

# CHINA HENGSHI FOUNDATION COMPANY LIMITED

(the “Company”)

## Procedures for a shareholder to propose a person for election as a director

The following procedures are subject to the Company’s articles of association conditionally adopted on 4 December 2015 to take effect on 21 December 2015, the Companies Law of the Cayman Islands and applicable legislation and regulation (as amended from time to time).

1. The Company may by ordinary resolution elect any person to be a director of the Company (“**Director**”) either to fill a casual vacancy on the board of Directors (the “**Board**”) or as an addition to the existing Board.
2. If a shareholder, who is entitled to attend and vote at the general meeting for which notice is given, wishes to propose a person (other than the shareholder himself) for election as a director at a general meeting, the shareholder must give a written notice (the “**Notice**”) to Mr. Zhang Jiankan, a director of the Company (to be delivered to the principal place of business of the Company at No.1, Guang Yun South Road, Tongxiang Economic Development Zone, Tongxiang, Zhejiang Province, PRC or the registered office of the Company at 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands) of his/her intention to propose such person for election.
3. The person proposed for election as a director must satisfy the requirements of the Company’s nomination policy and the requirements as provided in the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).
4. In order for the Company to inform all shareholders of that proposal, the written notice must state the full name of the person proposed for election as a director, including the person’s biographical details as required by rule 13.51(2) of the Listing Rules and be signed by the shareholder concerned (not being the person to be proposed). The notice must also be accompanied by a letter of consent or other notice in writing signed by the person proposed to be elected that he or she consents to be a director, if elected.
5. The minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

Shareholders who have enquiries about the above procedures or have enquiries to put to the Board may write to the Company Secretary.

(The English version shall prevail over the Chinese translation in case of any discrepancies or inconsistencies.)