang Road

Zouping Economic Development Zone

Zouping City

Shandong Province

The PRC

Place of Business In Hong Kong:

Suite 5109

The Center, 99th Queen's Road Central
Central

Hong Kong

To the Shareholders

Dear Sir/Madam,

**PROPOSED DECLARATION OF FINAL DIVIDEND, PROPOSED
AMENDMENTS TO THE ARTICLES OF ASSOCIATION, PROPOSED
RENEWAL OF GENERAL MANDATE TO ISSUE SHARES,
PROPOSED RENEWAL OF GENERAL MANDATE TO REPURCHASE H
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* *For identification purposes only.*

LETTER FROM THE BOARD

A. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting and the Class Meetings relating to the proposed declaration of final dividend, the Proposed Amendments, the proposed renewal of general mandate to allot, issue and deal with the Shares and the proposed renewal of general mandate to repurchase H Shares and to give you the notices of the Annual General Meeting and the Class Meetings.

B. PROPOSED DECLARATION OF FINAL DIVIDEND

As disclosed in the announcement of annual results of the Company for the year ended 31 December 2021 dated 11 March 2022, it was proposed by the Board for the payment of a final dividend for the year ended 31 December 2021 of RMB0.18 (including tax) per Share on Friday, 24 June 2022 to the Shareholders whose names appear on the register of members of the Company on Thursday, 9 June 2022.

The proposed payment of final dividend for the year ended 31 December 2021 will be subject to the approval by the Shareholders at the Annual General Meeting.

C. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the current laws and regulations of the PRC and the actual situations of the Company, the Board proposed to make certain amendments to the current Articles of Association. Details of the Proposed Amendments are set out in Appendix I to this circular.

Save for the Proposed Amendments, other provisions in the Articles of Association remain unchanged.

The Hong Kong and PRC legal advisers of the Company have confirmed that the Proposed Amendments conform with the requirements of the Listing Rules and the applicable PRC laws and regulations, respectively. The Directors also confirmed that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at each of the Annual General Meeting and Class Meetings and the approval of, and registration or filing with, the relevant competent authorities in the PRC.

D. PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES

- (1) There be granted to the Board, an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company, whether Domestic Shares or H Shares, separately or at the same time, and make or grant offers, agreements or purchase options, subject to the following conditions:
 - (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;

LETTER FROM THE BOARD

- (b) the aggregate nominal amount of shares, whether Domestic Shares or H Shares, allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Board pursuant to such mandate, shall not exceed:
 - (i) in the case of Domestic Shares, 20 per cent of the aggregate nominal amount of Domestic Shares in issue at the date of passing this resolution; and
 - (ii) in the case of H Shares, 20 per cent of the aggregate nominal amount of H Shares in issue at the date of passing this resolution, in each case as of the date of this resolution;
 - (c) the Board shall only exercise its power under such mandate in accordance with the Company Law, the Securities Law of the PRC and relevant laws and regulations, and the Listing Rules (as the same may be amended from time to time) and only if all necessary approvals (if required) from the CSRC and/or other relevant PRC governmental authorities are obtained; and
- (2) Contingent on the Board resolving to issue shares pursuant to sub-paragraph (1) of this resolution, the Board be authorised to:
- (a) approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider relevant to the issue of such new shares including (without limitation to):
 - (i) determine the class and number of shares to be issued;
 - (ii) determine the issue price of the new shares;
 - (iii) determine the opening and closing dates of the new issue;
 - (iv) determine the use of proceeds of the new issue;
 - (v) determine the class and number of new shares (if any) to be issued to the existing shareholders;
 - (vi) make or grant such offers, agreements and options as may be necessary in the exercise of such powers; and
 - (vii) in the case of an offer or allotment of shares to the Shareholders, exclude Shareholders who are resident outside the PRC or Hong Kong on account of prohibitions or requirements under overseas laws or regulations or for some other reason(s) which the Board considers appropriate;

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- (b) increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, register the increased capital with the relevant authorities in the PRC and make such amendments to the Articles of Association as it thinks fit so as to reflect the increase in the registered capital of the Company; and
- (c) make all necessary filings and registrations with the PRC, Hong Kong and/or other relevant authorities, and take any other required actions and complete any other procedures as required.

For the purposes of this resolution:

“**Domestic Shares**” means domestic invested shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC investors;

“**H Shares**” means the overseas listed foreign invested shares in the share capital of the Company, with a par value of RMB1.00 each, and which are subscribed for and traded in Hong Kong dollars; and

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiration of the 12-month period following the passing of this resolution; or
- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the Shareholders in a general meeting of the Company.

E. PROPOSED RENEWAL OF GENERAL MANDATE TO REPURCHASE H SHARES

Repurchase Mandate

The Company Law, the Mandatory Provisions and the Articles of Association provide for certain restrictions on share repurchase which are applicable to all classes of Shares of the Company.

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares, the Board proposes a special resolution to grant to the Directors a general mandate to repurchase H Shares of the Company not exceeding 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of such special resolution.

The Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as reward to the staff of the company; or (d) the repurchase is made at the request of its shareholders who disagrees with shareholders’ resolutions

LETTER FROM THE BOARD

in connection with a merger or division. The Mandatory Provisions, which the Company has incorporated in the Articles of Association, provide that subject to obtaining the approval of the relevant PRC regulatory authorities and in compliance with the Articles of Association, the Company may repurchase its issued Shares for the purpose of reducing its registered capital or in connection with a merger between itself and another entity that holds its Shares or in circumstances permitted by laws or administrative regulations.

The Listing Rules permit the shareholders of a PRC joint stock limited company to grant a general mandate to its directors to repurchase shares of such company that is listed on the Stock Exchange. Such mandate is required to be given by way of a special resolution passed by its shareholders in general meeting and special resolutions passed by holders of domestic shares and holders of overseas listed foreign shares at separate class meetings.

H Shares are traded on the Stock Exchange in Hong Kong dollars. Therefore, the repurchase of H Shares by the Company is subject to the approval of the SAFE (or its successor authority), and the price payable by the Company upon any repurchase of H Shares will be paid in Hong Kong dollars.

In accordance with the requirements of the Articles of Association applicable to capital reduction, the Company will have to notify its creditors of the passing of the resolution for the reduction of the registered capital of the Company. In addition, the Company Law provides that the shares repurchased by a company will have to be cancelled and the registered capital of that company will therefore be reduced by an amount equivalent to the aggregate nominal value of the shares so cancelled. In the event of a reduction of registered capital, the Company shall inform its creditors by way of written notice and announcement within a prescribed period after the passing of the relevant resolutions approving such reduction.

Conditions to repurchase H Shares

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares (including where such repurchase may lead to an enhancement of the net asset value per Share and/or the earnings per Share), approval is proposed to be sought from the Shareholders for the grant of the Repurchase Mandate to the Directors. In accordance with the legal and regulatory requirements described above, the Directors give notices to convene the Annual General Meeting and the Class Meetings. At each such meeting, a special resolution will be proposed to grant to the Directors the Repurchase Mandate which is a conditional general mandate to repurchase H Shares in issue on the Stock Exchange with an aggregate nominal value not exceeding 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing of such special resolution.

The Repurchase Mandate will be conditional upon (a) the special resolution for approving the grant of the Repurchase Mandate being passed at each of the Annual General Meeting and the Class Meetings; and (b) the approvals of SAFE (or its successor authority) and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate. If the above conditions are not fulfilled, the Repurchase Mandate will not be exercisable by the Directors.

LETTER FROM THE BOARD

The Repurchase Mandate would expire on the earliest of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of a period of twelve months following the passing of the relevant resolution at the Annual General Meeting and the Class Meetings; or (c) the date on which the authority conferred by the special resolution is revoked or varied by a special resolution of the Shareholders in a general meeting of the Company or by a special resolution of holders of H Shares or holders of Domestic Shares at their respective class meetings.

The H Shares which may be repurchased by the Company pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal value of H Shares in issue of the Company as at the date of passing of the resolution approving the Repurchase Mandate at the Annual General Meeting and the Class Meetings.

An explanatory statement giving certain information regarding the Repurchase Mandate is set out in the Appendix II to this circular.

F. ANNUAL GENERAL MEETING AND CLASS MEETINGS

The notices convening the Annual General Meeting and the Class Meetings to be held at 9:00 a.m. on Friday, 27 May 2022 at the conference hall 401 on the Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the PRC, are set out on pages 30 to 44 of this circular for the purpose of considering and if thought fit, passing the resolutions set out therein.

Pursuant to Rule 13.39(4) of the Listing Rules, voting at the Annual General Meeting and the Class Meetings will be conducted by poll. The poll results will be published on the websites of the Company and of the Stock Exchange following the Annual General Meeting and the Class Meetings.

Forms of proxy for use at the Annual General Meeting and the Class Meetings are accompanied with this circular. Whether or not you are able to attend the Annual General Meeting and the Class Meetings, you are requested to complete the forms of proxy in accordance with the instructions printed thereon and return them to the Company's branch H Shares registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares) or to the office of the secretary to the Board, Room 412, Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Economic Development Zone, Zouping City, Shandong Province, the PRC (for holders of Domestic Shares) as soon as possible and in any event not less than 24 hours before the time for holding the above meetings or the time appointed for taking the poll. Completion and return of the forms of proxy will not preclude you from attending and voting in person at the Annual General Meeting and the Class Meetings or any adjournment thereof if you so wish.

The reply slips for the Annual General Meeting and the Class Meetings are also enclosed with this circular. You are reminded to complete and sign the reply slips and return the signed reply slips to the office of the secretary to the Board at Room 412, Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the PRC, no later than Saturday, 7 May 2022 in accordance with the instructions printed thereon.

LETTER FROM THE BOARD

G. BOOK CLOSURE

The Company's register of members will be closed from Wednesday, 27 April 2022 to Friday, 27 May 2022 (both dates inclusive), during which no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on Wednesday, 27 April 2022 are entitled to attend and vote at the Annual General Meeting and the Class Meetings. In order to qualify for attending and voting at the Annual General Meeting and the Class Meetings, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 26 April 2022.

The Company's register of members will be closed from Thursday, 2 June 2022 to Thursday, 9 June 2022 (both dates inclusive), during which no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on Thursday, 9 June 2022 are entitled to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 1 June 2022.

H. RECOMMENDATIONS

The Directors believe that all the resolutions proposed for consideration and approval by the Shareholders at the Annual General Meeting and the Class Meetings are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders vote in favour of all the resolutions to be proposed at the Annual General Meeting and the Class Meetings.

Yours faithfully,
By the order of the Board
Weiqiao Textile Company Limited*
Zhang Hongxia
Chairman and Executive Director

Shandong, the PRC
6 April 2022

* For identification purposes only.

No.	Before amendment	After proposed amendment
1.	<p>Article 1.7 These Articles of Association are amended pursuant to <i>Company Law, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas</i> (“<i>Mandatory Provisions</i>”), <i>Letter of Opinions on Supplementary Amendment to Articles of Association of Companies to be Listed in Hong Kong</i> (“<i>Letter of Opinions</i>”), and other PRC laws and regulations. Clauses to be included into these Articles of Association as required by <i>Mandatory Provisions</i> shall not be amended or annulled unless otherwise specified in <i>Company Law</i> or other relevant laws and regulations.</p>	<p>Article 1.7 These Articles of Association are amended pursuant to <i>Company Law, Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas</i> (“<i>Mandatory Provisions</i>”), <i>Letter of Opinions on Supplementary Amendment to Articles of Association of Companies to be Listed in Hong Kong</i> (“<i>Letter of Opinions</i>”), <i>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</i> and other PRC laws and regulations. Clauses to be included into these Articles of Association as required by <i>Mandatory Provisions</i> shall not be amended or annulled unless otherwise specified in <i>Company Law</i> or other relevant laws and regulations.</p>
2.	<p>Article 1.8 Upon adoption by special resolution on the general meeting of the Company and approval of the relevant competent authorities of the state, these Articles of Association shall take effect as from the date of registration with the industrial and commercial administration authorities and shall completely replace the articles of association formerly registered with the industrial and commercial administration authorities.</p>	<p>Article 1.8 Upon adoption by special resolution on the general meeting of the Company and approval of the relevant competent authorities of the state, these Articles of Association shall take effect as from the date of registration with the company registration authorities and shall completely replace the articles of association formerly registered with the industrial and commercial administration authorities/market regulatory authorities.</p>
3.	<p>Article 1.10 The Company may invest in other companies with limited liabilities and joint stock companies with limited liabilities, and shall be liable for the invested companies to the extent of its capital contribution.</p> <p>With the approval of company examination and approval authority authorised by the State Council, the Company may, based on the business needs of the Company, operate as a holding company as referred to in Paragraph 2 of Article 12 of the <i>Company Law</i>.</p> <p>The Company shall not become an unlimited liability shareholder of any other profit-making organisation.</p>	<p>Article 1.10 The Company may invest in other companies. However, unless otherwise provided by the laws, the Company shall not be the capital contributor bearing joint liability associated with the debts of the invested enterprises.</p>

No.	Before amendment	After proposed amendment
4.	<p>Article 3.10 The Company may increase capital based on the needs of operation and development and in accordance with these Articles of Association.</p> <p>The Company may increase capital as follows:</p> <p>(I) Offer of new shares to non-given investors;</p> <p>(II) Placement of new shares among existing shareholders;</p> <p>(III) Issuing new shares to existing shareholders;</p> <p>(IV) Other ways stipulated by laws and administrative regulations.</p> <p>Issue of new shares by the Company shall be subject to approval as specified in these Articles of Association and follow the procedure specified in the relevant state laws and administrative regulations.</p>	<p>Article 3.10 The Company may increase capital based on the needs of operation and development and in accordance with these Articles of Association.</p> <p>The Company may increase capital as follows:</p> <p>(I) Offer of new shares to non-given investors;</p> <p>(II) Private issuance of shares;</p> <p>(III) Placement of new shares among existing shareholders;</p> <p>(IV) Issuing new shares to existing shareholders;</p> <p>(V) Conversion of capital reserve to share capital;</p> <p>(VI) Other ways stipulated by laws, administrative regulations and approved by relevant regulatory authorities.</p> <p>Issue of new shares by the Company shall be subject to approval as specified in these Articles of Association and follow the procedure specified in the relevant state laws and administrative regulations.</p>
5.	<p>Article 4.2 Where the Company needs to decrease the registered capital, it shall prepare a balance sheet and a property inventory.</p> <p>The Company shall notify all creditors within 10 days after adoption of the resolution to decrease the registered capital and shall make at least three announcements in newspapers within 30 days. The creditors shall have the right to require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after receipt of the notice or within 90 days after the first announcement if the creditors haven't received the notice.</p> <p>The registered capital of the Company after decrease of capital shall not be less than the statutory minimum amount.</p>	<p>Article 4.2 Where the Company needs to decrease the registered capital, it shall prepare a balance sheet and a property inventory.</p> <p>The Company shall notify all creditors within 10 days after adoption of the resolution to decrease the registered capital and shall make an announcement in newspaper within 30 days. The creditors shall have the right to require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after receipt of the notice or within 45 days after the announcement if the creditors haven't received the notice.</p>

No.	Before amendment	After proposed amendment
6.	<p>Article 4.3 The Company may, in the following circumstances, buy back its outstanding shares following the procedure specified in these Articles of Association and with approval from the regulatory authority of the state:</p> <p>(I) Cancellation of shares for decrease of the capital of the Company;</p> <p>(II) Merger with other companies holding shares of the Company;</p> <p>(III) Other circumstances stipulated by laws and administrative regulations.</p>	<p>Article 4.3 The Company may, in the following circumstances, buy back its outstanding shares following the procedure specified in these Articles of Association and with approval from the regulatory authority of the state:</p> <p>(I) Cancellation of shares for decrease of the capital of the Company;</p> <p>(II) Merger with other companies holding shares of the Company;</p> <p>(III) Using the shares for employee shareholding schemes or as share incentives;</p> <p>(IV) Repurchasing the shares of shareholders (upon their request) who vote against any resolution adopted at general meetings on the merger or division of the Company;</p> <p>(V) Using the shares to satisfy the conversion of those convertible corporate bonds issued by the Company;</p> <p>(VI) Safeguarding corporate value and shareholders' equity as the Company deems necessary;</p> <p>(VII) Other circumstances stipulated by laws and administrative regulations.</p> <p>The Company may repurchase its shares through public and centralised trading or other methods as permitted by laws, administrative regulations and the CSRC.</p> <p>When the Company repurchases its shares in the circumstances as set out in (III), (V) and (VI) of paragraph I of Article 4.3 of the Articles of Association, such repurchase shall be conducted by way of public and centralised trading.</p>

No.	Before amendment	After proposed amendment
7.	/	<p>Adding an article as Article 4.4 (the subsequent articles of the Articles of Association in this Chapter shall be renumbered accordingly)</p> <p>Article 4.4 When the Company repurchases its shares in the circumstances as set out in (I) and (II) of paragraph I of Article 4.3, a resolution at the general meeting shall be obtained. When the Company repurchases its shares in the circumstances as set out in (III), (V) and (VI) of paragraph I of Article 4.3, it may be resolved by more than two-thirds of directors present at a board meeting in accordance with the provisions of the Articles of Association or the authorisation of the general meeting. The shares of the Company repurchased pursuant to subparagraph (I) of paragraph I of Article 4.3 shall be cancelled within ten days from the date of repurchase. In the event that the Company repurchases its shares in the circumstances as set forth in (II) and (IV), the shares so acquired shall be transferred or cancelled within 6 months. In the event that the Company repurchases its shares in the circumstances as set forth in (III), (V) and (VI), the shares in the Company held by the Company in aggregate shall not exceed 10% of the total number of the Company’s shares in issue and the shares so repurchased shall be transferred or cancelled within three years.</p>
8.	Article 6.9 Change of the shareholders’ register arising from share transfer shall not be registered within 30 days before convening of a general meeting or 5 days before the benchmark date on which the Company decides to distribute dividends.	Article 6.9 If the laws, administrative regulations, rules of department, normative documents and rules of relevant stock exchanges or regulatory authorities in the place where the Company’s shares are listed provide for the period of suspension of share transfer registration prior to the holding of a general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

No.	Before amendment	After proposed amendment
9.	<p>Article 8.2 A general meeting shall exercise the following functions and powers:</p> <p>(I) To resolve on the Company’s business guidelines and investment plans;</p> <p>(II) To elect and replace directors and to decide on matters relating to the remuneration of directors;</p> <p>(III) To elect and replace supervisors who are representatives of shareholders and to decide on matters relating to the remuneration of supervisors;</p> <p>(IV) To consider and approve reports of the board of directors;</p> <p>(V) To consider and approve reports of the supervisory committee;</p> <p>(VI) To consider and approve the annual financial budgets and financial statements of the Company;</p> <p>(VII) To consider and approve the Company’s profit distribution plan and loss recovery plan;</p> <p>(VIII) To resolve on increase or decrease of the registered capital of the Company;</p> <p>(IX) To resolve on the merger, division, dissolution and liquidation of the Company;</p> <p>(X) To resolve on the issue of bonds of the Company;</p> <p>(XI) To resolve on the appointment, removal or non-reappointment of the Company’s certified public accountants;</p> <p>(XII) To amend these Articles of Association;</p> <p>(XIII) To consider proposals of shareholders representing more than 5% (inclusive) of the voting shares of the Company; and</p> <p>(XIV) To resolve on other matters which, in accordance with the laws, administrative regulations and these Articles of Association, must be approved by a general meeting.</p>	<p>Article 8.2 A general meeting shall exercise the following functions and powers:</p> <p>(I) To resolve on the Company’s business guidelines and investment plans;</p> <p>(II) To elect and replace directors and to decide on matters relating to the remuneration of directors;</p> <p>(III) To elect and replace supervisors who are representatives of shareholders and to decide on matters relating to the remuneration of supervisors;</p> <p>(IV) To consider and approve reports of the board of directors;</p> <p>(V) To consider and approve reports of the supervisory committee;</p> <p>(VI) To consider and approve the annual financial budgets and financial statements of the Company;</p> <p>(VII) To consider and approve the Company’s profit distribution plan and loss recovery plan;</p> <p>(VIII) To resolve on increase or decrease of the registered capital of the Company;</p> <p>(IX) To resolve on the merger, division, dissolution and liquidation of the Company;</p> <p>(X) To resolve on the issue of bonds of the Company;</p> <p>(XI) To resolve on the appointment, removal or non-reappointment of the Company’s certified public accountants;</p> <p>(XII) To amend these Articles of Association;</p> <p>(XIII) To consider and approve the proposals put forward by shareholders individually or jointly holding 3% or more of the Company’s shares; and</p> <p>(XIV) To resolve on other matters which, in accordance with the laws, administrative regulations and these Articles of Association, must be approved by a general meeting.</p>

No.	Before amendment	After proposed amendment
10.	<p>Article 8.4 General meetings are classified into annual general meetings and extraordinary general meetings. General meetings shall be convened by the board of directors. Annual general meetings shall be convened once a year within 6 months after the end of the preceding fiscal year. In any of the following circumstances, the board of directors shall convene an extraordinary general meeting within two months:</p> <p>(I) The number of directors falls short of the minimum number required by the <i>Company Law</i> or is less than two thirds of the number required by these Articles of Association;</p> <p>(II) The unrecovered losses of the Company amount to one third of the total share capital;</p> <p>(III) Shareholder(s) holding more than 10% (inclusive) of the Company's issued and outstanding shares carrying voting rights request(s) in writing the convening of an extraordinary general meeting;</p> <p>(IV) The board of directors deems it necessary, or the supervisory committee proposes, to convene an extraordinary general meeting.</p>	<p>Article 8.4 General meetings are classified into annual general meetings and extraordinary general meetings. General meetings shall be convened by the board of directors.</p> <p>Annual general meetings shall be convened once a year within 6 months after the end of the preceding fiscal year.</p> <p>In any of the following circumstances, the board of directors shall convene an extraordinary general meeting within two months:</p> <p>(I) The number of directors falls short of the minimum number required by the <i>Company Law</i> or is less than two thirds of the number required by these Articles of Association;</p> <p>(II) The unrecovered losses of the Company amount to one third of the total share capital;</p> <p>(III) Shareholder(s) individually or jointly holding more than 10% (inclusive) of the Company's issued and outstanding shares carrying voting rights request(s) in writing the convening of an extraordinary general meeting;</p> <p>(IV) The board of directors deems it necessary, or the supervisory committee proposes, to convene an extraordinary general meeting.</p>
11.	<p>Article 8.5 Where the Company convenes a general meeting, a written notice shall be given 45 days prior to the date of the meeting to notify all the shareholders in the shareholders' register of the issues to be considered at the meeting, and the date and venue of the meeting. Any shareholder intending to attend the meeting shall deliver to the Company a written reply showing his intention to attend at least 20 days before the meeting.</p>	<p>Article 8.5 When the Company convenes an annual general meeting, it shall notify shareholders by way of announcement 20 business days prior to the meeting; and when the Company convenes an extraordinary general meeting, it shall notify shareholders by way of announcement 15 days or 10 business days (whichever is longer) prior to the meeting. The business day referred to in the Articles of Association shall mean any day on which the Hong Kong Stock Exchange is open for the business of dealing in securities.</p> <p>When the Company convenes a class general meeting, the notice period and notice method shall be subject to the provisions of Chapter IX of the Articles of Association.</p>

No.	Before amendment	After proposed amendment
12.	<p>Article 8.6 When the Company convenes an annual general meeting, shareholders holding more than 5% (inclusive) of the total voting shares of the Company shall have the right to submit proposals in writing to the Company, and the Company shall place the proposals on the agenda for the said annual general meeting if the said proposals fall within the functions and powers of general meetings.</p>	<p>Article 8.6 To be deleted entirely (the subsequent articles of the Articles of Association in this Chapter shall be renumbered accordingly).</p>
13.	<p>Article 8.7 The Company shall, based on the written replies received from shareholders 20 days prior to the date of the general meeting, calculate the number of voting shares held by shareholders intending to attend the meeting. Where the number of voting shares represented by shareholders intending to attend the meeting amounts to more than one half of the Company's voting shares, the Company may convene the general meeting; if not, the Company shall, within 5 days, notify shareholders again of the issues to be considered, date and venue of the meeting in the form of public announcements. The Company may then convene the general meeting after such announcements.</p> <p>An extraordinary general meeting shall not decide to announce matters not specified.</p>	<p>Article 8.7 To be deleted entirely (the subsequent articles of the Articles of Association in this Chapter shall be renumbered accordingly).</p>

No.	Before amendment	After proposed amendment
14.	<p>Article 8.9 The notice of a general meeting shall be sent to shareholders (whether or not they are entitled to vote at the general meeting) by personal delivery or by pre-paid mail to their addresses as recorded in the shareholders' register. For holders of domestic shares, the notice of a general meeting may be issued in the form of public announcement.</p> <p>Public announcement referred to in the preceding paragraph shall be published in one or more newspaper(s) designated by the CSRC, the securities regulatory authority under the State Council, during the period between 45 days to 50 days prior to the date of the meeting. Once the announcement has been published, all holders of domestic shares shall be deemed to have received the notice of relevant general meeting.</p> <p>Where the Company intends to give a notice of a general meeting, it shall ensure that holders of foreign shares registered in Hong Kong have enough time to exercise their rights or act in accordance with the notice.</p>	<p>Article 8.7 The notice of a general meeting shall be sent to shareholders (whether or not they are entitled to vote at the general meeting) by personal delivery or by pre-paid mail to their addresses as recorded in the shareholders' register. For holders of domestic shares, the notice of a general meeting may be issued in the form of public announcement.</p> <p>Public announcement referred to in the preceding paragraph shall be published in one or more newspaper(s) designated by the China Securities Regulatory Commission. Once the announcement has been published, all holders of domestic shares shall be deemed to have received the notice of relevant general meeting.</p> <p>Where the Company intends to give a notice of a general meeting, it shall ensure that holders of foreign shares registered in Hong Kong have enough time to exercise their rights or act in accordance with the notice.</p>

No.	Before amendment	After proposed amendment
15.	<p>Article 8.24 If shareholders require convening an extraordinary general meeting or class general meeting, the following procedure shall be followed:</p> <p>(I) Two or more shareholders jointly holding more than 10% (inclusive) of shares with voting rights at the general meeting to be convened may sign one or several written requests with the same format and content to propose to the board of directors to convene an extraordinary general meeting or class general meeting, and specify the topics of the meeting. The board of directors shall convene an extraordinary or class general meeting responsively after receipt of the aforesaid written request. The aforesaid amount of shareholding is calculated as on the day when the shareholders make the written request.</p> <p>(II) If the board of directors fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the shareholders tendering the said request may by themselves convene a meeting within 4 months after the board of directors receives the said request, and the convening procedure shall to the extent possible be the same as the procedure by which the board of directors convenes general meetings.</p> <p>Where the shareholders convene a general meeting because the board of directors fails to convene the meeting pursuant to the aforesaid request, the reasonable expenses incurred shall be borne by the Company and shall be deducted from the monies payable by the Company to the defaulting directors.</p>	<p>Article 8.22 If shareholders require convening an extraordinary general meeting or class general meeting, the following procedure shall be followed:</p> <p>(I) Shareholders individually or jointly holding more than 10% (inclusive) of shares with voting rights at the general meeting to be convened may sign one or several written requests with the same format and content to propose to the board of directors to convene an extraordinary general meeting or class general meeting, and specify the topics of the meeting. The board of directors shall convene an extraordinary or class general meeting responsively after receipt of the aforesaid written request. The aforesaid amount of shareholding is calculated as on the day when the shareholders make the written request.</p> <p>(II) If the board of directors fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the shareholders tendering the said request may request the supervisory committee to convene an extraordinary general meeting or a class shareholders' meeting.</p> <p>(III) If the supervisory committee fails to issue a notice to convene such meeting within 30 days after receipt of the aforementioned written request, shareholders individually or jointly holding over 10% of the shares carrying voting rights on the meetings sought to be held for at least 90 days in succession may by themselves convene a meeting within 4 months after the board of directors receives the said request, and the convening procedure shall to the extent possible be the same as the procedure by which the board of directors convenes general meetings.</p> <p>Where the shareholders convene a general meeting because the board of directors and the supervisory committee fail to convene the meeting pursuant to the aforesaid request, the reasonable expenses incurred shall be borne by the Company and shall be deducted from the monies payable by the Company to the defaulting directors and supervisors.</p>

No.	Before amendment	After proposed amendment
16.	<p>Article 9.6 Where the Company convenes a class general meeting, a written notice shall be given 45 days prior to the date of the meeting to notify all the shareholders of the said class in the shareholders' register of the issues to be considered at the meeting, and the date and venue of the meeting. Any shareholder intending to attend the meeting shall serve to the Company a written reply showing his intention to attend at least 20 days before the meeting.</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 general meeting; otherwise, the Company shall within 5 days notify the shareholders of the class, again by public notice, of the issues to be considered as well as the date and venue of the class meeting. The Company may then hold the class general meeting after the publication of such notice.</p>	<p>Article 9.6 When the Company convenes a class general meeting, it shall issue a written notice 20 business days prior to the date of an annual general meeting and 15 days or 10 business days (whichever is longer) prior to the date of an extraordinary general meeting informing all the shareholders who are registered as holders of that class in the register of shareholders of the matters to be considered at the meeting as well as the date and place of the meeting.</p>

No.	Before amendment	After proposed amendment
17.	<p>Article 10.3 The board of directors shall be accountable to the general meeting and exercise the following functions and powers:</p> <p>(I) To be responsible for convening general meetings and reporting its work to the general meetings;</p> <p>(II) To execute resolutions of general meetings;</p> <p>(III) To resolve on the Company's business plans and investment plans;</p> <p>(IV) To prepare the Company's annual financial budgets and financial statements;</p> <p>(V) To formulate the profit distribution plan (including the plan for distribution of year-end dividends) and compensation makeup plan of the Company;</p> <p>(VI) To formulate the plan for increase or reduction of the Company's registered capital, and the plan for issue of the Company's bonds;</p> <p>(VII) To formulate proposals for merger, division or dissolution of the Company;</p> <p>(VIII) To resolve on the Company's internal management setup;</p> <p>(IX) To appoint or dismiss the Company's general manager, and to appoint or dismiss the Company's deputy general managers and chief financial officers as nominated by the general manager and determine their remunerations;</p> <p>(X) To set up the basic management system of the Company;</p> <p>(XI) To formulate the plan for any amendment to these Articles of Association;</p> <p>(XII) To determine the salaries, welfares and bonuses of members of staff of the Company in compliance with relevant state regulations;</p> <p>(XIII) To decide on other significant matters and administrative affairs which are not specified in these Articles of Association and shall be resolved at a general meeting;</p> <p>(XIV) To formulate the plan for material acquisition or disposal of the Company;</p> <p>(XV) To review the effectiveness of the internal monitoring system of the Company and its subsidiaries at least once a year; and</p> <p>(XVI) To exercise other functions and powers conferred at general meetings and under these Articles of Association.</p> <p>The board of directors may resolve on the issues specified in the preceding paragraph by approval of more than half of the directors save for the issues specified in (VI), (VII) and (XI), in which approval of two thirds of the directors is required.</p>	<p>Article 10.3 The board of directors shall be accountable to the general meeting and exercise the following functions and powers:</p> <p>(I) To be responsible for convening general meetings and reporting its work to the general meetings;</p> <p>(II) To execute resolutions of general meetings;</p> <p>(III) To resolve on the Company's business plans and investment plans;</p> <p>(IV) To prepare the Company's annual financial budgets and financial statements;</p> <p>(V) To formulate the profit distribution plan (including the plan for distribution of year-end dividends) and compensation makeup plan of the Company;</p> <p>(VI) To formulate the plan for increase or reduction of the Company's registered capital, and the plan for issue of the Company's bonds;</p> <p>(VII) To formulate proposals for merger, division or dissolution of the Company;</p> <p>(VIII) To resolve on the Company's internal management setup;</p> <p>(IX) To appoint or dismiss the Company's general manager and secretary to the board of directors and determine their remunerations, and to appoint or dismiss the Company's deputy general managers and chief financial officers as nominated by the general manager and determine their remunerations;</p> <p>(X) To set up the basic management system of the Company;</p> <p>(XI) To formulate the plan for any amendment to these Articles of Association;</p> <p>(XII) To determine the salaries, welfares and bonuses of members of staff of the Company in compliance with relevant state regulations;</p> <p>(XIII) To decide on other significant matters and administrative affairs which are not specified in these Articles of Association and shall be resolved at a general meeting;</p> <p>(XIV) To formulate the plan for material acquisition or disposal of the Company;</p> <p>(XV) To review the effectiveness of the internal monitoring system of the Company and its subsidiaries at least once a year; and</p> <p>(XVI) To exercise other functions and powers conferred at general meetings and under these Articles of Association.</p> <p>The board of directors may resolve on the issues specified in the preceding paragraph by approval of more than half of the directors save for the issues specified in (VI), (VII) and (XI), in which approval of two thirds of the directors is required.</p>

No.	Before amendment	After proposed amendment
18.	Article 15.3 The board of directors shall, at each annual general meeting, submit to the shareholders the financial reports prepared by the Company in accordance with the relevant laws, administrative regulations, and regulatory documents of local governments and competent authorities.	Article 15.3 The board of directors shall, at each annual general meeting , submit to the shareholders the financial reports prepared by the Company in accordance with the relevant laws, administrative regulations, and regulatory documents of local governments and competent authorities.
19.	<p>Article 15.4 The financial reports of the Company shall be kept in the Company and accessible to the shareholders at least 20 days before convening of the annual general meeting. Every shareholder shall have the right of access to the aforesaid financial reports.</p> <p>The Company shall send by prepaid mail to all holders of overseas listed shares copies of the financial reports, balance sheets (including appendixes required by PRC laws and administrative regulations), and income statements (or the aforesaid reports). The financial reports shall be served to all shareholders at least 21 days before the annual general meeting, as per the addresses in the shareholders' register.</p>	<p>Article 15.4 The financial reports of the Company shall be kept in the Company and accessible to the shareholders at least 20 days before convening of the annual general meeting. Every shareholder shall have the right of access to the aforesaid financial reports.</p> <p>The Company shall send by prepaid mail to all holders of overseas listed shares copies of the financial reports, balance sheets (including appendixes required by PRC laws and administrative regulations), and income statements (or the aforesaid reports). The financial reports shall be served to all shareholders at least 21 days before the annual general meeting, as per the addresses in the shareholders' register.</p>
20.	<p>Article 20.2 Merger of the Company may be in two forms: merger by absorption and merger by consolidation.</p> <p>In the event of merger of the Company, the parties concerned shall conclude a merger agreement and prepare balance sheets and property inventories. The Company shall notify all creditors within 10 days after adoption of the merger resolution and shall make at least three announcements in newspapers within 30 days.</p> <p>The credits and debts of the Company after merger shall be inherited by the company subsisting after merger or by the newly established company.</p>	<p>Article 20.2 Merger of the Company may be in two forms: merger by absorption and merger by consolidation.</p> <p>In the event of merger of the Company, the parties concerned shall conclude a merger agreement and prepare balance sheets and property inventories. The Company shall notify all creditors within 10 days after adoption of the merger resolution and shall make an announcement in newspaper within 30 days. Creditors shall, within 30 days after receipt of written notice, or within 45 days after the date of the announcement for those who have not received written notice, be entitled to require the Company to pay its debts in full or to provide a corresponding security for repayment.</p>

No.	Before amendment	After proposed amendment
21.	<p>Article 20.3 Where the Company is divided, its properties shall be divided accordingly.</p> <p>In the event of division of the Company, the parties concerned shall conclude a Division Agreement and prepare balance sheets and property inventories. The Company shall notify all creditors within 10 days after adoption of the division resolution and shall make at least three announcements in newspapers within 30 days.</p> <p>The debts of the Company before division shall be undertaken by the companies after division as per the agreements concluded.</p>	<p>Article 20.3 Where the Company is divided, its properties shall be divided accordingly.</p> <p>In the event of division of the Company, the parties concerned shall conclude a Division Agreement and prepare balance sheets and property inventories. The Company shall notify all creditors within 10 days after adoption of the division resolution and shall make an announcement in newspaper within 30 days.</p> <p>The debts of the Company before division shall be jointly and severally undertaken by the companies after division, unless otherwise stipulated in any written agreement on the settlement of debts entered into by the Company and its creditors prior to the division.</p>
22.	<p>Article 21.1 The Company shall be dissolved and liquidated according to law in any of the following circumstances:</p> <p>(I) The general meeting has resolved to dissolve the Company;</p> <p>(II) Merger or division of the Company entails dissolution;</p> <p>(III) The Company is declared insolvent according to law because it is unable to pay its debts as they fall due;</p> <p>(IV) The Company has been ordered to close down for violation of laws or administrative regulations.</p>	<p>Article 21.1 The Company shall be dissolved and liquidated according to law in any of the following circumstances:</p> <p>(I) The general meeting has resolved to dissolve the Company;</p> <p>(II) Merger or division of the Company entails dissolution;</p> <p>(III) The Company's business license is revoked, or it is ordered to close or is deregistered in accordance with laws;</p> <p>(IV) Severe difficulties arise in the operations and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding over 10% of all shareholders' voting rights of the Company may petition a People's Court to dissolve the Company.</p>

No.	Before amendment	After proposed amendment
23.	<p>Article 21.2 In the event of dissolution pursuant to (I) of the preceding article, the Company shall set up a liquidation committee within 15 days, and the members of the committee shall be decided by an ordinary resolution on a general meeting.</p> <p>If the Company is dissolved pursuant to (III) of the preceding article, a liquidation committee comprising shareholders, the relevant institutions and relevant professionals shall be established by the People’s Court in accordance with relevant laws to carry out the liquidation.</p> <p>If the Company is dissolved in the circumstance set out in (IV) of the preceding article, a liquidation committee comprising shareholders, the relevant institutions and relevant professionals shall be established by the relevant competent authority to carry out the liquidation.</p>	<p>Article 21.2 In the event of dissolution pursuant to (I), (III) and (IV) of the preceding article, the Company shall set up a liquidation committee within 15 days for liquidation, and the members of the committee shall be decided by an ordinary resolution on a general meeting.</p> <p>If the liquidation committee is not duly set up within the specified period, the creditors may request the People’s Court to designate related persons to form a liquidation committee to carry out liquidation. The People’s Court shall accept such application, and timely organise the liquidation committee to carry out liquidation.</p>
24.	<p>Article 21.4 The liquidation committee shall notify all creditors within 10 days after its establishment and shall make at least three announcements in newspapers within 60 days. The liquidation committee shall register the creditor’s rights.</p>	<p>Article 21.4 The liquidation committee shall notify all creditors within 10 days after its establishment and shall make an announcement in newspaper within 60 days. A creditor shall, within 30 days after receipt of the notice or within 45 days of the date of the announcement in the case of failure to receive the notice, claim its rights to the liquidation committee.</p> <p>In claiming its rights, the creditor shall explain the relevant issues on the creditor’s rights, and provide evidential materials in respect thereof. The liquidation committee shall register the creditor’s rights.</p> <p>In the course of claiming of creditors’ rights, the liquidation committee shall not make any repayment to creditors.</p>

No.	Before amendment	After proposed amendment
25.	<p>Article 21.5 The liquidation committee shall exercise the following functions and powers:</p> <ul style="list-style-type: none"> (I) To examine and take possession of the assets of the Company and prepare the balance sheet and a property inventory; (II) To inform creditors by notice or announcement; (III) To deal with the outstanding businesses of the Company relating to liquidation; (IV) To settle outstanding tax payment; (V) To settle creditor’s rights and debts; (VI) To dispose of the remaining assets of the Company after repayment of debts; and (VII) To represent the Company in civil proceedings. 	<p>Article 21.5 The liquidation committee shall exercise the following functions and powers:</p> <ul style="list-style-type: none"> (I) To examine and take possession of the assets of the Company and prepare the balance sheet and a property inventory; (II) To inform creditors by notice or announcement; (III) To deal with the outstanding businesses of the Company relating to liquidation; (IV) To settle outstanding tax payment and taxes arising from the liquidation; (V) To settle creditor’s rights and debts; (VI) To dispose of the remaining assets of the Company after repayment of debts; and (VII) To represent the Company in civil proceedings.
26.	<p>Article 21.6 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or the relevant competent authority for confirmation.</p> <p>The properties of the Company shall be liquidated in the following order of priority:</p> <ul style="list-style-type: none"> (I) Liquidation fee; (II) Salaries and labour insurance premiums payable for the employees of the Company; (III) Outstanding taxes; (IV) Debts of the Company. <p>The properties of the Company remaining after repayment as specified in the preceding paragraph shall be distributed to the shareholders as per the types of their shares and their shareholding percentages:</p> <p>The Company shall not conduct any new business activity in the course of liquidation.</p>	<p>Article 21.6 After the liquidation committee has examined and taken possession of the assets of the Company and prepared a balance sheet and a property inventory, it shall formulate a liquidation proposal and submit it to the general meeting or the relevant competent authority for confirmation.</p> <p>The properties of the Company shall be liquidated in the following order of priority:</p> <ul style="list-style-type: none"> (I) Liquidation fee; (II) Salaries and social insurance premiums, statutory compensation payable for the employees of the Company; (III) Outstanding taxes; (IV) Debts of the Company. <p>The properties of the Company remaining after repayment as specified in the preceding paragraph shall be distributed to the shareholders as per the types of their shares and their shareholding percentages:</p> <p>The Company shall not conduct any new business activity in the course of liquidation.</p> <p>The Company’s assets shall not be distributed to its shareholders before payment is made pursuant to the foregoing provision.</p>

The Articles of Association and the Proposed Amendments are written in Chinese and English. If there is any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision on whether to vote for or against the special resolution to approve the grant of the Repurchase Mandate to the Directors.

LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below. The Company is empowered by the Articles of Association to repurchase its own securities.

REGISTERED CAPITAL

As at the Latest Practicable Date, the registered capital of the Company was 1,194,389,000 shares, comprising 780,770,000 Domestic Shares and 413,619,000 H Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the Annual General Meeting and the Class Meetings, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 41,361,900 H Shares, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant resolution.

REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

In repurchasing the H Shares, the Company may only apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC, including but not limited to surplus funds and undistributed profits of the Company.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with its position as at 31 December 2021 as disclosed in the Company's latest published audited financial statements contained in the annual report for the year ended 31 December 2021. However, the Directors do not intend to make any repurchases to such an extent as, in the circumstances, has a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time

appropriate for the Company. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

STATUS OF REPURCHASED H SHARES

The Listing Rules provide that all the H Shares repurchased by the Company shall automatically be cancelled and the relevant share certificates shall be cancelled and destroyed. Under the PRC laws, the H Shares repurchased by the Company will be cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled.

H SHARE PRICES

The highest and lowest prices at which the H Shares have been traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

Month	H Shares	
	The Highest Price (HKD)	The Lowest Price (HKD)
In 2021		
March	2.51	2.00
April	2.11	2.00
May	2.14	1.95
June	2.95	1.98
July	2.74	2.35
August	3.01	2.41
September	3.29	2.66
October	3.08	2.68
November	2.92	2.57
December	2.69	2.51
In 2022		
January	2.81	2.27
February	2.55	2.30
March (up to the Latest Practicable Date)	2.43	1.98

SHARES REPURCHASED BY THE COMPANY

No repurchase of Shares has been made by the Company within 6 months preceding the date of this circular (whether on the Stock Exchange or otherwise).

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their close associates, have any present intention to sell to the Company any of the H Shares in the Company if the Repurchase Mandate is approved at the Annual General Meeting and the Class Meetings.

No core connected person has notified the Company that he or she or it has a present intention to sell any H Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved and exercised.

If a Shareholder's proportionate interest in the voting rights of the Company increases upon the exercise by the Company of its powers to repurchase H Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the Company has a total of 1,194,389,000 Shares. To the knowledge and belief of the Directors, the Holding Company was the controlling shareholder (as defined under the Listing Rules) of the Company, and held 757,869,600 Domestic Shares (representing approximately 97.07% of the total Domestic Shares of the Company) and 2,571,500 H Shares (representing approximately 0.62% of the total H Shares of the Company), representing approximately 63.67% of the registered capital of the Company. On the basis that 1,194,389,000 Shares was in issue as at the Latest Practicable Date and assuming that no other Shares will be issued or repurchased by the Company on or prior to the date of the Annual General Meeting and the Class Meetings, if the Repurchase Mandate is exercised in full,

- (a) the percentage interests in the Company of the Holding Company (in terms of Domestic Shares only) would remain as approximately 97.07% of the total Domestic Shares of the Company. To the best knowledge and belief of the Directors, the repurchase of H Shares will not give rise to an obligation to make a mandatory offer under the Takeovers Code; and
- (b) the percentage interests in the Company of the Holding Company would increase to approximately 65.95% of the then registered capital of the Company. To the best knowledge and belief of the Directors, such increase will not give rise to an obligation to make a mandatory offer under Rule 26 or Rule 32 of the Takeovers Code.

The Directors are not aware of any consequences which will arise under either or both of the Takeovers Code and/or any similar applicable law as a result of any repurchases to be made under the Repurchase Mandate. Moreover, the Directors will not make share repurchase on the Stock Exchange if such repurchase would result in the requirements under Rule 8.08 of the Listing Rules not being complied with.

NOTICE OF ANNUAL GENERAL MEETING



魏橋紡織股份有限公司

Weiqiao Textile Company Limited*

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

(Stock Code: 2698)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Annual General Meeting**”) of Weiqiao Textile Company Limited (the “**Company**”) for the year ended 31 December 2021 will be held at 9:00 a.m. on Friday, 27 May 2022 at the conference hall 401 on the Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the People’s Republic of China (the “**PRC**”) for the following purposes:

ORDINARY RESOLUTIONS

1. to consider and approve the report of the board of directors of the Company (the “**Board**”) and the report of the supervisory committee of the Company for the year ended 31 December 2021;
2. to consider and approve the consolidated audited financial statements of the Company and its subsidiaries for the year ended 31 December 2021;
3. to consider and approve the profit distribution proposal of the Company and the relevant declaration and payment of a final dividend for the year ended 31 December 2021;
4. to consider and approve the report of the final accounts of the Company and the report of the international auditor for the year ended 31 December 2021;
5. to consider and approve the annual remuneration proposal for the Company’s directors and supervisors for the year ending 31 December 2022;
6. to consider and approve the re-appointment of ShineWing Certified Public Accountants as the Company’s domestic auditor for the year ending 31 December 2022 and SHINEWING (HK) CPA Limited as the Company’s international auditor for the year ending 31 December 2022 and the granting of the authorisation to the Board to determine their remuneration; and
7. to consider and approve other business, if any.

In respect of special business, to consider and, if thought fit, to approve the following resolutions as special resolutions:

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

8. to consider and approve the proposed amendments to the articles of association of the Company;
9. **“THAT:**
 - (1) there be granted to the Board, an unconditional general mandate to allot, issue and deal with additional shares in the capital of the Company, whether Domestic Shares or H Shares, separately or at the same time, or make or grant offers, agreements or purchase options, subject to the following conditions:
 - (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
 - (b) the aggregate nominal amount of shares, whether Domestic Shares or H Shares, allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Board pursuant to such mandate, shall not exceed:
 - (i) in the case of Domestic Shares, 20 per cent of the aggregate nominal amount of Domestic Shares in issue at the date of passing this resolution; and
 - (ii) in the case of H Shares, 20 per cent of the aggregate nominal amount of H Shares in issue at the date of passing this resolution, in each case as of the date of this resolution; and
 - (c) the Board shall only exercise its power under such mandate in accordance with the Company Law of the PRC, the Securities Law of the PRC and relevant laws and regulations, and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals (if required) from the China Securities Regulatory Commission and/or other relevant PRC governmental authorities are obtained; and
 - (2) contingent on the Board resolving to issue shares pursuant to sub-paragraph (1) of this resolution, the Board be authorised to:
 - (a) approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider relevant to the issue of such new shares including (without limitation to):
 - (i) determine the class and number of shares to be issued;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) determine the issue price of the new shares;
 - (iii) determine the opening and closing dates of the new issue;
 - (iv) determine the use of proceeds of the new issue;
 - (v) determine the class and number of new shares (if any) to be issued to the existing shareholders;
 - (vi) make or grant such offers, agreements and options as may be necessary in the exercise of such powers; and
 - (vii) in the case of an offer or allotment of shares to the shareholders of the Company, exclude shareholders who are resident outside the PRC or the Hong Kong Special Administrative Region of the PRC (“**Hong Kong**”) on account of prohibitions or requirements under overseas laws or regulations or for some other reason(s) which the Board considers appropriate;
- (b) increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, register the increased capital with the relevant authorities in the PRC and make such amendments to the articles of association of the Company as it thinks fit so as to reflect the increase in the registered capital of the Company; and
- (c) make all necessary filings and registrations with the PRC, Hong Kong and/or other relevant authorities, and take any other required actions and complete any other procedures as required.

For the purposes of this resolution:

“**Domestic Shares**” means domestic invested shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC investors;

“**H Shares**” means the overseas listed foreign invested shares in the share capital of the Company, with a par value of RMB1.00 each, and which are subscribed for and traded in Hong Kong dollars; and

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiration of the 12-month period following the passing of this resolution; or

NOTICE OF ANNUAL GENERAL MEETING

- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting of the Company.”

10. **“THAT:**

There be granted to the Board, a general mandate to repurchase H Shares subject to the following conditions:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period of all the powers of the Company to repurchase H Shares in issue on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of this special resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the Annual General Meeting to be held on Friday, 27 May 2022 (or on such adjourned date as may be applicable); and the H shareholders class meeting and domestic shareholders class meeting of the Company to be held on Friday, 27 May 2022 (or on such adjourned date as may be applicable); and
 - (ii) the approval of the State Administration of Foreign Exchange of the PRC or its competent branches and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
 - (i) make such amendments to the articles of association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and

NOTICE OF ANNUAL GENERAL MEETING

- (ii) file the amended articles of association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

For the purposes of this resolution:

“**Domestic Shares**” means domestic invested shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC investors;

“**H Shares**” means the overseas listed foreign invested shares in the share capital of the Company, with a par value of RMB1.00 each, and which are subscribed for and traded in Hong Kong dollars; and

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiration of the 12-month period following the passing of this resolution; or
- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting of the Company or by a special resolution of holders of H Shares or holders of Domestic Shares at their respective class meetings.”

By Order of the Board
Weiqiao Textile Company Limited*
Chairman
Ms. Zhang Hongxia

6 April 2022
Shandong, the PRC

As at the date of this notice, the Board comprises nine directors, namely Ms. Zhang Hongxia, Ms. Zhang Yanhong, Mr. Wei Jiakun, Ms. Zhao Suwen and Mr. Zhang Jinglei as executive directors, Ms. Zhao Suhua as non- executive director, and Mr. George Chan Wing Yau, Mr. Chen Shuwen and Mr. Liu Yanzhao as independent non-executive directors.

Notes:

- (A) The Company’s register of members will be closed from Wednesday, 27 April 2022 to Friday, 27 May 2022 (both dates inclusive), during which no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on Wednesday, 27 April 2022 are entitled to attend and vote at the Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

In order to qualify for attending and voting at the Annual General Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 26 April 2022.

The Company's register of members will be closed from Thursday, 2 June 2022 to Thursday, 9 June 2022 (both dates inclusive), during which no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on Thursday, 9 June 2022 are entitled to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 1 June 2022.

- (B) Holders of H Shares and Domestic Shares, who intend to attend the Annual General Meeting, must complete the reply slips for attending the Annual General Meeting and return them to the office of the secretary to the Board not later than 20 days before the date of the Annual General Meeting, i.e. no later than Saturday, 7 May 2022.

Details of the office of the secretary to the Board are as follows:

Room 412, Fourth Floor
Company Office Building
No. 1 Wei Fang Road
Zouping Economic Development Zone
Zouping City
Shandong Province
The PRC

Postal Code: 256200
Tel: (86) 543 416 2222
Fax: (86) 543 416 2000

- (C) Each holder of H Shares who has the right to attend and vote at the Annual General Meeting (or at any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a shareholder of the Company or not, to attend and vote on his behalf at the Annual General Meeting. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll. Each shareholder who wishes to appoint one or more proxies should first review the annual report of the Company for the year ended 31 December 2021.
- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a certified copy of that power of attorney or other authority (such certification to be made by a notary public), must be delivered to the Company's H Shares registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the Annual General Meeting or any adjournment thereof.
- (F) Each holder of Domestic Shares is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on its behalf at the Annual General Meeting. Notes (C) to (D) also apply to holders of Domestic Shares, except that the proxy form or other documents of authority must be delivered to the office of the secretary to the Board, the address of which is set out in Note (B) above, not less than 24 hours before the time for holding the Annual General Meeting or any adjournment thereof in order for such documents to be valid.

NOTICE OF ANNUAL GENERAL MEETING

- (G) If a proxy attends the Annual General Meeting on behalf of a shareholder, he should produce his ID card and the instrument signed by the proxy or his legal representative, which specifies the date of its issuance. If the legal representative of a legal person share shareholder attends the Annual General Meeting, such legal representative should produce his ID card and valid documents evidencing his capacity as such legal representative. If a legal person share shareholder appoints a representative of the company other than its legal representative to attend the Annual General Meeting, such representative should produce his ID card and an authorisation instrument affixed with the seal of the legal person share shareholder and duly signed by its legal representative.
- (H) The Annual General Meeting is expected to last for half a day. Shareholders attending the Annual General Meeting are responsible for their own transportation and accommodation expenses.

* *For identification purposes only. The Company is registered in Hong Kong as a non-Hong Kong company under the English name "Weiqiao Textile Company Limited" and the Chinese name of the Company under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).*

NOTICE OF H SHAREHOLDERS CLASS MEETING



魏橋紡織股份有限公司

Weiqiao Textile Company Limited*

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

(Stock Code: 2698)

NOTICE OF H SHAREHOLDERS CLASS MEETING

NOTICE IS HEREBY GIVEN that an H shareholders class meeting (the “**H Shareholders Class Meeting**”) of Weiqiao Textile Company Limited (the “**Company**”) will be held at 9:00 a.m. on Friday, 27 May 2022 at the conference hall 401 on the Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the People’s Republic of China (the “**PRC**”) for the following purpose:

SPECIAL RESOLUTION

1. to consider and approve the proposed amendments to the articles of association of the Company;
2. “**THAT:**

There be granted to the board of directors of the Company (the “**Board**”), a general mandate to repurchase H Shares subject to the following conditions:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period of all the powers of the Company to repurchase H Shares in issue on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of this special resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the annual general meeting of the Company to be held on Friday, 27 May 2022 (or on such adjourned date as

NOTICE OF H SHAREHOLDERS CLASS MEETING

may be applicable); and the H Shareholders Class Meeting and domestic shareholders class meeting of the Company to be held on Friday, 27 May 2022 (or on such adjourned date as may be applicable); and

- (ii) the approval of the State Administration of Foreign Exchange of the PRC or its competent branches and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
- (i) make such amendments to the articles of association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended articles of association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

For the purposes of this resolution:

“**Domestic Shares**” means domestic invested shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC investors;

“**H Shares**” means the overseas listed foreign invested shares in the share capital of the Company, with a par value of RMB1.00 each, and which are subscribed for and traded in Hong Kong dollars; and

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiration of the 12-month period following the passing of this resolution; or

NOTICE OF H SHAREHOLDERS CLASS MEETING

- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting of the Company or by a special resolution of holders of H Shares or holders of Domestic Shares at their respective class meetings.”

By Order of the Board
Weiqiao Textile Company Limited*
Chairman
Ms. Zhang Hongxia

6 April 2022
Shandong, the PRC

As at the date of this notice, the Board comprises nine directors, namely Ms. Zhang Hongxia, Ms. Zhang Yanhong, Mr. Wei Jiakun, Ms. Zhao Suwen and Mr. Zhang Jinglei as executive directors, Ms. Zhao Suhua as non-executive director, and Mr. George Chan Wing Yau, Mr. Chen Shuwen and Mr. Liu Yanzhao as independent non-executive directors.

Notes:

- (A) The Company’s register of members will be closed from Wednesday, 27 April 2022 to Friday, 27 May 2022 (both dates inclusive), during which no transfer of shares will be registered. Holders of H Shares whose names appear on the register of members of the Company on Wednesday, 27 April 2022 are entitled to attend and vote at the H Shareholders Class Meeting. In order to qualify for attending and voting at the H Shareholders Class Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 26 April 2022.
- (B) Holders of H Shares, who intend to attend the H Shareholders Class Meeting, must complete the reply slips for attending the H Shareholders Class Meeting and return them to the office of the secretary to the Board not later than 20 days before the date of the H Shareholders Class Meeting, i.e. no later than Saturday, 7 May 2022.

Details of the office of the secretary to the Board are as follows:

Room 412, Fourth Floor
Company Office Building
No. 1 Wei Fang Road
Zouping Economic Development Zone
Zouping City
Shandong Province
The PRC

Postal Code: 256200
Tel: (86) 543 416 2222
Fax: (86) 543 416 2000

- (C) Each holder of H Shares who has the right to attend and vote at the H Shareholders Class Meeting (or at any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a shareholder of the Company or not, to attend and vote on his behalf at the H Shareholders Class Meeting. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll.

NOTICE OF H SHAREHOLDERS CLASS MEETING

- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a certified copy of that power of attorney or other authority (such certification to be made by a notary public), must be delivered to the Company's H Shares registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the H Shareholders Class Meeting or any adjournment thereof.
- (F) If a proxy attends the H Shareholders Class Meeting on behalf of a shareholder, he should produce his ID card and the instrument signed by the proxy or his legal representative, which specifies the date of its issuance. If the legal representative of a legal person share shareholder attends the H Shareholders Class Meeting, such legal representative should produce his ID card and valid documents evidencing his capacity as such legal representative. If a legal person share shareholder appoints a representative of the company other than its legal representative to attend the H Shareholders Class Meeting, such representative should produce his ID card and an authorisation instrument affixed with the seal of the legal person share shareholder and duly signed by its legal representative.
- (G) The H Shareholders Class Meeting is expected to last for half a day. Shareholders attending the H Shareholders Class Meeting are responsible for their own transportation and accommodation expenses.

* *For identification purposes only. The Company is registered in Hong Kong as a non-Hong Kong company under the English name "Weiqiao Textile Company Limited" and the Chinese name of the Company under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).*

NOTICE OF DOMESTIC SHAREHOLDERS CLASS MEETING



魏橋紡織股份有限公司

Weiqiao Textile Company Limited*

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

(Stock Code: 2698)

NOTICE OF DOMESTIC SHAREHOLDERS CLASS MEETING

NOTICE IS HEREBY GIVEN that a domestic shareholders class meeting (the “**Domestic Shareholders Class Meeting**”) of Weiqiao Textile Company Limited (the “**Company**”) will be held at 9:00 a.m. on Friday, 27 May 2022 at the conference hall 401 on the Fourth Floor, Company Office Building, No. 1 Wei Fang Road, Zouping Economic Development Zone, Zouping City, Shandong Province, the People’s Republic of China (the “**PRC**”) for the following purpose:

SPECIAL RESOLUTION

1. to consider and approve the proposed amendments to the articles of association of the Company;
2. “**THAT:**

There be granted to the board of directors of the Company (the “**Board**”), a general mandate to repurchase H Shares subject to the following conditions:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period of all the powers of the Company to repurchase H Shares in issue on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body be and is approved;
- (b) the aggregate nominal value of H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal value of H Shares in issue as at the date of the passing of this special resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution in the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i)) at the annual general meeting of the Company to be held on Friday, 27 May 2022 (or on such adjourned date as may be

NOTICE OF DOMESTIC SHAREHOLDERS CLASS MEETING

- applicable); and the H shareholders class meeting and Domestic Shareholders Class Meeting of the Company to be held on Friday, 27 May 2022 (or on such adjourned date as may be applicable); and
- (ii) the approval of the State Administration of Foreign Exchange of the PRC or its competent branches and/or any other regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate;
- (d) subject to approval of all relevant governmental authorities in the PRC for the repurchase of such H Shares being granted, the Board be hereby authorised to:
- (i) make such amendments to the articles of association of the Company as it thinks fit so as to reduce the registered capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) file the amended articles of association of the Company with the relevant governmental authorities of the PRC and to apply for registration with the relevant companies registration authorities in the PRC of the change of registered capital of the Company in accordance with all applicable laws, rules, regulations and/or requirements of the relevant governmental or regulatory body in the PRC.

For the purposes of this resolution:

“**Domestic Shares**” means domestic invested shares in the share capital of the Company, with a par value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC investors;

“**H Shares**” means the overseas listed foreign invested shares in the share capital of the Company, with a par value of RMB1.00 each, and which are subscribed for and traded in Hong Kong dollars; and

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (b) the expiration of the 12-month period following the passing of this resolution; or

NOTICE OF DOMESTIC SHAREHOLDERS CLASS MEETING

- (c) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting of the Company or by a special resolution of holders of H Shares or holders of Domestic Shares at their respective class meetings.”

By Order of the Board
Weiqiao Textile Company Limited*
Chairman
Ms. Zhang Hongxia

6 April 2022
Shandong, the PRC

As at the date of this notice, the Board comprises nine directors, namely Ms. Zhang Hongxia, Ms. Zhang Yanhong, Mr. Wei Jiakun, Ms. Zhao Suwen and Mr. Zhang Jinglei as executive directors, Ms. Zhao Suhua as non-executive director, and Mr. George Chan Wing Yau, Mr. Chen Shuwen and Mr. Liu Yanzhao as independent non-executive directors.

Notes:

- (A) The Company’s register of members will be closed from Wednesday, 27 April 2022 to Friday, 27 May 2022 (both dates inclusive), during which no transfer of shares will be registered. Holders of Domestic Shares whose names appear on the register of members of the Company on Wednesday, 27 April 2022 are entitled to attend and vote at the Domestic Shareholders Class Meeting after complying with the necessary registration procedures.
- (B) Holders of Domestic Shares, who intend to attend the Domestic Shareholders Class Meeting, must complete the reply slips for attending the Domestic Shareholders Class Meeting and return them to the office of the secretary to the Board not later than 20 days before the date of the Domestic Shareholders Class Meeting, i.e. no later than Saturday, 7 May 2022.

Details of the office of the secretary to the Board are as follows:

Room 412, Fourth Floor
Company Office Building
No. 1 Wei Fang Road
Zouping Economic Development Zone
Zouping City
Shandong Province
The PRC

Postal Code: 256200
Tel: (86) 543 416 2222
Fax: (86) 543 416 2000

- (C) Each holder of Domestic Shares who has the right to attend and vote at the Domestic Shareholders Class Meeting (or at any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a shareholder of the Company or not, to attend and vote on his behalf at the Domestic Shareholders Class Meeting. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll.

NOTICE OF DOMESTIC SHAREHOLDERS CLASS MEETING

- (D) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified.
- (E) To be valid, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a certified copy of that power of attorney or other authority (such certification to be made by a notary public), must be delivered to the office of the secretary to the Board, the address of which is set out in Note (B) above, not less than 24 hours before the time for holding the Domestic Shareholders Class Meeting or any adjournment thereof.
- (F) If a proxy attends the Domestic Shareholders Class Meeting on behalf of a shareholder, he should produce his ID card and the instrument signed by the proxy or his legal representative, which specifies the date of its issuance. If the legal representative of a legal person share shareholder attends the Domestic Shareholders Class Meeting, such legal representative should produce his ID card and valid documents evidencing his capacity as such legal representative. If a legal person share shareholder appoints a representative of the company other than its legal representative to attend the Domestic Shareholders Class Meeting, such representative should produce his ID card and an authorisation instrument affixed with the seal of the legal person share shareholder and duly signed by its legal representative.
- (G) The Domestic Shareholders Class Meeting is expected to last for half a day. Shareholders attending the Domestic Shareholders Class Meeting are responsible for their own transportation and accommodation expenses.

* *For identification purposes only. The Company is registered in Hong Kong as a non-Hong Kong company under the English name "Weiqiao Textile Company Limited" and the Chinese name of the Company under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).*