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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt about 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 China Molybdenum Co., Ltd.\*, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**洛阳钼业**

**洛陽欒川鋁業集團股份有限公司**

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

(Stock Code: 03993)

**FINANCIAL REPORT AND BUDGET REPORT  
PROPOSED DISTRIBUTION OF FINAL DIVIDEND  
PROPOSED PURCHASE OF STRUCTURED DEPOSIT WITH INTERNAL IDLE FUND  
PROPOSED PURCHASE OF WEALTH MANAGEMENT OR ENTRUSTED WEALTH  
MANAGEMENT PRODUCTS WITH INTERNAL IDLE FUND  
PROPOSED PROVISION OF GUARANTEE TO WHOLLY-OWNED SUBSIDIARIES  
PROPOSED PROVISION OF SUPPLY CHAIN FINANCING  
GUARANTEE BY IXM (AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE  
COMPANY) TO SUPPLIERS  
PROPOSED PROVISION OF FINANCING GUARANTEE TO  
A JOINT VENTURE OF THE COMPANY  
PROPOSED APPROVAL AND AUTHORISATION TO THE BOARD TO DECIDE  
ON ISSUANCE OF DEBT FINANCING INSTRUMENTS  
PROPOSED PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS  
AND SENIOR MANAGEMENT OF THE COMPANY  
PROPOSED GENERAL MANDATE TO THE BOARD FOR ISSUANCE OF SHARES  
PROPOSED GENERAL MANDATE TO THE BOARD FOR REPURCHASE OF H SHARES  
PROPOSED CHANGE OF ENGLISH NAME OF THE COMPANY  
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
PROPOSED AMENDMENTS TO THE RULES FOR SHAREHOLDERS' GENERAL  
MEETINGS  
PROPOSED AMENDMENTS TO THE RULES FOR BOARD MEETINGS  
PROPOSED AMENDMENTS TO THE DETAILED WORKING RULES FOR  
SUPERVISORY COMMITTEE MEETINGS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING**

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A letter from the Board is set out on pages 1 to 26 of this circular. A notice convening the AGM to be held at Mudu-Lee Royal International Hotel at No. 239 Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC, at 1:00 p.m., on Friday, 10 June 2022 is set out on pages AGM-1 to AGM-9 of this circular. The form of proxy for use in connection with the AGM has also been attached to this circular.

Whether or not you are able to attend the AGM in person, you are requested to complete, sign and return the form of proxy in accordance with the instructions printed thereon. For H Shareholders, the form of proxy should be returned to the Company's H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not later than 1:00 p.m. on Thursday, 9 June 2022 (or if the AGM is adjourned, such time shall be no less than 24 hours before the time designated for holding the meeting). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

\* For identification purposes only

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following terms and expression have the meanings set forth below:*

“2023 AGM”	the 2023 annual general meeting of the Company to be held in 2024
“A Share(s)”	domestic share(s) with a nominal value of RMB0.20 each issued by the Company which are listed on the SSE and traded in Renminbi (stock code: 603993)
“A Shareholder(s)”	holder(s) of A Shares
“AGM”	the annual general meeting of the Company (and any adjournment thereof) to be held at 1:00 p.m. on Friday, 10 June 2022 at Mudu-Lee Royal International Hotel at No. 239 Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC
“Articles of Association”	articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“Audit and Risk Committee”	the audit and risk committee of the Board
“Board”	the board of Directors
“Budget Report”	the financial budget report of the Company for the year 2022, which was approved at the third extraordinary meeting of the sixth session of the Board on 14 January 2022
“Company”	China Molybdenum Co., Ltd.* (洛陽樂川鋁業集團股份有限公司), a joint stock company established in the PRC with limited liability, the A Shares and H Shares of which are listed and traded on the SSE and the main board of the Hong Kong Stock Exchange, respectively
“Company Law”	the Company Law of the PRC
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company

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## DEFINITIONS

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“Final Dividend”	the proposed distribution of a final dividend of RMB0.7125 per 10 Share (tax inclusive) for the year ended 31 December 2021 as described in the annual results announcement of the Company dated 18 March 2022
“Financial Report”	financial report of the Company for 2021 as set out in Appendix I to this circular, which was approved at the fourth meeting of the sixth session of the Board on 18 March 2022
“Fuchuan Mining”	Luoyang Fuchuan Mining Co., Ltd.* (洛陽富川礦業有限公司), a joint venture of the Company. Despite that its financial statements have yet to be consolidated into the consolidated financial statements of the Group, Fuchuan Mining is controlled by the Company in its daily operation and management through contract arrangements, therefore is deemed as a subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Share(s)”	overseas listed foreign share(s) with a nominal value of RMB0.20 each in the share capital of the Company which are listed on the main board of the Hong Kong Stock Exchange and are traded in Hong Kong dollars
“H Shareholder(s)”	holder(s) of H Shares
“Latest Practicable Date”	22 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange

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## DEFINITIONS

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“LMG”	Luoyang Mining Group Co., Ltd., a substantial shareholder of the Company, holding 24.68% of the shares of the Company as at the Latest Practicable Date
“Nomination and Governance Committee”	the nomination and governance committee of the Board
“PRC” or “China”	the People’s Republic of China (for the purposes of this circular, excluding Hong Kong and the Macau Special Administrative Region of the PRC and Taiwan)
“Proposed Amendments”	the proposed amendments to the Articles of Association, as well as its appendices, i.e., the rules for Shareholders’ general meetings, the rules for the Board meetings and the detailed working rules for supervisory committee meetings of the Company
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	as of 31 December 2021
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the repurchase mandate to be approved at the AGM, the general mandate to authorise the Board to exercise its authority to repurchase H Shares of an aggregate number of not exceeding 10% of the number of H Shares in issue as at the date of passing of the said resolution
“RMB”	Renminbi, the lawful currency of the PRC
“Rules for Board Meetings”	Rules for Board Meetings of the Company
“SAFE”	State Administration of Foreign Exchange of the PRC and its local representative offices
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	A Share(s) and H Share(s)

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## DEFINITIONS

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“Share Issuance Mandate”	subject to the conditions set out in the proposed resolution approving the share mandate to be approved at the AGM, the general mandate to authorise the Board to exercise its authority to issue additional A Shares not exceeding 20% of the number of the A Shares in issue and additional H Shares not exceeding 20% of the number of the H Shares in issue as at the date of passing of the said resolution
“Shareholder(s)”	holder(s) of Shares, including both A Shareholder(s) and H Shareholder(s)
“SSE”	the Shanghai Stock Exchange
“Strategic and Sustainability Committee”	the strategic and sustainability committee of the Board
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeover Codes”	the Codes on Takeovers and Mergers and Share Buy-backs issued by Hong Kong Securities and Futures Commission (as amended from time to time)
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent



**洛 阳 铝 业**  
**洛 陽 樂 川 鋁 業 集 團 股 份 有 限 公 司**

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

(Stock Code: 03993)

*Executive Directors:*

SUN Ruiwen  
LI Chaochun (*Vice Chairman*)

*Non-executive Directors:*

YUAN Honglin (*Chairman*)  
GUO Yimin (*Vice Chairman*)  
CHENG Yunlei

*Independent non-executive Directors:*

WANG Gerry Yougui  
YAN Ye  
LI Shuhua

*Registered Office:*

North of Yihe  
Huamei Shan Road  
Chengdong New District  
Luanchuan County  
Luoyang City  
Henan Province  
The People's Republic of China

*Principal place of business in Hong Kong:*

31/F, Tower Two, Times Square  
1 Matheson Street, Causeway Bay  
Hong Kong

29 April 2022

*To the Shareholders*

Dear Sir/Madam,

**FINANCIAL REPORT AND BUDGET REPORT  
PROPOSED DISTRIBUTION OF FINAL DIVIDEND  
PROPOSED PURCHASE OF STRUCTURED DEPOSIT WITH INTERNAL IDLE FUND  
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NOTICE OF THE ANNUAL GENERAL MEETING**

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## LETTER FROM THE BOARD

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### 1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, the notice of the AGM, and to provide relevant details for you to make informed decisions on, among others, the below ordinary resolutions and special resolutions proposed for voting at the AGM:

- (i) Financial Report and Budget Report;
- (ii) proposed distribution of Final Dividend;
- (iii) proposed purchase of structured deposit with internal idle fund;
- (iv) proposed purchase of wealth management or entrusted wealth management products with internal idle fund;
- (v) proposed provision of guarantee to wholly-owned subsidiaries;
- (vi) proposed provision of supply chain financing guarantee by IXM (an indirect wholly-owned subsidiary of the Company) to suppliers;
- (vii) proposed provision of financing guarantee to a joint venture of the Company;
- (viii) proposed approval and authorisation to the Board to decide on issuance of debt financing instruments;
- (ix) proposed purchase of liability insurance for Directors, Supervisors and senior management of the Company;
- (x) proposed Share Issuance Mandate;
- (xi) proposed Repurchase Mandate;
- (xii) proposed change of English name of the Company; and
- (xiii) the proposed amendments to the Articles of Association, the rules for Shareholders' general meetings, the rules for the Board meetings and the detailed working rules for supervisory committee meetings of the Company.

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## LETTER FROM THE BOARD

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### 2. FINANCIAL REPORT AND BUDGET REPORT

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022 and considered and approved the proposal in relation to the Budget Report, details of which are as follows:

Based on future economic and market dynamics, the Company sets the following budgeted production volume on major products for each business segment of the Company for the year of 2022:

1. copper and cobalt business: the production volume of copper metal is 227,000 tonnes to 267,000 tonnes, and the production volume of cobalt metal is 17,500 tonnes to 20,500 tonnes.
2. molybdenum and tungsten business: the production volume of molybdenum metal is 12,800 tonnes to 15,100 tonnes, of which the production volume of molybdenum metal of Fuchuan Mining, a joint venture of the Company, is 3,500 tonnes to 4,100 tonnes, and the production volume of tungsten metal is 6,100 tonnes to 7,200 tonnes (excluding Luoyang Yulu Mining Co., Ltd.).
3. copper and gold business (calculated based 80% equity interests): the production volume of NPM copper metal is 22,500 tonnes to 26,200 tonnes, and the production volume of gold is 17,300 ounces to 20,200 ounces.
4. niobium and phosphates business: the budgeted production volume of niobium metal is 8,200 tonnes to 9,500 tonnes, and the budgeted production volume of phosphates fertilizer (high concentration fertilizer and low concentration fertilizer) is 1,040,000 tonnes to 1,220,000 tonnes.
5. mineral trading business: physical trading volume is 7,700,000 tonnes to 9,100,000 tonnes.

The Board also approved the Financial Report at the fourth meeting of the sixth session of the Board held on 18 March 2022, a copy of which is set out in Appendix I to this circular.

An ordinary resolution regarding the consideration and approval of the Budget Report and the Financial Report will be proposed at the AGM.

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## LETTER FROM THE BOARD

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### 3. PROPOSED DISTRIBUTION OF FINAL DIVIDEND

As stated in the annual results announcement of the Company for the year ended 31 December 2021 and the overseas regulatory announcement of the Company both dated 18 March 2022 in relation to, among other things, the recommendation of a payment of a final dividend for the year ended 31 December 2021, the Board proposed to distribute the Final Dividend of RMB0.7125 per 10 Share (tax inclusive) subject to the approval of the Shareholders at the AGM and an ordinary resolution will be proposed to the Shareholders for voting at the AGM. During the period between the disclosure date of profit distribution plan and the share registration date for profit distribution, if there are changes in the total share capital of the Company due to conversion of convertible shares/repurchase of shares/cancellation or repurchase of shares granted under equity incentives/cancellation or repurchase of shares due to material asset restructuring, the Company proposes to remain the distribution proportion per share unchanged, while adjusting the total distribution amount accordingly.

The Company will make further announcement regarding the proposed distribution of Final Dividend to A Shareholders.

#### **Tax**

In accordance with the “Enterprise Income Tax Law of the People’s Republic of China” (《中華人民共和國企業所得稅法》) and the “Rules for the Implementation of Enterprise Income Tax Law of the People’s Republic of China” (《中華人民共和國企業所得稅法實施條例》), both implemented on 1 January 2008 and the “Notice on Issues in Relation to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Enterprises to Overseas Non-resident Enterprise Holders of H Shares” (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on 6 November 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise Shareholders at a tax rate of 10%, when the Company distributes annual dividend to non-resident enterprise Shareholders whose names appear on the H Shares Register of Members on the reference date. As such, any H Shares registered in the name of non-individual Shareholder, including Shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and group, shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

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## LETTER FROM THE BOARD

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In accordance with the “Notice on Certain Issues Concerning the Policies of Individual Income Tax” (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the PRC Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are, as an interim measure, exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. Furthermore, the competent tax authority of the Company confirmed that the relevant requirements under the “Notice on Certain Issues Concerning the Policies of Individual Income Tax” (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) is applicable to the Company, the Company will not be required to withhold and pay any individual income tax on behalf of individual Shareholders when the Company distributes the Final Dividend to individual Shareholders whose names appear on the H Shares Register of Members.

Pursuant to the “Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market” (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) promulgated on 17 November 2014:

- For mainland individual investors who invest in the H Shares via the Shanghai-Hong Kong Stock Connect, the Company will withhold individual income tax at the rate of 20% in the distribution of the Final Dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax credit relating to the withholding tax already paid abroad. For mainland securities investment funds that invest in the H Shares via the Shanghai-Hong Kong Stock Connect, the Company will withhold individual income tax in the distribution of the Final Dividend pursuant to the foregoing provisions; and
- For mainland corporate investors that invest in the H Shares via the Shanghai-Hong Kong Stock Connect, the Company will not withhold the income tax in the distribution of the Final Dividend and the mainland corporate investors shall file the tax returns on their own.

H Shareholders are recommended to consult their tax advisors regarding the relevant tax laws and regulations in the PRC, Hong Kong and other countries on the dividend payment by the Company and on the taxation implications of holding and dealing in the H Shares.

An ordinary resolution regarding the consideration and approval of the resolution in relation to the proposed distribution of the Final Dividend will be proposed at the AGM.

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## LETTER FROM THE BOARD

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### 4. PROPOSED PURCHASE OF STRUCTURED DEPOSIT WITH INTERNAL IDLE FUND

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal on the purchase of structured deposit with internal idle fund by the Company, details of which are as follows:

According to the Company's operation plan and the use of funds, under the premise of ensuring liquidity and safety of funds, the Company and its subsidiaries intend to use the internal idle fund to purchase structured deposit products from banks and their branches. It is expected that product yields of the structural deposit products purchased by the Company are higher than the bank deposit rates for the same period. The term for the structured deposit products of the proposed purchase is mainly set in short term and each separate product shall not exceed 12 months. The balance cap of such unmatured structured deposit products purchased by the Company shall not exceed RMB12 billion (or equivalent amount in foreign currency). The validity term shall be effective from the date of approval at the AGM to the date of convening of the 2022 annual general meeting of the Company, and the Board is authorised to consider and approve specific implementation plan or scheme within the aforementioned validity term and size of the structured deposit products. The plan of purchase of structured deposit does not constitute a connected transaction or a related party transaction nor a major asset restructuring.

- (1) The counterparties of the structured deposit products are banks and their branches, with whom the Company have no related party relationships.
- (2) The structured deposit products purchased by the Company are mainly short term products, and each separate product shall not exceed 12 months. The balance cap of the unmatured structured deposit products shall not exceed RMB12 billion (or equivalent amount in foreign currency). The validity term shall be effective from the date of the passing of this resolution at the AGM to the date of convening the 2022 annual general meeting of the Company, and the Board is authorised to exercise relevant right of decision-making within the abovementioned validity term and size of the structured deposit products.
- (3) The structured deposit products to be purchased are free from guarantee of contract performance.
- (4) When the working capital of the Company appears to be short-term idleness, the usage of such funds for investment in short-term structured deposit will receive additional wealth management income and lower the financial expenses of the Company, which will not affect the needs of daily cash flow and ordinary operation of the principal business of the Company since the account capital of the Company is based on the premise of ensuring operating income and expense.

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## LETTER FROM THE BOARD

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- (5) The Company will select the banks and their branches with large scale and high credibility for the structured deposit business and will perform normative management, stringently control risks, and regularly pay attention to relevant conditions of the structured deposit products funds. The Company will adopt corresponding measures in a timely manner to control investment risks once discovering risks may probably be incurred.

An ordinary resolution regarding the consideration and approval of the proposal on the purchase of structured deposit with internal idle fund will be proposed at the AGM.

As certain structured deposit to be purchased by the Group under such resolution will not be treated as cash and cash equivalent or bank balances in the consolidated balance sheet of the Group, the purchase of such kind of structured deposit will be deemed as a transaction under the Chapter 14 or Chapter 14A of the Hong Kong Listing Rules where applicable, and the Company will comply with relevant rules and requirements when purchasing such kind of structured deposit in accordance with such resolution.

### **5. PROPOSED PURCHASE OF WEALTH MANAGEMENT OR ENTRUSTED WEALTH MANAGEMENT PRODUCTS WITH INTERNAL IDLE FUND**

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal on the purchase of wealth management or entrusted wealth management products with internal idle fund by the Company, details of which are as follows:

In order to improve the efficiency of internal idle fund and maximize the practical value of the fund, under the premise of ensuring the Company's daily operations, capital security, operational compliance, and control of risks, the Company uses the temporary internal idle fund to invest and purchase wealth management or entrusted wealth management products to maximize the benefits of capital management.

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## LETTER FROM THE BOARD

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Under the premise of ensuring the Company's daily operations, capital security, operation compliance and controllable risks, the Board has agreed that the Company uses internal idle fund to purchase, at appropriate opportunities and in stages, the wealth management or entrusted wealth management products with high security and liquidity (excluding structured deposits), and the balance of such unmatured wealth management or entrusted wealth management investment purchased by the Company shall not exceed RMB10 billion (or equivalent amount in foreign currency); the funds within the above-mentioned cap may be used on a rolling basis, and the cap shall be valid from the date of the approval at the AGM to the date of convening the 2022 annual general meeting of the Company; and proposed the authorisation of the AGM to the Board to exercise the relevant decision-making power within the scope of the above-mentioned term of use and cap. The details are as follows:

- (1) Size of Investment: the balance cap of the unmatured wealth management or entrusted wealth management investment shall not be more than RMB10 billion (or equivalent amount in foreign currency).
- (2) Investment Targets: financial instruments with high credit rating and good liquidity, including but not limited to, national debt traded in inter-bank bond market, central bank bill, financial debts, bank subordinate debts, repurchase of bonds and enterprise bonds, corporate bonds, short-term financing notes and medium-term notes with investment level or above; interbank deposits of banks, placements in monetary market, various financial products secured by banks and non-bank financial institutions and other legal financial assets trust plan as well as wealth management or entrusted wealth management products (excluding structured deposit products).
- (3) Validity Term: from the date of the passing of this resolution at the AGM to the date of convening the 2022 annual general meeting of the Company.

The Company's use of its internal fund for wealth management and entrusted wealth management business will be carried out on the premise of ensuring the daily operation and capital security of the Company, without affecting the normal turnover of the Company's daily funds or the normal development of the Company's main business. Through the modest capital-guaranteed wealth management, it will improve the capital usage efficiency of the Company, increase capital gains, and obtain more return on investment for the Shareholders.

An ordinary resolution regarding the consideration and approval of the proposal on the purchase of wealth management or entrusted wealth management products with internal idle fund will be proposed at the AGM.

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## LETTER FROM THE BOARD

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As the purchase of wealth management or entrusted wealth management products with internal idle fund will be deemed as a transaction under the Chapter 14 and Chapter 14A of the Hong Kong Listing Rules, where applicable, the Company will comply with relevant rules and requirements under the Chapter 14 and Chapter 14A of the Hong Kong Listing Rules when purchasing wealth management or entrusted wealth management products in accordance with such resolution.

### **6. PROPOSED PROVISION OF GUARANTEE TO WHOLLY-OWNED SUBSIDIARIES**

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the Proposal on Provision of Guarantee to Wholly-owned Subsidiaries, the details of which are as follows:

In order to provide a better support to the development of the direct or indirect wholly-owned subsidiaries of the Company, response more quickly to their financing needs and reduce their financial costs, according to the current operation of the Company, the Company proposed to provide, directly or through its wholly-owned subsidiaries (including direct or indirect wholly-owned subsidiaries, the same thereafter), a line of financing guarantee with maximum balance up to RMB59.5 billion (or equivalent amount in foreign currency) to other wholly-owned subsidiaries, including but not limited to: the guarantee provided by the Company, directly or through its wholly-owned subsidiaries, to other wholly-owned subsidiaries under the circumstances of loans applied from domestic and foreign financial institutions, bond issuance, bank's acceptance bills, electronic commercial bills, letters of guarantee, bills, letters of credit, mortgaged and pledged loans, bank funds business, letters of guarantee for environmental issues, letters of guarantee for bidding issues, the derivatives trading cap and overdraft cap. The validity term shall be effective from the date of approval at the AGM to the date of convening the 2022 annual general meeting of the Company.

The Company intended to propose to the AGM to authorise the Board to decide and deal with matters in relation to the provision of guarantee within the above-mentioned cap by the Company, directly or through its wholly-owned subsidiaries, to other wholly-owned subsidiaries, details of the authorisation are as follows:

- (1) to authorise the Board to decide and deal with matters in relation to the provision of the above-mentioned guarantee by the Company, directly or through its wholly-owned subsidiaries, to other wholly-owned subsidiaries within the balance cap of RMB59.5 billion (or equivalent amount in foreign currency). Such cap may be effective from the date of approval at the AGM to the date of convening the 2022 annual general meeting of the Company;

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## LETTER FROM THE BOARD

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- (2) to determine and implement, or authorise relevant individuals to determine or implement detailed plans for the provision of the aforesaid guarantees by the Company, directly or through wholly-owned subsidiaries, to other wholly-owned subsidiaries based on specific conditions, including, among others, guarantee target, guarantee content, guarantee amount, guarantee period and guarantee method;
- (3) to perform the approval procedures (if any) relating to the above-mentioned guarantees and to promptly disclose information in accordance with the requirements of the relevant regulatory authorities such as the SSE and the Hong Kong Stock Exchange;
- (4) to deal with all other matters in connection with the above-mentioned guarantees.

A special resolution regarding the consideration and approval of the provision of guarantee to the wholly-owned subsidiaries of the Company will be proposed at the AGM.

### **7. PROPOSED PROVISION OF SUPPLY CHAIN FINANCING GUARANTEE BY IXM (AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE COMPANY) TO SUPPLIERS**

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the Proposal on the Provision of Supply Chain Financing Guarantee by IXM (an indirect wholly-owned subsidiary of the Company) to suppliers, the details of which are as follows:

IXM Holding S.A., a wholly-owned subsidiary of the Company, and its subsidiaries and member units (hereinafter referred to as “**IXM**”) constitute a well-known non-ferrous metals trading company in the global industry, of which the main trading targets include copper, lead, zinc concentrates and refined metals such as copper, aluminum and zinc, as well as a small amount of precious metal concentrates and by-products such as cobalt, and especially deeply participated in the transaction of concentrate and refined metals. During the transaction of concentrate and refined metal, there are circumstances where IXM provides guarantees for the bank financing applied by its suppliers of concentrate and refined metal (usually mining companies and smelters) after performing the necessary decision-making and evaluation procedures, which include but are not limited to: credit risk analysis on the debtor, the approval of Investment Committee, and other measures such as seeking credit insurance if necessary. The specific business model involved in the guarantee is: providing guarantee for the bank pledge financing on the accounts receivable formed by suppliers’ provision of relevant products to IXM in a timely manner and in full amount after signing a purchase agreement with suppliers of concentrates and refined metals (usually mining companies and smelters).

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## LETTER FROM THE BOARD

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The above-mentioned guarantees provided by IXM to its suppliers are an integral part of the metal trading of IXM, and also a common commercial arrangement in metal trading among the industry. In order to facilitate the continuous and steady development of such business of IXM, the Board intends to propose at the AGM to authorise the Board to decide and deal with matters related to such guarantees provided by IXM to its suppliers, the details of which are as follows:

- (1) authorise the Board to determine and deal with matters relating to supply chain financing guarantee provided by IXM to its suppliers within the balance cap of US\$130 million (or equivalent amount in foreign currency), for a period from the date of approval of the AGM to the date of the 2022 annual general meeting of the Company;
- (2) to determine and implement, or authorise relevant individuals to determine or implement detailed plans for the provision of supply chain financing guarantee provided by IXM to its suppliers, including, among others, guarantee target, guarantee content, guarantee amount, guarantee period and guarantee method;
- (3) to perform the approval procedures (if any) in relation to the above-mentioned guarantees and to promptly disclose information (if required) in accordance with the requirements of the relevant regulatory authorities such as the SSE and the Hong Kong Stock Exchange;
- (4) to deal with all other matters related to the above-mentioned financing guarantee.

A special resolution regarding the consideration and approval of the proposal on the provision of supply chain financing guarantee by IXM (an indirect wholly-owned subsidiary of the Company) to suppliers will be proposed at the AGM.

### **8. PROPOSED PROVISION OF FINANCING GUARANTEE TO A JOINT VENTURE OF THE COMPANY**

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal in relation to providing financing guarantee of not more than RMB1 billion to a joint venture by the Company, the details of which are as follows:

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## LETTER FROM THE BOARD

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In view of the stable operation and increasing production capacity of Fuchuan Mining after the resumption of production, in order to ensure the use of its operating capital, the Company intends to provide financing guarantee of not more than RMB1 billion to Fuchuan Mining. The validity term for such cap will expire on the date of convening the 2022 annual general meeting of the Company. It is proposed to the AGM to authorise the Board to decide and deal with matters in relation to the provision of financing guarantee by the Company to its joint venture Fuchuan Mining, and the provision of counter guarantee by Fuchuan Mining for the aforesaid guarantee of the Company with its mining rights of Shangfanggou molybdenum mine (Certificate No.: C1000002011073120115610). The proposed authorisation allows the Chairman of the Board or its authorised persons under the delegation of the authorisation of the Board, to decide and deal with such authorisation at full discretion as the time when the Board obtains the following authorisation at the AGM.

Details of the authorisation are as follows:

- (1) to determine and deal with matters relating to the provision of financing guarantee by the Company to its joint venture Fuchuan Mining within the amount of RMB1 billion (or equivalent amount in foreign currency). Such amount could be used cyclically and its validity period shall commence on the date of the approval by the Shareholders at AGM and end on the date of convening of the 2022 annual general meeting of the Company;
- (2) to decide and implement the specific plans relating to the provision of financing guarantee by the Company to Fuchuan Mining according to the specific circumstances, including the amount of a single guarantee, guarantee period, guarantee method, etc.;
- (3) to perform the approval procedures (if any) relating to the aforesaid financing guarantee and promptly disclose information according to the requirements of the relevant regulatory authorities such as the SSE and the Hong Kong Stock Exchange;
- (4) to deal with all other matters relating to the aforesaid financing guarantee.

A special resolution regarding the consideration and approval of the proposal on provision of financing guarantee of not more than RMB1 billion to a joint venture of the Company will be proposed at the AGM. Given that Luoyang Mining Group Co., Ltd. (洛陽礦業集團有限公司), a substantial shareholder of the Company holding 5,329,780,425 shares of the Company which accounted for approximately 24.68% of the Company's total share capital, indirectly controls 45% interest in Fuchuan Mining, therefore it shall abstain from voting for the above-mentioned resolution.

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## LETTER FROM THE BOARD

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### 9. PROPOSED APPROVAL AND AUTHORISATION TO THE BOARD TO DECIDE ON ISSUANCE OF DEBT FINANCING INSTRUMENTS

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal in relation to the grant of authorisation to the Board to decide on issuance of debt financing instruments, details of which are as follows:

To satisfy the production and operation needs of the Company as well as the infrastructure and operation needs of domestic or overseas projects, replenish working capital, reduce capital cost and make use of favorable opportunities in a timely manner, it is proposed to the AGM to grant a general and unconditional mandate to the Board and then delegate to the Chairman of the Board and his authorised person(s) to determine the following specific issue matters within the scope of available debt financing instruments in accordance with relevant laws and regulation, Articles of Association and the actual conditions:

#### (I) Major Terms of the Issuance of Debt Financing Instruments

1. **Type of the debt financing instruments:** The relevant debt financing instruments include but not limited to short-term financing bonds, super-short term financing bonds, medium term notes, non-public targeted debt financing instruments, corporate bonds, company bonds, A share or H share convertible bonds, offshore RMB bonds and foreign currency bonds, perpetual bonds and other domestic and offshore debt financing instruments denominated in RMB or foreign currency permitted by competent regulatory authority.
2. **Size of Issuance:** The issue size of the domestic and offshore debt financing instruments of this mandate shall not be more than RMB20 billion or equivalent amount in foreign currency (calculated based on the outstanding payable balance after the issue, while for the issue denominated in a foreign currency, calculated based on median discount price published by the People's Bank of China on the date of such issue), which can be issued either one-off or in tranches within the definite validity period.
3. **Currency of Issuance:** The currency of issuance shall be determined based on the review and approval results of debt financing instruments and the domestic and overseas market conditions of debt financing instruments at the time of the issuance, which may be RMB or foreign currency debt financing instruments.

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## LETTER FROM THE BOARD

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4. **Term and interest rate:** The maximum term shall be no more than 30 years, which is applicable to a single-term type or a combination of types with multiple terms. The specific composition of terms, size of issue and interest rate of each type with different terms shall be determined based on the relevant requirements and the market conditions by the Board or the Chairman of the Board and his authorised persons.
5. **Issuer:** The issuer shall be the Company or a domestic or offshore wholly-owned subsidiary or a special purpose vehicle of the Company, and in the case of a domestic or offshore wholly-owned subsidiary or a special purpose company of the Company as the issuer of the debt financing instruments, the Company can provide guarantees (including the guarantee provided to the issuer of the debt financing instrument itself and/or such guarantee provided by the Company) to such subsidiaries or special purpose company within the issue size of its debt financing instruments, issue a keepwell agreement or adopt third party credit enhancement conventional methods.
6. **Use of Proceeds:** The proceeds to be raised from the proposed issuance of the debt financing instruments are intended to be used towards meeting the demand of the Company's daily operations, financing domestic and overseas infrastructure projects, repaying loans, replenishing its working capital and/or other investment acquisition purposes, and the specific use of proceeds shall be determined by the Board or the Chairman of the Board and his authorised persons according to the capital needs of the Company from time to time.
7. **Method of Issuance:** Method of issuance shall be determined based on the review and results of issuance approval of debt financing instruments and the domestic and overseas bond market conditions at the time of the issuance of debt financing instruments.
8. If A Share or H Share convertible bonds are to be issued, the principal of each single issuance shall not exceed RMB10 billion (or equivalent amount in foreign currency), and upon the request of share conversion applied by holders of convertible bonds, the new A Shares or H Shares generated thereof may be issued under the relevant general mandate considered and approved at the 2021 AGM.
9. The debt financing instruments to be issued are proposed to be listed on the Inter-bank Bond Market, the SSE, the Hong Kong Stock Exchange or other domestic or foreign exchanges.

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## LETTER FROM THE BOARD

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### (II) Matters in Relation to the Mandate of Issuance of Debt Financing Instruments

1. It is proposed to the AGM to grant a general and unconditional mandate to the Board and then delegate to the Chairman of the Board and his authorised person(s) to decide and deal with all matters relating to the issuance of the debt financing instruments at full discretion under the premise of requirement of relevant laws and regulations in accordance with the demands of the Company from time to time and the market conditions, including but not limited to:
  - (a) determining and implementing the specific proposal of the issuance of debt financing instruments, including but not limited to the establishment and determination of the appropriate issuer, the type of the debt financing instruments to be issued, the method of issue, currency, the nominal value of the debt financing instruments, price of issuance, the size of issuance, interest rate of issuance or its determination mechanism, the markets for issue, the timing of issuance, the term of issuance, issue in instalments and number of tranches (if applicable), sale back clause and redemption clause (if applicable), rating, guarantees (if applicable), repayment period, conversion price, use of proceeds, placing, underwriting and all matters in respect of the issue of debt financing instruments.
  - (b) carrying out all necessary and ancillary actions and procedures in relation to the issuance of debt financing instruments, including but not limited to, select and engage intermediary institutions, handle all approval, registration and filing procedures with the relevant regulatory authorities in connection with the issuance on behalf of the Company, execute all necessary documents for the issuance, select trustee(s) for the issuance of debt financing instruments, formulate rules for meetings of the holders of the bonds, deal with any related disclosure in accordance with the applicable laws and regulations and requirements from regulatory authorities, and deal with any other matters in connection with the bond issuance and trading.
  - (c) subject to the authorisation at the AGM, if there are changes in the regulatory policies or market conditions, correspondingly revising the specific proposals and terms of the proposal for the issue of debt financing instruments in due course in accordance with the view of regulatory authorities or in the event that there are changes in the market conditions, except for matters that require approval at the general meeting of the Company in respect of relevant laws, regulations and the Articles of Association.

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## LETTER FROM THE BOARD

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- (d) deciding and dealing with all relevant matters in connection with the proposed listing of debt financing instruments to be issued on the Inter-bank Bond Market, the SSE, the Hong Kong Stock Exchange or other domestic or foreign exchanges according to the market conditions.
- 2. To further delegate the authorisation granted by the Shareholders at the AGM to the Board and then to delegate to the Chairman of the Board and his authorised person(s) to execute all matters in connection with the issuance of debt financing instruments based on the Company's needs and other market conditions upon approval and authorisation in respect of the above matters at the AGM.
- 3. To authorise the Chairman of the Board and his authorised person(s) to approve, execute and dispatch relevant documents, announcements and circulars and make information disclosure in accordance with the applicable rules and regulations of the relevant jurisdictions where the securities of the Company are listed.

### **(III) Term of the Issue of Debt Financing Instrument**

The mandate of the issue of the debt financing instruments shall be effective from the date of approval at the AGM to the date of convening the 2022 annual general meeting of the Company.

If the Board or the Chairman of the Board and his authorised person(s) have resolved to issue the debt financing instruments within the validity term of the mandate and the Company has also obtained the approval, permission or registration (if applicable) for the issuance from the competent regulatory authorities within the validity term of the mandate, the Board or the Chairman of the Board and his authorised person(s) may complete the issue of such debt financing instruments within the validity term of such approval, permission or registration.

A special resolution regarding the consideration and approval of the approval and authorisation to the Board to decide on issuance of debt financing instruments will be proposed at the AGM.

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## LETTER FROM THE BOARD

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### **10. PROPOSED PURCHASE OF LIABILITY INSURANCE FOR DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY**

As mentioned in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal in relation to the purchase of liability insurance for Directors, Supervisors and senior management of the Company, details of which are as follows:

According to the Proposed Purchase of Liability Insurance for Directors, Supervisors and Senior Management of the Company considered and approved at the 2020 annual general meeting, it was approved to authorise the chairman of the Board or its delegates to handle the relevant annual insurance matters within the indemnity cap of single annual insurance not exceeding US\$100 million/year and the annual aggregate premium not exceeding US\$700,000/year. Considering the market conditions, in order to further improve the risk management system of the Company and facilitate the Directors, Supervisors and senior management of the Company to fully perform their duties and safeguard the interests of investors, the Company proposed to increase the caps of relevant annual liability insurance. The indemnity cap of single annual insurance shall be not more than US\$100 million/year and the annual aggregate premium shall be not more than US\$1,000,000/year. The Board proposed to the AGM to authorise the chairman of the Board or its delegates to handle the relevant annual insurance matters in accordance with the actual development of the business of the Company, including but not limited to the determination of the annual indemnity limit and the amount of insurance, duration of insurance and insurance coverage scope, selection of insurance institutions, signing relevant legal documents and handling other matters related to insurance within the scope of authorisation.

The original Proposed Purchase of Liability Insurance for Directors, Supervisors and Senior Management of the Company considered and approved at the 2020 annual general meeting of the Company shall lapse automatically from the date on which this resolution is considered and approved at the AGM.

Subject to the requirements of the Company Law, the Articles of Association and the listing rules of the SSE, an ordinary resolution regarding the consideration and approval of the proposed purchase of liability insurance for Directors, Supervisors and senior management of the Company will be proposed at the AGM.

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## LETTER FROM THE BOARD

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### 11. PROPOSED GENERAL MANDATE FOR ISSUANCE OF SHARES

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal in relation to the general mandate to the Board for issue of additional A Shares and/or H Shares.

In view of the Company's development needs, the Board proposed a special resolution to grant to the Board the Share Issuance Mandate to issue, allot and deal with additional A Shares and H Shares or securities convertible into such shares, options, warrants or any similar rights which can subscribe for A Shares and/or H Shares (the "**Similar Rights**") not exceeding 20% of the number of each class of such Shares in issue, on the date of passing of the relevant resolution, details of which are as follows:

1. To grant a general and unconditional mandate to the Board and then to delegate to the Chairman of the Board and his authorised person(s) by the Board or the Similar Rights to determine separately or jointly allot, issue and deal with A Shares and/or H Shares (the issue of A Shares shall still be subject to the approval of Shareholders at the general meeting of the Company in accordance with the relevant regulations of the PRC) and the terms and conditions for the allotment, issuance and dealing of new Shares or Similar Rights, including but not limited to:
  - (a) class and number of new Shares to be issued;
  - (b) price determination method of new Shares and/or issue price (including price range);
  - (c) the starting and closing dates for the issue;
  - (d) class and number of the new Shares to be issued to existing shareholders; and/or
  - (e) the making or granting of offers, agreements, options, convertible rights or Similar Rights which might require the exercise of such powers.
2. The numbers of A Shares or H Shares (excluding Shares issued in form of capital conversion from capital reserve) to be separately or jointly allotted, issued and dealt with (whether pursuant to an option or otherwise) pursuant to the Share Issuance Mandate, shall not exceed 20% of the A Shares or H Shares in issue at the time when the resolution proposed for approval of the Share Mandate is passed at the AGM, respectively, by the Board or the Chairman of the Board and his authorised person(s).

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## LETTER FROM THE BOARD

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3. If the Board or the Chairman of the Board and his authorised person(s) have resolved to allot, issue and deal with A Shares and/or H Shares or the Similar Rights within the Relevant Period as defined below, and the Company has also obtained the relevant approval, permission or registration (if applicable) from the competent regulatory authorities within the validity term of the Share Issuance Mandate, the Board or the Chairman of the Board and his authorised person(s) may complete the relevant allotment, issuance and dealing works within the validity term of such approval, permission or registration.
4. To grant the Board or the Chairman of the Board and his authorised person(s) to obtain approvals from all relevant government authorities and/or regulatory authorities (if applicable) in accordance with applicable laws (including but not limited to the Company Law, the Hong Kong Listing Rules and the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange).
5. The Share Issuance Mandate will become effective from the date of passing of the resolution proposed for approval of the Share Issuance Mandate at the AGM until the earlier of (the “**Relevant Period**”):
  - (a) the expiration of 12 months from the date of passing of the resolution proposed for approval of the Share Issuance Mandate at the AGM;
  - (b) the conclusion of 2022 annual general meeting; and
  - (c) the revocation or amendment of the Share Issuance Mandate granted under this resolution by the approval of special resolution at a general meeting by Shareholders.
6. To grant the Board or the Chairman of the Board and his authorised person(s) to approve, execute and make or procure to execute and make any documents, deeds and matters, complete necessary formalities, adopt other necessary actions in connection with the allotment, issuance and dealing of any new Shares in accordance with the exercising of the general mandate stated above as considered fit.
7. To grant the Board or the Chairman of the Board and his authorised person(s) to increase the registered capital of the Company and to make appropriate and necessary amendments to the Articles of Association after completion of the allotment and issuance of new Shares according to the method, type and number of the allotment and issuance of new Shares by the Company, and the shareholding structure of the Company after completion of the allotment and issuance of new Shares.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the Company had an aggregate of 21,599,240,583 Shares in issue, comprising 3,933,468,000 H Shares and 17,665,772,583 A Shares. Subject to the passing of the proposed resolution in relation to the general mandate for issue of Shares, the Company will be allowed to issue, allot and deal with up to a maximum of 4,319,848,116 Shares (comprising 786,693,600 H Shares and 3,533,154,516 A Shares), representing 20% of the Shares in issue on the date of the passing of such resolution, on the basis that no further Shares will be issued by the Company prior to the AGM.

The Board will only exercise its authority under the Share Issuance Mandate in accordance with the Company Law of the PRC, other applicable laws and regulations (as amended from time to time) and the relevant provisions of the securities regulatory institutions at the place of listing of the Shares and only with the necessary approvals from the CSRC and other relevant PRC government departments. The Directors hereby state that as at the Latest Practicable Date, they have no intention to issue any new Shares pursuant to the Share Issuance Mandate.

The Board believes that it is in the best interests of the Company and the Shareholders to grant the Share Issuance Mandate to the Board to issue new Shares. Whilst it is not possible to anticipate in advance any specific circumstances in which the Board might think appropriate to issue Shares, the ability to do so would give them the flexibility to capture the opportunity if it so arises.

A special resolution regarding the consideration and approval of the general mandate for issue of shares will be proposed at the AGM.

### **12. PROPOSED GENERAL MANDATE FOR REPURCHASE OF H SHARES**

As stated in the overseas regulatory announcement of the Company dated 14 January 2022, the Company convened the third extraordinary meeting of the sixth session of the Board on 14 January 2022, and considered and approved the proposal in relation to the proposed general mandate to the Board for repurchase of H Shares.

In view of the development requirements of the Company and in order to give the Company the flexibility to repurchase H Shares if and when appropriate, the Board proposed a special resolution at the AGM to grant the Repurchase Mandate to the Board to repurchase H Shares of an aggregate number not exceeding 10% of the number of H Shares in issue as at the date of the passing of the resolutions proposed for approval of the Repurchase Mandate.

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## LETTER FROM THE BOARD

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The Company Law (which the Company is subject to) provides that a joint stock limited company incorporated in the PRC shall not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered share capital; (b) merging with another entity holding its shares; (c) using shares for employee stock ownership plan or equity incentives; (d) purchasing the shares from dissent shareholders who opposes to a resolution of the shareholders' meeting on the combination or division of the company; (e) using shares for converting convertible corporate bonds issued by a listed company; or (f) protecting the corporate value and the rights and interests of shareholders by a listed company. The Articles of Association provide that subject to the approval of relevant regulatory authorities and in compliance with the Articles of Association, the Company shall repurchase its Shares for the above-mentioned purposes. H Shares repurchased under this general mandate can only be cancelled and the registered capital of the Company shall be reduced accordingly.

The Hong Kong Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to its directors to repurchase H Shares of such company that are listed on the Hong Kong Stock Exchange.

Such mandate is required to be given by way of special resolution passed by Shareholders in general meeting.

As H Shares are traded on the Hong Kong Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approvals of SAFE and other relevant competent authorities are also required.

In accordance with the requirement of Article 27 of the Articles of Association applicable to registered capital reduction, the Company shall notify its creditors within 10 days after the passing of such resolution by the Board and shall publish an announcement in a newspaper within 30 days after the passing of such resolution by the Board. Creditors then have the right within 30 days of receiving the notice from the Company or, if no such notice has been received, within 45 days after the publication of the press announcement to require the Company to repay amounts due to them or to provide guarantees in respect of such amounts.

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## LETTER FROM THE BOARD

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The Repurchase Mandate will be conditional upon: (a) the special resolutions approving the grant of the Repurchase Mandate being approved at each of the AGM; (b) the approval of the regulatory authorities (if applicable) as required by the laws, rules and regulations of the PRC being obtained; and (c) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 27 of the Articles of Association as described above. In the event that the Company determines to repay any amount to its creditors in the circumstances described in item (c) above, the Company is expected to repurchase Shares with its internal resources. No Repurchase Mandate shall be exercised by the Board without satisfying conditions set out above. The Directors hereby state that as at the Latest Practicable Date, they have no intention to repurchase any H Shares pursuant to the Repurchase Mandate.

Details of the special resolution to be proposed at the AGM to grant the Repurchase Mandate to the Board are set out in the special resolution No. 18 of the notice of AGM. The number of H Shares which may be repurchased under the Repurchase Mandate shall not exceed 10% of the number of H Shares in issue as at the date of the passing of the proposed resolutions approving the Repurchase Mandate.

Pursuant to the Hong Kong Listing Rules, the Company shall give an explanatory statement to Shareholders, which contains information reasonably necessary to enable Shareholders to make an informed decision on voting for or against the granting of Repurchase Mandate. The explanatory statement is set out in Appendix III to this circular.

### 13. PROPOSED CHANGE OF ENGLISH NAME OF THE COMPANY

As stated in the announcement of the Company dated 18 March 2022, the Company convened the Board meeting on 18 March 2022, and considered and approved the proposal in relation to the proposed change of the English name of the Company.

In order to better reflect the Company's principal business and improve the Company's international brand image, the Company proposes to change the English name of the Company. The English name of the Company after the change is as follows:

**Before the Change**

**After the Change**

China Molybdenum Co., Ltd.

CMOC Group Limited

An ordinary resolution regarding the consideration and approval of the proposed change of the English name of the Company will be proposed at the AGM.

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## LETTER FROM THE BOARD

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### 14. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

As stated in the announcement of the Company dated 18 March 2022, the Company convened the Board meeting on 18 March 2022 and resolved, among other things, to seek approval for the proposed amendments to the Articles of Association from the Shareholders, as well as its appendices, i.e., the rules for Shareholders' general meetings, the rules for the Board meetings and the detailed working rules for supervisory committee meetings of the Company.

The Proposed Amendments are made in accordance with the Rules Governing the Listing of Shares on the Shanghai Stock Exchange (Amended in 2022) (《上海證券交易所股票上市規則(2022年修訂)》) and the Guidelines for Articles of Association of Listed Companies (Amended in 2022) (《上市公司章程指引(2022年修訂)》), etc., and to reflect the proposed change of English name. The Board believes that the Proposed Amendments are in the interests of the Company and the Shareholders as a whole.

A special resolution regarding the consideration and approval of the proposal in relation to the Proposed Amendments will be proposed at the AGM.

Details of the Proposed Amendments are set out in Appendix IV to this circular.

### 15. AGM

The Board proposed to seek the Shareholders' approval at the AGM to approve, among others: (i) the Financial Report and Budget Report; (ii) the proposed distribution of Final Dividend; (iii) the proposed purchase of structured deposit with internal idle fund; (iv) the proposed purchase of wealth management or entrusted wealth management products with internal idle fund; (v) the proposed provision of guarantee to wholly-owned subsidiaries; (vi) the proposed provision of supply chain financing guarantee by IXM (an indirect wholly-owned subsidiary of the Company) to suppliers; (vii) the proposed provision of financing guarantee to a joint venture of the Company; (viii) the proposed approval and authorise to the Board to decide on issuance of debt financing instruments; (ix) the proposed purchase of liability insurance for Directors, Supervisors and senior management of the Company; (x) the proposed Share Issuance Mandate; (xi) the proposed Repurchase Mandate; (xii) proposed change of English name of the Company; and (xiii) the proposed amendments to the Articles of Association, the rules for Shareholders' general meetings, the Rules for the Board Meetings and the detailed working rules for Supervisory Committee meetings of the Company.

Notice convening the AGM to be held at Mudu-Lee Royal International Hotel at No. 239 Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the PRC at 1:00 p.m. on Friday, 10 June 2022 is set out on pages AGM-1 to AGM-9 of this circular. A form of proxy for the AGM is enclosed herewith.

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## LETTER FROM THE BOARD

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According to the requirements under the “Rules of Shareholders’ Meeting of Listed Companies” of the CSRC, independent Directors shall issue a work report at the annual general meeting. Such report will be submitted to the shareholders’ general meeting for consideration but not for shareholders’ approval. The 2021 Work Report of Independent Directors of the Company is set out in Appendix II to this circular for Shareholders’ information.

### **16. PROXY ARRANGEMENT**

A form of proxy for use at the AGM is enclosed with this circular and such form is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cmoc.com](http://www.cmoc.com)).

For H Shareholders, whether or not you are able to attend the AGM in person, you are requested to complete, sign and return the form of proxy in accordance with the instructions printed thereon. The form of proxy should be returned to the Company’s H share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible but in any event not later than 1:00 p.m. on Thursday, 9 June 2022 (or if the AGM is adjourned, such time shall be not less than 24 hours before the time designated for holding the meeting). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournments thereof should you so wish.

### **17. CLOSURE OF REGISTER OF MEMBERS**

In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM, the H Shares register of members of the Company will be closed from Tuesday, 7 June 2022 to Friday, 10 June 2022 (both days inclusive) during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Shares register of members at 4:30 p.m. on Monday, 6 June 2022 shall be entitled to attend and vote at the AGM. In order for the H Shareholders to qualify for attending and voting at the AGM, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company’s H Share registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Monday, 6 June 2022.

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## LETTER FROM THE BOARD

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### 18. VOTING AT THE AGM

Pursuant to Rule 13.39 of the Listing Rules, any votes of the Shareholders at the AGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The poll results announcement will be announced by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the Latest Practicable Date, given that Luoyang Mining Group Co., Ltd. (洛陽礦業集團有限公司), a substantial shareholder of the Company holding 5,329,780,425 Shares which accounted for approximately 24.68% of the Company's total share capital, indirectly controls 45% interest in Fuchuan Mining, therefore it shall abstain from voting for the special resolution proposed at the AGM for consideration and approval for the provision of financing guarantee to a joint venture of the Company within an amount of RMB1 billion. Save as disclosed above, to the knowledge of Directors, no Shareholder shall abstain from voting for the resolutions to be proposed at the AGM.

In addition, the Company will offer a platform to A Shareholders including investors of Shanghai-Hong Kong Stock Connect to vote online through the general meeting online voting system of the SSE. Please refer to the relevant announcement published by the Company on the SSE for details.

### 19. RECOMMENDATIONS

The Directors are of the view that, (i) the Financial Report and Budget Report; (ii) the proposed distribution of Final Dividend; (iii) the proposed purchase of structured deposit with internal idle fund; (iv) the proposed purchase of wealth management or entrusted wealth management products with internal idle fund; (v) the proposed provision of guarantee to wholly-owned subsidiaries; (vi) the proposed provision of supply chain financing guarantee by IXM (an indirect wholly-owned subsidiary of the Company) to suppliers; (vii) the proposed provision of financing guarantee to a joint venture of the Company; (viii) the proposed approval and authorise to the Board to decide on issuance of debt financing instruments; (ix) the proposed purchase of liability insurance for Directors, Supervisors and senior management of the Company; (x) the proposed Share Issuance Mandate; (xi) the proposed Repurchase Mandate; (xii) proposed change of English name of the Company; and (xiii) the proposed amendments to the Articles of Association, the rules for Shareholders' general meetings, the rules for the Board meetings and the detailed working rules for supervisory committee meetings of the Company are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM as set out in the notice of AGM.

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## LETTER FROM THE BOARD

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### 20. OTHER INFORMATION

Your attention is drawn to other sections of and appendices to this circular.

By order of the Board  
**China Molybdenum Co., Ltd.\***  
**Yuan Honglin**  
*Chairman*

## I. MAJOR FINANCIAL INFORMATION AND FINANCIAL INDICATORS

*Unit: RMB'000*

Major accounting information	2021	2020	Increase or decrease as compared with the same period of last year (%)
Operating revenue	173,862,586	112,981,019	53.89
Net profit attributable to shareholders of listed company	5,106,017	2,328,788	119.26
Net profit after deduction of non-recurring profits or losses attributable to shareholders of listed company	4,103,233	1,090,576	276.24
Net cash flow from operating activities	6,190,648	8,492,454	-27.10
Major accounting information	As at the end of 2021	As at the end of 2020	Increase or decrease as compared with the same period of last year (%)
Net assets attributable to the shareholders of listed company	39,845,287	38,891,781	2.45
Total assets	137,449,773	122,441,250	12.26

Major financial indicators	2021	2020	Increase or decrease as compared with the same period of last year (%)
Basic earnings per share (“EPS”) (RMB per share)	0.24	0.11	118.18
Basic EPS after deduction of non-recurring profits or losses (RMB per share)	0.19	0.05	280.00
Diluted EPS (RMB per share)	0.24	N/A	N/A
Diluted EPS after deduction of non-recurring profits or losses (RMB per share)	0.19	N/A	N/A
Weighted average return on net assets (%)	12.93	5.83	Increased by 7.10 percentage points
Weighted average return on net assets after deduction of non-recurring profits or losses (%)	10.39	2.78	Increased by 7.61 percentage points

## II. COMPLETION OF MAJOR ESTIMATED INDICATORS

### 1. Mineral Exploration and Processing

#### (1) Copper and cobalt sector

During the year 2021, TFM Copper and Cobalt Mine achieved a production volume of 209,120 tonnes of copper metal, representing an increase of 1,025 tonnes or 0.49% as compared with 208,095 tonnes of the estimated volume.

It achieved a production volume of 18,501 tonnes of cobalt metal, representing an increase of 194 tonnes or 1.06% as compared with 18,307 tonnes of the estimated volume.

#### (2) Molybdenum and tungsten sector

During the year 2021, the Company achieved a production volume of molybdenum metal of 16,385 tonnes in China, representing an increase of 1,005 tonnes or 6.53% as compared with 15,380 tonnes of the estimated volume.

The Company achieved a production volume of tungsten metal of 8,658 tonnes (excluding Luoyang Yulu Mining Co., Ltd.), representing an increase of 1,019 tonnes or 13.34% as compared with 7,639 tonnes of the estimated volume.

**(3) Niobium and phosphate sector**

During the year 2021, production of phosphate fertilizers in Brazil (high concentration fertilizer and low concentration fertilizer) reached 1.12 million tonnes, representing an increase of 10,000 tonnes or 0.90% as compared with 1.11 million tonnes of the estimated volume.

The Company achieved a production volume of niobium metal of 8,586 tonnes, representing a decrease of 1,059 tonnes or 10.98% as compared with 9,645 tonnes of the estimated volume.

**(4) Copper and gold sector**

During the year 2021, where calculated based on 80% of equity interests, NPM copper and gold mine achieved a production volume of copper metal of 23,534 tonnes, representing a decrease of 3,236 tonnes or 12.09% as compared with 26,770 tonnes of the estimated volume.

The Company achieved a production volume of 19,948 ounces of gold, which reduced by 3,713 ounces or 15.69% as compared with 23,661 ounces of the estimated volume.

**2. Mineral Trading**

In 2021, IXM has achieved a physical trading volume (sales volume) of concentrates at 2.88 million tonnes and of concentrate metal at 3.61 million tonnes.

Please refer to the 2021 Annual Report of the Company for details.

**China Molybdenum Co., Ltd.\***

18 March 2022

**CHINA MOLYBDENUM CO., LTD.**  
**2021 WORK REPORT OF INDEPENDENT DIRECTORS**

As the independent Directors of China Molybdenum Co., Ltd.\* (hereinafter referred to as the “Company”), we have leveraged on our professional expertise and honestly, diligently, responsibly and independently performed the duties of independent Directors in strict compliance with the Company Law, the Securities Law, the Governance Code for Listed Companies, the Guidelines on the Establishment of Independent Directorship of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and other relevant laws, regulations, regulatory documents, and the stipulations and requirements of the Articles of Association, the Working Rules for Independent Directors and relevant rules. We have actively attended the relevant meetings, issued our independent opinions in an objective and fair manner on significant matters of the Company, played an important role as the independent Directors and safeguarded the legal interest of the Company and Shareholders and, in particular, the minority Shareholders. The performance description for the year 2021 is set out as follows:

**I. BASIC INFORMATION**

**(I) Personal working experience, professional background and part-time situation**

1. Mr. Wang Gerry Yougui (王友貴先生), born in May 1962, Hong Kong resident, Canadian citizen. Mr. Wang received his Bachelor’s degree in Navigation from Shanghai Maritime University in 1983 and was awarded his Master’s degree in International Economics and Management from the program sponsored by the United Nations Economic and Social Commission in 1986. In 1993, he obtained his Master of Science degree in Business Administration from the University of British Columbia (Vancouver) in Canada. Mr. Wang was the Company Secretary & Business Development Deputy Manager at China Merchants Group from 1986 to 1989. He joined Seaspan Canada in 1990 and founded its containership business. In 2005, Mr. Wang successfully took Seaspan’s containership business public, trading on the New York Stock Exchange as SSW. Mr. Wang worked as the Chief Executive Officer and Co-chairman for 12 years, making it the largest company of containership business in the world. Mr. Wang retired from Seaspan at the end of 2017 to turn his focus on investment and development in clean energy, and founded the Tiger Gas Group (Tiger Clean Energy). Mr. Wang was named 2016 the Most Influential Person of Shipping in the world. Mr. Wang is serving as a consultant of Hong Kong and China region of the University of Pennsylvania in Asia, and is also as an expert in shipping economy for BLOOMBERG TV and CNBC.

2. Ms. Yan Ye (嚴冶女士), born in May 1958, holds a degree of Master of Laws and is a registered lawyer. Ms. Yan graduated from the faculty of law in Peking University in 1982 with a bachelor's degree in law specialising in politics and law. She received a master's degree in civil law from the faculty of law of Renmin University of China in 1984. She served as a lecturer and associate professor of the school of law of the Party School of the Central Committee of C.P.C. from 1984 to 1994. She served as a lawyer in Shaanxi Xiehui Law Firm from 1994 to 2003 and served as a lawyer in Shaanxi Win Law Firm from 2003 to 2008 and has served as a lawyer and a partner in Shaanxi Yanfeng Law Firm since 2008. She concurrently serves as an independent director of Beijing Shenogen Pharma Group Ltd. (北京盛諾基醫藥科技有限公司).
3. Mr. Li Shuhua (李樹華先生), born in 1971, obtained a bachelor's degree in management majoring in auditing from Southwest University in 1993, a master's degree in economics majoring in accounting from Xiamen University in 1996, and a doctor's degree in management majoring in accounting from Shanghai University of Finance and Economics in 1999. During 2002 and 2004, he pursued his postdoctoral research in Finance and Law in Peking University, and obtained a Finance Executive Master of Business Administration (EMBA)'s degree from Shanghai Advanced Institute of Finance during 2013 and 2015. He served consecutively as director-level clerk of general office division, deputy division director of auditing division, deputy division director of general office division, division director of financial budgeting management division and division director of general office division of accounting department in CSRC during 1999 and 2010. During 2010 and 2018, he had worked for China Galaxy Securities Co., Ltd. and acted as Chief Risk Officer/Chief Compliance Officer and member of the Executive Committee. He currently serves as a professor and supervisor of postgraduates at Xiamen National Accounting Institute, Peking University, Shanghai Advanced Institute of Finance of Shanghai Jiaotong University and a professor of Tsinghua University PE Program. He is currently the chairman of Changzhou Guangyang Bearing Co., Ltd. (常州光洋軸承股份有限公司), an independent director of Hangzhou Hikvision Digital Technology Co., Ltd. (杭州海康威視數位技術股份有限公司), an independent director of Shengyi Technology Co., Ltd. (廣東生益科技股份有限公司) and Xi'an Shaangu Power Co., Ltd. (西安陝股動力有限公司), the chairman of the supervisory committee of Shenzhen Capital Fortune Investment Co., Ltd. (深圳市遠致富海投資管理有限公司), the executive partner of the merger and acquisition fund of Shenzhen Oriental Fortune Capital Investment Management Co., Ltd. (深圳市東方富海投資管理股份有限公司) and the chairman of Weihai Shiyi Electronics Co., Ltd. (威海世一電子有限公司).

**(II) Statement on whether the independence is affected**

We are qualified as the independent Directors. As the independent Directors of the Company, none of us holds any duties other than that of the independent Directors, or holds any duties in Substantial Shareholders' units of the Company. There is no relationship between us and the Company and its Substantial Shareholders that may have impact on our independent and objective judgments.

**II. OVERVIEW OF THE PERFORMANCE OF DUTIES FOR THE YEAR**

Since our appointment as independent Directors of the Company, we performed our duties as independent Directors and safeguarded the interests of the Company and Shareholders, especially minority Shareholders, with the principle of being independent and objective and with diligent and responsible attitude.

**(I) Attendance at meetings during the Reporting Period**

	Attendance in Person/Required Attendance						
	Remuneration		Nomination			General Meetings	Other meetings
Board	Committee	Audit and Risk Committee	and Governance Committee	Strategic and Sustainability Committee			
Mr. Wang Gerry							
Yougui	9/9	3/3	N/A	2/2	1/1	1/1	3/3
Ms. Yan Ye	9/9	N/A	5/5	2/2	N/A	1/1	3/3
Mr. Li Shuhua	9/9	3/3	5/5	2/2	N/A	1/1	3/3

*Note:* Other meetings include special meetings of independent Directors, special meetings of independent Directors, Chairman and non-executive Directors, communication meetings of the Audit and Risk Committee and the auditors attended by the independent Directors.

Since we have been appointed as the independent Directors of the Company, the Board meetings and general meetings of the Company have been convened in compliance with statutory requirements, and all significant matters have passed relevant approval procedures. As for the matters to be submitted to the Board and Board committees for consideration, we made adequate preparation prior to meetings, and earnestly read relevant documents, actively acquired relevant information, listened to proposal presentation in details, and expressed relevant independent opinions and review opinions. After meetings, we ensured strict implementation through effective supervision over execution.

Prior to the date of this report, we also attended the special meeting of independent Directors, the special meeting of Chairman and non-executive Directors and the communication meeting of the Audit and Risk Committee and the auditors, and conducted adequate exchange and communication in respect of corporate governance, strategies, internal control, audit, etc., respectively.

We are of the view that the Board meetings convened by the Company for the year 2021 were in compliance with legal procedures, all major matters of operational decisions and other material matters were performed in accordance with relevant procedures and were legitimate and valid, and all resolutions did not impair the rights and interests of Shareholders, in particular, minority Shareholders. We voted in favor of all relevant resolutions considered by the Board, and raised no objection against other matters of the Company.

## (II) Expression of independent opinions

We have earnestly reviewed the proposals submitted to the Board and each specialized committee prior to the meetings, and honestly, diligently and independently performed the duties as independent Directors, in accordance with the provisions and requirements under the Articles of Association and the Rules of Procedure for the Board of Directors. We have actively attended relevant meetings and expressed independent opinions on significant matters of the Company, thereby safeguarding the legal interest of the Company and Shareholders and, in particular, the minority Shareholders. The detailed independent opinions expressed by us are set out as follows:

No.	Date	Issues involved in independent opinions	Opinion type
1	29 January 2021	1. Matters relating to entering into the Property Leasing Framework Agreement between the Company and Cathay Fortune Corporation and daily connected/ continuing connected transactions;	Agree
		2. Matters in respect of the re-appointment of external auditor for the year 2021;	
		3. Matters in respect of the purchase of structured deposits with internal idle fund;	
		4. Matters in respect of the purchase of wealth management or entrusted wealth management products with internal idle fund;	
		5. Matters in respect of the provision of guarantee to the wholly-owned subsidiaries;	
		6. Matters in respect of the provision of supply chain financing guarantee by IXM (an indirect wholly-owned subsidiary of the Company) to suppliers;	
		7. Matters in respect of the provision of financing guarantee by the Company to its joint venture within an amount of 1,000;	

No.	Date	Issues involved in independent opinions	Opinion type
2	22 March 2021	1. Matters in respect of 2020 Profit Distribution Plan of the Company;	Agree
		2. Matters relating to evaluation report on internal control of the Company for the year 2020;	
		3. Matters in respect of the daily connected transactions for the year 2020 and the expected daily connected transactions for the year 2021;	
		4. Matters relating to the remuneration plan for the year 2020;	
		5. Matters relating to carrying out commodity futures hedging activities;	
		6. Matters in respect of the nomination of candidates for Directors of the sixth session of the Board of the Company;	
		7. Matters relating to proposing to the general meeting to authorise the Board to determine the remuneration of the members of sixth session of the Board and the Supervisory Committee of the Company.	
3	5 May 2021	1. Matters in respect of the 2021 First Phase of the Employee Share Ownership Plan of China Molybdenum Co., Ltd.* (Draft) and its summary;	Agree
		2. Matters in respect of the Administrative Measures for the 2021 First Phase of the Employee Share Ownership Plan of China Molybdenum Co., Ltd.*.	
4	21 May 2021	1. Matters in respect of the appointment of the president, vice president and other senior management of the Company;	Agree
		2. Matters relating to determining the remuneration of the Directors, Supervisors and the senior management of the Company.	
5	13 July 2021	1. Matters in respect of the termination of repurchase of A Shares of the Company through centralized price bidding (Phase I);	Agree
		2. Matters in respect of the repurchase of A Shares of the Company through centralized price bidding (Phase II);	
		3. Matters relating to carrying out commodities derivatives trading business.	

**(III) On-site inspection and listed company's cooperation in the work with independent Directors**

The Company has provided us with the necessary conditions to perform our duties according to the regulatory requirements of mainland China and Hong Kong where the Company is listed.

1. The office of the Board of the Company regularly provided us with reports on the Company's operation and training materials of laws and regulations;
2. When we visited the Company and attended the meetings, the Company could provide relevant materials and information in a timely manner and reported its operating performance, thus protecting rights of independent Directors to know;
3. Prior to giving our independent opinions, the Company was able to provide the intermediaries' professional opinions on related matters as well as special instructions and other materials issued by the responsible department of the Company, thus providing the supporting basis for our independent opinions;
4. The Company delivered to us the information of general meetings, Board meetings and meetings of specialized committees in a timely manner for our review and inspection;
5. The Company promptly notified us on significant events and material information via telephone, emails, WeChat and other various manners, which helped us to keep abreast of the Company's condition and provided us with important reference for decision-making.

**III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES OF INDEPENDENT DIRECTORS FOR THE YEAR**

**(I) Connected transactions**

We are of the view that the connected transactions in which the Company is involved fall within the scope of normal business and are necessary for future production and operation, which will subsist. The transactions are fair and legitimate without prejudice to the interests of the listed company and Shareholders.

The Company is independent from the connected parties in terms of business, personnel, finance, assets, organisations, etc. and the daily connected transactions would have no impact on the independence of the Company.

According to relevant laws and regulations, including the Governance Code of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association, we earnestly reviewed connected transactions in the daily production and operation activities and expressed the following opinions on daily connected transactions of the Company for the year 2021 and the expected daily operation connected transactions for the year 2022:

1. Daily connected transactions of the Company for the year 2021 were in compliance with relevant provisions and requirements of relevant laws and regulations and the Articles of Association, and decision-making procedures were legitimate and valid;
2. We are of the view that the connected transactions in which the Company is involved fall within the scope of normal business and are necessary for future production and operation, which will subsist. The transactions are fair and legitimate without prejudice to the interests of the listed company and Shareholders.

The Company is independent from the connected parties in terms of business, personnel, finance, assets, organisations, etc. and the daily connected transactions would have no impact on the independence of the Company;

3. We agreed to the expected matters in relation to daily operation connected transactions of the Company for the year 2022.

## (II) External guarantee and funds occupation

## 1. External Guarantee of the Company

Unit: RMB'000

External Guarantee of the Company (excluding the guarantees for subsidiaries)														
Guarantor	Relationship of the guarantor with the listed company	Guaranteed party	Guaranteed amount	Date of guarantee		Expiry date of guarantee	Type of guarantee	Collateral (if any)	Whether or not the guarantee is fully performed	Whether or not the guarantee is overdue	Overdue amount of guarantee	With counter guarantee or not	Whether or not the guarantee is provided to the related parties	Related parties relationships
				(Date of signing agreement)	Commencement date of guarantee								to the related parties	
The Company	Headquarters of the Company	Fuchuan Mining	400,000,000	3 December 2021	7 December 2021	18 June 2023	Joint liability	Certificates of deposit	No	No	/	Yes	Yes	Others
The Company	Headquarters of the Company	Fuchuan Mining	400,000,000	8 December 2021	10 December 2021	10 February 2023	Joint liability	Certificates of deposit	No	No	/	Yes	Yes	Others
The Company	Headquarters of the Company	Fuchuan Mining	185,000,000	30 November 2021	30 November 2021	30 November 2022	Joint liability	No	No	/	Yes	Yes	Yes	Others
The Company	Headquarters of the Company	Huayue Nickel Cobalt	1,502,114.92	30 September 2021	30 September 2021	11 March 2032	Joint liability	Equity pledge	No	No	/	No	No	Others
Total guarantee incurred during the Reporting Period (excluding those provided to subsidiaries)													2,487,114.92	
Total balance of guarantee as at the end of the Reporting Period (A) (excluding those provided to subsidiaries)													2,065,880.20	
<b>Guarantees of subsidiaries from the Company and its subsidiaries</b>														
Total guaranteed amount for subsidiaries during the Reporting Period													14,434,970.37	
Total balance of the guaranteed amount for subsidiaries at the end of the Reporting Period (B)													26,459,984.88	
<b>Total Guarantee of the Company (including the guarantees for subsidiaries)</b>														
Total guaranteed amount (A+B)													28,525,865.08	
Percentage of the total guaranteed amount to net assets of the Company (%)													71.59	
<b>Among which:</b>														
Guaranteed amount provided to the Shareholders, the de facto controller and its connected parties (C)													880,000.00	
Guaranteed amount directly or indirectly provided on liabilities to guaranteed targets with gearing ratio of over 70% (D)													19,005,245.68	
Excess amount of guarantee with total amount exceeding 50% of net assets (E)													8,603,221.77	
Total of the above three guaranteed amounts (C+D+E)													27,608,467.45	
Explanation on the possible joint repayment liability under the unexpired guarantee													N/A	
Description on guarantee														
C represents that the Company provides guarantee to its joint venture Fuchuan Mining;														
D represents that the Company or its subsidiaries provides guarantee to enterprises with a gearing ratio of over 70%;														
The guarantee provided by the Company to its joint venture Fuchuan Mining satisfies both C and D, for which the aggregate guarantee amount will calculate only once.														

**2. Fund Occupancy of the Company**

We have conducted earnest study and review on the fund occupancy by connected parties of the Company for the year of 2021 as well as the accumulated and current external guarantee of the Company in accordance with Regulatory Guidelines for Listed Companies No. 8 – Regulatory Requirements for Capital Transaction and External Security (January 2022), and confirmed that there was no occupancy of fund by controlling shareholders and their connected parties of the Company in 2021.

**(III) Nomination and remuneration of the senior management**

In 2021, according to the work needs, the Nomination and Governance Committee of the Company nominated the president, vice president and chief investment officer and other senior management of the Company. Based on the review on the biographical details of the aforementioned candidates, we made further inquiries with the relevant individuals on the relevant issues, and prudently reviewed and expressed independent opinion in writing on the qualifications of duties and nomination procedures of the aforementioned personnel. Meanwhile, we reviewed and expressed independent opinion on the nomination procedures of the aforementioned senior management.

In 2021, the Remuneration Committee organized and implemented the performance review for the year 2021 as required by the Board. We expressed independent opinion on matters in respect of the remuneration of the Directors, Supervisors and the senior management, and believed that the remuneration received by the above personnel for the year 2021 was implemented in strict compliance with the remuneration plan approved at the Board meeting of the Company.

**(IV) Preliminary results announcement and results updates**

In 2021, the Company did not publish any preliminary results announcement.

**(V) Appointment or change of accounting firm**

In 2021, the Company appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP as its external auditor, and the Company did not change its accounting firm.

**(VI) Cash dividends and other returns to investors**

On 21 May 2021, the 2020 profit distribution plan was considered and approved at the 2020 annual general meeting of the Company. The particulars were as follows: the Company distributed a total cash dividend of RMB712,774,939.24 (RMB0.033 per Share (tax inclusive)) based on the total share capital of 21,599,240,583 shares of the Company before implementation of the plan. The distribution of cash dividend had been completed during the Reporting Period.

We are of the view that the above-mentioned matters of the Company complied with the provisions of the Company Law, the Articles of Association and the relevant laws and regulations.

**(VII) Performance of undertakings of the Company, Directors, Supervisors and senior management of the Company and its Shareholders**

During the year of 2021, the Company, the Directors, Supervisors and the senior management of the Company, the controlling Shareholder, substantial Shareholders and the related parties of the Company strictly performed their undertakings made during the Reporting Period and the previous periods.

**(VIII) Execution of information disclosures**

During the year of 2021, we continued to pay attention to information disclosure of the Company, strictly supervised the Company to fulfill the obligation of information disclosure in accordance with relevant laws and regulations and the system of the Company. Relevant information disclosure personnel of the Company were able to perform information disclosure work according to the requirements of laws and regulations, thereby enabling investors to be aware of the recent development of the Company more rapidly through these announcements and protecting the interests of investors.

**(IX) Execution of internal control**

The Company attaches great importance to the construction and implementation of the internal control and regulatory system, appoints external professional organisations to assist in the comprehensive commencement of the construction of the internal control of the Company, authorises the president, in accordance with laws and regulations and provisions of the Articles of Association, to optimize and revise the internal control document of the Company based on the evaluation results and the actual operation. We have carefully verified the internal control system of the Company, and reviewed the 2021 Evaluation Report on Internal Control issued by the Company. We considered that: the Company had basically established a relatively comprehensive internal control system, which could be effectively executed. The 2021 Evaluation Report on Internal Control objectively and truly reflected the establishment and operation of the internal control system of the Company.

**(X) Matters regarding the review of Company's compliance with the corporate governance responsibilities**

After reviewing, we are of the view that all Directors have actively attended relevant meetings and participated in the Company's affairs, and have allocated sufficient time to perform their duties; all Directors received and read the relevant materials including updates of laws and regulations provided by the office of the Board of the Company. During the year 2021, the Directors, Supervisors and senior management of the Company attended various trainings organised by the Shanghai Stock Exchange, China Securities Regulatory Committee, Henan Branch, China Association for Public Companies, Association of Listed Companies in Henan and the Company. The Company encouraged all Directors and senior management to participate in continuous professional development in order to develop and update their knowledge and skills, so as to ensure their continuous contributions to the Board with comprehensive and required information; the corporate governance policies and practice of the Company are relatively completed, and the detailed policies and practice are set out in the section of Corporate Governance of Annual Report. During the year 2021, the Directors and employees of the Company have all complied with the requirements in the Corporate Governance Code and internal system. The Company has complied with the Corporate Governance Code, the Listing Rules and all of the laws and regulations applicable to the Company, and the Company did not receive any report on the deviation of the Corporate Governance Code, the Listing Rules and all of the applicable laws and regulatory requirements. Relevant information on the compliance with the Corporate Governance Code has been fully disclosed in the section of Corporate Governance of Annual Report; the Company has strictly executed Shareholders Communication Policy, encouraging Shareholders to actively develop a close relationship with the Company, thereby improving effective communications with Shareholders and other stakeholders and facilitating Shareholders to effectively exercise their rights as Shareholders. During the Reporting

Period, the Company has reviewed the effectiveness of internal control system, including the sufficiency of resources, qualifications and experience of the Company's employees from accounting and financial reporting department and their training courses and budgets. During the review period, we did not discover any material problems, and we are satisfied with the results of the review of all of the above matters.

**(XI) Operation of the Board and its specialized committees**

During the year 2021, the Board of the Company functioned in an orderly manner in accordance with relevant provisions and requirements of the Articles of Association and the Rules for Board Meeting. The specialised committees of the Board faithfully performed their duties in an earnest, responsible, diligent and honest manner and functioned in an orderly manner in accordance with their respective duties and terms of reference.

**IV. OVERALL EVALUATION AND RECOMMENDATIONS**

During the term of office in 2021, as independent Directors of the Company, we could be in compliance with relevant provisions of laws, regulations and the Articles of Association, actively attended the Board meetings of the Company, earnestly considered all relevant matters considered by the Board, made use of our professional knowledge and experience to provide independent, objective and reasonable opinions and recommendations on the production, operation and relevant matters of the Company, performed the function of independence of independent Directors, and earnestly safeguarded the legal interest of all Shareholders especially of the minority Shareholders. Our independent performance of duties was not influenced by the substantial Shareholders, the de facto controller and other companies or individuals that are interested parties of the Company. We would hereby express our heartfelt gratitude to the full cooperation and substantial support extended by all Shareholders, the Board, the Supervisory Committee and the management when the independent Directors were performing their duties.

In 2022, we will perform our duties with independence, objectiveness and fairness by adhering to the principles of being earnest, responsible, prudent and diligent, make use of our professional knowledge and experience to provide opinions and recommendations for the development of the Company, and provide reference for the decision-making of the Board to firmly safeguard the legal interests of the Company and all of our investors, especially of the minority Shareholders and continuously enhance the scientific decision-making ability and leadership of the Board to promote the sustainable and sound development of the Company. May CMOC have a brighter future!

**Independent Directors of the sixth session of the Board of CMOC:**

**Wang Gerry Yougui, Yan Ye, Li Shuhua**

18 March 2022

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## **APPENDIX III EXPLANATORY STATEMENT OF GENERAL MANDATE FOR REPURCHASE OF H SHARES**

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This explanatory statement contains the information required under Rule 10.06(1) (b) of the Hong Kong Listing Rules. Its purpose is to provide the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution in relation to granting of the Repurchase Mandate.

### **1. HONG KONG LISTING RULES**

The Hong Kong Listing Rules permit companies with a primary listing on the Hong Kong Stock Exchange to repurchase their securities subject to certain restrictions. Repurchases must be funded out of funds legally available for the purpose and in accordance with the company's constitutional documents and the applicable laws of the jurisdiction in which the company is incorporated or otherwise established. Any repurchase must be made out of funds which are legally available for the purpose and in accordance with the laws of the PRC and the memorandum and articles of association of the company. Any premium payable on a repurchase over the par value of the shares may only be deducted from the balance of distributable profits and the proceeds from issuance of new shares for the purpose of repurchase of the existing shares.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, the share capital of the Company was RMB4,319,848,116.60 comprising 3,933,468,000 H Shares of RMB0.20 each and 17,665,772,583 A Shares of RMB0.20 each.

Subject to the passing of the proposed resolutions in respect of the granting of the Repurchase Mandate and the approval of the regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 27 of the Articles of Association; on the basis that no further Shares are issued prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 393,346,800 H Shares (representing 10% of the number of the H Shares in issue as at the date of granting of the Repurchase Mandate) during the proposed repurchase period.

### **3. REASONS FOR REPURCHASE OF H SHARES**

The Board believes that the repurchase of H Shares is in the best interests of the Shareholders as a whole and the Company. It can strengthen the investors' confidence on the Company and promote a positive effect for maintaining the Company's image in the capital market. The repurchase of Shares will only be exercised when the Directors believe such repurchase will benefit the Company and the Shareholders.

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## **APPENDIX III      EXPLANATORY STATEMENT OF GENERAL MANDATE FOR REPURCHASE OF H SHARES**

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### **4.      EXERCISE OF THE REPURCHASE MANDATE**

Subject to the passing of the special resolutions approving the granting of the Repurchase Mandate to the Board proposed at the AGM, the Board will be granted the Repurchase Mandate until the conclusion of the Relevant Period (as defined in the special resolutions set out in the notices of AGM). In addition, the exercise of the Repurchase Mandate shall be subject to: (1) the approval of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC being obtained; and (2) the Company not being required by its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to relevant requirements in respect of reducing the registered capital under the Articles of Association.

### **5.      FUNDING OF REPURCHASES**

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources (which include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to repurchase its H Shares. Under the Hong Kong Listing Rules, H Shares so repurchased shall be treated as cancelled and the Company's registered capital shall be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not repurchase securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange as amended from time to time.

There might be an adverse impact on the working capital or gearing ratio of the Company as compared with the position disclosed in the audited consolidated accounts contained in the annual report of the Company for the year ended 31 December 2021 in the event that the repurchase of H Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of H Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company.

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**APPENDIX III      EXPLANATORY STATEMENT OF GENERAL MANDATE  
FOR REPURCHASE OF H SHARES**

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**6.    H SHARES PRICES**

The highest and lowest traded prices for the H Shares on the Hong Kong Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2021</b>		
April	5.58	4.72
May	6.23	4.96
June	5.42	4.13
July	6.26	4.48
August	6.68	5.08
September	6.55	4.58
October	5.58	4.61
November	4.92	4.26
December	4.92	3.98
<b>2022</b>		
January	4.32	3.64
February	4.90	3.93
March	4.82	3.05
April (up to the Latest Practicable Date)	4.60	4.00

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## **APPENDIX III      EXPLANATORY STATEMENT OF GENERAL MANDATE FOR REPURCHASE OF H SHARES**

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### **7.      GENERAL INFORMATION**

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

None of the Directors, to the best of their knowledge upon having made all reasonable enquiries, nor their close associates (as defined in the Hong Kong Listing Rules), has any present intention to sell any H Shares to the Company or its subsidiaries under the Repurchase Mandate if such resolutions are approved by the Shareholders.

No other core connected persons (as defined in the Hong Kong Listing Rules) have notified the Company that they have a present intention to sell H Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

### **8.      TAKEOVERS CODE**

If on the exercise of the powers to repurchase H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or 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 Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Cathay Fortune Corporation and Luoyang Mining Group Co., Ltd. held approximately 24.69% and 24.68% of the total share capital of the Company, respectively. In the event that the Directors should exercise the proposed Repurchase Mandate in full, the shareholding of Cathay Fortune Corporation and Luoyang Mining Group Co., Ltd. would be increased to approximately 25.15% and 25.13% of the total share capital of the Company, respectively (if both parties do not participate in such repurchase). The Directors are not aware of any consequences which will arise under the Takeovers Code and/or other relevant applicable laws, as a result of any repurchases to be made under the Repurchase Mandate. Moreover, the Directors will not repurchase Shares on the Hong Kong Stock Exchange if such repurchase would violate the requirements under Rule 8.08 of the Hong Kong Listing Rules.

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**APPENDIX III      EXPLANATORY STATEMENT OF GENERAL MANDATE  
FOR REPURCHASE OF H SHARES**

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**9.      H SHARES REPURCHASED BY THE COMPANY**

The Company had not repurchased any H Shares (whether on the Hong Kong Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

**10.     OTHER MATTERS IN RELATION TO THE REPURCHASE OF H SHARES**

**(I)     The Price Range for Repurchase**

Pursuant to the Hong Kong Listing Rules, the repurchase price shall not be higher than 5% of the average closing price for the five trading days prior to the actual repurchase. The repurchase price shall be determined according to the actual condition of the market and the Company when the repurchase is made.

**(II)    Disposal of Shares Repurchased**

Pursuant to the Hong Kong Listing Rules, H Shares repurchased under this general mandate can only be cancelled and the registered capital of the Company shall be reduced accordingly.

**(III)   Time Constraint for Repurchase**

In accordance with the requirements of regulatory authorities, a listed company shall not repurchase its shares prior to convening meetings of board of directors for periodic reports and publishing periodic reports, or during the period of the existence of inside information (including, but not limited to, the major asset acquisitions, asset restructuring, disposal of assets), during the period from formal negotiations to the release of inside information.

**Details of the proposed amendments to the Articles of Association are as below:**

### **Article 1**

Currently reads as follows:

“In order to safeguard the legitimate rights and interests of the shareholders and creditors of CMOC Group Limited (hereinafter referred to as the “Company”) and to regulate the organization and conduct of the Company, these Articles of Association are formulated in accordance with the provisions of the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the “Articles of Association of Companies Listed Overseas” (hereinafter referred to as the “Articles of Association”), the “Guidelines on Articles of Association of Listed Companies (2014 Revision)” (hereinafter referred to as the “Guidelines on Articles of Association”) and other relevant national laws and regulations.”

It is proposed to be amended to:

“In order to safeguard the legitimate rights and interests of the shareholders and creditors of CMOC Group Limited (hereinafter referred to as the “Company”) and to regulate the organization and conduct of the Company, these Articles of Association are formulated in accordance with the provisions of the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the “Articles of Association of Companies Listed Overseas” (hereinafter referred to as the “Articles of Association”), the “Guidelines on Articles of Association of Listed Companies (2022 Revision)” (hereinafter referred to as the “Guidelines on Articles of Association”) and other relevant national laws and regulations.”

### **Article 2**

Currently reads as follows:

“The Company was established as a joint stock limited company by means of sponsorship on 25 August 2006, was registered at Luoyang Administration for Industry and Commerce, and obtained a company’s business license. The number of the Company’s business license is 91410000171080594J.”

It is proposed to be amended to:

“The Company was established as a joint stock limited company by means of sponsorship on 25 August 2006, was registered at **the Market Supervision and Administration Bureau of** Luoyang, and obtained a company’s business license. The number of the Company’s business license is 91410000171080594J.”

**Article 4**

Currently reads as follows:

“The registered name of the Company: 洛陽樂川鉬業集團股份有限公司  
English name: China Molybdenum Co.,Ltd.”

It is proposed to be amended to:

“The registered name of the Company: 洛陽樂川鉬業集團股份有限公司  
English name: **CMOC Group Limited**”

**Article 22**

Currently reads as follows:

“Holders of domestic shares and holders of overseas listed foreign shares shall be deemed as shareholders of different classes. Subject to approval by the State Council or the licenses administrative authorities of State Council and in accordance with the relevant overseas regulations on dealing in securities, the Company’s domestic shares may be converted to H shares. Any listing of or dealing in the converted shares on overseas stock exchanges is subject to the regulatory procedures, rules and ordinances of relevant overseas stock exchanges.”

It is proposed to be amended to:

“Holders of domestic shares and holders of overseas listed foreign shares shall be deemed as shareholders of different classes. Subject to approval by the State Council or the licenses administrative authorities of State Council and in accordance with the relevant overseas regulations on dealing in securities, the Company’s domestic shares may be converted to H shares. Any listing of or dealing in the converted shares on overseas stock exchanges is subject to the regulatory procedures, rules and ordinances of relevant overseas stock exchanges.

**Shares issued by the Company are under centralized depository at the Shanghai branch of China Securities Depository and Clearing Corporation Limited.”**

**Article 25**

Currently reads as follows:

“The Company’s increase of its capital by issuing new shares shall be handled in accordance with relevant state laws and administrative regulations after having been approved in accordance with the Articles of the Company.”

It is proposed to be amended to:

“The Company’s increase of its capital by issuing new shares shall be handled in accordance with relevant state laws and administrative regulations after having been approved in accordance with the Articles of the Company. **When the Company issues convertible corporate bonds, the procedures and arrangement for the issuance and conversion of convertible corporate bonds, as well as the changes in the Company’s share capital resulting therefrom, shall be dealt with in accordance with the provisions of laws, administrative regulations, departmental rules and other documents and the provisions of the Company’s prospectus for convertible corporate bonds.**”

**Article 34**

Currently reads as follows:

“The Company and its subsidiaries (including the Company’s affiliated enterprises) shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring, or is proposing to acquire, the Company’s shares. Such acquirer of shares in the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares in the Company.”

It is proposed to be amended to:

“The Company and its subsidiaries (including the Company’s affiliated enterprises) shall not, by any means **such as gift, advance, guarantee, compensation or loan** at any time, provide any kind of financial assistance to a person who is acquiring, or is proposing to acquire, the Company’s shares. Such acquirer of shares in the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares in the Company.”

**Article 39**

Currently reads as follows:

“Where any Director, Supervisor or senior executive officer of the Company or any Shareholder holding 5% or more of the Company’s shares disposes of his/her shares in the Company within six months of purchase or purchases shares in the Company again within six months of disposal, the gains derived therefrom shall be disgorged and paid to the Company and shall be recoverable from him/her by the Board of the Company, provided that disposals by brokerage companies holding 5% or more of the shares in the Company as a result of their underwriting obligations in relation to the shares unsubscribed shall not be subject to the six-month limit.

Should the Board of the Company fail to comply with the requirements set out in the preceding paragraph, a Shareholder shall have the right to request the Board to effect the same within thirty days. Should the Board fail to do so within the above stipulated period, a Shareholder shall, for the benefit of the Company and in his own name, have the right to institute legal proceedings directly at a people’s court. Should the Board of the Company fail to comply with the provisions set out above, the responsible Director(s) shall accordingly assume joint liabilities under relevant laws.”

It is proposed to be amended to:

“If the directors, supervisors, senior executives of the Company or any shareholders who holds more than 5% of the shares of the Company, sell his/her shares in the Company or other securities with an equity nature within six months of his/her purchase, or purchase the shares **or other securities with an equity nature** again within six months after the sale, the profits thus made shall accrue to the Company and the Board shall collect all such profits. However, a securities company which purchases all the unsold underwritten shares and therefore holds more than 5% of the shares **and other circumstances stipulated by the CSRC shall be excluded.**

**The shares or other securities with an equity nature held by directors, supervisors, senior executives and individual shareholders referred to in the preceding paragraph include the shares or other securities with an equity nature held by their spouses, parents, and children, or others on behalf of them.**

Should the Board of the Company fail to comply with the requirements set out **in paragraph 3** of this article, a Shareholder shall have the right to request the Board to effect the same within thirty days. Should the Board fail to do so within the above stipulated period, a Shareholder shall, for the benefit of the Company and in his own name, have the right to institute legal proceedings directly at a people’s court. Should the Board of the Company fail to comply with the provisions set out above, the responsible Director(s) shall accordingly assume joint liabilities under relevant laws.”

Article 56

Currently reads as follows:

“(5) obtain relevant information in accordance with the Articles of the Company, which shall include:

.....,

reports of the aggregate par value, number of shares, and highest and lowest prices of each category of shares bought back by the Company since the last fiscal year as well as all the expenses paid by the Company therefor;

the minutes of shareholders’ general meetings;

bond record of the Company;

financial and accounting report of the Company.

(8) other rights conferred by laws, administrative regulations and the Articles of the Company.

If a person who directly or indirectly owns the rights and interests of the shares fails to disclose his rights and interests to the Company, the Company shall not freeze or in any way damage any rights or interests attached to his shares solely because of this.”

It is proposed to be amended to:

“(5) obtain relevant information in accordance with the Articles of the Company, which shall include:

.....,

reports of the aggregate par value, number of shares, and highest and lowest prices of each category of shares bought back by the Company since the last fiscal year as well as all the expenses paid by the Company therefor;

the minutes of shareholders’ general meetings; **resolutions of the board of directors’ meetings, and resolutions of board of supervisors’ meetings;**

bond record of the Company;

financial and accounting report of the Company.

- (8) other rights conferred by laws, administrative regulations and the Articles of the Company.

If a person who directly or indirectly owns the rights and interests of the shares fails to disclose his rights and interests to the Company, the Company shall not freeze or in any way damage any rights or interests attached to his shares solely because of this.

**The Hong Kong Securities Clearing Company Limited shall have the right to appoint representatives or company representatives to attend the shareholders' general meetings and creditors' meetings of the issuer, and such representatives or company representatives shall be entitled with the same statutory rights as other shareholders, including the right to speak and vote."**

#### Article 59

Currently reads as follows:

"If a director or a senior executive officer contravenes the provisions of the law, administrative regulations or the Articles when carrying out his duties in the Company and resulting losses to the Company, shareholders individually or collectively holding 1% or more of shares continuously for 180 days or more, can request the board of supervisors in writing to commence litigation at the People's Court. If the board of supervisors contravenes the provisions of the law, administrative regulations and the Articles when carrying out its duties in the Company, resulting losses to the Company, shareholders can request the board of directors in writing to commence litigation at the People's Court."

It is proposed to be amended to:

"If a director or a senior executive officer contravenes the provisions of the law, administrative regulations or the Articles when carrying out his duties in the Company and resulting losses to the Company, shareholders individually or collectively holding 1% or more of shares continuously for 180 days or more, can request the board of supervisors in writing to commence litigation at the People's Court. If the board of supervisors contravenes the provisions of the law, administrative regulations and the Articles when carrying out its duties in the Company, resulting losses to the Company, shareholders can request the board of directors in writing to commence litigation at the People's Court.

**The senior managements of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If a Company's senior management fails to faithfully perform his/her duties or violates the obligation of good faith, resulting in damage to the interests of the Company and public shareholders, he/she shall be liable for compensation in accordance with the law."**

**Article 65**

Currently reads as follows:

“(15) Consideration of the share incentive plan;”

It is proposed to be amended to:

(15) Consideration of the share incentive plan **and employee stock ownership plan;**

**Article 66**

Currently reads as follows:

“The following outward guarantees shall be submitted to Shareholders’ general meetings for consideration after being considered and passed by the Board:

- (1) any provision of guarantee after the aggregate amount of outward guarantees provided by the Company and its controlled subsidiaries reaches or exceeds 50% of the latest audited net assets;
- (2) provision of guarantee provided by the company within one year exceeds 30% of its latest audited net asset in consolidated financial statement;
- (3) provision of guarantee to any party whose gearing ratio exceeds 70%;
- (4) provision of a single guarantee with an amount exceeding 10% of the latest audited net asset of the Company;
- (5) provision of guarantee when the aggregate amount of guarantees provided by the Company in 12 consecutive months exceeds 30% of the latest audited total assets of the Company;
- (6) provision of guarantee when the aggregate amount of guarantees provided by the Company in 12 consecutive months exceeds 50% of the latest audited net assets of the Company and the absolute amount of which exceeds RMB50 million;
- (7) any guarantee provided to any Shareholder, the de factor controller of the Company or their respective related parties;

- (8) other guarantees required to be submitted to Shareholders' general meetings for consideration and approval as stipulated by other laws, administrative regulations, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association.

A guarantee which falls within the authorities of the Board, in addition to being required to be passed by exceeding half of all Directors, requires also the approval of more than two-thirds of Directors present at the meeting. The guarantee set out in the preceding subparagraph (5) shall be subject to more than two-thirds of the voting rights held by Shareholders present at the meeting.”

It is proposed to be amended to:

“The following outward guarantees shall be submitted to Shareholders' general meetings for consideration after being considered and passed by the Board:

- (1) **any provision of guarantee after the aggregate amount of outward guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;**
- (2) **any provision of guarantee after the aggregate amount of outward guarantees provided by the Company and its controlled subsidiaries exceeds 30% of the latest audited total assets;**
- (3) provision of guarantee to any party whose gearing ratio exceeds 70%;
- (4) provision of a single guarantee with an amount exceeding 10% of the latest audited net asset of the Company;
- (5) provision of guarantee when the aggregate amount of guarantees provided by the Company in 12 consecutive months exceeds 30% of the latest audited total assets of the Company;
- (6) any guarantee provided to any Shareholder, the de factor controller of the Company or their respective related parties;
- (7) other guarantees required to be submitted to Shareholders' general meetings for consideration and approval as stipulated by other laws, administrative regulations, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association.

A guarantee which falls within the authorities of the Board, in addition to being required to be passed by exceeding half of all Directors, requires also the approval of more than two-thirds of Directors present at the meeting. The guarantee set out in the preceding subparagraph (5) shall be subject to more than two-thirds of the voting rights held by Shareholders present at the meeting.”

**(New) Article 67**

“Financial assistance” mentioned in Article 35 of the Articles of Association shall be considered and approved by more than half of all directors and by more than two-thirds of the directors present at the board meeting, and shall be disclosed in a timely manner. The following financial assistance shall be submitted to the shareholders’ general meeting for consideration upon approval by the board of directors:

- (1) amount of a single financial assistance exceeds 10% of the Company’s latest audited net assets;
- (2) the asset liability ratio of the receiver of the financial assistance exceeds 70% according to its latest financial statements;
- (3) the accumulative amount of financial assistance in the last 12 months exceeds 10% of the Company’s latest audited net assets;
- (4) provision of financial assistance to related invested companies of the Company;
- (5) other circumstances stipulated by the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or the Articles of Association.

If the receiver of the financial assistance is a controlled subsidiary of the Company to be consolidated into the Company’s financial statements, and the other shareholders of the controlled subsidiary do not include the controlling shareholders, de facto controllers of the Company and their affiliates, the above provisions shall be exempted.”

**Article 71 (Article 72 after amendment)**

Currently reads as follows:

“Two or more independent shareholders are entitled to propose to the Board to convene an extraordinary general meeting. The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten (10) days after receiving such proposal from the independent directors.

In the event that the Board agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five (5) days after the passing of the relevant resolution of the Board. In the event that the Board does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given by way of announcement.”

It is proposed to be amended to:

**“Independent shareholders are entitled to propose to the Board to convene an extraordinary general meeting.** The Board shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten (10) days after receiving such proposal from the independent directors.

In the event that the Board agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five (5) days after the passing of the relevant resolution of the Board. In the event that the Board does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given by way of announcement.”

#### **Article 73 (Article 74 after amendment)**

Currently reads as follows:

“(1) Two or more Shareholders holding in aggregate 10% or more of the shares carrying the right to vote at the meeting sought to be held shall sign one or more copies of requisitions stating the topics for discussion at the meeting to request the Board to convene an extraordinary general meeting or a class meeting. The Board shall furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting or a class meeting within ten days upon receipt of the said requisition. The aforesaid shareholdings shall be determined as of the date on which the written requisition was submitted by the Shareholders.”

It is proposed to be amended to:

“(1) Shareholders holding **individually** or in aggregate 10% or more of the shares carrying the right to vote at the meeting sought to be held shall sign one or more copies of requisitions stating the topics for discussion at the meeting to request the Board to convene an extraordinary general meeting or a class meeting. The Board shall furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting or a class meeting within ten days upon receipt of the said requisition. The aforesaid shareholdings shall be determined as of the date on which the written requisition was submitted by the Shareholders.”

**Article 74 (Article 75 after amendment)**

Currently reads as follows:

“Where the Supervisory Committee or Shareholders decide(s) to convene an extraordinary general meeting on their own, they shall notify the Board in writing and file the same with the dispatched office of the CSRC at the locality of the Company and the stock exchange.

Before publicly announcing the decision of the shareholders’ general meeting, the convening shareholders should not hold less than 10% of the shares.

The Supervisory Committee and the convening Shareholders shall submit relevant evidence to the dispatched office of CSRC at the locality of the Company and the stock exchange upon the issuance of the notice of the Shareholders’ general meeting and the announcement of the resolutions of the Shareholders’ general meeting.”

It is proposed to be amended to:

“Where the Supervisory Committee or Shareholders decide(s) to convene an extraordinary general meeting on their own, they shall notify the Board in writing **and file the same with the stock exchange.**

Before publicly announcing the decision of the shareholders’ general meeting, the convening shareholders should not hold less than 10% of the shares.

**The Supervisory Committee or the convening Shareholders shall submit relevant evidence to the stock exchange upon the issuance of the notice of the Shareholders’ general meeting and the announcement of the resolutions of the Shareholders’ general meeting.”**

**Article 80 (Article 81 after amendment)**

New addition to this article

**“(11) it shall specify the voting time and procedure via network or other forms.”**

**Article 104 (Article 105 after amendment)**

Currently reads as follows:

“The following matters shall be resolved by way of a special resolution of the shareholders’ general meeting:

- (1) appointment and removal of members of the board of directors and the board of supervisors, their remuneration and method of payment of their remuneration;
- (2) increase or reduction of the Company’s registered capital and issuance of any category of shares, warrants or other similar securities;
- (3) issuance of Company’s bonds.
- (4) division, merger, dissolution and liquidation of the Company;
- (5) amendment of the Articles of Association;
- (6) any guarantee provided by the Company within one year, the amount of which exceeds 30% of the net assets as presented in the latest audited consolidated financial statements of the Company;
- (7) any purchase or disposal of substantial assets made by the Company within one year, the amount of which exceeds 30% of the total assets as presented in the latest audited consolidated financial statements of the Company;
- (8) share incentive plans;
- (9) matters as required by laws, administrative regulations or the Articles, or other matters that, as resolved by way of an ordinary resolution of the shareholders’ general meeting, may have a significant impact on the Company and require adoption by way of a special resolution.”

It is proposed to be amended to:

“The following matters shall be passed by special resolution at the shareholders’ general meeting:

- (1) increase or reduction of registered capital of the Company, or issuance of any class of shares, warrants and other similar securities;
- (2) issuance of corporate bonds;

- (3) division, **spin – off**, merger, dissolution and liquidation of the Company;
- (4) amendments to the Articles of Association;
- (5) any guarantee provided by the Company within one year, the amount of which exceeds 30% of the **total assets** as presented in the latest audited consolidated financial statements of the Company;
- (6) any purchase or disposal of substantial assets made by the Company within one year, the amount of which exceeds 30% of the total assets as presented in the latest audited consolidated financial statements of the Company;
- (7) share incentive plans;
- (8) matters as required by laws, administrative regulations or the Articles, or other matters that, as resolved by way of an ordinary resolution of the shareholders’ general meeting, may have a significant impact on the Company and require adoption by way of a special resolution.”

**Article 105 (Article 106 after amendment)**

Currently reads as follows:

“When shareholders (including proxies) vote at the shareholders’ general meeting, they shall exercise their voting rights according to the number of voting rights they represent. Each share shall carry one voting right.

Where material issues affecting the interests of small and medium investors are being considered in the shareholders’ general meeting, the votes by small and medium investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.

Shares held by the company have no voting rights. This portion of shares is not considered as part of the total number of shares with voting rights and present at the shareholders’ general meetings.

The Company’s board of directors, independent directors and shareholders that fulfilled the conditions set out in the relevant regulations can publicly solicit voting rights from shareholders, provided that sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. The Company shall not impose any limitation related to minimum shareholdings on the sol ici tat ion of voting rights.

Where the Listing Rules provide that any shareholders shall abstain from voting or can only vote for yes (or no) on certain resolution, if the said shareholders violate the relevant regulations or limitations, the votes of the said shareholders or the proxies thereof (provided that the Company is aware of this situation) shall not be counted.”

It is proposed to be amended to:

“When shareholders (including proxies) vote at the shareholders’ general meeting, they shall exercise their voting rights according to the number of voting rights they represent. Each share shall carry one voting right.

Where material issues affecting the interests of small and medium investors are being considered in the shareholders’ general meeting, the votes by small and medium investors shall be counted separately. The separate counting results shall be publicly disclosed in a timely manner.

Shares held by the company have no voting rights. This portion of shares is not considered as part of the total number of shares with voting rights and present at the shareholders’ general meetings.

**Where a shareholder’s purchase of voting shares of the Company violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the shares exceeding the permitted proportion shall not exercise the voting right within 36 months after the purchase, and shall not be counted in the total number of voting shares present at the shareholders’ general meeting.**

The board of directors of the Company, independent directors, shareholders **holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC**, may publicly solicit voting rights from shareholders, provided that sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. **Except for statutory conditions**, the Company shall not impose any limitation related to minimum shareholdings on the solicitation of voting rights.

Where the Listing Rules provide that any shareholders shall abstain from voting or can only vote for yes (or no) on certain resolution, if the said shareholders violate the relevant regulations or limitations, the votes of the said shareholders or the proxies thereof (provided that the Company is aware of this situation) shall not be counted.”

**Article 145 (Article 146 after amendment)**

Currently reads as follows:

“(10) within the scope authorized by the shareholders’ general meeting, to decide the Company’s external investment, purchase and sale of assets, offering assets as securities, external guarantees, appointment to manage finance or to manage associated transactions;

(12) to hire or fire the Company’s presidents and secretaries to the board of directors in accordance with nominations by the nomination and governance committee of the board of directors or the chairman; to hire or fire senior executive officers including vice president, chief financial officer in accordance with nominations by the nomination and governance committee of the board of directors or the president, and to determine matters regarding their remuneration, reward and punishment.”

It is proposed to be amended to:

“(10) within the scope authorized by the shareholders’ general meeting, to decide the Company’s external investment, purchase and sale of assets, offering assets as securities, external guarantees, appointment to manage finance, to manage associated transactions, **or to manage external donation;**

(12) to hire or fire the Company’s presidents, secretaries to the board of directors **and other senior managements of the Company** in accordance with nominations by the nomination and governance committee of the board of directors or the chairman, **and to determine matters regarding their remuneration, reward and punishment;** to hire or fire senior executive officers including vice president, chief financial officer in accordance with nominations by the nomination and governance committee of the board of directors or the president, and to determine matters regarding their remuneration, reward and punishment.”

#### **Article 165 (Article 166 after amendment)**

Currently reads as follows:

“A person holding a post, other than a director, in the organization of the controlling shareholder or the actual controller of the Company, cannot become senior executive officer of the company.”

It is proposed to be amended to:

“A person holding a post, other than a director, in the organization of the controlling shareholder or the actual controller of the Company, cannot become senior executive officer of the company.

**The remuneration of the Company’s senior managements shall be paid by the Company rather than controlling shareholders.”**

**Article 178 (Article 179 after amendment)**

Currently reads as follows:

“The board of supervisors exercises the following duties:

- (1) to examine and submit written opinions on the Company’s periodic reports prepared by the board of directors;”

It is proposed to be amended to:

“The board of supervisors exercises the following duties:

- (1) to **ensure that the information disclosed by the Company is true, accurate and complete**, and to examine the Company’s periodic reports prepared by the board of directors and sign written confirmation opinions;”

**Article 209 (Article 210 after amendment)**

Currently reads as follows:

“The Company shall publish its annual financial report within four months after the conclusion of each fiscal year; its interim financial report within two months after the expiration of the first six months of each fiscal year; and its quarterly financial reports within one month after the expiration of the first three months and the first nine months of each fiscal year. The financial reports shall be disclosed in accordance with the relevant laws, administrative regulations and the requirements of competent regulatory authorities.”

It is proposed to be amended to:

“The Company shall **submit and disclose the annual report to the CSRC and the stock exchanges** within four months after the end of each fiscal year, and **submit and disclose the interim report to the dispatched office of CSRC and the stock exchanges within two months** after the end of **the first half of each fiscal year**. **The above annual reports and interim reports shall be prepared** in accordance with relevant laws, administrative regulations and the **provisions of CSRC and the stock exchange.**”

**Article 219 (Article 220 after amendment)**

Currently reads as follows:

“The Company shall employ an independent accounting firm that complies with relevant State regulations to audit the annual financial reports and other financial reports of the Company.”

It is proposed to be amended to:

“The Company shall **engage** an independent accounting firm that **complies with the provisions of the Securities Law** to audit the **financial statements of the Company, verify the Company’s net assets and offer other relevant consulting services. The term of service shall be one year, which is renewable upon expiry of the term.**”

**Article 227 (Article 228 after amendment)**

Currently reads as follows:

“When the company terminates or decides not to continue to appoint an accounting firm, it shall notify the accounting firm in advance. When the shareholders’ general meeting votes on terminating the appointment of an accounting firm, the accounting firm is entitled to present its views. When an accounting firm resigns, it should explain to the shareholders’ general meeting whether there are improper circumstances.”

It is proposed to be amended to:

“When the Company terminates or decides not to continue to appoint an accounting firm, it shall notify the accounting firm **10 days** in advance. When the shareholders’ general meeting votes on terminating the appointment of an accounting firm, the accounting firm is entitled to present its views. When an accounting firm resigns, it should explain to the shareholders’ general meeting whether there are improper circumstances.”

**Article 232 (Article 233 after amendment)**

Currently reads as follows:

“Notices of the Company are issued in the following methods:

.....

- (4) By the websites appointed by the SEHK, under the premise of complying with the law, administrative regulations and listing rules of the place where the shares of the Company is listed;
- (5) By public announcement;
- (6) Other methods pre-agreed by the Company or the notified person or recognized by the notified person after receiving the notice; or
- (7) Other methods specified by relevant regulatory authorities of the place where the shares of the Company is listed or the Articles.”

It is proposed to be amended to:

“Notices of the Company are issued in the following methods:

.....

- (4) By **media that meet the specified** conditions under the premise of complying with laws, administrative regulations, **the relevant provisions of CSRC and the securities regulatory authority in the place where the Company’s shares are listed**;
- (5) By public announcement **in newspapers and/or other designated media**;
- (6) Other methods pre-agreed by the Company or the notified person or recognized by the notified person after receiving the notice; or
- (7) Other methods approved by **CSRC** and relevant regulatory authorities of the place where the Company’s shares are listed or **specified** by the Articles of Association.”

**Article 239 (Article 240 after amendment)**

Currently reads as follows:

“(6) a copy of the latest annual returns provided to Chinese Administration for Industry and Commerce or other authorities in charge for the record; and”

It is proposed to be amended to:

“(6) a copy of the latest annual returns provided to the **State Market Supervision Administration** or other authorities in charge for the record; and”

**Details of the proposed amendments to the rules for Shareholders’ general meetings are as below:****Article 1**

Currently reads as follows:

“In order to protect the lawful interests of China Molybdenum Co., Ltd. (“Company”) and its shareholders, clearly define the responsibilities and authorities of shareholders’ general meeting, enhance the efficiency of the procedures of the shareholders’ general meetings and ensure that the general meetings exercise the functions and powers thereof according to laws, the Rules are formulated in accordance with the Company Law of the People’s Republic of China (“Company Law”), the Rules for Shareholders’ General Meetings of Listed Companies, the Guide to Articles of Association of Listed Companies (2006 revised), the Articles of Association of China Molybdenum Co., Ltd. (“Articles of Association”), Listing Rules of Shanghai Stock Exchange and other applicable laws and regulations.”

It is proposed to be amended to:

“In order to protect the lawful interests of China Molybdenum Co., Ltd. (“Company”) and its shareholders, clearly define the responsibilities and authorities of shareholders’ general meeting, enhance the efficiency of the procedures of the shareholders’ general meetings and ensure that the general meetings exercise the functions and powers thereof according to laws, the Rules are formulated in accordance with the Company Law of the People’s Republic of China (“Company Law”), the Rules for Shareholders’ General Meetings of Listed Companies, the Guide to Articles of Association of Listed Companies (**2022** revised), the Articles of Association of China Molybdenum Co., Ltd. (“Articles of Association”), Listing Rules of Shanghai Stock Exchange and other applicable laws and regulations.”

**Article 11**

Currently reads as follows:

“Where the supervisory committee or shareholders decide(s) to convene the general meeting by itself/ themselves, it/they shall send out a written notice to the Board, and shall file with the dispatched office of CSRC at the locality of the Company and the stock exchange. The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the general meeting. The Supervisory Committee or the convening shareholder shall submit relevant evidence to the dispatched office of CSRC at the locality of the Company and the stock exchange upon the issuance of the notice of general meeting and the announcement of the resolutions of the general meeting.”

It is proposed to be amended to:

“Where the supervisory committee or shareholders decide(s) to convene the general meeting by itself/ themselves, it/they shall send out a written notice to the Board, and shall file with the stock exchange. The shareholding of the convening **common** shareholders shall not be lower than 10% prior to the announcement of the resolutions of the general meeting. The Supervisory Committee **or** the convening shareholder shall submit relevant evidence to the stock exchange upon the issuance of the notice of general meeting and the announcement of the resolutions of the general meeting.”

**Article 12**

Currently reads as follows:

“The Board and the secretary to the Board shall provide cooperation with respect to matters relating to a general meeting convened by the Supervisory Committee or shareholders on its/their own. The Board shall provide the register of shareholders as of the date of record date.”

It is proposed to be amended to:

“The Board and the secretary to the Board shall provide cooperation with respect to matters relating to a general meeting convened by the Supervisory Committee or shareholders on its/their own. The Board shall provide the register of shareholders as of the date of record date. **If the Board of Directors does not provide the register of shareholders, the convener may apply to the securities registrar and settlement institution to obtain the register with the relevant announcement of the notice of convening the general meeting. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of the general meeting.**”

**Article 18**

Currently reads as follows:

“A notice of a general meeting shall meet the following criteria:

.....

(10) contain the name and telephone number of the contact person for meeting affairs.

.....”

It is proposed to be amended to:

“A notice of a general meeting shall meet the following criteria:

.....

(10) contain the name and telephone number of the contact person for meeting affairs;

**(11) specify the voting time and procedure for network or other forms.**

.....”

**Article 30**

Currently reads as follows:

“The Board, independent directors and qualifying shareholders are entitled to solicit voting rights from other shareholders to attend and vote at the general meeting.”

It is proposed to be amended to:

**“The board, independent directors, shareholders holding more than 1% of the voting shares or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the CSRC are entitled to publicly solicit the voting rights of shareholders. When shareholders’ voting rights are solicited, specific voting intentions and other information shall be fully disclosed to the solicited person. It is prohibited to solicit shareholders’ voting rights in exchange for compensation or compensation in disguised form. Except for statutory requirements, the Company shall not set minimum shareholding ratio limit for solicitation of voting rights.”**

### Article 53

Currently reads as follows:

“.....

The shares held by the Company itself carry no voting rights, and shall not be counted as the total number of shares with voting rights held by shareholders attending the meeting.”

It is proposed to be amended to:

“.....

The shares held by the Company itself carry no voting rights, and shall not be counted as the total number of shares with voting rights held by shareholders attending the meeting.

**When a shareholders’ general meeting deliberates on significant matters which have an impact on the interests of small and medium investors, the votes of small and medium investors shall be computed separately. The results of the separate vote count shall be publicly disclosed in a timely manner. The controlling shareholders or de facto controller of a company shall not restrict or obstruct small and medium investors from exercising their voting rights lawfully, and shall not harm the legitimate rights and interests of the Company and its small and medium investors.**

**Where a shareholder’s purchase of voting shares of the Company violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the shares exceeding the permitted proportion shall not exercise the voting right within 36 months after the purchase, and shall not be counted in the total number of voting shares present at the shareholders’ general meeting.**

**The board of directors of the Company, independent directors, shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC, may publicly solicit voting rights from shareholders, provided that sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. Except for statutory conditions, the Company shall not impose any limitation related to minimum shareholdings on the solicitation of voting rights.”**

#### **Article 62**

Currently reads as follows:

“The following matters shall be resolved by way of special resolutions at a general meeting:

- (1) appointment or removal of members of the Board and the supervisory committee, their remuneration and manner of payment;
- (2) increase or reduction of the registered share capital and issue of shares of any class, stock warrants or other similar securities of the Company;
- (3) issuance of corporate bonds;
- (4) demerger, merger, dissolution and liquidation of the Company;
- (5) amendments to the Articles of Association of the Company;
- (6) any guarantee provided by the Company within one year, the amount of which exceeds 30% of the net assets as presented in the latest audited consolidated financial statements of the Company;
- (7) any purchase or disposal of substantial assets made by the Company within one year, the amount of which exceeds 30% of the total assets as presented in the latest audited consolidated financial statements of the Company;
- (8) share incentive scheme;
- (9) any other matters as required by the laws, administrative regulations or the Articles of Association of the Company and matters which, if resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need be adopted by way of special resolutions.”

It is proposed to be amended to:

“The following matters shall be resolved by way of special resolutions at a general meeting:

- (1) increase or reduction of the registered share capital and issue of shares of any class, stock warrants or other similar securities of the Company;
- (2) issuance of corporate bonds;
- (3) demerger, **division**, merger, dissolution and liquidation of the Company;
- (4) amendments to the Articles of Association of the Company;
- (5) any guarantee provided by the Company within one year, the amount of which exceeds 30% of the **total assets** as presented in the latest audited consolidated financial statements of the Company;
- (6) any purchase or disposal of substantial assets made by the Company within one year, the amount of which exceeds 30% of the total assets as presented in the latest audited consolidated financial statements of the Company;
- (7) share incentive scheme;
- (8) any other matters as required by the laws, administrative regulations or the Articles of Association of the Company and matters which, if resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need be adopted by way of special resolutions.”

#### **Article 66**

Currently reads as follows:

“The chairman of the meeting should ensure that the meeting proceeds without interruption until resolutions have been reached. Where the meeting is interrupted or terminated due to special reasons such as force majeure, necessary measures should be taken to resume the meeting as soon as practicable, or to end the meeting directly with a timely announcement. The chairman should also report this situation to the local office of CSRC and the stock exchange(s).”

It is proposed to be amended to:

“The chairman of the meeting should ensure that the meeting proceeds without interruption until resolutions have been reached. Where the meeting is interrupted or terminated due to special reasons such as force majeure, necessary measures should be taken to resume the meeting as soon as practicable, or to end the meeting directly with a timely announcement. The chairman should also report this situation **to the stock exchange(s).**”

**Details of the proposed amendments to the Rules for Board Meetings are as below:**

#### **Article 1 PURPOSE**

Currently reads as follows:

“In order to further regulate meeting and decision-making procedures of the Board of Directors of China Molybdenum Co., Ltd. (hereinafter referred to as “the Company”), procure the Directors and the Board to effectively perform their duties and enhance the Board in terms of standardized operations and efficiency in decision-making, the Company has formulated the Rules in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Guidelines for the Governance of Listed Companies, Proposed Model Rules of Procedure for Board of Listed Companies on Shanghai Stock Exchange and the Articles of Association of China Molybdenum Co., Ltd. (the “Articles of Association”).

It is proposed to be amended to:

In order to further regulate meeting and decision-making procedures of the Board of Directors of China Molybdenum Co., Ltd. (hereinafter referred to as “the Company”), procure the Directors and the Board to effectively perform their duties and enhance the Board in terms of standardized operations and efficiency in decision-making, the Company has formulated the Rules in accordance with **the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Guidelines for the Governance of Listed Companies, and the Articles of Association of China Molybdenum Co., Ltd. (the “Articles of Association”).**”

**Article 8 NOTICES OF THE MEETING**

Currently reads as follows:

“.....

Where the circumstance is urgent and requires an extraordinary meeting of the Board to be held as soon as practical, appropriate notice on the meeting may be circulated at any time by phone or other verbal means, but the convener shall make explanations at the meeting.”

It is proposed to be amended to:

“.....

Where the circumstance is urgent and requires an extraordinary meeting of the Board to be held as soon as practical, appropriate notice on the meeting may be circulated at any time by phone or other verbal means, but the convener shall make explanations at the meeting. **With the written consent of all directors of the Company, the time limit for notice of extraordinary meetings as stipulated in the preceding clause may be waived.**”

**Article 19 FORMATION OF RESOLUTIONS**

Currently reads as follows:

“Except for matters provided in Article 20 herein, a resolution on a proposal considered and passed at the Board meeting shall be voted for by more than half of all the Directors. Where any provision in any laws, administrative regulations or the Articles of Association prescribes a higher proportion of affirmative votes cast by Directors for the adoption of resolutions by the Board, such provision shall prevail.

Where the Board makes a resolution for guarantee matters and external investment matters within the scope of its powers according to the provisions in the Articles of Association and internal regulations of the Company, there shall be more than three fourths of all Board members who cast affirmative votes.

In case there is any conflict between different resolutions in terms of contents or meaning, the resolution formed at a later time shall prevail.”

It is proposed to be amended to:

“Except for matters provided in Article 20 herein, a resolution on a proposal considered and passed at the Board meeting shall be voted for by more than half of all the Directors. Where any provision in any laws, administrative regulations or the Articles of Association prescribes a higher proportion of affirmative votes cast by Directors for the adoption of resolutions by the Board, such provision shall prevail.

Where the Board makes a resolution for guarantee matters within the scope of its powers, there shall be **more than two thirds of the directors present at the Board Meeting who cast affirmative votes, in addition to the consent of more than half of all directors of the Company.**

In case there is any conflict between different resolutions in terms of contents or meaning, the resolution formed at a later time shall prevail.”

#### **Article 20 ABSTAINING FROM VOTING**

Currently reads as follows:

“.....

Under the circumstances where any Director abstains from voting, relevant Director shall not be counted in the quorum of the meeting. Relevant meeting of the Board can be held if more than half of the non-related Directors attend the meeting, and the resolution thus formed shall be passed by more than half of the non-related Directors. Where there are less than three non-related attending Directors, the relevant matters shall instead be submitted to the General Meeting for consideration.”

It is proposed to be amended to:

“.....

**If a director is related to the enterprise relating to the resolution of the Board Meeting, he/she shall not exercise the right to vote on such resolution, nor shall he/she exercise voting rights on behalf of another director.** Under the circumstances where any Director abstains from voting, relevant Director shall not be counted in the quorum of the meeting. Relevant meeting of the Board can be held if more than half of the non-related Directors attend the meeting, and the resolution thus formed shall be passed by more than half of the non-related Directors. Where there are less than three non-related attending Directors, the relevant matters shall instead be submitted to the General Meeting for consideration.”

**Details of the proposed amendments to detailed working rules for Supervisory Committee meetings are as below:**

**Article 1 PURPOSE**

Currently reads as follows:

“In order to further regulate meeting and decision-making procedures of the Supervisory Committee of China Molybdenum Co., Ltd. (hereinafter referred to as “the Company”), procure the Supervisors and the Supervisory Committee to effectively perform their duties and enhance legal person governance structure, the Company has formulated the Rules in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Guidelines for the Governance of Listed Companies, Proposed Model Rules of Procedure for Supervisory Committee of Listed Companies on Shanghai Stock Exchange and the Articles of Association of China Molybdenum Co., Ltd. (the “Articles of Association”).”

It is proposed to be amended to:

“In order to further regulate meeting and decision-making procedures of the Supervisory Committee of China Molybdenum Co., Ltd. (hereinafter referred to as “the Company”), procure the Supervisors and the Supervisory Committee to effectively perform their duties and enhance legal person governance structure, the Company has formulated the Rules in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Guidelines for the Governance of Listed Companies, **Guidelines No. 1 for Application of Self-Regulation of Listed Companies on the Shanghai Stock Exchange –Standard Operation** and the Articles of Association of China Molybdenum Co., Ltd. (the “Articles of Association”).”

**Article 14 MINUTES OF MEETING**

Currently reads as follows:

“The staff members of the Office of the Supervisory Committee shall prepare the minutes of meeting for on-site meetings. The minutes of meeting shall include:”

It is proposed to be amended to:

“The staff members of the Office of the Supervisory Committee shall prepare the minutes of meeting for on-site meetings. **The minutes of the meetings of the Supervisory Committee shall be true, accurate and complete and shall fully reflect the opinions of the participants on the matters under consideration.** The minutes of meeting shall include:”

**Article 15**

Currently reads as follows:

“Minutes of meetings shall be confirmed by the Supervisors present at the meeting with their signatures. If any Supervisor holds dissenting opinions to the minutes of meeting or records of resolution, he/she may make a written note when signing his/her name. Where necessary, the Supervisor may also report the same to the regulatory authority or make a public declaration.

If any Supervisor refuses to give confirmation by signature in accordance with the preceding paragraph, nor does he/she express dissenting opinions with written explanation, report his/her dissenting opinions to the regulatory authority or make a public declaration, such Supervisor shall be deemed to be in total agreement with the contents of the minutes of meeting and records of resolutions.”

It is proposed to be amended to:

“Minutes of meetings shall be confirmed by the Supervisors present at the meeting with their signatures. If any Supervisor holds dissenting opinions to the minutes of meeting or records of resolution, he/she may make a written note when signing his/her name. Where necessary, the Supervisor may also report the same to the regulatory authority or make a public declaration.

**Supervisors shall have the right to request his/her statements at the supervisory meeting to be recorded in the minutes.**

If any Supervisor refuses to give confirmation by signature in accordance with the preceding paragraph, nor does he/she express dissenting opinions with written explanation, report his/her dissenting opinions to the regulatory authority or make a public declaration, such Supervisor shall be deemed to be in total agreement with the contents of the minutes of meeting and records of resolutions.”

Save as the proposed amendments as disclosed above, no further amendments are made to the Articles of Association, the rules for Shareholders’ general meetings, the Rules for the Board Meetings and the detailed working rules for Supervisory Committee meetings of the Company.

The Articles of Association, the rules for Shareholders’ general meetings, the Rules for the Board Meetings and the detailed working rules for Supervisory Committee meetings are written in Chinese. The English version of the above articles is an unofficial translation of its Chinese version. In case of any inconsistency between the two versions, the Chinese version shall prevail.

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## NOTICE OF THE ANNUAL GENERAL MEETING

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### 洛阳钼业 洛陽欒川鉬業集團股份有限公司

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

(Stock Code: 03993)

#### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of China Molybdenum Co., Ltd.\* (the “Company”) for the year 2021 will be held at the Mudu-Lee Royal International Hotel at No. 239 Kaiyuan Street, Luolong District, Luoyang City, Henan Province, the People’s Republic of China (the “PRC”) at 1:00 p.m. on Friday, 10 June 2022 for the purposes of considering, and if thought fit, approving the following resolutions. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 29 April 2022.

#### ORDINARY RESOLUTIONS

1. “To receive and consider the Proposal on the Report of the Board of Directors of the Company for the Year 2021.”
2. “To receive and consider the Proposal on the Report of the Supervisory Committee of the Company for the Year 2021.”
3. “To receive and consider the Proposal on the Annual Report of the Company for the Year 2021.”
4. “To receive and consider the Proposal on the Financial Report and Financial Statements of the Company for the Year 2021.”
5. “To consider and approve the Profit Distribution Plan of the Company for the Year 2021.”
6. “To consider and approve the Proposal on the Re-appointment of the External Auditors for the Year 2022.”
7. “To consider and approve the Proposal on the Budget Report of the Company for the Year 2022.”
8. “To consider and approve the Proposal on the Purchase of Structured Deposit with Internal Idle Fund.”

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## NOTICE OF THE ANNUAL GENERAL MEETING

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9. “To consider and approve the Proposal on the Purchase of Wealth Management or Entrusted Wealth Management Products with Internal Idle Fund.”

### SPECIAL RESOLUTIONS

10. “To consider and approve the Proposal on Provision of Guarantee to Wholly-owned Subsidiaries.”
11. “To consider and approve the Proposal on the Provision of Supply Chain Financing Guarantee by IXM (a Wholly-owned Subsidiary of the Company) to Suppliers.”
12. “To consider and approve the Proposal on the Provision of Financing Guarantee to a Joint Venture of the Company with no more than RMB1 billion.”
13. “To consider and approve the Proposal on the Authorisation to the Board of Directors of the Company (the “**Board**”) to Decide on the Issuance of Debt Financing Instruments.”

### ORDINARY RESOLUTIONS

14. “To consider and approve the Proposal on Purchasing Liability Insurance for Directors, Supervisors and Senior Management of the Company.”
15. “To consider and approve the Proposal on Forfeiture of Uncollected Dividend of H Shareholders of the Company for the Year 2014.”
16. “To consider and approve the Proposal on the Authorisation to the Board to Deal with the Distribution of Interim Dividend and Quarterly Dividend for the Year 2022.”

### SPECIAL RESOLUTIONS

17. “To consider and approve the Proposal on the Grant of a General Mandate to the Board for Issuance of Additional A Shares and/or H Shares of the Company as follows:
- (a) To grant a general and unconditional mandate to the Board and then to delegate to the Chairman of the Board and his authorised person(s) by the Board to determine separately or jointly allot, issue and deal with A Shares and/or H Shares of the Company (not exceeding 20% of the outstanding Shares in issue as at the date of the passing of this resolution for each class of such Shares) and to grant rights to subscribe for, or convert any security into, Share (the issue of A Shares shall still be subject to the approval of the shareholders of the Company (the “**Shareholders**”) at the general meeting of the Company in accordance with the relevant regulations of the PRC) and the terms and conditions for the allotment, issuance and dealing of new Shares, including but not limited to:

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (i) class and number of new Shares to be issued;
  - (ii) price determination method of new Shares and/or issue price (including price range);
  - (iii) the starting and closing dates for the issue;
  - (iv) class and number of the new Shares to be issued to existing shareholders; and/or
  - (v) the making or granting of offers, agreements, options which might require the exercise of such powers.
- (b) The numbers of A Shares or H Shares (excluding Shares issued in form of capital conversion from capital reserve) to be separately or jointly allotted, issued and dealt with (whether pursuant to an option or otherwise) pursuant to the share mandate, shall not exceed 20% of the A Shares or H Shares in issue at the time when this resolution is passed at the AGM by the Board or the Chairman of the Board and his authorised person(s).
- (c) If the Board or the Chairman of the Board and his authorised person(s) have resolved to allot, issue and deal with A Shares or/and H Shares within the Relevant Period as defined below, and the Company has also obtained the relevant approval, permission or registration (if applicable) from the competent regulatory authorities within the validity term of the share mandate, the Board or the Chairman of the Board and his authorised person(s) may complete the relevant allotment, issuance and dealing works within the validity term of such approval, permission or registration.
- (d) To grant the Board or the Chairman of the Board and his authorised person(s) to obtain approvals from the relevant government authorities and/or regulatory authorities (if applicable) in accordance with applicable laws (including but not limited to the Company Law of the PRC, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Listing Rules of the Shanghai Stock Exchange) for the exercising of the share mandate.

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (e) The Share Mandate will become effective from the date of passing of this resolution at the AGM until the earliest of (the “**Relevant Period**”):
    - (i) the expiration of 12 months from the date of passing of this resolution at the AGM;
    - (ii) the conclusion of 2022 annual general meeting; or
    - (iii) the revocation or amendment of the share mandate granted under this resolution by the approval of special resolution at a general meeting by Shareholders.
  - (f) To grant the Board or the Chairman of the Board and his authorised person(s) to approve, execute and make or procure to execute and make any documents, deeds and matters, complete necessary formalities, adopt other necessary actions in connection with the allotment, issuance and dealing of any new Shares in accordance with the share mandate as considered fit.
  - (g) To grant the Board or the Chairman of the Board and his authorised person(s) to increase the registered capital of the Company and to make appropriate and necessary amendments to the articles of association of the Company (the “**Articles of Association**”) after completion of the allotment and issuance of new Shares according to the method, type and number of the allotment and issuance of new Shares by the Company, and the then shareholding structure of the Company.”
18. “To consider and approve the Proposal on the Grant of a General Mandate to the Board to Repurchase H Shares as follows:
- (a) subject to paragraphs (b) and (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase H Shares in issue on The Stock Exchange of Hong Kong Limited (the “**Hong Kong 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 Hong Kong Stock Exchange or of any other governmental or regulatory body;
  - (b) the number 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 number of H Shares in issue as at the date of the passing of this resolution;

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- (c) the approval in paragraph (a) above shall be conditional upon:
  - (i) the approval of all the competent regulatory authorities as may be required by the laws, rules and regulations of the PRC being obtained by the Company if appropriate; and
  - (ii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 27 of the Articles of Association;
- (d) for the purpose of this special resolution, “**Relevant Period**” means the period from the date of passing of this special resolution until the earlier of:
  - (i) the conclusion of the 2022 annual general meeting of the Company; or
  - (ii) the date on which the authority set out in this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, or a special resolution at their respective class meeting; and
- (e) subject to the approval of all relevant government authorities in the PRC for the repurchase of such H Shares being granted, to authorise the Board to:
  - (i) formulate and implement detailed repurchase plan, including but not limited to repurchase price, number of Shares to be repurchased, timing of repurchase and period of repurchase etc.;
  - (ii) notify creditors and make announcement in accordance with the requirements of relevant laws, regulations and normative documents as well as the Articles of Association;
  - (iii) open overseas share accounts and to carry out related change of foreign exchange registration procedures;

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- (iv) carry out relevant approval and filing procedures as required by regulatory authorities and the stock exchanges where the Shares are listed;
- (v) carry out cancellation procedures for repurchased shares, reduce the registered capital of the Company, and make corresponding amendments to the Articles of Association relating to total share capital and shareholding structure etc., and to carry out statutory registrations and filings within and outside China; and
- (vi) execute and handle other documents and matters relating to share repurchase.”

### ORDINARY RESOLUTION

19. “To consider and approve the Proposal on the Change of English Name of the Company.”

### SPECIAL RESOLUTION

20. “To consider and approve the Proposal on the Amendments to the Articles of Association.”

By Order of the Board  
**China Molybdenum Co., Ltd.\***  
**Yuan Honglin**  
*Chairman*

Luoyang City, Henan Province, the PRC, 29 April 2022

*As at the date of this notice, the Company’s executive directors are Mr. Sun Ruiwen and Mr. Li Chaochun; the non-executive directors are Mr. Yuan Honglin, Mr. Guo Yimin and Mr. Cheng Yunlei; and the independent non-executive directors are Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua.*

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*Notes:*

- (1) Pursuant to the requirements under the Rules of Shareholders' Meeting of Listed Companies of the China Securities Regulatory Commission, independent directors shall issue a work report at the annual general meeting. Such report will be submitted to the general meeting for consideration but not for Shareholders' approval. The 2021 work report of independent Directors of the Company will be set out in this circular for Shareholders' information.
- (2) All resolutions at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates to a procedural or administrative matter to be voted on by a show of hands pursuant to the Hong Kong Listing Rules. The results of the poll will be published on the websites of the Hong Kong Stock Exchange and the Company in accordance with the Hong Kong Listing Rules.
- (3) Each H Shareholder who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the AGM. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. In case that an appointer is a body corporate, the instrument must be either under the common seal of the body corporate or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. For H Shareholders, the form of proxy and the notarially certified power of attorney or other documents of authorisation must be delivered to the Company's H Share registrar at the address stated in note (8) below by post or facsimile (for H Shareholders only), not later than 1:00 p.m. on Thursday, 9 June 2022 (or if the AGM is adjourned, not less than 24 hours before the time appointed for holding the adjournment AGM (as the case may be)). Completion and return of the form of proxy will not preclude a Shareholder from attending and voting at the AGM or any adjournment should he/she so wish.
- (4) In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM, the register of members of H Shares of the Company will be closed from Tuesday, 7 June 2022 to Friday, 10 June 2022 (both days inclusive) during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the register of members of H Shares of the Company at 4:30 p.m. on Monday, 6 June 2022 shall be entitled to attend and vote at the AGM. In order for the H Shareholders to qualify for attending and voting at the AGM, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Monday, 6 June 2022.
- (5) Shareholders or their proxies must present proof of their identities upon attending the AGM. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.

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(6) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of Shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the AGM.

(7) The address and contact details of the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:

17M Floor, Hopewell Centre  
183 Queen's Road East, Wanchai  
Hong Kong  
Telephone No.: (+852) 2862 8555  
Facsimile No.: (+852) 2865 0990/(+852) 2529 6087

(8) The address and contact details of the Company's office of the Board at its principal place of business in the PRC are as follows:

North of Yihe  
Huamei Shan Road  
Chengdong New District  
Luanchuan County  
Luoyang City  
Henan Province  
The People's Republic of China  
Postal code: 471500  
Telephone No.: (+86) 379 6860 3993  
Facsimile No.: (+86) 379 6865 8017

**The AGM is expected to last not more than one day. Shareholders or proxies attending the AGM are responsible for their own transportation and accommodation expenses.**

\* *For identification purposes only*

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### PRECAUTIONARY MEASURES FOR THE GENERAL MEETING

In view of the continuous spread of the COVID-19 pandemic, to safeguard the Shareholders, Directors, proxies and other attendees against the risk of being infected, the following necessary precautionary measures will be implemented at the general meeting:

- (1) Each Shareholder, proxy and other attendee shall take compulsory temperature screening/check at the entrance of the venue of the general meeting.
- (2) All attendees shall wear surgical face masks throughout the general meeting and keep safe distance between seats, in which case we may set limitation on the number of attendees at the general meeting as necessary to avoid overcrowding.
- (3) No refreshment or drinks will be provided at the meeting.

For the safety of attendees at the general meeting, attendees who do not comply with the precautionary measures referred to in (1) and (2) above may be denied entry to, or required to leave, the general meeting venue, at the absolute discretion of the Company as permitted by law.

The notice accompanied with the form of proxy can also be downloaded at the website of the Company at [www.cmoc.com](http://www.cmoc.com). If you are a non-registered Shareholder whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited, you should consult directly with your banks, brokers or custodians (as the case may be) to assist you in the appointment of proxy.

**If Shareholders have any questions relating to the matters to be considered at the general meeting, they are strongly encouraged to send their questions in writing by email to [603993@cmoc.com](mailto:603993@cmoc.com). Whilst the Company will endeavour to respond to all questions at the general meeting, due to time constraint, unanswered questions will be responded to after the general meeting as appropriate.**

For Shareholders deciding not to attend the general meeting in person, if they have any questions relating to the resolutions or the Company, or any matters requiring communication with the Board of Directors, they are welcome to contact the Company through the investor relations department of the Company in the following ways:

#### **Investor relations**

Email: [603993@cmoc.com](mailto:603993@cmoc.com)  
Telephone: 86 379 6860 3993  
Facsimile: 86 379 6865 8017