
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares in Laopu Gold, Co., Ltd., you should disregard this circular and the proxy form.



Laopu Gold Co., Ltd.
老鋪黃金股份有限公司

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

(Stock Code: 6181)

**PROPOSED ADJUSTMENT OF THE REMUNERATION OF
INDEPENDENT NON-EXECUTIVE DIRECTORS
PROPOSED AMENDMENTS TO CERTAIN RULES AND
MEASURES OF THE COMPANY
PROPOSED ABOLISHMENT OF CERTAIN RULES OF THE COMPANY
PROPOSED H SHARE FULL CIRCULATION
GENERAL MANDATE FOR THE ISSUANCE OF SHARES
GENERAL MANDATE FOR THE REPURCHASE OF H SHARES
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND
ADOPTION OF THE NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

Capitalized terms used in this cover page shall have the same meanings as defined in this circular.

The Company will convene and hold the EGM at Conference Room, LG Floor, Grand Hyatt Beijing, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, the PRC on Friday, 20 September 2024 at 10:00 a.m., the notice of which is set out on pages 151 to 153 of this circular. The proxy form for use at the EGM is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.lphj.com).

If you intend to attend the EGM by proxy, you are required to duly complete the proxy form according to the instructions stated thereon and return the same not less than 24 hours before the time fixed for the holding of the EGM or any adjournment thereof (as the case may be) (which is 10:00 a.m. on Thursday, 19 September 2024 (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

Reference to times and dates in this circular are to Hong Kong local times and dates.

5 September 2024

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company (as amended from time to time)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Board of Supervisors”	the board of Supervisors
“Company”	Laopu Gold Co., Ltd. (老鋪黃金股份有限公司), a company limited by shares duly incorporated under the laws of the PRC, whose H Shares are listed on the Stock Exchange (Stock Code: 6181)
“controlling shareholders”	has the meaning ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held on Friday, 20 September 2024
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	the overseas listed foreign ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange
“H Share Full Circulation”	the proposed conversion of 40,388,900 Unlisted Shares held by the Participating Shareholders into H Shares and the listing and circulation of such Shares on the Main Board of the Stock Exchange
“H Shareholder(s)”	the holder(s) of the H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the EGM to allot, issue or otherwise deal with Shares (including any sale or transfer of Treasury Shares) not exceeding 20% of the total number of Unlisted Shares and H Shares in issue (excluding any Treasury Shares) as at the date of passing the relevant resolution approving such mandate
“Latest Practicable Date”	30 August 2024, being the latest practicable date prior to the finalization of this circular for ascertaining certain information contained herein
“Listing Date”	28 June 2024, the date on which the H Shares were listed and on which dealings in the H Shares were first permitted to commence on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Participating Shareholder(s)”	the Shareholder(s) who participate(s) in the proposed H Share Full Circulation
“PRC”	the People’s Republic of China
“PRC Company Law”	Company Law of the PRC* (中華人民共和國公司法), as adopted by the Fifth Session of the Standing Committee of the Eighth National People’s Congress on 29 December 1993 and effective on 1 July 1994, as amended or supplemented from time to time, which was latest amended on 29 December 2023
“Registered Capital”	the registered capital of the Company
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the EGM to repurchase H Shares during the relevant period not exceeding 10% of the total number of H Shares in issue (excluding any Treasury Shares) as at the date of passing of the relevant resolution approving such mandate
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration of Foreign Exchange

DEFINITIONS

“Shares”	the ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and the H Shares
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong from time to time
“Treasury Share(s)”	has the meaning ascribed to it under the Listing Rules
“Unlisted Share(s)”	the ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are currently not listed or traded in any stock exchange
“Unlisted Share Shareholder(s)”	the holder(s) of the Unlisted Share(s)
“%”	percent

* *For identification purposes only*

LETTER FROM THE BOARD



Laopu Gold Co., Ltd. 老鋪黃金股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6181)

<i>Directors:</i>		
Name	Position	<i>Registered Address and Headquarters:</i>
Mr. Xu Gaoming	<i>Chairman of the Board and Executive Director</i>	Rooms 3-6, 6/F No. 3 West Building The Towers at Oriental Plaza
Mr. Feng Jianjun	<i>Executive Director</i>	No. 1 Dong Chang'an Avenue
Mr. Xu Rui	<i>Executive Director</i>	Dongcheng District
Mr. Jiang Xia	<i>Executive Director</i>	Beijing the PRC
Mr. Sun Yijun	<i>Independent non-executive Director</i>	
Dr. He Yurun	<i>Independent non-executive Director</i>	<i>Principal place of business in Hong Kong:</i>
Mr. See Tak Wah	<i>Independent non-executive Director</i>	19th Floor, Golden Centre 188 Des Voeux Road Central Hong Kong

To the Shareholders,

Dear Sir or Madam,

**PROPOSED ADJUSTMENT OF THE REMUNERATION OF
INDEPENDENT NON-EXECUTIVE DIRECTORS
PROPOSED AMENDMENTS TO CERTAIN RULES AND
MEASURES OF THE COMPANY
PROPOSED ABOLISHMENT OF CERTAIN RULES OF THE COMPANY
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PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND
ADOPTION OF THE NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

The Company intends to hold the EGM at 10:00 a.m. on Friday, 20 September 2024 at Conference Room, LG Floor, Grand Hyatt Beijing, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, the PRC. The notice to convene the EGM is set out on pages 151 to 153 of this circular.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details of the resolutions to be proposed to consider and approve at the EGM and provide all the information reasonably required to enable you to make an informed decision on whether to vote for or against or abstain from voting on those resolutions.

II. MATTERS TO BE RESOLVED AT THE EGM

Resolutions to be proposed at the EGM for the Shareholders' consideration and approval by way of ordinary resolutions include: (1) proposed adjustment of the remuneration of independent non-executive Directors; (2) proposed amendments to certain rules and measures of the Company; (3) proposed abolishment of certain rules of the Company; and (4) proposed H Share Full Circulation.

Resolutions to be proposed at the EGM for the Shareholders' consideration and approval by way of special resolutions include: (5) general mandate for the issuance of Shares; (6) general mandate for the repurchase of H Shares; and (7) proposed amendments to the Articles of Association and adoption of the new Articles of Association.

Details of the matters to be resolved at the EGM are set out in the notice of the EGM on pages 151 to 153 of this circular. To enable you to get a better understanding of the resolutions to be proposed at the EGM and make informed decisions with sufficient and necessary information, we have provided particulars thereon in this circular and the accompanying appendices.

ORDINARY RESOLUTIONS

1. Proposed Adjustment of the Remuneration of Independent Non-executive Directors

The Board hereby proposes to increase the remuneration of independent non-executive Directors by 30% to 70%, taking into consideration of the continuously growing and stronger business of the Group and the contribution of independent non-executive Directors in the operation of the Board and their actual fulfilment of duties and time commitment, with reference to the remuneration standards of independent non-executive directors of other listed companies at the same scale.

The adjusted remuneration of independent non-executive Directors will take effect from 1 October 2024 upon approval at the EGM.

LETTER FROM THE BOARD

2. Proposed Amendments to Certain Rules and Measures of the Company

In view of the newly revised PRC Company Law taking effect on 1 July 2024, and considering that the Company has already been listed on the Main Board of the Stock Exchange and no longer maintains the position of secretary to the Board, (1) the Board hereby proposes to amend certain rules and measures of the Company that are currently in place in accordance with the relevant applicable PRC laws and regulations and take into account the Company's actual situation, including (i) the Rules of Procedures for the General Meeting; (ii) the Rules of Procedures for Meetings of the Board of Directors; (iii) the Working Rules for the Independent Non-executive Directors; (iv) the Administrative Measures for External Investments; (v) the Administrative Measures for External Guarantees; and (vi) the Administrative Measures for Connected Transactions; and (2) the Board of Supervisors hereby proposes to amend the Rules of Procedures for Meetings of the Board of Supervisors that is currently in place in accordance with the relevant applicable PRC laws and regulations and take into account the Company's actual situation (together, the "**Rules and Measures**"). The amended Rules and Measures will become effective from the date of approval by the Shareholders at the EGM by way of an ordinary resolution.

The details of the explanation on proposed amendments to the Rules and Measures and the revised version of the Rules and Measures are set out in Appendix I to VII to this circular.

3. Proposed Abolishment of Certain Rules of the Company

In view of the Company's listing on the Main Board of the Stock Exchange on 28 June 2024, certain rules of the Company that were originally established to comply with relevant regulations for the Company's A-share listing attempt and approved by the then shareholders' general meeting are no longer applicable. As such, the Board hereby proposes to abolish certain rules of the Company that are currently in place in accordance with the relevant applicable PRC laws and regulations, including (i) the Management Rules of Information Disclosure; (ii) the Management Rules of Raised Funds; and (iii) the Management Rules Regulating Capital Transactions with Related Parties.

The abolishment of the abovementioned rules will become effective from the date of approval by the Shareholders at the EGM by way of an ordinary resolution.

LETTER FROM THE BOARD

4. Proposed H Share Full Circulation

4.1 Proposed Application for the H Share Full Circulation

Reference is made to (i) the announcement of the Company dated 30 August 2024, in relation to the proposed implementation of the H Share Full Circulation; (ii) the Guidelines on Application for “Full Circulation” of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請“全流通”業務指引》) issued by the CSRC on 14 November 2019 and further amended on 10 August 2023 (the “Guidelines”); and (iii) the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) issued by the CSRC on 17 February 2023 regarding the procedures to apply for full circulation of shares by companies whose H shares are listed on the Stock Exchange.

In view of the Guidelines, on 30 August 2024, the Board considered and approved the proposed H Share Full Circulation. Upon obtaining all relevant approvals (including the filing notice by the CSRC and the approval of the Stock Exchange) and having complied with all applicable laws, rules and regulations, such 40,388,900 Unlisted Shares will be converted into H Shares and the Company will apply to the Stock Exchange for the listing of, and permission to deal in, such H Shares on the Main Board of the Stock Exchange. The details of the Participating Shareholders and their respective Unlisted Shares to be converted into H Shares are as follows:

No.	Name of Shareholder	The number of Unlisted Shares to be applied for the H Share Full Circulation
1	Beijing Hongqiao Jinji Consulting Co., Ltd.* (北京紅喬金季諮詢顧問有限公司)	28,210,000
2	Mr. Chen Guodong (陳國棟)	7,536,450
3	Tianjin Jincheng Enterprise Management Consulting L.P. (Limited Partnership)* (天津金橙企業管理諮詢合夥企業(有限合夥))	4,642,450
	Total:	40,388,900

* For identification purpose only

Notwithstanding the H Share Full Circulation, such Shares shall not be transferred within one year from the Listing Date pursuant to the PRC Company Law.

LETTER FROM THE BOARD

The proposed H Share Full Circulation is subject to the fulfilment of the following conditions:

- (1) the approval of the proposed H Share Full Circulation having been obtained at the EGM;
- (2) the grant of authorization to the Board and its delegated persons to handle matters relating to the H Share Full Circulation having been obtained at the EGM;
- (3) the approval of the proposed H Share Full Circulation by the relevant administrative and regulatory authority (i.e. the CSRC); and
- (4) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the H Shares converted from the H Share Full Circulation.

As of the Latest Practicable Date, none of the aforesaid conditions have been satisfied. The Company has not submitted the filing application to the CSRC. The Company will make further announcement(s) on the progress of the H Share Full Circulation in accordance with the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and/or the requirements of the Listing Rules.

Shareholding structure of the Company before and after the completion of the H Share Full Circulation

Assuming there will be no change to the share capital structure of the Company from the Latest Practicable Date to immediately before completion of the H Share Full Circulation, the share capital structure of the Company immediately before and upon completion of the H Share Full Circulation is set out below:

Class of Shares	Immediately before completion of the H Share Full Circulation		Upon completion of The H Share Full Circulation	
	<i>Number of</i>		<i>Number of</i>	
	<i>Shares</i>	<i>Approx. %</i>	<i>Shares</i>	<i>Approx. %</i>
Unlisted Shares	73,591,840	43.71	33,202,940	19.72
H Shares	94,774,860	56.29	135,163,760	80.28
Total	168,366,700	100.0	168,366,700	100.0

As aforementioned, the proposed H Share Full Circulation is subject to the approval by the Shareholders at the EGM. The Board proposes to seek approval from the Shareholders at the EGM, by way of ordinary resolution, for the H Share Full Circulation.

LETTER FROM THE BOARD

As the proposed H Share Full Circulation are subject to certain conditions and other relevant procedures as required by the CSRC and the Stock Exchange, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

4.2 Proposed Grant of Authorization to the Board and its Delegated Persons to Handle Matters Relating to the H Share Full Circulation

The Participating Shareholders have agreed to authorize the Board and/or its delegated persons to apply to the CSRC, the Stock Exchange and other relevant regulatory authorities for the H Share Full Circulation and be responsible for dealing with matters related to the H Share Full Circulation.

The Board proposes to seek approval from the Shareholders at the EGM to grant authorization to the Board and its delegated persons to handle all matters in relation to the H Share Full Circulation at their sole discretion. The specific scope of authorization includes but is not limited to:

- (1) implementing resolution on the H Share Full Circulation passed at the Shareholders' meeting, adjusting the specific implementation plan in accordance with the filing requirements of relevant securities regulatory authorities for the H Share Full Circulation application, including determining the specific number of shares for the H Share Full Circulation;
- (2) handling the application for the H Share Full Circulation on behalf of relevant Shareholders, including but not limited to engaging relevant intermediary agencies for the H Share Full Circulation, preparing, modifying, signing, supplementing, submitting, reporting and executing relevant application documents and other legal documents in accordance with the requirements of authorized securities regulatory authorities, and signing, modifying, supplementing, submitting, reporting and executing various legal documents in connection with the H Share Full Circulation application on behalf of relevant Shareholders;
- (3) handling various matters relating to the listing of relevant Shares on the Stock Exchange on behalf of relevant Shareholders after the approval or filing notice on application of the H Share Full Circulation has been obtained from authorized securities regulatory authorities, including but not limited to authorizing the China Securities Depository and Clearing Corporation Limited to hold the converted Shares on behalf of the relevant Shareholders, applying for the establishment of a specific account for H Share Full Circulation, handling cross-border registration and custody procedures, foreign exchange registration procedures and application for listing on the Stock Exchange for relevant Shares; and
- (4) as permitted by applicable laws and regulations, taking all necessary actions on behalf of relevant Shareholders to determine and handle all other matters relating to the H Share Full Circulation application.

LETTER FROM THE BOARD

The abovementioned authorization shall remain valid and effective from the date on which the resolution on the proposed grant of authorization to the Board and its delegated persons to handle matters relating to the H Share Full Circulation has been considered and approved by the Shareholders at the EGM until completion of proposed H Share Full Circulation.

The Board proposes to seek approval from the Shareholders at the EGM, by way of ordinary resolution, for the proposed grant of authorization to the Board and its delegated persons to handle matters relating to the H Share Full Circulation.

SPECIAL RESOLUTIONS

5. General Mandate for the Issuance of Shares

In accordance with the requirements of relevant laws, regulations, the Listing Rules and other normative documents, and based on the practices of the capital market, it is proposed that the Board be granted a general mandate to issue Shares, to allot, issue or otherwise deal with additional Shares (including any sale or transfer of Treasury Shares) of not exceeding 20% of the total number of Shares (excluding any Treasury Shares), and authorize the Board to make corresponding amendments to the Articles of Association as it deems appropriate to reflect the capital structure of the Company as a result of the additional Shares allotted or issued under such mandate. Details are as follows:

(1) Subject of mandate

The specific scope of the mandate includes but is not limited to:

- (i) granting of a general mandate to the Board, subject to market conditions and the needs of the Company, to separately or concurrently allot, issue and deal with additional Shares in the share capital of the Company during the Relevant Period (as defined below), and the number of Shares to be allotted or agreed conditionally or unconditionally to be allotted or otherwise dealt with, as approved by the Board (including any sale or transfer of Treasury Shares) shall not exceed 20% of the total issued share capital of the Company (excluding any Treasury Shares) on the date of passing of such resolution at the EGM (including but not limited to ordinary shares, preference shares, securities convertible into Shares, options and warrants or similar right which may subscribe for any Share or above convertible securities), and decide to make or grant offers for sale, offers, agreements, share options, power to exchange for or convert into Shares or other powers as required or may be required to allot Shares. Notwithstanding the Issue Mandate as set out above, in the event the allotment of Shares will actually result in a change of control of the Company, the Board is required to obtain authorization at a general meeting by way of a special resolution prior to such allotment;

LETTER FROM THE BOARD

- (ii) the Board be authorized to formulate and implement detailed issuance or dealing plan for the exercise of the above-mentioned Issue Mandate, including but not limited to the class of new shares to be issued or dealt with, pricing mechanism and/or issuance/conversion/exercise price (including price range), form of issuance or dealing, number of shares involved, allottees and use of proceeds, decide time of issuance or dealing and period of issuance or dealing, decide whether to allot or sell or transfer shares to existing Shareholders, determine the specific subscription method, subscription ratio, and other content that should be included in the specific issuance plan required by relevant laws and regulations, relevant regulatory agencies, and the exchange where the relevant shares are listed, and decide at its discretion on the postponement or early termination of the issuance plan based on the internal and external environment;
- (iii) the Board be authorized to handle matters related to the issuance-related investment projects of raised funds and the progress of the use of raised funds, and adjust the investment projects and specific arrangements of raised funds in accordance with all applicable laws, regulations and norms and in light of the actual situation;
- (iv) the Board be authorized to engage intermediaries for matters related to the issuance or dealing, and to approve and execute all acts, deeds, documents and other related matters which are necessary, appropriate, advisable or relevant for share issuance or dealing; to approve and execute, on behalf of the Company, agreements related to the issuance or dealing, including but not limited to underwriting agreements, placing agreements, engagement agreements of intermediaries;
- (v) the Board be authorized to approve and execute, on behalf of the Company, documents in connection with the issuance or dealing of Shares (including any sale or transfer of Treasury Shares) to be submitted to relevant regulatory authorities, to carry out relevant approval procedures required by regulatory authorities and place where the Company is listed, and to complete all necessary filings, registrations and records procedures with the relevant government authorities of the PRC, Hong Kong and/or any other regions and jurisdictions (if applicable);
- (vi) the Board be authorized to amend, as required by regulatory authorities within or outside the PRC, the related agreements and statutory documents; and
- (vii) the Board be authorized to increase the Registered Capital after the issuance and to make corresponding amendments to the Articles of Association relating to Registered Capital, total share capital and shareholding structure, etc., and to fulfill legal registration and filing procedures within and outside the PRC.

LETTER FROM THE BOARD

(2) Term of the mandate

Except that the Board may make or grant offers, agreements, options during the Relevant Period (as defined below) in relation to the issuance or dealing of Shares (including any sale or transfer of Treasury Shares), which might require further promotion or implementation after the end of the Relevant Period, the exercise of the Issue Mandate shall be within the Relevant Period.

The “Relevant Period” represents the period from the approval of the resolution as a special resolution at the EGM until the earlier of:

- (i) conclusion of the next annual general meeting of the Company; and
- (ii) the revocation or variation of the Issue Mandate by a special resolution at any general meeting of the Company.

The Board may only exercise the issuance plan in accordance with the PRC Company Law, the Securities Law of the PRC, the Listing Rules or all applicable laws, regulations and provisions of any other governments or regulatory authorities, and subject to having obtained the requisite approvals from the relevant government agencies.

6. General Mandate for the Repurchase of H Shares

In accordance with the requirements of relevant laws, regulations, the Listing Rules and other normative documents, in order to provide flexibility to the Directors in any event that it becomes desirable to repurchase H Shares, it is proposed that the Board be granted a general mandate to repurchase H Shares on the Stock Exchange of not exceeding 10% of the H Shares in issue (excluding any Treasury Shares) and to authorize the Board to do all such deeds, acts, matters and business necessary or desirable for the purpose of or in connection with the exercise of the general mandate to repurchase H Shares. Details are as set out below:

(1) Subject of the mandate

The specific scope of the mandate includes but is not limited to:

- (i) granting of a conditional general mandate to the Board to repurchase H Shares in issue at the Stock Exchange in accordance with market conditions and needs of the Company, provided that the number of repurchased H Shares shall not exceed 10% of the total number of H Shares in issue (excluding Treasury Shares) on the date of passing the special resolution at the EGM;
- (ii) the Board be authorized to do all such deeds, acts, matters and business necessary or desirable for the purpose of or in connection with the exercise of the general mandate to repurchase H Shares, including but not limited to:

LETTER FROM THE BOARD

- (a) formulation and implementation of the repurchase plan, including but not limited to the repurchase price, number of Shares to be repurchased, timing of repurchase, term of repurchase, etc.;
- (b) notification to creditors and publication of announcements in accordance with the PRC Company Law and the Articles of Association;
- (c) opening of overseas stock accounts and processing of the corresponding foreign exchange registration procedures;
- (d) performance of relevant approval or filing procedures (if necessary) according to the requirements of regulatory agencies and the place where the Company is listed;
- (e) decision of the specific use of repurchased H Shares (including but not limited to implementing equity incentives, reducing registered capital, etc.) and adjust or change the use of the repurchased H Shares as permitted by relevant laws and regulations based on the actual situation of the Company and within the time limit specified by relevant laws and regulations;
- (f) execution of other documents and handle of other matters regarding the repurchase of H Shares.

The PRC Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected in connection with (a) reducing its registered capital; (b) a merger with another entity that holds the shares of the company; (c) granting shares for the employee stock ownership plan or share incentive; (d) a request of its shareholders who disagree with shareholders' resolutions in connection with merger or division of the company; (e) corporate bonds convertible into shares of the listed company; or (f) is necessary for maintaining the value of the listed company and the interests of its shareholders.

The Articles of Association provide that, share repurchase may be effected by the Company for the reduction of its registered capital, merger with another company that holds its shares, carrying out an employee stock ownership plan or equity incentive plan, request from its shareholders who object to a resolution of a shareholders' general meeting on merger or division of the company to acquire their shares by the company, conversion of convertible corporate bonds issued by the listed company, maintenance of its company value and protection of its shareholders' equity, or in other circumstances under which the Shares can be acquired in accordance with by laws, administrative regulations, departmental rules, normative documents and relevant regulations of the place where the Shares are listed.

As the H Shares are traded on the Stock Exchange in Hong Kong Dollars and the price payable by the Company for any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approvals of SAFE or its authorized authority are required for any repurchase of H Shares. In addition, after the repurchase of H Shares, the Company will carry out other relevant registration of alteration, filing and/or obtain approval (if necessary) in accordance with applicable laws, regulations and the listing rules of the place where the Company's shares are listed.

LETTER FROM THE BOARD

In accordance with the requirements of the Articles of Association applicable to capital reduction, if the Company reduces its Registered Capital, a balance sheet and an inventory of assets should be prepared. Prior to exercising the Repurchase Mandate pertaining to capital reduction, the Company will have to notify its creditors in writing of the passing of such special resolution and the possible reduction of the Registered Capital. The Company shall notify its creditors within 10 days after the passing of such special resolution and also by way of publication of announcement in newspaper within 30 days after the passing of such special resolution. Creditors then have a period of up to 30 days after the Company's written notification or if no such notification has been received, up to 45 days after the first publication of the newspaper announcement to require the Company to repay amounts due to them or to provide guarantees in respect of such amounts.

(2) Conditions precedent

The repurchase is conditional upon satisfaction of each of the following conditions:

- (i) the special resolution regarding the grant of the Repurchase Mandate having been approved at the EGM;
- (ii) the Company having obtained the approval from and/or filed to the SAFE (or its successor authority) and/or any other regulatory authorities (if applicable) as may stipulated under the PRC laws, rules and regulations; and
- (iii) the Company not having been 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 provisions of the Articles of Association. If the Company determines to repay any amount to any of its creditors in circumstances described under conditions above, it expects to do so out of its internal resources. The Board will not exercise the Repurchase Mandate if the abovementioned conditions are not satisfied.

(3) Term of the mandate

The term of the Repurchase Mandate shall commence from consideration and approval at the EGM until the earlier of:

- (i) the conclusion of the next annual general meeting of the Company; and
- (ii) the revocation or variation of the Repurchase Mandate by a special resolution at any general meeting of the Company.

LETTER FROM THE BOARD

If the Company repurchases H Shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased H Shares and/or (ii) hold such H Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of H Shares are made. If the Company holds H Shares in treasury, any resale of H Shares held in treasury will be subject to the special resolution No. 5 in the notice of the EGM and made in accordance with the Listing Rules and applicable laws and regulations of the PRC.

An explanatory statement containing all the information relating to the Repurchase Mandate is set out in Appendix VIII of this circular, which provides you with information reasonably required to make an informed decision as to whether voting in favor of or against the resolution regarding the grant of the Repurchase Mandate.

7. Proposed Amendments to the Articles of Association and Adoption of the New Articles of Association

Reference is made to the announcement of the Company dated 30 August 2024, in relation to the proposed amendments to the Articles of Association.

In order to (i) reflect the regulatory requirements of the newly revised PRC Company Law took effect on 1 July 2024; and (ii) incorporate certain housekeeping amendments, the Board proposes to further amend the Articles of Association and to adopt the new Articles of Association. The amended Articles of Association will become effective from the date of approval by the Shareholders at the EGM by way of a special resolution.

The Company's legal advisers have confirmed that the proposed amendments to the Articles of Association are in compliance with the requirements of the Listing Rules and the relevant PRC laws and regulations. The Company also confirmed that there is nothing unusual about the proposed amendments to the Articles of Association for a company listed in Hong Kong.

The details of the proposed amendments to the Articles of Association are set out in Appendix IX to this circular.

III. EGM

The notice convening the EGM at Conference Room, LG Floor, Grand Hyatt Beijing, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, the PRC on Friday, 20 September 2024 at 10:00 a.m. is set out on pages 151 to 153 in this circular. For the purpose of determining the H Shareholders entitled to attend and vote at the EGM, the register of members of H Shares will be closed from Monday, 16 September 2024 to Friday, 20 September 2024 (both days inclusive). H Shareholders and Unlisted Share Shareholders whose names appear on the register of members of the Company on Friday, 20 September 2024 are entitled to attend and vote at the EGM. In order to qualify for the entitlement to attend and vote at the above EGM, H Shareholders must lodge all transfer forms accompanied by the relevant H share certificates with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Friday, 13 September 2024.

LETTER FROM THE BOARD

The proxy form for use at the EGM is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.lphj.com).

If you intend to attend the EGM by proxy, you are required to duly complete the proxy form according to the instructions stated thereon. Shareholders who intend to attend the EGM by proxy are required to duly complete the proxy form and return the same to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) or the Company's office at Rooms 3-6, 6/F No. 3 West Building, The Towers at Oriental Plaza, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, the PRC (for Unlisted Share Shareholders) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. Thursday, 19 September 2024 at 10:00 a.m.), or any adjourned meeting thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

IV. VOTING BY POLL

Any vote of Shareholders at the EGM must be taken by poll except where the chairman of the EGM, 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 Company shall publish the poll results announcement in the manner prescribed under Rule 13.39(5) of the Listing Rules. Accordingly, the chairman of the EGM will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions at the EGM.

To the best of the Directors' knowledge, information and belief, none of the Shareholders are required to abstain from voting at the EGM.

V. RECOMMENDATION

The Directors are of the opinion that, all the resolutions as set out in the notice of the EGM for Shareholders' consideration and approval are in the interests of the Company and the Shareholders taken as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the EGM.

VI. ADDITIONAL INFORMATION

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

By Order of the Board
Laopu Gold Co., Ltd.
老鋪黃金股份有限公司
Xu Gaoming
Chairman and Executive Director

5 September 2024

EXPLANATION ON THE AMENDMENTS TO THE RULES OF
PROCEDURES FOR THE GENERAL MEETING

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the original Rules of Procedures for the General Meeting are changed to the Rules of Procedures for the Shareholders’ Meeting, and the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” the rules involved. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	<p>Article 5 When a general meeting is held, the Company could engage a lawyer with appropriate qualifications to provide legal opinions in respect of the following issues and announce such opinions:</p> <p>(1) whether the procedures of convening and holding the meeting comply with laws, administrative regulations and the Articles of Association;</p> <p>(2) whether the qualifications of those persons attending the meeting and the conveners are legitimate and valid;</p> <p>(3) whether the voting procedure and voting results of the meeting are legitimate and valid;</p> <p>(4) legal opinions on other related issues required by the Company.</p>	Delete. (The number of subsequent articles shall be changed correspondingly)
2	<p>Article 7 The general meeting shall exercise the following powers in accordance with the law:</p> <p>(1) to decide on the business strategies and investment plans of the Company;</p> <p>(2) to elect and replace directors of the Company and supervisors whose posts are not taken by employee representatives, and to decide on matters regarding the remuneration of directors and supervisors;</p> <p>(3) to consider and approve reports of the board of directors;</p> <p>(4) to consider and approve reports of the board of supervisors;</p>	<p>Article 6 The shareholders’ meeting shall exercise the following powers in accordance with the law:</p> <p>(1) to elect and replace directors and supervisors, and to decide on matters regarding the remuneration of directors and supervisors;</p> <p>(2) to consider and approve reports of the board of directors;</p> <p>(3) to consider and approve reports of the board of supervisors;</p>

No.	Before Amendments	After Amendments
	<p>(5) to consider and approve annual financial budget proposals and final accounts proposals for the Company;</p> <p>(6) to consider and approve plans for the distribution of company profits and plans to cover losses;</p> <p>(7) to adopt resolutions on any increase or reduction in the registered capital of the Company;</p> <p>(8) to pass resolutions on the issuance of company bonds;</p> <p>(9) to adopt resolutions on matters such as any merger, breakup, dissolution or liquidation of the Company or any change in the legal form of the Company;</p> <p>(10) to amend the Company's Articles of Association;</p> <p>(11) to adopt resolutions on the Company's appointment or dismissal of accounting firms;</p> <p>(12) to consider and approve the guarantee matters as prescribed in Article 8 of the Rules;</p> <p>(13) to consider the purchase or sale in any one year of material assets valued in excess of 30% of the Company's total assets as audited in the latest period;</p> <p>(14) to consider and approve changes in the use of funds raised;</p> <p>(15) to consider equity incentive plans and employees stock ownership plans; and</p> <p>(16) to consider other matters to be decided by the general meeting as prescribed in laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.</p>	<p>(4) to consider and approve plans for the distribution of company profits and plans to cover losses;</p> <p>(5) to adopt resolutions on any increase or reduction in the registered capital of the Company;</p> <p>(6) to pass resolutions on the issuance of company bonds;</p> <p>(7) to adopt resolutions on matters such as any merger, breakup, dissolution or liquidation of the Company or any change in the legal form of the Company;</p> <p>(8) to amend the Company's Articles of Association;</p> <p>(9) to adopt resolutions on the Company's appointment or dismissal of accounting firms;</p> <p>(10) to consider and approve the guarantee matters as prescribed in Article 7 of the Rules;</p> <p>(11) to consider the purchase or sale in any one year of material assets valued in excess of 30% of the Company's total assets as audited in the latest period;</p> <p>(12) to consider and approve changes in the use of funds raised;</p> <p>(13) to consider equity incentive plans and employees stock ownership plans; and</p> <p>(14) to consider other matters to be decided by the shareholders' meeting as prescribed in laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.</p>

No.	Before Amendments	After Amendments
3	<p>Article 14 When a general meeting is convened by the board of supervisors or by the shareholders, the board of directors and the secretary to the board of directors shall assist. The board of directors shall provide the register of shareholders on the date of registration of shareholding. In the event that the board of directors fails to provide the register of shareholders, the convener may apply to the Securities Depository and Clearing Institutions for obtaining the register of shareholders with the relevant announcement on the convening of the general meeting. The register of shareholders the convener acquired shall not be used for any other purposes other than the convening of a general meeting.</p> <p>Where the Hong Kong Listing Rules stipulate on the period of closure of the register of shareholders prior to a general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.</p>	<p>Article 13 When a shareholders' meeting is convened by the board of supervisors or by the shareholders, the board of directors and the company secretary shall assist. The board of directors shall provide the register of shareholders on the date of registration of shareholding. In the event that the board of directors fails to provide the register of shareholders, the convener may apply to the Securities Depository and Clearing Institutions for obtaining the register of shareholders with the relevant announcement on the convening of the shareholders' meeting. The register of shareholders the convener acquired shall not be used for any other purposes other than the convening of a shareholders' meeting.</p> <p>Where the Hong Kong Listing Rules stipulate the period of closure of the register of shareholders prior to a shareholders' meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.</p>
4	<p>Article 21 The notice of the general meeting shall include the following contents:</p> <p>(1) the time, venue and duration of the meeting;</p> <p>(2) matters and proposals to be considered at the meeting;</p> <p>(3) a prominent written statement as follows: all common shareholders have the right to attend the general meeting, and may authorize in written form a proxy, who need not necessarily be a company shareholder, to attend and vote at the meeting;</p>	<p>Article 20 The notice of the shareholders' meeting shall include the following contents:</p> <p>(1) the time, venue and duration of the meeting;</p> <p>(2) matters and proposals to be considered at the meeting;</p> <p>(3) a prominent written statement as follows: all common shareholders have the right to attend the shareholders' meeting, and may authorize in written form a proxy, who need not necessarily be a shareholder of the Company, to attend and vote at the meeting; and</p>

No.	Before Amendments	After Amendments
	<p>(4) the equity registration date (the interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it shall not be changed) for determining those shareholders who have the right to attend the general meeting;</p> <p>(5) the names and telephone numbers of the permanent contact persons; and</p> <p>(6) voting time and voting procedures online or by other means.</p>	<p>(4) the equity registration date (the interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it shall not be changed) for determining those shareholders who have the right to attend the shareholders' meeting.</p>
5	<p>Article 29 The convener and the lawyer shall jointly verify the validity of shareholders' qualifications according to the register of shareholders provided by the Securities Depository and Clearing Institutions and register the name of shareholders and the voting shares held by them. The meeting registration shall be stopped before the chairman of the meeting declares the number of shareholders and proxies present at the live meeting and the total voting shares.</p>	<p>Article 28 The convener shall verify the validity of shareholders' qualifications according to the register of shareholders provided by the Securities Depository and Clearing Institutions and register the name of shareholders and the voting shares held by them. The meeting registration shall be stopped before the chairman of the meeting declares the number of shareholders and proxies present at the live meeting and the total voting shares.</p>
6	<p>Article 30 Where the Company holds a general meeting, all the directors, supervisors and secretary to the Board shall attend the meeting, and general managers and other senior management members shall also be present at the meeting.</p>	<p>Article 29 Where the Company holds a shareholders' meeting, all the directors, supervisors and company secretary shall attend the meeting, and general managers and other senior management members shall also be present at the meeting.</p>
7	<p>Article 36 In the event of a shareholder being related to the matter to be considered at a general meeting, he/she shall abstain from voting and the voting shares held by the shareholder shall not be included in the total number of voting shares held by shareholders in attendance at the general meeting.</p>	<p>Article 35 In the event of a shareholder being connected with the matter to be considered at a shareholders' meeting, he/she shall abstain from voting and the voting shares held by the shareholder shall not be included in the total number of voting shares held by shareholders in attendance at the shareholders' meeting.</p>

No.	Before Amendments	After Amendments
8	<p>Article 40 The same vote may only be cast once on site, online or by other means, provided that if the same vote is cast more than once, only the first vote will be deemed valid.</p>	<p>Article 39 The same vote may only be cast once on site or by other means, provided that if the same vote is cast more than once, only the first vote will be deemed valid.</p>
9	<p>Article 42 Before voting on any proposal, a general meeting shall choose two shareholders' representatives to participate in the votes counting or scrutinizing. If any shareholder is related/connected to the matter to be discussed, the relevant shareholder and his/her proxy shall not participate in vote counting or scrutinizing. The connected shareholders shall not participate in voting, with the voting shares held by them not to be counted in the total number of valid votes, when the shareholders' general meeting is reviewing the relevant connected transaction if required by applicable laws, regulations, normative documents or the Hong Kong Listing Rules; the announcement of the resolution of the shareholders' general meeting shall fully disclose the votes of the non-connected shareholders.</p> <p>The counsels, shareholders' representatives and supervisors' representatives shall jointly count and scrutinize the votes cast on such proposals.</p> <p>The shareholders, who cast votes online or by other means, whether in person or by proxy, shall have the right to check their voting results through the relevant voting system.</p>	<p>Article 41 Before voting on any proposal, a shareholders' meeting shall choose two shareholders' representatives to participate in the votes counting or scrutinizing. If any shareholder is connected to the matter to be discussed, the relevant shareholder and his/her proxy shall not participate in vote counting or scrutinizing.</p> <p>The connected shareholders shall not participate in voting, with the voting shares held by them not to be counted in the total number of valid votes, when the shareholders' meeting is reviewing the relevant connected transaction if required by applicable laws, regulations, normative documents or the Hong Kong Listing Rules; the announcement of the resolution of the shareholders' meeting shall fully disclose the votes of the non-connected shareholders.</p> <p>The shareholders' representatives and supervisors' representatives shall jointly count and scrutinize the votes cast on such proposals.</p> <p>The shareholders, who cast votes by other means, whether in person or by proxy, shall have the right to check their voting results through the relevant voting system.</p>

No.	Before Amendments	After Amendments
10	<p>Article 43 The chairperson shall declare the result of voting on each proposal at the meeting site, and whether such proposal has been adopted accordingly.</p> <p>Before the formal declaration of the result of any voting, the Company, teller(s), scrutineer(s), shareholders, network service providers and other persons involved in voting on site, online or by other means shall have the obligation to keep confidential the information related to the voting.</p>	<p>Article 42 The chairperson shall declare the result of voting on each proposal at the meeting site, and whether such proposal has been adopted accordingly.</p> <p>Before the formal declaration of the result of any voting, the Company, teller(s), scrutineer(s), shareholders and other persons involved in voting on site or by other means shall have the obligation to keep confidential the information related to the voting.</p>
11	<p>Article 44 If the chairperson of a general meeting has any doubt about the result of voting on any resolution, the chairperson may request the votes cast to be counted. If the chairperson does not request the votes to be counted, any shareholder attending the meeting in person or by proxy shall have the right to request the votes to be counted immediately after the result of voting is declared by the chairperson if such shareholder objects to the result of voting, in which case, the chairperson shall immediately have the votes counted. Counting of votes shall be conducted jointly by the chairperson of a general meeting, counsels, supervisors' representatives and shareholders' representatives.</p>	<p>Article 43 If the chairperson of a shareholders' meeting has any doubt about the result of voting on any resolution, the chairperson may request the votes cast to be counted. If the chairperson does not request the votes to be counted, any shareholder attending the meeting in person or by proxy shall have the right to request the votes to be counted immediately after the result of voting is declared by the chairperson if such shareholder objects to the result of voting, in which case, the chairperson shall immediately have the votes counted.</p> <p>Counting of votes shall be conducted jointly by the chairperson of a shareholders' meeting, supervisors' representatives and shareholders' representatives.</p>

No.	Before Amendments	After Amendments
12	<p>Article 47 Minutes of a general meeting shall be kept by the secretary to the Board. The minutes of the meeting shall specify:</p> <p>(1) time, venue and agenda of the meeting, and the name of the convener;</p> <p>(2) the names of the presider, and the directors, supervisors, secretary to the Board, manager and other senior management officers attending or present at the meeting;</p> <p>(3) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company, including the number of domestic shareholders (including proxies) and H Shareholders (including proxies) attending the general meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company;</p> <p>(4) the consideration process, summaries of speeches and voting results for each proposal (including the voting results of domestic shareholders and H Shareholders for each proposal);</p> <p>(5) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;</p> <p>(6) the names of the lawyers attending the meeting (if any), counting officer and monitoring officer;</p> <p>(7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.</p> <p>Directors, supervisors and the secretary to the Board attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes and ensure the meeting minutes are true, accurate and complete. The meeting minutes and the signed attendance record of the shareholders who attended in person, the proxy forms for the proxies present at the meeting and the valid information relating to other methods of voting shall be kept together for no less than 10 years.</p>	<p>Article 46 Minutes of a shareholders' meeting shall be kept by the company secretary. The minutes of the meeting shall specify:</p> <p>(1) time, venue and agenda of the meeting, and the name of the convener;</p> <p>(2) the names of the presider, and the directors, supervisors, company secretary, general manager and other senior management officers attending or present at the meeting;</p> <p>(3) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company, including the number of domestic shareholders (including proxies) and H Shareholders (including proxies) attending the shareholders' meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company;</p> <p>(4) the consideration process, summaries of speeches and voting results for each proposal (including the voting results of domestic shareholders and H Shareholders for each proposal);</p> <p>(5) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;</p> <p>(6) the names of the counting officer and monitoring officer;</p> <p>(7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.</p> <p>Directors, supervisors and the company secretary attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes and ensure the meeting minutes are true, accurate and complete. The meeting minutes and the signed attendance record of the shareholders who attended in person, the proxy forms for the proxies present at the meeting and the valid information relating to other methods of voting shall be kept together for no less than 10 years.</p>

No.	Before Amendments	After Amendments
13	<p>Article 50 The following matters shall be passed by an ordinary resolution of the general meeting:</p> <p>(1) work reports of the board of directors and the board of supervisors;</p> <p>(2) plans for the distribution of profits and plans to cover losses as drafted by the board of directors;</p> <p>(3) the appointment and dismissal of members of the board of directors and the board of supervisors, along with the remuneration of and payments to such members;</p> <p>(4) the annual financial budget and final accounts, balance sheet, profit statement and other financial statements for the Company;</p> <p>(5) the Company's annual report;</p> <p>(6) appointment and dismissal of accounting firms, determining the remuneration of accounting firms;</p> <p>(7) the Company intends to engage in connected transactions with related parties with an amount of over RMB30,000,000 and accounting for more than 5% of the absolute value of the Company's latest audited net assets;</p> <p>(8) change the investment project with raised funds;</p> <p>(9) any other matter other than those required by laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association to be passed by special resolution.</p>	<p>Article 49 The following matters shall be passed by an ordinary resolution of the shareholders' meeting:</p> <p>(1) work reports of the board of directors and the board of supervisors;</p> <p>(2) plans for the distribution of profits and plans to cover losses as drafted by the board of directors;</p> <p>(3) the appointment and dismissal of members of the board of directors and the board of supervisors, along with the remuneration of and payments to such members;</p> <p>(4) the Company's annual report;</p> <p>(5) appointment and dismissal of accounting firms, determining the remuneration of accounting firms;</p> <p>(6) change the investment project with raised funds;</p> <p>(7) any other matter other than those required by laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association to be passed by special resolution.</p>
14	<p>Article 59 These Rules shall take effect and be put into implementation from the date when the Company completes its initial public offering of H Shares on the HKEX and is listed on the HKEX, after being reviewed and approved by the shareholders' general meeting of the Company. The original Rules of the Company shall automatically become invalid upon the effective date of these Rules.</p>	<p>Article 58 These Rules shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.</p>

LAOPU GOLD CO., LTD.

RULES OF PROCEDURES FOR THE SHAREHOLDERS' MEETING

Chapter 1 General Provisions

Article 1 In order to standardize the corporate governance structure of Laopu Gold Co., Ltd. (the "Company"), ensure that the shareholders exercise their rights in accordance with the law, and guarantee the efficient, smooth, organized and regulated operation of the shareholders' meeting, these Rules are formulated in accordance with the provisions of the Company Law of the PRC (the "Company Law"), the Securities 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 other relevant laws, regulations and normative documents and the Articles of Association of Laopu Gold Co., Ltd. (the "Articles of Association") and with reference to the Guidelines for Articles of Association of Listed Companies.

Article 2 The Company shall hold shareholders' meeting strictly in accordance with the provisions of laws, administrative regulations, Hong Kong Listing Rules, the Articles of Association and these Rules so as to ensure that the shareholders can exercise their rights in accordance with the laws.

The board of directors of the Company shall duly perform its duties and organize shareholders' meeting prudently and as scheduled. The board of supervisors of the Company shall duly perform its duties, and convene and preside over extraordinary shareholders' meeting when necessary. All the directors and supervisors of the Company shall be diligent and responsible so as to ensure that shareholders' meetings are held in an orderly manner and the functions and powers are exercised in accordance with the laws.

Article 3 The shareholders' meeting shall perform its functions and powers to the extent as provided by the Company Law, Hong Kong Listing Rules and the Articles of Association.

Article 4 The shareholders' meetings shall be divided into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened once a year and be held within 6 months after the end of the previous accounting year. The extraordinary shareholders' meeting may be held from time to time and shall be held within two months where any of the circumstances as set forth in Article 100 of the Company Law for holding such a meeting occurs.

In case the Company is unable to hold a shareholders' meeting within the aforesaid time frame, it shall explain the reasons and make an announcement.

Chapter 2 Powers of the Shareholders' Meeting

Article 5 The shareholders' meeting is the body by which the Company exercises its powers, and the main method through which the shareholders exercise their powers.

Article 6 The shareholders' meetings shall exercise the following powers in accordance with the law:

- (1) to elect and replace directors and supervisors, and to decide on matters regarding the remuneration of directors and supervisors;
- (2) to consider and approve reports of the board of directors;
- (3) to consider and approve reports of the board of supervisors;
- (4) to consider and approve plans for the distribution of company profits and plans to cover losses;
- (5) to adopt resolutions on any increase or reduction in the registered capital of the Company;
- (6) to pass resolutions on the issuance of company bonds;
- (7) to adopt resolutions on matters such as any merger, breakup, dissolution or liquidation of the Company or any change in the legal form of the Company;
- (8) to amend the Company's Articles of Association;
- (9) to adopt resolutions on the Company's appointment or dismissal of accounting firms;
- (10) to consider and approve the guarantee matters as prescribed in Article 7 of these Rules;
- (11) to consider the purchase or sale in any one year of material assets valued in excess of 30% of the Company's total assets as audited in the latest period;
- (12) to consider and approve changes in the use of funds raised;
- (13) to consider equity incentive plans and employees stock ownership plans; and
- (14) to consider other matters to be decided by the shareholders' meeting as prescribed in laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.

Article 7 The following external guarantees to be provided by the Company shall be considered and approved at the shareholders' meeting:

- (1) Any provision of guarantee, where the total amount of external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;
- (2) Any provision of guarantee, where the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets;
- (3) Guarantees in which the amount guaranteed by the Company within one year exceeds 30% of the Company's latest audited total assets;
- (4) Provision of guarantee to any item whose liability-asset ratio exceeds 70%;
- (5) Provision of a single guarantee the amount of which exceeds 10% of the latest audited net assets;
- (6) Provision of guarantee to shareholders, de facto controllers and their related parties;
- (7) Other guarantees as required by laws, administrative regulations, rules, other normative documents and relevant laws and regulations and regulatory rules of the place where the Company's shares are listed.

For external guarantees that violate the relevant laws and regulations and the approved authority and review procedures as stipulated in these Rules, the Company shall take reasonable and effective measures to release or rectify the illegal guarantees, reduce the losses of the Company, safeguard the interests of the Company and minority shareholders, and hold relevant personnel accountable.

Chapter 3 Convening of Shareholders' Meetings

Article 8 Unless otherwise stipulated in the Articles of Association, the shareholders' meeting shall be convened by the board of directors in accordance with the law and presided over by the chairman of the board of directors. The board of directors shall convene the shareholders' meeting on time and within the period specified in these Rules.

Where the board of directors is unable or fails to perform its duty in convening a shareholders' meeting, the board of supervisors shall timely convene and preside over such meeting. Where the board of supervisors fails to convene and preside over such meeting, shareholders who individually or jointly hold 10% or more of the Company shares for no less than 90 consecutive days may independently convene and preside over the shareholders' meeting.

Article 9 Any independent non-executive director may propose to the board of directors that an extraordinary shareholders' meeting shall be held. Where an independent non-executive director proposes that an extraordinary shareholders' meeting shall be held, the board of directors shall, in accordance with laws, administrative regulations and the Articles of Association, give a written response on whether or not it agrees that an extraordinary shareholders' meeting should be held within ten days of receiving the proposal.

Where the board of directors agrees to hold an extraordinary shareholders' meeting, it shall send out a shareholders' meeting notice within five days of making its resolution; where the board of directors declines to hold an extraordinary shareholders' meeting, its reasons shall be given and announced.

Article 10 The board of supervisors may propose to the board of directors that an extraordinary shareholders' meeting shall be held and shall make any such proposal to the board of directors in writing. The board of directors shall, in accordance with the relevant provisions and requirements of laws, administrative regulations, departmental rules and normative documents and the Articles of Association, give a written response on whether or not it agrees that an extraordinary shareholders' meeting should be held within ten days of receiving the proposal.

Where the board of directors agrees to hold an extraordinary shareholders' meeting, it shall send out a shareholders' meeting notice within five days of making its resolution. Changes to the original proposal(s) in the notice shall be subject to the consent of the board of supervisors.

Where the board of directors declines to hold an extraordinary shareholders' meeting nor does it respond in written within 10 days upon receipt of the proposal, the Board shall be deemed to be incapable of or has failed in performing the duty of convening a shareholders' meeting, in which case the board of supervisors may convene and preside over such meeting by itself.

Article 11 Shareholder(s) who individually or jointly hold 10% or more of the Company shares shall have the right to propose that the board of directors hold an extraordinary shareholders' meeting; any such request to the board of directors shall be made in writing. The board of directors shall, in accordance with the relevant provisions and requirements of laws, administrative regulations, departmental rules and normative documents and the Articles of Association, give a written response on whether or not it agrees that an extraordinary shareholders' meeting should be held within ten days of receiving any such request.

Where the board of directors agrees to hold an extraordinary shareholders' meeting, it shall send out a shareholders' meeting notice within five days of making its resolution. Changes to the original request(s) in the notice shall be subject to the consent of the shareholders concerned.

Where the board of directors declines to hold an extraordinary shareholders' meeting nor does it respond within 10 days upon receipt of such request, shareholder(s) who individually or jointly hold 10% or more of the Company's shares shall have the right to propose to the board of supervisors to convene an extraordinary shareholders' meeting; any such request to the board of supervisors shall be made in writing.

Where the board of supervisors agrees to hold an extraordinary shareholders' meeting, it shall send out a shareholders' meeting notice within five days upon receipt of such request. Changes to the original request in the notice shall be subject to the consent of the shareholders concerned.

Failure of the board of supervisors to issue the notice of a shareholders' meeting within the stipulated period shall be deemed as the failure of the board of supervisors to convene and preside over a shareholders' meeting, and shareholders severally or jointly holding 10% or more of the Company's shares for 90 or more consecutive days shall be entitled to convene and preside over the shareholders' meeting on a unilateral basis.

Article 12 Where the board of supervisors or shareholders decide(s) to convene a shareholders' meeting on their own, they shall notify the Board in writing.

Before announcing the resolutions of the shareholders' meeting in accordance with applicable laws, administrative regulations or rules, the convening shareholders should not hold less than 10% of the shares.

Article 13 When a shareholders' meeting is convened by the board of supervisors or by the shareholders, the board of directors and the company secretary shall assist. The board of directors shall provide the register of shareholders on the date of registration of shareholding. In the event that the board of directors fails to provide the register of shareholders, the convener may apply to the Securities Depository and Clearing Institutions for obtaining the register of shareholders with the relevant announcement on the convening of the shareholders' meeting. The register of shareholders the convener acquired shall not be used for any other purposes other than the convening of a shareholders' meeting.

Where the Hong Kong Listing Rules stipulate the period of closure of the register of shareholders prior to a shareholders' meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

Article 14 If the board of supervisors or the shareholders convene a shareholders' meeting on their own, the expenses necessary for the meeting shall be borne by the Company.

Chapter 4 Proposal and Notification of Shareholders' Meeting

Article 15 The contents of the proposal shall fall within the terms of reference of the shareholders' meeting, and the proposal shall provide clear agenda and specific matters on which resolutions are to be made, and shall comply with the relevant provisions of the laws, administrative regulations, Hong Kong Listing Rules and the Articles of Association. And the proposals be submitted or delivered to the board of directors shall be made in writing.

Article 16 When the Company holds a shareholders' meeting, the board of directors, the board of supervisors and shareholders independently or jointly holding no less than 3% of the Company shares shall have the right to put proposals to the Company.

Shareholders independently or jointly holding no less than 3% of the Company shares may, ten days before the shareholders' meeting is held, put forward interim proposals and submit such proposals in writing to the conveners. The conveners shall, within two days of receiving any such proposal, send out a supplementary shareholders' meeting notice announcing the details of the interim proposal.

If the shareholders' meeting is postponed due to the issuance of a supplementary notice of the shareholders' meeting in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed, the convening of the shareholders' meeting shall be postponed in accordance with the provisions of the securities regulatory rules of the place where the Company's shares are listed.

Except for the circumstances prescribed in the preceding paragraph 2, the conveners shall not modify or add any new proposal to the proposals listed in the shareholders' meeting notice after sending it out. Notices of shareholders' meeting shall be given in writing.

The shareholders' meeting shall not vote or make resolutions on proposals not listed in the shareholders' meeting notice and supplementary notice or proposals that do not satisfy the criteria prescribed in Article 16 of these Rules.

Article 17 The convener shall inform each shareholder of the annual shareholders' meeting in the form of written notice 21 days before the convening the meeting and shall inform each shareholder of the extraordinary shareholders' meeting in the form of written notice 15 days or 10 business days (based on a relatively long period of time) before convening the meeting, and shall publish the notice on the website of the Company and the designated website of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "HKEX"). If the laws, regulations, and the securities regulatory authority of the place where shares of the Company are listed have regulations otherwise, such regulations shall prevail.

When calculating the starting date of 21 days and 15 days by the Company, the date of the meeting shall be excluded, but the date of the announcement of the meeting shall be included.

Article 18 The specific details of the proposals shall be adequately and fully disclosed in shareholders' meeting notices and supplementary notices, and all information or explanations necessary to enable the shareholders to make a reasonable judgment as to the matters to be discussed.

Where matters to be discussed by the Company require independent non-executive directors' opinions, the opinions and reasons given by the independent non-executive directors shall be disclosed when the shareholders' meeting notice or supplementary notice is issued.

Article 19 If the election matters of directors or supervisors are proposed to be discussed at a shareholders' meeting, the notice of the shareholders' meeting shall adequately disclose the detailed information on the director or supervisor candidates, which shall at least include:

(1) personal particulars, including academic qualifications, work experience and concurrent positions;

(2) whether or not such candidate has any related relationship with the Company, its controlling shareholders and de facto controller;

(3) disclosure of the number of shares of the Company held by such candidate;

(4) whether they have been punished by the CSRC and other relevant authorities and disciplined by the stock exchange.

Save for the election of directors and supervisors by cumulative voting, each candidate for a director or a supervisor shall be proposed via a single proposal.

Article 20 The notice of the shareholders' meeting shall include the following contents:

(1) the time, venue and duration of the meeting;

(2) matters and proposals to be considered at the meeting;

(3) a prominent written statement as follows: all common shareholders have the right to attend the shareholders' meeting, and may authorize in written form a proxy, who need not necessarily be a shareholder of the Company, to attend and vote at the meeting; and

(4) the equity registration date (the interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it shall not be changed) for determining those shareholders who have the right to attend the shareholders' meeting.

Article 21 After giving the notice of the shareholders' meeting, the meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without justifiable reasons. In case of a delay or cancellation, the convener shall announce at least 2 working days prior to the original date of convening the meeting and explain the reasons.

If there are special provisions on the procedures for postponing or canceling the shareholders' meeting under the securities regulatory rules of the place where the Company's shares are listed, such provisions shall prevail, provided that the Company Law, the Securities Law, the Guidelines for Articles of Association of Listed Companies and other applicable provisions are not violated.

Chapter 5 Convening of Shareholders' Meetings

Article 22 The Company shall convene a shareholders' meeting at the place where the Company is domiciled or the location as specified in the notice convening the shareholders' meeting.

The shareholders' meeting shall have a venue and be held on-site. The Company may also provide convenience for shareholders to attend the shareholders' meeting through other means. Shareholders who participate in the shareholders' meeting in the aforesaid manner shall be deemed to be present. After the notice of the shareholders' meeting is issued, the venue of the on-site meeting of the shareholders' meeting shall not be changed without justifiable reasons. If a change in venue is necessary, the convener shall announce at least 2 working days before the on-site meeting and explain the reasons.

Shareholders may attend the shareholders' meeting in person and exercise their voting rights, or authorize proxies to attend on their behalf and exercise their voting rights within the scope of authorization, and such proxy need not be a shareholder of the Company.

Article 23 The board of directors and any other conveners shall take necessary measures to guarantee the good order of the shareholders' meeting. Measures shall be taken to deter any act disturbing the shareholders' meeting, picking quarrels and provoking troubles, and infringing the legal rights and interests of any shareholder, and such acts shall be reported in a timely manner to the relevant departments for investigation and punishment.

Article 24 All shareholders registered in the list on the equity registration date and their proxies shall be entitled to attend the shareholders' meeting, which shall not be refused by the Company or the convenor(s) for whatever reasons, and shall be entitled to exercise their speaking and voting rights in accordance with the relevant laws, administrative regulations, rules and the Articles of Association, unless individual shareholders are required by the Hong Kong Listing Rules to waive their voting rights on certain matters.

Article 25 Individual shareholders who attend the meeting in person shall present their stock account cards, identity cards or other valid documents or certificates that prove their identities to attend the shareholders' meeting. Proxies shall present shareholder proxy statements and their valid identity certificates.

For legal person shareholders, their legal representatives or proxies delegated by the legal representatives shall attend the meeting on their behalf. Legal representatives who attend the meeting shall present their identity cards and valid certificates proving their qualifications as legal representatives; proxies who attend the meeting on behalf of shareholders shall present their proxy identity cards and written proxy statements lawfully issued by the legal representatives of the legal person shareholders in question. If the legal person shareholders have appointed proxies to attend any meeting, it shall be deemed as attending the meeting in person.

Shareholders are organized by non-legal person, the person in charge of the organization or a proxy authorized by the person in charge shall attend the meeting. Such person in charge of the organization attending the meeting shall present his/her personal identity card or valid documents that can prove his/her identity as the person in charge. Proxies authorized to attend the meeting shall present their personal identity cards and the written authorization letter legally issued by the person in charge of the organization.

If such shareholder is a recognized clearing house (or its agent) as defined in the Securities and Futures Ordinance of Hong Kong or the relevant regulations in force from time to time of Hong Kong law, the shareholder may authorize one or more persons as it/he/she thinks fit to act as its/his/her representative at any shareholders' meeting or any class of shareholders' meetings. However, if more than one person is authorized, the power of attorney shall state the number and class of shares to which each of such person is authorized. A person so authorized may represent a recognized clearing house (or its agent) (without the production of shareholding certificates, notarized authorization and/or further evidence confirming that it is duly authorized) as if such person is a natural person shareholder of the Company, holding same statutory rights as other shareholders, including the right to speak and vote.

Article 26 The power of attorney issued by the shareholder authorizing his or her proxy to attend the shareholders' meeting should contain the following:

- (1) the name of the proxy;
- (2) whether the proxy has any voting right;
- (3) instruction to vote for or against or abstain from voting on each issue included in the agenda of the shareholders' meeting;
- (4) the date of issue and validity period of the power of attorney;

- (5) signature (or seal) of the appointer. If the appointer is a corporate shareholder, the seal of the corporate unit shall be affixed or it shall be signed by its authorized person. If the appointer is an unincorporated organization, the seal of the unincorporated organization shall be affixed or it shall be signed by its authorized person.

Such form shall contain a statement that in default of such instructions, whether or not the proxy may vote as he/she thinks fit.

The instrument appointing a proxy shall be deposited at the Company's domicile or such other place as specified in the notice of the meeting at least 24 hours before the time appointed for holding the meeting at which the power of attorney proposes to vote, or 24 hours before the time appointed for taking of the poll. Where such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, that power of attorney or other authority is required to be notarized. An instrument signed by a person under a power of attorney, a notarized copy of that power of attorney or other authority together with the instrument appointing a proxy is required to be deposited at the Company's domicile or such other place as specified in the notice of the meeting.

If the appointer is a legal person, the legal representative or such person authorized by the Board or other decision-making body to act as its representative may attend the shareholders' meeting of the Company.

If the appointer is an unincorporated organization, the person in charge or such person authorized by the decision-making body to act as its representative may attend the shareholders' meeting of the Company.

If the shareholder is a recognized clearing house (or its agent) as defined in the relevant regulations enacted by Hong Kong from time to time, the shareholder may authorize one or more persons as he/she thinks fit to act as his/her representative at any shareholders' meeting or creditors meeting. However, if more than one person is authorized, the power of attorney shall state the number and class of shares to which each of such person is authorized, and the power of attorney shall be signed by an authorized officer of the recognized clearing house. The authorized person may attend the meeting on behalf of the recognized clearing house (or its agent) (without the production of shareholding certificates, notarized authorization and/or further evidence confirming that it is duly authorized) and exercise the rights as if the person is the Company's natural person shareholder who has the same statutory rights as other shareholders, including the right to speak and vote.

Article 27 The register of attendees of the shareholders' meeting shall be prepared by the Company. Such register shall specify information such as the name of the persons (or units) attending the shareholders' meeting, identity card number, residential address, number of shares or voting shares held, and name of the persons (or units) the proxy represents.

Article 28 The convener shall verify the validity of shareholders' qualifications according to the register of shareholders provided by the Securities Depository and Clearing Institutions and register the name of shareholders and the voting shares held by them. The meeting registration shall be stopped before the chairman of the meeting declares the number of shareholders and proxies present at the live meeting and the total voting shares.

Article 29 Where the Company holds a shareholders' meeting, all the directors, supervisors and company secretary shall attend the meeting, and general managers and other senior management members shall also be present at the meeting.

Article 30 The shareholders' meeting shall be presided over by the chairman of the board of directors. Where the chairman of the board is unable or fails to fulfill his duties, the meeting shall be presided over by a director jointly elected by an absolute majority of directors.

Any shareholders' meeting convened by the board of supervisors shall be presided over by the chairman of the board of supervisors. Where the chairman of the board of supervisors is unable or fails to fulfill his duties, the meeting shall be presided over by a supervisor jointly elected by an absolute majority of supervisors.

Any shareholders' meeting convened by shareholders shall be presided over by a representative elected by the conveners.

When the shareholders' meeting is being held, if the meeting cannot continue due to the meeting chair's violation of these Rules, the shareholders' meeting may, subject to the consent of shareholders who hold an absolute majority of the voting rights represented at the live shareholders' meeting, elect someone to act as meeting chair, following which the meeting may continue.

Article 31 At an annual shareholders' meeting, the Board and the board of supervisors shall report their respective work in the preceding year to the shareholders' meeting, and each independent non-executive director shall deliver a work report.

Article 32 Except for matters involving company trade secrets which cannot be disclosed at shareholders' meetings, the directors, supervisors and senior management shall provide explanations in respect of the inquiries and suggestions made by the shareholders at any shareholders' meeting.

Article 33 The presider shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be as recorded in the meeting's register.

Article 34 Shareholders (including shareholder proxies) shall exercise their voting rights according to the number of voting shares they represent. Each shareholder should have one vote for each share.

Article 35 In the event of a shareholder being connected with the matter to be considered at a shareholders' meeting, he/she shall abstain from voting and the voting shares held by the shareholder shall not be included in the total number of voting shares held by shareholders in attendance at the shareholders' meeting.

Shares held by the Company itself shall have no voting rights and shall not be included in the total number of voting shares held by shareholders in attendance at the shareholders' meeting.

If, pursuant to the applicable laws and regulations and listing rules of the place where the Company's shares are listed, any shareholder is abstained from voting or is restricted to vote only "For" or only "Against" on any resolution, the vote will not be counted if this shareholder or its proxy violates the referred requirements or restriction.

The board of directors, independent directors, shareholders of 1% or more of the shares in the Company with voting right, or any investor protection agency established pursuant to the relevant laws, administrative regulations and provisions of the Securities Regulatory Authority of the State Council may publicly solicit voting rights from shareholders, provided that solicitation of the shareholders' voting rights shall fully disclose the specific voting intention and other information to the solicited persons.

Where shareholders' rights are collected in accordance with the provisions of the preceding paragraph, the collector shall disclose the collection documents and the Company shall cooperate.

Consideration or de facto consideration for collecting the shareholders' rights publicly is prohibited. The Company and the convener of shareholders' meetings shall not impose any restriction on the minimum shareholding ratio for the solicitation of voting rights, except for statutory conditions.

Article 36 When voting on the election of directors and supervisors at a shareholders' meeting, the cumulative voting system is adopted pursuant to the relevant provisions of the Articles of Association or the resolution of the shareholders' meeting.

Under the aforementioned cumulative voting system, in the election of directors or supervisors at a shareholders' meeting, each share shall be entitled to such number of votes that is equal to the number of directors or supervisors to be elected, and a shareholder may allocate all of his/her votes to a single candidate.

If the shareholders' meeting elects directors by cumulative voting, the votes to elect independent non-executive directors and non-independent non-executive directors shall be conducted separately. The Board shall publicly disclose the respective resumes and particulars of director and supervisor candidates to the shareholders.

Method and procedure of nomination of directors and supervisors: to be submitted by shareholder(s) individually or collectively holding 3% or more of the shares in the Company, to the board of directors and the board of supervisors separately; after review and approval by the board of directors and the board of supervisors, the board of directors and the board of supervisors will propose at the shareholders' meeting for review and approval.

The board of directors and the board of supervisors may propose candidates for directors and supervisors.

Article 37 Except for the cumulative voting system, votes on proposals shall be taken one by one at a shareholders' meeting, and if there are different proposals regarding the same matter, vote on such proposals shall be taken in order of time of submission thereof. Unless the shareholders' meeting is discontinued or fails to adopt any resolution due to any force majeure or other special reasons, the shareholders' meeting shall not put on hold or refrain from voting on any proposal.

Article 38 No proposal deliberated at a shareholders' meeting shall be amended; otherwise, the relevant amendment shall be deemed a new proposal, which shall not be voted on at the same meeting.

Article 39 The same vote may only be cast once on site or by other means, provided that if the same vote is cast more than once, only the first vote will be deemed valid.

Article 40 Votes at a shareholders' meeting shall be through registration. A shareholder attending any shareholders' meeting shall vote for or against or abstain from voting on each proposal submitted to the meeting for voting.

If any shareholder is required to abstain from voting on a certain resolution, or any shareholder is restricted to only vote for (or against) a certain resolution according to the Hong Kong Listing Rules, in case of any violation of the relevant provision or restriction, the vote cast by the shareholder or his proxies shall not be counted.

In the event of any vote that is uncompleted, erroneously completed or illegible, or fails to be cast, the shareholder casting or failing to cast the same shall be deemed to have waived his/her voting right, and the voting results of the shares held by him/her shall be counted as "abstaining from voting".

Article 41 Before voting on any proposal, a shareholders' meeting shall choose two shareholders' representatives to participate in the votes counting or scrutinizing. If any shareholder is connected to the matter to be discussed, the relevant shareholder and his/her proxy shall not participate in vote counting or scrutinizing.

The connected shareholders shall not participate in voting, with the voting shares held by them not to be counted in the total number of valid votes, when the shareholders' meeting is reviewing the relevant connected transaction if required by applicable laws, regulations, normative documents or the Hong Kong Listing Rules; the announcement of the resolution of the shareholders' meeting shall fully disclose the votes of the non-connected shareholders.

The shareholders' representatives and supervisors' representatives shall jointly count and scrutinize the votes cast on such proposals.

The shareholders, who cast votes by other means, whether in person or by proxy, shall have the right to check their voting results through the relevant voting system.

Article 42 The chairperson shall declare the result of voting on each proposal at the meeting site, and whether such proposal has been adopted accordingly.

Before the formal declaration of the result of any voting, the Company, teller(s), scrutineer(s), shareholders and other persons involved in voting on site or by other means shall have the obligation to keep confidential the information related to the voting.

Article 43 If the chairperson of a shareholders' meeting has any doubt about the result of voting on any resolution, the chairperson may request the votes cast to be counted. If the chairperson does not request the votes to be counted, any shareholder attending the meeting in person or by proxy shall have the right to request the votes to be counted immediately after the result of voting is declared by the chairperson if such shareholder objects to the result of voting, in which case, the chairperson shall immediately have the votes counted.

Counting of votes shall be conducted jointly by the chairperson of a shareholders' meeting, supervisors' representatives and shareholders' representatives.

Article 44 The resolutions of a shareholders' meeting shall specify the number of shareholders and proxies attending the meeting, the number of voting shares held by them and the percentage of such shares to the total number of voting shares of the Company, voting methods, the voting result of each proposal and the details of the resolutions passed.

Article 45 The resolutions of a shareholders' meeting or the corresponding announcement shall specifically indicate any proposal that fails to be adopted at the meeting or any amendment to any resolution of the previous shareholders' meeting.

Article 46 Minutes of a shareholders' meeting shall be kept by the company secretary. The minutes of the meeting shall specify:

- (1) time, venue and agenda of the meeting, and the name of the convener;
- (2) the names of the presider, and the directors, supervisors, company secretary, general manager and other senior management officers attending or present at the meeting;
- (3) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company, including the number of domestic shareholders (including proxies) and H Shareholders (including proxies) attending the shareholders' meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company;
- (4) the consideration process, summaries of speeches and voting results for each proposal (including the voting results of domestic shareholders and H Shareholders for each proposal);
- (5) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;
- (6) the names of the counting officer and monitoring officer;
- (7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

Directors, supervisors and the company secretary attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes and ensure the meeting minutes are true, accurate and complete. The meeting minutes and the signed attendance record of the shareholders who attended in person, the proxy forms for the proxies present at the meeting and the valid information relating to other methods of voting shall be kept together for no less than 10 years.

Article 47 The convener shall ensure that the continuity of the shareholders' meeting until the final resolution is formed. Where the shareholders' meeting is discontinued or fails to adopt any resolution due to any force majeure or other special reasons, necessary measures shall be taken to resume or directly terminate the shareholders' meeting, and an announcement shall be made promptly.

Chapter 6 Voting and Resolutions at Shareholders' Meeting

Article 48 Resolutions of the shareholders' meeting are divided into ordinary resolutions and special resolutions.

Ordinary resolutions of the shareholders' meeting shall be passed by an absolute majority of the voting rights represented by shareholders (including shareholder proxies) in attendance at the shareholders' meeting.

Special resolutions of the shareholders' meeting shall be passed by more than two-thirds of the voting rights represented by shareholders (including shareholder proxies) in attendance at the shareholders' meeting.

Article 49 The following matters shall be passed by an ordinary resolution of the shareholders' meeting:

- (1) work reports of the board of directors and the board of supervisors;
- (2) plans for the distribution of profits and plans to cover losses as drafted by the board of directors;
- (3) the appointment and dismissal of members of the board of directors and the board of supervisors, along with the remuneration of and payments to such members;
- (4) the Company's annual report;
- (5) appointment and dismissal of accounting firms, determining the remuneration of accounting firms;
- (6) change the investment project with raised funds;
- (7) any other matter other than those required by laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association to be passed by special resolution.

Article 50 The following matters shall be passed by a special resolution of the shareholders' meeting:

- (1) any increase or reduction in the registered capital of the Company;
- (2) any proposed split, breakup, merger, dissolution or liquidation of the Company (including voluntary liquidation);
- (3) amendments to the Company's Articles of Association;

(4) any purchase or sale of major assets or the provision of guarantees within any one year in an amount in excess of 30% of the Company's total assets as audited in the latest period;

(5) any equity incentive plan;

(6) other matters that are required by laws, administrative regulations or the Articles of Association or that are determined by an ordinary resolution of the shareholders' meeting to have a substantial impact on the Company shall be passed by special resolutions;

(7) other matters that are required by the HKEX to be passed by special resolutions.

Article 51 If a shareholders' meeting adopts any resolution on the election of directors and supervisors, the term of office of the newly appointed directors and supervisors shall commence from the date of adoption of the relevant resolution at the shareholders' meeting.

Article 52 Any resolution on the distribution of cash or stock dividends or capitalization of capital reserve adopted at a shareholders' meeting shall be implemented by the Company within 2 months after the end of the shareholders' meeting.

If the specific plan cannot be implemented within 2 months according to the provisions of laws and regulations and the securities regulatory rules where the Company's shares are listed, the implementation date of the specific plan can be adjusted according to such provisions and the actual situation.

Article 53 Any resolution of the shareholders' meeting of the Company that violates the laws or administrative regulations shall be invalid.

The controlling shareholder(s) or the de facto controller(s) of the Company shall not restrict or impede minority investors from exercising their voting rights in accordance with relevant laws, and shall not impair the legitimate rights and interests of the Company and minority investors.

If the convening procedure or voting method of the shareholders' meetings violates the laws, administrative regulations or the Articles of Association or the contents of a resolution run counter to the Articles of Association, the shareholders may request the people's court to cancel such resolution within sixty days after passing the resolution.

Article 54 The resolutions of a shareholders' meeting shall be announced in a timely manner pursuant to the regulations of the listing rules of the place in which the Company's shares are listed, and the announcement shall specify the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and the percentage of such shares to the total number of voting shares of the Company, voting methods, the voting result of each proposal and the details of the resolutions passed. In the announcement, the attendance and voting of the domestic shareholders and H Shareholders shall be counted and announced separately.

Chapter 7 Supplementary Provisions

Article 55 The phrases “more than” and “within” herein for the numbers include the numbers indicated themselves, while the phrases “over” and “less than” exclude the numbers indicated themselves.

Article 56 Matters not provided for in these Rules shall be implemented in accordance with relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and relevant requirements of the Articles of Association. If these Rules are inconsistent with the relevant laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and relevant requirements of the Articles of Association, the relevant laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and the requirements of the Articles of Association shall prevail.

Article 57 As authorized by the shareholders’ meeting, the Board of the Company shall be responsible for the drafting and interpretation of these Rules. Any amendment to these Rules shall be approved by the shareholders’ meeting.

Article 58 These Rules shall take effect from the date of being reviewed and approved by the shareholders’ meeting of the Company.

EXPLANATION ON THE AMENDMENTS TO THE RULES OF PROCEDURES
FOR MEETINGS OF THE BOARD OF DIRECTORS

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Rules of Procedures for Meetings of the Board of Directors. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	Article 2 The board of directors is the standing decision-making body of the Company, and shall be accountable to the shareholders’ general meeting, to exercise its functions and powers within the scope of its functions and powers prescribed by laws and regulations, the Articles of Association and the shareholders’ general meeting, and to safeguard the legitimate rights and interests of the Company and its shareholders.	Article 2 The board of directors is the standing decision-making body of the Company, and shall be accountable to the shareholders’ meeting, to exercise its functions and powers within the scope of its functions and powers prescribed by laws and regulations, the Articles of Association and the shareholders’ meeting, and to safeguard the legitimate rights and interests of the Company and its shareholders.
2	Article 3 The Board shall have a Board office for handling the daily affairs of the Board.	Article 3 The Board shall have a Securities Affairs Department for handling the daily affairs of the Board.
3	Article 6 Notices of the meetings of the board of directors shall be served by any of the following means: (1) a notice convening a regular meeting shall be in writing, including delivery by hand, registered mail, fax, telegraph or e-mail; and (2) a notice convening an extraordinary meeting shall be, in principle, in writing; in case of emergency, however, such notice may be given by phone or orally.	Article 6 Notices of the meetings of the board of directors shall be served by any of the following means: (1) a notice convening a regular meeting shall be in writing, including delivery by hand, registered mail, or e-mail; and (2) a notice convening an extraordinary meeting shall be, in principle, in writing; in case of emergency, however, such notice may be given by phone or orally.

No.	Before Amendments	After Amendments
4	<p>Article 11 The appointer and proxy attending Board meetings shall obey the following principles:</p> <p>(1) non-related directors shall not appoint related/connected directors to attend on their behalf; nor shall related/connected directors accept the entrustment of non-related/connected directors in the case of reviewing related/connected transactions;</p> <p>(2) the directors shall not fully appoint other directors as the proxy to attend the meeting without giving their personal opinions and voting intentions on the proposal, while the relevant directors shall not accept the full appointment or grant the unclearly defined appointment.</p> <p>(3) a director shall not accept appointment by more than two directors and a director shall also not appoint any other director as the proxy who has been appointed by two other directors to attend the meeting. Independent non-executive directors may only appoint another independent non-executive director as the proxy to attend a Board meeting.</p> <p>Directors' liability in respect of matters to be voted shall not be waived by the appointment of other directors.</p> <p>If any director fails to attend Board meetings in person or by proxy two consecutive times, the said director shall be deemed incapable of performing his/her duties and the board of directors and the board of supervisors shall suggest that the general meeting dismiss the said director.</p>	<p>Article 11 The appointer and proxy attending Board meetings shall obey the following principles:</p> <p>(1) non-connected directors shall not appoint connected directors to attend on their behalf; nor shall connected directors accept the entrustment of non-connected directors in the case of reviewing connected transactions;</p> <p>(2) the directors shall not fully appoint other directors as the proxy to attend the meeting without giving their personal opinions and voting intentions on the proposal, while the relevant directors shall not accept the full appointment or grant the unclearly defined appointment.</p> <p>(3) a director shall not accept appointment by more than two directors and a director shall also not appoint any other director as the proxy who has been appointed by two other directors to attend the meeting. Independent non-executive directors may only appoint another independent non-executive director as the proxy to attend a Board meeting.</p> <p>Directors' liability in respect of matters to be voted shall not be waived by the appointment of other directors.</p> <p>If any director fails to attend Board meetings in person or by proxy two consecutive times, the said director shall be deemed incapable of performing his/her duties and the board of directors and the board of supervisors shall suggest that the shareholders' meeting dismiss the said director.</p>

No.	Before Amendments	After Amendments
5	<p>Article 14 Proposals which the Company's directors, supervisors and general managers need to present for study, discussion and resolution at the Board meeting shall be submitted to the Board office in advance. Upon collection, classification and sorting by the Board office, such proposals shall be forwarded to the chairman for review, and the chairman shall decide whether or not to include them in the agenda.</p>	<p>Article 14 Proposals which the Company's directors, supervisors and general managers need to present for study, discussion and resolution at the Board meeting shall be submitted to the Securities Affairs Department in advance. Upon collection, classification and sorting by the Securities Affairs Department, such proposals shall be forwarded to the chairman for review, and the chairman shall decide whether or not to include them in the agenda.</p>
6	<p>Article 15 Proposals to the Board shall meet the following requirements:</p> <p>(1) the contents of the proposals shall not be in conflict with the provisions of laws, regulations, normative documents and the Articles of Association, and shall be within the scope of the operating activities of the Company and the scope of powers of the Board;</p> <p>(2) the proposals shall be in the interests of the Company and its shareholders;</p> <p>(3) the proposals shall contain a clear subject for discussion together with the details of the specifics;</p> <p>(4) the proposals shall be made in writing.</p>	<p>Article 15 Proposals to the Board shall meet the following requirements:</p> <p>(1) the contents of the proposals shall not be in conflict with the provisions of laws, regulations, normative documents and the Articles of Association, and shall be within the scope of the operating activities of the Company and the scope of powers of the Board;</p> <p>(2) the proposals shall be in the interests of the Company and its shareholders;</p> <p>(3) the proposals shall contain a clear subject for discussion together with the details of the specifics;</p> <p>(4) the proposals shall be made in writing.</p>

No.	Before Amendments	After Amendments
7	<p>Article 20 If any Director as an individual or any other enterprises for which he/she serves is directly or indirectly related to/ connected with any existing or scheduled contracts, transactions or arrangement with the Company (excluding appointment contracts), the Director shall disclose to the Board the nature and extent of his/her related/connected relationship as soon as practicable, whether or not such matters require approval from the Board under normal circumstances.</p> <p>Unless the Director with a related/ connected relationship makes a disclosure to the Board as required by the preceding paragraph of this article, and the Board approves the issue at the meeting, at which the Director is not counted into the quorum and has not voted, the Company is entitled to revoke such contract, transaction or arrangement, except where the counterparty is a bona fide third party.</p> <p>When the board of directors is considering and voting on the related/connected transactions, the avoidance and voting procedures of the related/connected directors:</p> <p>(1) a matter considered by the board of directors relates/connects to a director, the related/connected director shall disclose his/her related/connected relationship to the board of directors of the Company before convening the meeting of the board of directors;</p>	<p>Article 20 If any Director as an individual or any other enterprises for which he/she serves is directly or indirectly connected with any existing or scheduled contracts, transactions or arrangement with the Company (excluding appointment contracts), the Director shall disclose to the Board the nature and extent of his/her connected relationship as soon as practicable, whether or not such matters require approval from the Board under normal circumstances.</p> <p>Unless the Director with a connected relationship makes a disclosure to the Board as required by the preceding paragraph of this article, and the Board approves the issue at the meeting, at which the Director is not counted into the quorum and has not voted, the Company is entitled to revoke such contract, transaction or arrangement, except where the counterparty is a bona fide third party.</p> <p>When the board of directors is considering and voting on the connected transactions, the avoidance and voting procedures of the connected directors:</p> <p>(1) a matter considered by the board of directors connects to a director, the connected director shall disclose his/her connected relationship to the board of directors of the Company before convening the meeting of the board of directors;</p>

No.	Before Amendments	After Amendments
	<p>(2) when the board of directors is considering the related/connected transactions, the chairperson of the meeting announces expressly the relationships between the related/connected directors and the related/connected transactions, and requires the related/connected directors to avoid (the meeting of the board of directors shall not be held unless attended by an absolute majority of directors without a related/connected relationship with any such enterprise), and the related/connected transactions shall be considered and voted by the non-related/connected directors;</p> <p>(3) a board resolution on a related/connected matter shall be passed by a majority of all non-related/connected directors; where the number of directors without any such related/connected relationship attending the meeting is less than three, the matter shall be submitted to the general meeting for consideration.</p> <p>(4) if related/connected directors fail to disclose or evade in accordance with the above requirements regarding related/connected transaction matters, the board of directors has the right to revoke all resolutions in relation to such related/connected transaction matters.</p>	<p>(2) when the board of directors is considering the connected transactions, the chairperson of the meeting announces expressly the relationships between the connected directors and the connected transactions, and requires the connected directors to avoid (the meeting of the board of directors shall not be held unless attended by an absolute majority of directors without a connected relationship with any such enterprise), and the connected transactions shall be considered and voted by the non-connected directors;</p> <p>(3) a board resolution on a connected matter shall be passed by a majority of all non-connected directors; where the number of directors without any such connected relationship attending the meeting is less than three, the matter shall be submitted to the shareholders' meeting for consideration.</p> <p>(4) if connected directors fail to disclose or evade in accordance with the above requirements regarding connected transaction matters, the board of directors has the right to revoke all resolutions in relation to such connected transaction matters.</p>
8	<p>Article 21 Resolutions made by the board of directors on the Company's related/connected transactions shall come into effect only after they are signed by the independent non-executive directors.</p>	<p>Article 21 Resolutions made by the board of directors on the Company's connected transactions shall come into effect only after they are signed by the independent non-executive directors.</p>

No.	Before Amendments	After Amendments
9	<p>Article 26 Directors shall be responsible for the board resolutions. If the board resolutions violate the relevant laws, regulations, the Articles of Association or resolutions of the shareholders' general meeting thus causing losses to the Company, the directors participating in the resolutions shall be liable to compensate the Company for the losses. However, on verification that a director had stated his/her objection when voting and the same was recorded in the minutes, such director may be exempted from such liability. Nevertheless, the director's responsibility to ensure the truthfulness, accuracy and completeness of the contents of regular reports shall not be automatically exempted only by the issuance of opinions.</p>	<p>Article 26 Directors shall be responsible for the board resolutions. If the board resolutions violate the relevant laws, regulations, the Articles of Association or resolutions of the shareholders' meeting thus causing losses to the Company, the directors participating in the resolutions shall be liable to compensate the Company for the losses. However, on verification that a director had stated his/her objection when voting and the same was recorded in the minutes, such director may be exempted from such liability. Nevertheless, the director's responsibility to ensure the truthfulness, accuracy and completeness of the contents of regular reports shall not be automatically exempted only by the issuance of opinions.</p>
10	<p>Article 27 The Board of Directors' meeting shall be recorded by a minute-taker appointed by the Board office. The Board office shall inform the minute-taker in detail of the requirements for recording and the confidentiality obligations to be fulfilled. The minutes of the Board meeting shall be true, accurate and complete, and shall be signed by all attending directors, the secretary to the Board and the minute-taker for confirmation. If a director has different opinions on the minutes, he/she may attach an explanation to his/her signature. The minutes of the Board meeting shall be kept properly as important files of the Company.</p>	<p>Article 27 The Board of Directors' meeting shall be recorded by a minute-taker appointed by the Securities Affairs Department. The Securities Affairs Department shall inform the minute-taker in detail of the requirements for recording and the confidentiality obligations to be fulfilled. The minutes of the Board meeting shall be true, accurate and complete, and the attending directors shall confirm the minutes in an appropriate manner. Both the Chairman and the minute-taker shall sign on the minutes for confirmation. If a director has different opinions on the minutes, he/she may attach an explanation to his/her confirmation. The minutes of the Board meeting shall be properly preserved as important files of the Company.</p>

No.	Before Amendments	After Amendments
11	Article 29 The Board office shall be responsible for keeping the meeting attendance book, proxy statements, records, resolutions and other written materials. The retention period shall be over 10 years.	Article 29 The Securities Affairs Department shall be responsible for keeping the meeting attendance book, proxy statements, records, resolutions and other written materials of the meetings. The retention period shall be over 10 years.
12	Article 30 The Board office is responsible for reporting meeting minutes, resolutions, and other relevant materials to the relevant regulatory authorities after the meeting, and handling information disclosure matters on designated media .	Article 30 The Securities Affairs Department is responsible for reporting meeting minutes, resolutions, and other relevant materials or making information disclosure (if necessary) to the relevant regulatory authorities after the meeting, and the Securities Affairs Department shall be responsible for handling such reporting and information disclosure matters after the meeting .
13	Article 35 These Rules shall take effect and be put into implementation from the date when the Company completes its initial public offering of H Shares on the HKEX and is listed on the HKEX, after being reviewed and approved by the shareholders' general meeting of the Company. The original Rules of the Company shall automatically become invalid upon the effective date of these Rules.	Article 35 These Rules shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.

LAOPU GOLD CO., LTD.**RULES OF PROCEDURES FOR MEETINGS OF THE BOARD OF DIRECTORS****Chapter 1 General Provisions**

Article 1 These Rules are formulated in accordance with the Company Law of the PRC (the “Company Law”), the Securities Law of the PRC, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereafter known as the “Hong Kong Listing Rules”), and other relevant laws, regulations, normative documents and the Articles of Association of Laopu Gold Co., Ltd. (the “Articles of Association”), for the purpose of standardizing the contents, measures and procedures of proceedings of the board of directors of Laopu Gold Co., Ltd. (the “Company”), ensuring the proper exercise of its functions and powers and continuously enhancing the scientificity, correctness and compliance of its decision-making process.

Article 2 The board of directors is the standing decision-making body of the Company, and shall be accountable to the shareholders’ meeting, to exercise its functions and powers within the scope of its functions and powers prescribed by laws and regulations, the Articles of Association and the shareholders’ meeting, and to safeguard the legitimate rights and interests of the Company and its shareholders.

Article 3 The Board shall have a Securities Affairs Department for handling the daily affairs of the Board.

Chapter 2 Notification of Meetings of the Board of Directors

Article 4 The meetings of the board of directors shall be divided into regular meetings and extraordinary meetings. The regular meetings shall be held at least four times every year (roughly on a quarterly basis).

Article 5 All directors and supervisors shall be informed 14 days before convening a regular meeting of the board of directors, and 3 days before convening an extraordinary board meeting. In case of an emergency, the notice convening an extraordinary board meeting is not subject to the above-mentioned time limits, provided that the convener shall give reasonable notice and make necessary explanations at the meeting.

Article 6 Notices of the meetings of the board of directors shall be served by any of the following means:

- (1) a notice convening a regular meeting shall be in writing, including delivery by hand, registered mail, or e-mail; and
- (2) a notice convening an extraordinary meeting shall be, in principle, in writing; in case of emergency, however, such notice may be given by phone or orally.

Article 7 A written notice of the meeting of the board of directors shall contain the following:

- (1) the date and venue of the meeting;
- (2) the duration of the meeting;
- (3) the matters to be considered and the agenda of the meeting;
- (4) the date of the notice.

The oral notice of the meeting of the board of directors shall, at least, include the details of items (1) and (2) above and the explanation for convening an extraordinary board meeting as soon as practicable in case of emergencies.

Article 8 If, after the written notice of a regular board meeting is served, it is necessary to change the time, venue, etc. of the meeting or add, change or cancel proposals, a written notice of change shall be sent 3 days before the original designated date for convening the meeting, explaining the reason and providing contents and documents relating to the new proposals. Where the notice of change is served in less than 3 days in advance, the date of the meeting shall be postponed accordingly or remain unchanged if approved by all attending directors.

After a notice of an extraordinary board meeting is served, any change in the time, venue, etc. of the meeting or addition, change or cancellation of proposals shall be approved by all attending directors in advance and relevant records shall be made.

Article 9 Shareholders representing more than 10% of the voting right, one-third or more of the directors or the board of supervisors may propose to convene an interim Board meeting. A meeting of the board of directors shall be convened and presided over by the chairman of the board of directors within 10 days upon receipt of the proposal. Each person required to attend the meeting shall reply as soon as possible upon receipt of the notice of the meeting, as to whether or not he/she will attend.

Article 10 Directors shall attend the meetings of the Board in person. Where a director is unable to attend such a meeting in person for any reason, he/she may prudently select and entrust another director in writing to attend on his/her behalf.

The power of attorney shall set out the name of the attorney, issues under authorization, scope of authorization and valid period, which will be signed or sealed with the chop by the appointing director. A director who attends the meeting on behalf of the appointed director shall exercise the rights of a director to the extent authorized. Where a director is unable to attend a meeting of the board of directors and has not appointed a proxy to attend the meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.

Article 11 The appointer and proxy attending Board meetings shall obey the following principles:

- (1) non-connected directors shall not appoint connected directors to attend on their behalf; nor shall connected directors accept the entrustment of non-connected directors in the case of reviewing connected transactions;
- (2) the directors shall not fully appoint other directors as the proxy to attend the meeting without giving their personal opinions and voting intentions on the proposal, while the relevant directors shall not accept the full appointment or grant the unclearly defined appointment.
- (3) a director shall not accept appointment by more than two directors and a director shall also not appoint any other director as the proxy who has been appointed by two other directors to attend the meeting. Independent non-executive directors may only appoint another independent non-executive director as the proxy to attend a Board meeting.

Directors' liability in respect of matters to be voted shall not be waived by the appointment of other directors.

If any director fails to attend board meetings in person or by proxy two consecutive times, the said director shall be deemed incapable of performing his/her duties and the board of directors and the board of supervisors shall suggest that the shareholders' meeting dismiss the said director.

Article 12 The Board meeting must adopt a sign-in system, whereby all persons who are present at the meeting must sign in on their own, and it is not allowed to do the sign-in by another person. The meeting attendance book and other written materials of the meeting shall be kept in file.

Article 13 In principle, the Board meeting shall be convened by way of onsite meetings. The Board meeting may also be convened through telephone, video and other methods on such a premise that directors may fully give their opinions and communicate smoothly. In respect of proposals that need to be approved by way of Board resolutions but do not require intensive communications or discussion among the directors, they can be signed by fax, but documents with trans-functional signature and related information shall be served on all directors.

Chapter 3 Proposals to the Board Meeting

Article 14 Proposals which the Company's directors, supervisors and general managers need to present for study, discussion and resolution at the Board meeting shall be submitted to the Securities Affairs Department in advance. Upon collection, classification and sorting by the Securities Affairs Department, such proposals shall be forwarded to the chairman for review, and the chairman shall decide whether or not to include them in the agenda.

Article 15 Proposals to the Board shall meet the following requirements:

- (1) the contents of the proposals shall not be in conflict with the provisions of laws, regulations, normative documents and the Articles of Association, and shall be within the scope of the operating activities of the Company and the scope of powers of the Board;
- (2) the proposals shall be in the interests of the Company and its shareholders;
- (3) the proposals shall contain a clear subject for discussion together with the details of the specifics;
- (4) the proposals shall be made in writing.

Chapter 4 Board Meeting Proceedings and Resolutions

Article 16 No meeting of the board of directors shall be held unless attended by an absolute majority of directors. Any resolution adopted by the board of directors shall require affirmative votes by an absolute majority of all directors. Directors with material interests in the relevant contracts, transactions or arrangements shall not be counted in determining whether a quorum is present at the meeting. Where the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association provide otherwise, such provisions shall prevail.

Article 17 The Board meeting shall be presided over by the chairman of the board of directors. Where the chairman of the board is unable to preside over the meeting for any reason, the Board meeting shall be convened and presided over by a director jointly elected by an absolute majority of directors.

Article 18 Board meetings shall fully adopt democratic discussions, respect the opinions of each director, and allow the directors to reserve their different personal opinions when making resolutions.

Article 19 Except for obtaining the unanimous consent from all the attending directors, any proposal not set out in the notice of the meeting shall not be voted at the Board meeting. Directors who accept other directors' appointment to attend the Board meeting on their behalf shall not vote on the proposals not set out in the notice of the meeting on behalf of other directors

Article 20 If any Director as an individual or any other enterprises for which he/she serves is directly or indirectly connected with any existing or scheduled contracts, transactions or arrangement with the Company (excluding appointment contracts), the Director shall disclose to the Board the nature and extent of his/her connected relationship as soon as practicable, whether or not such matters require approval from the Board under normal circumstances.

Unless the Director with a connected relationship makes a disclosure to the Board as required by the preceding paragraph of this article, and the Board approves the issue at the meeting, at which the Director is not counted into the quorum and has not voted, the Company is entitled to revoke such contract, transaction or arrangement, except where the counterparty is a bona fide third party.

When the board of directors is considering and voting on the connected transactions, the avoidance and voting procedures of the connected directors:

- (1) a matter considered by the board of directors connects to a director, the connected director shall disclose his/her connected relationship to the board of directors of the Company before convening the meeting of the board of directors;
- (2) when the board of directors is considering the connected transactions, the chairperson of the meeting announces expressly the relationships between the connected directors and the connected transactions, and requires the connected directors to avoid (the meeting of the board of directors shall not be held unless attended by an absolute majority of directors without a connected relationship with any such enterprise), and the connected transactions shall be considered and voted by the non-connected directors;
- (3) a board resolution on a connected matter shall be passed by a majority of all non-connected directors; where the number of directors without any such connected relationship attending the meeting is less than three, the matter shall be submitted to the shareholders' meeting for consideration;
- (4) if connected directors fail to disclose or evade in accordance with the above requirements regarding connected transaction matters, the board of directors has the right to revoke all resolutions in relation to such connected transaction matters.

Article 21 Resolutions made by the board of directors on the Company's connected transactions shall come into effect only after they are signed by the independent non-executive directors.

Article 22 Other observers, other than the supervisors, the general manager and senior management members who are required to attend the Board meetings pursuant to the Company Law, shall attend the meetings only during the discussion of the related proposals, and shall withdraw during other moments.

All observers may have the right to speak but have no right to vote. The Board shall take full consideration of the opinions given by the observers before making any decision.

Article 23 When voting on the board of directors' resolutions, one director shall have one vote.

The way of voting for the Board meeting shall be by a show of hands or by open ballot. The Board meeting may be convened by means of written materials, video conference, telephone conference, fax or through the communication devices with which all the directors can communicate, provided that the director's opinions are fully expressed, and shall be signed by the attending directors.

Article 24 Each of the resolutions on the agenda shall be resolved in writing by the board of directors.

Article 25 When more than half of the attending directors believe that they cannot make a judgment on relevant matters because the proposal is unclear or unspecific, or the meeting materials are insufficient or because of other reasons, the chairman of the meeting shall ask for suspension of voting on the proposal in the meeting.

The directors proposing suspension of voting shall provide definite requirements for the conditions to be met for resubmitting the said proposal for deliberation.

Article 26 Directors shall be responsible for the board resolutions. If the board resolutions violate the relevant laws, regulations, the Articles of Association or resolutions of the shareholders' meeting thus causing losses to the Company, the directors participating in the resolutions shall be liable to compensate the Company for the losses. However, on verification that a director had stated his/her objection when voting and the same was recorded in the minutes, such director may be exempted from such liability. Nevertheless, the director's responsibility to ensure the truthfulness, accuracy and completeness of the contents of regular reports shall not be automatically exempted only by the issuance of opinions.

Article 27 The Board of Directors' meeting shall be recorded by a minute-taker appointed by the Securities Affairs Department. The Securities Affairs Department shall inform the minute-taker in detail of the requirements for recording and the confidentiality obligations to be fulfilled. The minutes of the Board meeting shall be true, accurate and complete, and the attending directors shall confirm the minutes in an appropriate manner. Both the Chairman and the minute-taker shall sign on the minutes for confirmation. If a director has different opinions on the minutes, he/she may attach an explanation to his/her confirmation. The minutes of the Board meeting shall be properly preserved as important files of the Company.

Article 28 The minutes of the Board meeting shall include:

- (1) the convening date, place, the convener and chairperson of the meeting;
- (2) names of directors present and such directors appointed as proxies to attend the meeting;
- (3) agenda of the meeting;
- (4) key points of speeches of the directors that the directors shall be entitled to request for an explanation of his/her comments made at the meetings to be noted in the minutes;
- (5) the voting method and the results of each resolution (the number of votes in favor, against or abstain shall all be indicated);
- (6) such other matters to be recorded as the attending directors consider appropriate.

Chapter 5 Post-meeting Matters

Article 29 The Securities Affairs Department shall be responsible for keeping the meeting attendance book, proxy statements, records, resolutions and other written materials of the meetings. The retention period shall be over 10 years.

Article 30 The Securities Affairs Department is responsible for reporting meeting minutes, resolutions, and other relevant materials or making information disclosure (if necessary) to the relevant regulatory authorities after the meeting, and the Securities Affairs Department shall be responsible for handling such reporting and information disclosure matters after the meeting.

Article 31 Prior to the disclosure of the Board resolutions through normal channels, all persons present at the meetings shall not leak in any way or make use of the confidential information for his/her benefit. In the occurrence of such act, the relevant person shall be responsible for all the consequences thereof and be accountable for the legal liabilities (as appropriate).

Chapter 6 Supplementary Provisions

Article 32 The phrases “more than” and “within” herein for the numbers include the numbers indicated themselves, while the phrase “over” excludes the number indicated itself.

Article 33 Matters not provided for in these Rules shall be implemented in accordance with the relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and relevant requirements of the Articles of Association. If these Rules are inconsistent with the relevant laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and relevant requirements of the Articles of Association, the relevant laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and the requirements of the Articles of Association shall prevail.

Article 34 As authorized by the shareholders’ meeting, the Board of the Company shall be responsible for the drafting and interpretation of these Rules. Any amendment to these Rules shall be approved by the shareholders’ meeting.

Article 35 These Rules shall take effect from the date of its consideration and approval at the shareholders’ meeting of the Company.

EXPLANATION ON THE AMENDMENTS TO THE WORKING RULES FOR
THE INDEPENDENT NON-EXECUTIVE DIRECTORS

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Working Rules for the Independent Non-executive Directors. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	<p>Article 15 The independent non-executive directors shall, as soon as possible, submit the Form H Declaration and Undertaking of Directors to the Hong Kong Stock Exchange in accordance with the relevant requirements of the Hong Kong Listing Rules after being elected at the general meeting, and submit a written confirmation explaining the following matters:</p> <p>(1) to confirm the independence in relation to each of the factors described in these Rules and the relevant provisions of the Hong Kong Listing Rules;</p> <p>(2) to confirm that he/she had any past or present financial or other interests in the business of the Company or its subsidiaries, or had any connection (if any) with any core connected person (as defined in the Hong Kong Listing Rules) of the Company;</p> <p>(3) there are no other factors that may affect his/her independence at the time of submission of the Form H Declaration and Undertaking of Directors.</p>	<p>Article 15 The independent non-executive directors shall, as soon as possible, submit the Form FF004 to the Hong Kong Stock Exchange in accordance with the relevant requirements of the Hong Kong Listing Rules after being elected at the shareholders’ meeting, and submit a written confirmation explaining the following matters:</p> <p>(1) to confirm the independence in relation to each of the factors described in these Rules and the relevant provisions of the Hong Kong Listing Rules;</p> <p>(2) to confirm that he/she had any past or present financial or other interests in the business of the Company or its subsidiaries, or had any connection (if any) with any core connected person (as defined in the Hong Kong Listing Rules) of the Company;</p> <p>(3) there are no other factors that may affect his/her independence at the time of submission of the Form FF004.</p>

No.	Before Amendments	After Amendments
2	<p>Article 34 In order to ensure the effective exercise of powers by independent non-executive directors, the Company shall provide necessary working conditions and personnel support for independent non-executive directors, and designate specialized departments and personnel such as the Board office and secretary to the Board to assist independent non-executive directors in performing their duties.</p> <p>The secretary to the Board shall ensure unimpeded access to information between independent non-executive directors and other directors, senior management members, and other relevant personnel, and ensure that independent non-executive directors are able to obtain sufficient resources and necessary professional opinions when performing their duties.</p>	<p>Article 34 In order to ensure the effective exercise of powers by independent non-executive directors, the Company shall provide necessary working conditions and personnel support for independent non-executive directors, and designate specialized departments and personnel such as the Board office and company secretary to assist independent non-executive directors in performing their duties.</p> <p>The company secretary shall ensure unimpeded access to information between independent non-executive directors and other directors, senior management members, and other relevant personnel, and ensure that independent non-executive directors are able to obtain sufficient resources and necessary professional opinions when performing their duties.</p>
3	<p>Article 45 Except for some articles formulated based on the needs of the public offering and listing of the Company's shares, which shall take effect and be put into implementation from the date when the Company completes its initial public offering of H Shares on the HKEX and is listed on the HKEX, the remaining articles of these Rules shall come into force when these Rules become effective.</p>	Delete.

LAOPU GOLD CO., LTD.

WORKING RULES FOR THE INDEPENDENT NON-EXECUTIVE DIRECTORS

Chapter 1 General Provisions

Article 1 In order to improve the legal person governance structure of Laopu Gold Co., Ltd. (the “Company”), give full play to the role of independent non-executive directors in the standardized operation of the Company, safeguard the interests of the Company as a whole and protect the legitimate interests of all shareholders, especially minority shareholders from damage, these Rules are formulated in accordance with the provisions of the Company Law of the PRC, the Securities 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 other laws, regulations, normative documents and the Articles of Association of Laopu Gold Co., Ltd. (the “Articles of Association”).

Article 2 Independent non-executive directors refer to the directors who do not hold any other positions in the Company (other than as a director of the Company), and have no direct or indirect interest in the Company, its major shareholders, de facto controller or any other relationship that is likely to interfere with their own independent and objective judgment. The qualification of independent non-executive directors shall be subject to the requirements of the Hong Kong Listing Rules and shall be approved by the relevant regulatory authorities.

Article 3 Independent non-executive directors own the obligations of integrity and diligence to the Company and all shareholders. They shall earnestly fulfill their duties and responsibilities, play the roles of participating in decision-making, supervising and balancing, and providing professional advice to the board of directors, safeguard the overall interests of the listed companies and protect the legitimate rights and interests of minority shareholders in accordance with the laws and regulations, the Hong Kong Listing Rules, the Articles of Association and these Rules.

Article 4 Members of the board of directors of the Company shall consist of one-third (at least 3) independent non-executive directors, including at least one member who is an accounting professional with appropriate professional qualification according to the regulatory requirements, or with appropriate accounting or related financial management expertise (specifically, he/she shall have relatively rich accounting expertise and experience, and have experience in internal control, and preparing or auditing financial reports similar to those of the Company, or making an analysis of audited financial reports of listed companies through engaging in the work of a certified public accountant, auditor, listed companies’ chief financial officer or chief accounting officer, etc. or performing similar duties). At least one member of independent non-executive directors of the Company shall ordinarily reside in Hong Kong.

If the board of directors of the Company establishes special committees, including the remuneration and evaluation, audit, and nomination committees, the independent non-executive directors shall account for a majority of the members of the audit committee, nomination committee and remuneration and evaluation committee and act as the conveners.

Chapter 2 Independence of Independent Non-Executive Directors

Article 5 Independent non-executive directors must maintain their independence.

The independent non-executive directors shall perform their duties independently and shall not be influenced by the substantial shareholder or de facto controller of the Company or by the entities and individuals that have an interest in the Company. If any matter under consideration is found to affect his/her independence, he/she shall declare this to the Company and disqualify himself/herself. In the event that circumstances clearly affecting his/her independence arise during his/her term of office, he/she shall promptly notify the Company and propose measures to resolve the situation, and if necessary, he/she shall tender his/her resignation.

In the event that any independent non-executive director fails to meet the qualifications and the conditions of independence required by the Hong Kong Listing Rules or other circumstances arise that render it not appropriate to perform the duties as the independent non-executive directors, which results in the number of independent non-executive directors of the Company less than that required by the Articles of Association, the Company shall immediately notify the Hong Kong Stock Exchange and explain the relevant details and reasons by way of announcement. The Company shall, as required, make up the number of independent non-executive directors to satisfy the requirements of the Hong Kong Listing Rules within three months after the non-compliance with the relevant requirements.

Independent non-executive directors and persons proposed to be independent non-executive directors shall, according to the requirements of the Hong Kong Listing Rules and other laws and regulations, participate in accredited training.

Article 6 The following persons shall not act as the independent non-executive directors of the Company:

- (1) The person who holds more than 1% of the total issued share capital of the Company (including available shares, convertible securities or options under the employee stock ownership plan);
- (2) Such person or his/her immediate family members has received an interest in any securities of the Company as a gift, or by means of other financial assistance, from a core connected person of the Company or the Company itself, except the shares received from the Company as part of his/her director's fee or pursuant to employee stock ownership plan (save as allowed under the Hong Kong Listing Rules);

- (3) Such person or his/her immediate family members is a director, partner or principal of a professional adviser who is providing services to the following companies/persons or did so within one or two years prior to the date of his/her appointment, or is or was an employee of such professional adviser who is or has been involved in providing such services during the same period, to:
 1. the Company, its holding company or any of their respective subsidiaries or core connected persons; or
 2. any person who was a controlling shareholder or, where there was no controlling shareholder, any person who was the chief executive or a director (other than an independent non-executive director), of the Company within one or two years prior to the date of the proposed appointment as an independent non-executive director, or any of their close associates;
- (4) Such person or his/her immediate family members currently, or within one year prior to the date of the person's appointment, has or had a material interest in any principal business activity of or is or was involved in any material business dealings with the Company, its holding company or their respective subsidiaries or with any core connected persons of the Company;
- (5) Such person serves as a director in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;
- (6) Within 2 years prior to being proposed to be an independent non-executive director, such person or his/her immediate family members were connected with the director, chief executive or major shareholders of the Company according to the Hong Kong Listing Rules;
- (7) Such person or his/her immediate family members is (or once was within two years prior to being proposed to be appointed as a director) an executive or a director (save for an independent non-executive director) of the Company, its holding company or any of their respective subsidiaries or any core connected persons of the Company;
- (8) Such person or his/her immediate family members is financially dependent on the Company, its holding company or any of their respective subsidiaries or the core connected persons of the Company;
- (9) Other person stipulated by the Articles of Association;
- (10) Other person stipulated by the Hong Kong Listing Rules and regulatory authorities of the place where the Company's shares are listed;
- (11) Other person identified by the laws, administrative regulations, departmental rules, CSRC or regulatory authorities of the place where the Company's shares are listed.

Chapter 3 Qualification of Independent Non-executive Directors

Article 7 The independent non-executive directors shall have the qualifications required to exercise their powers.

Article 8 The independent non-executive directors of the Company shall meet the following requirements:

- (1) He/she shall be qualified to take the position of a director of listed companies in accordance with the laws, administrative regulations, Hong Kong Listing Rules and regulatory authorities of the place where the Company's shares are listed and other relevant provisions;
- (2) He/she shall be independent as is required by these Rules and be able to perform their duties independently, without subject to the influence of the Company's substantial shareholders, de facto controllers or other units or individuals having interests in the Company;
- (3) He/she shall have basic knowledge of the operation of a listed company, and be familiar with relevant laws, administrative regulations, provisions and rules;
- (4) He/she shall have more than five (5) years of working experience in the fields of law, economics, financial, management or other working experience necessary for the discharge of the duties of an independent non-executive director;
- (5) He/she shall have good personal character, and no material default or other adverse records;
- (6) He/she shall meet other conditions as stipulated by the laws, administrative regulations, departmental rules, Hong Kong Listing Rules and the Articles of Association.

Article 9 An independent non-executive director candidate shall not fall within any of the following circumstances:

- (1) subject to administrative punishment imposed by the CSRC in the past 3 years;
- (2) fall within the prescribed period stipulated publicly by the stock exchange as being not appropriate to act as the director of listed companies;
- (3) has been condemned publicly or criticized more than twice by the stock exchange in the past 3 years;

- (4) failed to attend board meetings two consecutive times, or failed to attend more than one-third of the board meetings in person in that year during his/her term of office as an independent non-executive director;
- (5) independent opinion given by which was obviously in contrary to the facts during his/her term of office as an independent non-executive director.

Article 10 An independent non-executive director candidate nominated as an accounting professional shall have rich accounting expertise and experience, and meet at least one of the following conditions:

- (1) being qualified as a certified public accountant;
- (2) having a senior professional title, an associate professor title or a doctoral degree majoring in accounting, auditing or financial management;
- (3) having a senior professional title in economic management with over 5 years of full-time working experience in a professional position of accounting, auditing or financial management.

Article 11 Upon commencement of an independent non-executive director's term of office, he/she shall inform the Company and the Hong Kong Stock Exchange as soon as possible with respect to any changes that may affect his/her independence, and confirm his/her independence to the Company in each year. The Company shall disclose its reception of the independent non-executive directors' confirmation in the annual report, and state whether it still regards such independent non-executive directors as independent persons.

Chapter 4 Nomination, Election and Replacement Procedures for Independent Non-Executive Directors

Article 12 The board of directors, the board of supervisors, and shareholders who independently or jointly hold no less than 1% of the issued shares of the Company can nominate candidates as independent non-executive directors, and the nominated candidates shall become independent non-executive directors by election at a shareholders' meeting.

Article 13 Before nominating a candidate for election as an independent non-executive director, the nominator shall first obtain the consent of the nominee and shall have a full understanding of the nominee's occupation, educational background, professional title, detailed working experience and other positions undertaken on a part-time basis. The nominee shall make a statement that there does not exist any relationship between himself and the Company which may influence his independent objective judgment. The board of directors of the Company shall make a public announcement in respect of such content set forth above in accordance with the provisions prior to holding the shareholders' meeting for election of independent non-executive directors.

Article 14 Before a shareholders' meeting is held to elect independent non-executive directors, the Company shall simultaneously submit relevant materials regarding all nominees to exchange or securities regulatory authorities of the place where the Company's shares are listed. If the board of directors of the Company objects to the qualifications of the nominees, a written opinion of the board of directors in connection therewith shall be submitted at the same time.

Article 15 The independent non-executive directors shall, as soon as possible, submit the Form FF004 to the Hong Kong Stock Exchange in accordance with the relevant requirements of the Hong Kong Listing Rules after being elected at the shareholders' meeting, and submit a written confirmation explaining the following matters:

- (1) to confirm the independence in relation to each of the factors described in these Rules and the relevant provisions of the Hong Kong Listing Rules;
- (2) to confirm that he/she had any past or present financial or other interests in the business of the Company or its subsidiaries, or had any connection (if any) with any core connected person (as defined in the Hong Kong Listing Rules) of the Company;
- (3) there are no other factors that may affect his/her independence at the time of submission of the Form FF004.

Article 16 Each term of office of the independent non-executive directors shall be the same as those of the other directors of the Company. The independent non-executive directors may be re-elected and re-appointed after the expiration of the term of office, but shall not hold office for more than 9 consecutive years. If an independent non-executive director has served more than 9 years, such director's further appointment should be subject to a separate resolution to be approved by the shareholders' meeting in accordance with the Hong Kong Listing Rules. The papers to shareholders accompanying that resolution should state why the board of directors believes that such person is still independent and should be re-elected.

Article 17 If any independent non-executive director fails to attend the board meetings in person for two consecutive times, the board of directors shall suggest that the shareholders' meeting dismiss the said director.

The Company may dismiss an independent non-executive director through legal procedures before the expiry of his/her term of office, and if any independent non-executive director is dismissed before the term of office expires, the Company shall disclose the dismissal as special disclosure. If the dismissed independent non-executive director holds that the Company's reasons for his/her dismissal are not justifiable, he/she may make a public declaration.

Article 18 An independent non-executive director may resign before the expiry of his/her term of office. If an independent non-executive director resigns from his/her office, he/she shall submit a written resignation report to the board of directors and explain the circumstances which are relevant to his/her resignation and which in his/her opinion are necessary to bring to the notice of the shareholders and creditors of the Company.

Article 19 If the number of independent non-executive directors in the Company's board of directors fails to meet the minimum number requirements stipulated by these Rules, the Hong Kong Listing Rules and the Articles of Association due to the resignation of independent non-executive directors, the board of directors shall notify the Hong Kong Stock Exchange immediately, publish an announcement setting forth the relevant details and reasons, and appoint enough independent non-executive directors within three months upon non-compliance with such requirements. The resignation report of such independent non-executive director shall take effect until the successor fills his/her vacancy. Before the resignation report takes effect, the independent non-executive directors who intend to resign shall continue to perform their duties in accordance with relevant laws, administrative regulations and the Articles of Association.

Article 20 Where an independent non-executive director fails to comply with the independence requirements or otherwise becomes unsuitable to discharge the responsibilities of independent non-executive directors, resulting in the number of independent non-executive directors of a listed company not meeting the requirements of these Rules, the listed company shall make up the number of independent non-executive directors as required.

Chapter 5 Powers of Independent Non-executive Directors

Article 21 In addition to the powers granted to directors under the Company Law, the Articles of Association, the Hong Kong Listing Rules, and other relevant laws and regulations, the independent non-executive directors shall have the following special powers granted by the Company:

- (1) to independently engage intermediary agencies to audit, consult or inspect specific matters of the Company;
- (2) to propose to the board of directors to convene extraordinary shareholders' meetings;
- (3) to propose the convening of a board meeting;
- (4) to publicly solicit shareholders' rights from shareholders pursuant to the law;
- (5) to express independent opinions on matters that might compromise the interests of the Company or its minority shareholders;
- (6) other powers stipulated by the laws, administrative regulations, provisions of CSRC and the Articles of Association.

The exercise of the powers set out in items (1) to (3) above by the independent non-executive directors shall be approved by a majority of all independent non-executive directors.

Article 22 Apart from the duties set forth above, independent non-executive directors shall also express their independent opinions on the following matters to the board of directors or at the shareholders' meetings of the Company:

- (1) nomination, appointment and removal of directors;
- (2) appointment or dismissal of senior management members;
- (3) the remuneration of directors and senior management members;
- (4) external guarantees;
- (5) changes in the use of proceeds;
- (6) formulation of the plan for conversion of capital reserve fund into share capital;
- (7) formulation of profit distribution policy, profit distribution plan and cash distribution plan;
- (8) changes in accounting policies and accounting estimates or correction of significant accounting errors resulting from reasons other than changes in accounting standards;
- (9) issuance of non-standard unqualified audit opinions by certified public accountants on the financial reports of the Company;
- (10) appointment and dismissal of accounting firms;
- (11) acquisitions by the Company's management;
- (12) material asset restructuring plans;
- (13) share repurchase by the Company by means of centralized bidding;
- (14) internal control evaluation report of the Company;
- (15) plan for change of undertakings made by the Company to related parties;
- (16) impact of the issuance of preferred shares of the Company on the equity of various shareholders of the Company;

- (17) equity incentive plans and employees stock ownership plans;
- (18) connected transactions that require independent non-executive directors to review and/or express opinions under the Hong Kong Listing Rules;
- (19) other major transactions that require independent non-executive directors to review and/or express opinions under the Hong Kong Listing Rules;
- (20) matters that the independent non-executive directors believe may harm the interests of minority shareholders;
- (21) matters that the independent non-executive directors believe may cause significant losses to the Company;
- (22) other matters required by the laws, administrative regulations, departmental rules, normative documents, the Hong Kong Listing Rules, requirements of the securities regulatory authorities of the place where the Company's shares are listed and the Articles of Association.

The types of independent opinions issued by the independent non-executive directors include consent, qualified opinions and reasons therefor, objections and reasons therefor, and the inability to issue their opinions and the obstacles thereof. The opinions issued should be clear and specific.

Article 23 If the relevant matters are required to be disclosed, the Company shall announce the opinions of the independent non-executive directors. If the opinions of independent non-executive directors differ and cannot reach a consensus, the board of directors shall disclose the opinions of each independent non-executive director separately.

Article 24 The independent non-executive directors shall attend the meetings of the board of directors and the special committee of the board of directors regularly and on time, actively participate in the meetings, carefully read the meeting documents, take the initiative to investigate and obtain the information and materials necessary for making decisions, express clear opinions on the matters under consideration in a normal, reasonable and prudent manner and with diligent actions, and make contributions to the Company through his or her professional knowledge, skills and background.

Article 25 If a substantial shareholder or a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, such matter shall be resolved by holding an on-site Board meeting (instead of a written resolution). If neither the independent non-executive directors nor their close associates have any material interests in the transaction, they shall attend such Board meetings.

Chapter 6 Other Rights and Obligations of Independent Non-Executive Directors

Article 26 Independent non-executive directors shall carry out their duties independently without being influenced by the Company's substantial shareholders, de facto controllers or other units and individuals having interests in the Company.

Article 27 In the case of any conflict between shareholders or directors of the Company, which has a major impact on the operation and management of the Company, independent non-executive directors shall perform their duties proactively to protect the overall interests of the listed company.

Article 28 An independent non-executive director shall actively perform his/her due diligence obligations and, if necessary, engage an intermediary to carry out special inspections, if the independent non-executive director finds that the listed company:

- (1) fails to go through consideration procedures for material matters as required;
- (2) fails to perform the information disclosure obligation in a timely manner;
- (3) discloses information which contains misrepresentations, misleading statements, or material omissions;
- (4) otherwise is suspected of violating laws and regulations or damaging the legitimate rights and interests of minority shareholders.

Article 29 Independent non-executive directors shall attend the shareholders' meeting and Board meetings as scheduled, understand the condition of the production and operational activities of the Company and take initiative to investigate and obtain information and materials necessary for making decisions.

Independent non-executive directors shall submit the annual work report to the shareholders' meeting of the Company to state the performance of their duties.

Article 30 In addition to attending Board meetings, independent non-executive directors shall ensure that reasonable time will be arranged to carry out on-site inspections on the Company's production and operation conditions, the construction and implementation of the management and internal control system and the implementation of resolutions of the board of directors. If an abnormal situation is found in the on-site inspection, it shall report to the board of directors of the Company in a timely manner.

Article 31 Independent non-executive directors shall at least annually attend meetings with the chairman of the board without the presence of other directors.

Article 32 Independent non-executive directors shall submit an annual work report to the annual general meeting of the Company to explain the performance of their duties. Such report shall contain the following:

- (1) Methods and number of attendance and votes at the board meetings, and number of presence at the shareholders' meeting throughout the year;
- (2) Independent opinions he or she has issued;
- (3) Information on onsite inspection;
- (4) Information on proposals for convening board meetings, appointment or dismissal of accounting firms, independent engagement of external auditors and consulting firms;
- (5) Other measures taken by him/her to protect legitimate rights and interests of minority shareholders.

Article 33 Independent non-executive directors shall keep written records of their performance of duties.

Chapter 7 Performance Guarantee of Independent Non-Executive Directors

Article 34 In order to ensure the effective exercise of powers by independent non-executive directors, the Company shall provide necessary working conditions and personnel support for independent non-executive directors, and designate specialized departments and personnel such as the Board office and company secretary to assist independent non-executive directors in performing their duties.

The company secretary shall ensure unimpeded access to information between independent non-executive directors and other directors, senior management members, and other relevant personnel, and ensure that independent non-executive directors are able to obtain sufficient resources and necessary professional opinions when performing their duties.

Article 35 The Company shall ensure that independent non-executive directors have the same right to know as other directors. In order to ensure the effective exercise of the powers and functions of independent non-executive directors, the Company shall inform the independent non-executive directors of the Company's operation on a regular basis, provide information, and organize or cooperate with the independent non-executive directors to carry out on-site inspections.

The Company may organize independent non-executive directors to participate in research and argumentation before the board of directors considers major and complex matters, fully listen to the opinions of independent non-executive directors, and provide timely feedback to independent non-executive directors on the adoption of their opinions.

Article 36 The Company shall give notice of Board meetings to independent non-executive directors in a timely manner, provide relevant meeting materials no later than the period for notice of Board meetings as stipulated in the laws, administrative regulations, the provisions of the CSRC or the Articles of Association, and provide independent non-executive directors with an effective channel of communication; where a meeting of a special committee of the board of directors is convened, the Company shall, in principle, provide relevant materials and information no later than three days prior to the convening of the meeting of the special committee. The Company shall keep the above meeting materials for at least ten years.

When two or more independent non-executive directors consider that the meeting materials are incomplete, insufficiently argued or not provided in a timely manner, they may propose in writing to the board of directors to postpone the meeting or to adjourn the consideration of the matter, and the board of directors shall adopt such proposal.

Meetings of the board of directors and special committees are held on-site in principle. On the premise of ensuring that all participating directors are able to fully communicate and express their opinions, the meeting may be held by video, telephone or other means in accordance with the procedures when necessary.

Article 37 Where an independent non-executive director exercises his/her powers and functions, the Company's directors, senior management and other relevant personnel shall render cooperation, and shall not refuse, obstruct or conceal relevant information, or interfere with his/her independent exercise of powers and functions.

If independent non-executive directors encounter obstruction when exercising their powers and functions in accordance with the law, they may explain the circumstances to the board of directors, request the directors, senior management and other relevant personnel to render cooperation, and record the specific circumstances of the obstruction and the resolution of the situation in their work records; if the obstruction still cannot be eliminated, they may report it to the CSRC and the stock exchange.

If the performance of duties by independent non-executive directors involves information that should be disclosed, the Company shall handle the disclosure in a timely manner; if the Company does not disclose the information, the independent non-executive directors may apply for disclosure directly or report to the CSRC and the stock exchange.

Article 38 The Company shall bear the expenses incurred by the independent non-executive director in engaging an intermediary agency and other expenses necessary in exercising his/her powers and functions.

Article 39 The Company can establish necessary liability insurance systems for independent non-executive directors according to the actual situation to reduce the potential risks arising from the normal duty performance of independent non-executive directors.

Article 40 The Board shall formulate the allowances plans of independent non-executive directors, which are reviewed and approved by the shareholders' meeting, and the allowances are paid by the Company and disclosed in the annual report of the Company.

In addition to the above allowances, independent non-executive directors shall not obtain other benefits from the Company, its substantial shareholders, de facto controllers or interested units and individuals.

Chapter 8 Supplementary Provisions

Article 41 Matters not provided for in these Rules shall be implemented in accordance with relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and relevant requirements of the Articles of Association. If these Rules are inconsistent with the relevant laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and relevant requirements of the Articles of Association, the relevant laws, regulations, normative documents, the Hong Kong Listing Rules, other requirements of the Hong Kong securities regulatory authority and the requirements of the Articles of Association shall prevail.

Article 42 The phrases "more than" and "within" herein for the numbers include the numbers indicated themselves, while the phrases "exceed" and "less than" exclude the numbers indicated themselves.

Article 43 These Rules and any amendments thereto shall come into effect as from the date of the review and approval by the shareholders' meeting of the Company.

Article 44 The "independent non-executive director(s)" mentioned in the Articles of Association, these Rules and other relevant rules refer to the "independent non-executive director(s)" specified by the Hong Kong Listing Rules.

Article 45 These Rules shall be interpreted by the board of directors.

EXPLANATION ON THE AMENDMENTS TO THE ADMINISTRATIVE
MEASURES FOR EXTERNAL INVESTMENTS

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Administrative Measures for External Investments. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	<p>Article 8 The decision-making bodies of the Company in terms of external investments shall be the shareholders’ general meeting, the board of directors or the general manager. The Company’s external investment authority shall be divided as follows:</p> <p>(1) If the Company’s external investment meets one of the following criteria, it shall be submitted to the board of directors for consideration:</p> <ol style="list-style-type: none"> 1. the total asset value involved in the transaction (the higher of the book value and the assessed value as the case may be) accounts for more than 10% of the latest audited total assets of the Company; 2. the concluded transaction amount (including debts and expenses undertaken) accounts for more than 10% of the latest audited net assets of the Company, with the absolute amount of more than RMB10 million; 3. the transaction profit accounts for more than 10% of the latest audited net profit of the Company, with the absolute amount of more than RMB1 million; 4. the related operating income of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 10% of the audited operating income of the Company in such fiscal year, with the absolute amount of more than RMB10 million; 	<p>Article 8 The decision-making bodies of the Company in terms of external investments shall be the shareholders’ meeting, the board of directors or the general manager. The Company’s external investment authority shall be divided as follows:</p> <p>(1) If the Company’s external investment meets one of the following criteria, it shall be submitted to the board of directors for consideration:</p> <ol style="list-style-type: none"> 1. the total asset value involved in the transaction (the higher of the book value and the assessed value as the case may be) accounts for more than 10% of the latest audited total assets of the Company; 2. the concluded transaction amount (including debts and expenses undertaken) accounts for more than 10% of the latest audited net assets of the Company, with the absolute amount of more than RMB10 million; 3. the transaction profit accounts for more than 10% of the latest audited net profit of the Company, with the absolute amount of more than RMB1 million; 4. the related operating income of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 10% of the audited operating income of the Company in such fiscal year, with the absolute amount of more than RMB10 million;

No.	Before Amendments	After Amendments
	<p>5. the related net profit of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 10% of the audited net profit of the Company in such fiscal year, with the absolute amount of more than RMB1 million.</p> <p>(2) If the Company's external investment meets one of the following criteria, it shall be considered and approved by the board of directors before being submitted to the shareholders' general meeting for consideration and approval:</p> <p>1. the total asset value involved in the transaction (the higher of the book value and the assessed value as the case may be) accounts for more than 50% of the latest audited total assets of the Company;</p> <p>2. the concluded transaction amount (including debts and expenses undertaken) accounts for more than 50% of the latest audited net assets of the Company, with the absolute amount of more than RMB50 million;</p> <p>3. the transaction profit accounts for more than 50% of the latest audited net profit of the Company, with the absolute amount of more than RMB5 million;</p> <p>4. the related operating income of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 50% of the audited operating income of the Company in such fiscal year, with the absolute amount of more than RMB50 million;</p> <p>5. the related net profit of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 50% of the audited net profit of the Company in such fiscal year, with the absolute amount of more than RMB5 million.</p>	<p>5. the related net profit of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 10% of the audited net profit of the Company in such fiscal year, with the absolute amount of more than RMB1 million;</p> <p>6. other circumstances as may otherwise be required by the place where the Company's shares are listed, the Hong Kong Stock Exchange or CSRC.</p> <p>The amounts in absolute terms will be used when negative amounts are subject to the above bases.</p> <p>(2) If the Company's external investment meets one of the following criteria, it shall be considered and approved by the board of directors before being submitted to the shareholders' meeting for consideration and approval:</p> <p>1. the total asset value involved in the transaction (the higher of the book value and the assessed value as the case may be) accounts for more than 50% of the latest audited total assets of the Company;</p> <p>2. the concluded transaction amount (including debts and expenses undertaken) accounts for more than 50% of the latest audited net assets of the Company, with the absolute amount of more than RMB50 million;</p> <p>3. the transaction profit accounts for more than 50% of the latest audited net profit of the Company, with the absolute amount of more than RMB5 million;</p> <p>4. the related operating income of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 50% of the audited operating income of the Company in such fiscal year, with the absolute amount of more than RMB50 million;</p> <p>5. the related net profit of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 50% of the audited net profit of the Company in such fiscal year, with the absolute amount of more than RMB5 million;</p>

No.	Before Amendments	After Amendments
	<p>(3) When the Company conducts external investments such as “entrusted loan” or “entrusted wealth management”, the amount incurred shall be used as the calculation standard and shall be cumulatively calculated within 12 consecutive months according to the transaction category; when the Company conducts other external investments, all transactions of the same category related to the subject shall be cumulatively calculated within 12 consecutive months. If the cumulatively calculated amount reaches prescribed standards in Article 8(1) or Article 8(2), Article 8(1) or Article 8(2) shall respectively apply. If the relevant review procedures have been fulfilled in accordance with the provisions of Article 8(1) or Article 8(2), they shall not be included in the relevant accumulative calculation scope.</p> <p>For any transaction involving an acquisition or disposal of assets in external investments of the Company, regardless of whether the transaction subject is relevant or not, if the total assets involved or the transaction amount is more than 30% of the Company’s latest audited total assets in a cumulative calculation within 12 consecutive months, such transaction shall be submitted to the shareholders’ general meeting for consideration and be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>	<p>6. other circumstances as may otherwise be required by the place where the Company’s shares are listed, the Hong Kong Stock Exchange or CSRC.</p> <p>The amounts in absolute terms will be used when negative amounts are subject to the above bases.</p> <p>(3) When the Company conducts external investments such as “entrusted loan” or “entrusted wealth management”, the amount incurred shall be used as the calculation standard and shall be cumulatively calculated within 12 consecutive months according to the transaction category; when the Company conducts other external investments, all transactions of the same category related to the subject shall be cumulatively calculated within 12 consecutive months. If the cumulatively calculated amount reaches prescribed standards in Article 8(1) or Article 8(2), Article 8(1) or Article 8(2) shall respectively apply. If the relevant review procedures have been fulfilled in accordance with the provisions of Article 8(1) or Article 8(2), they shall not be included in the relevant accumulative calculation scope.</p> <p>For any transaction involving an acquisition or disposal of assets in external investments of the Company, regardless of whether the transaction subject is relevant or not, if the total assets involved or the transaction amount is more than 30% of the Company’s latest audited total assets in a cumulative calculation within 12 consecutive months, such transaction shall be submitted to the shareholders’ meeting for consideration and be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>

No.	Before Amendments	After Amendments
	<p>(4) The board of directors authorizes the general manager of the Company to make decisions on external investment matters related to the main business that fail to meet the standards as set out in Article 8 (1). However, matters which fail to meet the standards as set out in Article 8 (1) and shall be submitted to the board of directors for consideration and approval according to laws, regulations, rules and other normative documents, or matters which shall be submitted to the board of directors for consideration and approval as determined by the stock exchange of the place where the Company's shares are listed or other securities regulatory authorities, or matters which are considered necessary to be submitted to the board of directors for consideration and approval by the general manager, shall be submitted to the board of directors for consideration and approval.</p> <p>(5) The general manager shall perform the corresponding decision-making procedures according to the authority granted to the general manager by these Measures and the Articles of Association.</p>	<p>(4) The board of directors authorizes the general manager of the Company to make decisions on external investment matters related to the main business that fail to meet the standards as set out in Article 8 (1). However, matters which fail to meet the standards as set out in Article 8 (1) and shall be submitted to the board of directors for consideration and approval according to laws, regulations, rules and other normative documents, or matters which shall be submitted to the board of directors for consideration and approval as determined by the stock exchange of the place where the Company's shares are listed or other securities regulatory authorities, or matters which are considered necessary to be submitted to the board of directors for consideration and approval by the general manager, shall be submitted to the board of directors for consideration and approval.</p> <p>(5) The general manager shall perform the corresponding decision-making procedures according to the authority granted to the general manager by these Measures and the Articles of Association.</p>
2	<p>Article 27 These Measures shall take effect and be put into implementation from the date when the Company completes its initial public offering of H shares on the HKEX and is listed on the HKEX after being reviewed and approved by the shareholders' general meeting of the Company. The original Measures of the Company shall automatically become invalid upon the effective date of these Measures.</p>	<p>Article 27 These Measures shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.</p>

LAOPU GOLD CO., LTD.

ADMINISTRATIVE MEASURES FOR EXTERNAL INVESTMENTS

Chapter 1 General Provisions

Article 1 In order to standardize the external investments of Laopu Gold Co., Ltd. (the “Company”), establish a standardized, effective and scientific investment decision-making system and mechanism, reduce the external investment risks, improve the effectiveness of external investments, avoid investment decision-making errors, and maintain and enhance the values of the Company’s assets, these Measures are hereby formulated in accordance with the relevant provisions of the Company Law of the PRC (the “Company Law”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant laws, regulations, normative documents and the Articles of Association of Laopu Gold Co., Ltd. (the “Articles of Association”).

Article 2 The external investments mentioned in these Measures refer to the Company’s investment of available resources, such as cash, real goods, equity, intangible assets, etc., to other organizations or individuals for the purpose of obtaining investment returns, including:

- (1) investment in new companies, capital increases in existing companies, investment in new projects, equity acquisitions, mergers, and other investments to realize the Company’s strategy of expanding the scale of production and operation, with the main purpose of obtaining long-term income;
- (2) entrusted financial management, entrusted loans, purchase of trading financial assets and financial assets available for sale, and other investments with the main purpose of obtaining financial investment income;
- (3) other investments.

Article 3 In principle, the Company’s external investments are conducted in the Company’s headquarters. If, after prudent consideration, the Company decides to make external investments by its controlled subsidiary, it shall be carried out with reference to these Measures and the relevant management system shall be established based on its Articles of Association.

Article 4 The Company’s external investments shall comply with relevant national, provincial and municipal laws and regulations and industrial policies, conform to the Company’s development strategy, be conducive to enhancing the Company’s competitiveness and rationally allocating corporate resources, thus creating good economic benefits and facilitating the sustainable development of the Company.

Chapter 2 External Investment Decision-Making Authority

Article 5 The financial department of the Company is responsible for conducting studies and evaluations on the feasibility of external investment projects, and conducting investigations or on-site inspections of the credit position of the investees (if applicable).

Article 6 The financial department of the Company is responsible for the financial management of external investments. Subsequent to the determination of the Company's external investment projects, the financial department of the Company is responsible for raising funds, coordinating with relevant parties to handle, among others, capital contribution procedures, industrial and commercial registration, tax registration and opening of bank accounts, and implementing stringent borrowing, approval and payment procedures.

Article 7 The audit department of the Company is responsible for conducting compliance examination for external investment projects of the Company.

Article 8 The decision-making bodies of the Company in terms of external investments shall be the shareholders' meeting, the board of directors or the general manager. The Company's external investment authority shall be divided as follows:

(1) If the Company's external investment meets one of the following criteria, it shall be submitted to the board of directors for consideration:

1. the total asset value involved in the transaction (the higher of the book value and the assessed value as the case may be) accounts for more than 10% of the latest audited total assets of the Company;

2. the concluded transaction amount (including debts and expenses undertaken) accounts for more than 10% of the latest audited net assets of the Company, with the absolute amount of more than RMB10 million;

3. the transaction profit accounts for more than 10% of the latest audited net profit of the Company, with the absolute amount of more than RMB1 million;

4. the related operating income of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 10% of the audited operating income of the Company in such fiscal year, with the absolute amount of more than RMB10 million;

5. the related net profit of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 10% of the audited net profit of the Company in such fiscal year, with the absolute amount of more than RMB1 million;

6. other circumstances as may otherwise be required by the place where the Company's shares are listed, the Hong Kong Stock Exchange or CSRC.

The amounts in absolute terms will be used when negative amounts are subject to the above bases.

(2) If the Company's external investment meets one of the following criteria, it shall be considered and approved by the board of directors before being submitted to the shareholders' meeting for consideration and approval:

1. the total asset value involved in the transaction (the higher of the book value and the assessed value as the case may be) accounts for more than 50% of the latest audited total assets of the Company;

2. the concluded transaction amount (including debts and expenses undertaken) accounts for more than 50% of the latest audited net assets of the Company, with the absolute amount of more than RMB50 million;

3. the transaction profit accounts for more than 50% of the latest audited net profit of the Company, with the absolute amount of more than RMB5 million;

4. the related operating income of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 50% of the audited operating income of the Company in such fiscal year, with the absolute amount of more than RMB50 million;

5. the related net profit of the transaction subject (e.g. equity) in the most recent fiscal year accounts for more than 50% of the audited net profit of the Company in such fiscal year, with the absolute amount of more than RMB5 million;

6. other circumstances as may otherwise be required by the place where the Company's shares are listed, the Hong Kong Stock Exchange or CSRC.

The amounts in absolute terms will be used when negative amounts are subject to the above bases.

(3) When the Company conducts external investments such as "entrusted loan" or "entrusted wealth management", the amount incurred shall be used as the calculation standard and shall be cumulatively calculated within 12 consecutive months according to the transaction category; when the Company conducts other external investments, all transactions of the same category related to the subject shall be cumulatively calculated within 12 consecutive months. If the cumulatively calculated amount reaches prescribed standards in Article 8(1) or Article 8(2), Article 8(1) or Article 8(2) shall respectively apply. If the relevant review procedures have been fulfilled in accordance with the provisions of Article 8(1) or Article 8(2), they shall not be included in the relevant accumulative calculation scope.

For any transaction involving an acquisition or disposal of assets in external investments of the Company, regardless of whether the transaction subject is relevant or not, if the total assets involved or the transaction amount is more than 30% of the Company's latest audited total assets in a cumulative calculation within 12 consecutive months, such transaction shall be submitted to the shareholders' meeting for consideration and be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting.

(4) The board of directors authorizes the general manager of the Company to make decisions on external investment matters related to the main business that fail to meet the standards as set out in Article 8(1). However, matters which fail to meet the standards as set out in Article 8(1) and shall be submitted to the board of directors for consideration and approval according to laws, regulations, rules and other normative documents, or matters which shall be submitted to the board of directors for consideration and approval as determined by the stock exchange of the place where the Company's shares are listed or other securities regulatory authorities, or matters which are considered necessary to be submitted to the board of directors for consideration and approval by the general manager, shall be submitted to the board of directors for consideration and approval.

(5) The general manager shall perform the corresponding decision-making procedures according to the authority granted to the general manager by these Measures and the Articles of Association.

Article 9 In the event that the Company's external investment is a related transaction matter, it shall execute the related transaction matter based on the Company's decision-making authority.

Chapter 3 Implementation and Control

Article 10 In determining external investment plans, the Company shall fully take the project investment risks and expected returns on investment into consideration and balance the advantages and disadvantages in all aspects to select the most optimal investment plan. Where necessary, the Company can engage evaluation teams consisting of independent experts or intermediaries to evaluate and consult on the investment projects.

Article 11 After being resolved and approved by the shareholders' meeting and board of directors of the Company or being decided by the general manager, details such as the timing, amount, method and responsible personnel of capital contribution shall be determined in the implementation plan of external investment projects. Changes to the implementation plan of external investment projects shall be subject to consideration and approval by the shareholders' meeting, the board of directors or the general manager of the Company.

Article 12 Upon obtaining the approval for external investment projects, the authorized department or personnel shall be responsible for the specific implementation of the external investment plans, enter into contracts and agreements with the investee and conduct specific operational matters related to transfer of property. Prior to entering into the investment contract or agreement, the Company shall not make investment payments or conduct the transfer of investment assets; upon the completion of an investment, the Company shall obtain the investment certificates or other valid credentials issued by the investee.

Article 13 For external investment made by the Company with tangible assets or intangible assets, such assets shall be valued by an asset valuation authority with relevant qualifications, and the valuation results shall be resolved and approved by the shareholders' meeting and the board of directors or decided by the general manager of the Company before making external capital contribution.

Article 14 For long-term equity investment, the Company shall dispatch representatives to the investee companies, such as shareholders' representative, director, supervisor, chief financial officer or senior management, as required and in accordance with relevant provisions, in order to carry out follow-up management of the investment projects, and keep track on the financial positions and business conditions of the investee companies in a timely manner. Upon identifying an abnormal condition, the representative shall report to the general manager on a timely basis and take measures accordingly.

Article 15 The financial department of the Company shall be responsible for strengthening the control over income from external investment. All the interests, dividends and other gains from external investments shall be included in the Company's financial accounting system and must not be credited to other external accounts.

Article 16 In addition to preparing the general accounts for external investments, the financial department of the Company shall also prepare respective breakdown statements of external investments based on the type of business in chronological order, reconcile relevant investment accounts with investees regularly and irregularly and ensure the accuracy of the investment business records and the security and integrity of external investments.

Chapter 4 Disposal of Investment

Article 17 The Company shall strengthen control over the disposal of assets of external investment projects, and the withdrawal, transfer and write-off of external investment and other matters shall be resolved on and approved by the shareholders' meeting and the board of directors or decided by the general manager of the Company before implementation based on the amount limit as required by these Measures and relevant rules.

Article 18 Upon the termination of an external investment project of the Company, the properties, rights as creditor and debts of the investee shall undergo comprehensive inventory inspection according to relevant national regulations on enterprise liquidation, during the liquidation process, attention shall be paid to whether there are behaviors such as illegal withdrawing and transfer of funds, unauthorized share of assets and unauthorized share of assets in disguised form and indiscriminate issuance of bonuses and allowances. After completion of the liquidation, attention shall be paid to whether all assets and rights as creditor have been recovered in time and undergone accounting procedures.

Article 19 When writing off external investment, the Company shall obtain legal instruments and documentary evidence related to inability to recover the investment due to bankruptcy of investee or other reasons.

Article 20 The Company's finance department shall carefully review the approval documents, minutes of the meetings and lists of asset recovery relevant to the disposal of external investment assets and other relevant materials, and conduct accounting treatments for the disposal of external investment assets according to regulations on a timely basis to ensure the truthfulness and legality of disposal of assets.

Chapter 5 Follow-up and Supervision

Article 21 The Company shall follow up and manage the investment projects, be fully informed about the financial status and operations of the invested units, organize the analysis of investment quality, and report to the board of directors or its authorized person in a timely manner when abnormalities are found and take corresponding measures.

Article 22 The board of supervisors of the Company shall exercise the right to supervise and inspect external investment activities.

Article 23 The contents of supervision and inspection over external investment activities conducted by the board of supervisors mainly include:

- (1) the setting of relevant positions and personnel relevant to the investment business, focusing on whether there is any individual assuming more than two incompatible functions.
- (2) the implementation of the investment authorization approval system, focusing on whether the authorization procedure for external investment business is sound and whether there is any ultra vires approval.
- (3) the legality of the investment plan, focusing on whether there is any illegal external investment.

- (4) the safekeeping of relevant legal documents including the authorization documents, contracts and agreements of the investment activities.
- (5) the verification of investment projects, focusing on whether the original certificates are true, legal, accurate and intact, whether the accounting items are accurate and whether accounting is accurate and integral.
- (6) the use of investment funds, focusing on whether the funds are used as planned and as budgeted, and whether there is any extravagance and waste, embezzlement and diversion of funds in the process of using.
- (7) the custody of investment assets, focusing on whether there is inconsistent accounting.
- (8) disposal of investment, focusing on whether the approval procedure of the disposal of investment is correct, and whether the process is true and legal.

Chapter 6 Supplementary Provisions

Article 24 Matters not provided for in these Measures shall be implemented in accordance with relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, other regulations of the securities regulatory authorities in Hong Kong and relevant regulations of the Articles of Association. If these Measures are inconsistent with the relevant laws, regulations, other normative documents, Hong Kong Listing Rules, other regulations of the securities regulatory authorities in Hong Kong and relevant regulations of the Articles of Association, the relevant laws, regulations, other normative documents and the Articles of Association shall prevail.

Article 25 The phrases “more than” and “within” herein for the numbers include the numbers indicated themselves, while the phrase “exceed” excludes the number indicated itself.

Article 26 As authorized by the shareholders’ meeting, the Board of the Company shall be responsible for the drafting and interpretation of these Measures. Any amendment to these Measures shall be approved by the shareholders’ meeting.

Article 27 These Measures shall take effect from the date of being reviewed and approved by the shareholders’ meeting of the Company.

EXPLANATION ON THE AMENDMENTS TO THE ADMINISTRATIVE
MEASURES FOR EXTERNAL GUARANTEES

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Administrative Measures for External Guarantees. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	Article 2 These Measures are applicable to the Company and its subsidiaries including the wholly owned subsidiaries of the Company, controlled subsidiaries of which the Company holds more than 50% of the shares, or subsidiaries that can determine the election of more than half of the members of its board of directors, or subsidiaries that can be effectively controlled through agreements or other arrangements. The “external guarantees” referred to herein refer to the guarantees, mortgage or pledge provided by the Company as a third party for others, and the guarantees provided by the Company for its subsidiaries are regarded as external guarantees , excluding the guarantees provided by the Company for its own debts.	Article 2 These Measures are applicable to the Company and its subsidiaries including the wholly owned subsidiaries of the Company, controlled subsidiaries of which the Company holds more than 50% of the shares, or subsidiaries that can determine the election of more than half of the members of its board of directors, or subsidiaries that can be effectively controlled through agreements or other arrangements. The “external guarantees” referred to herein refer to the guarantees, mortgage or pledge provided by the Company as a third party for others excluding the guarantees provided by the Company for its own debts and for its controlled subsidiaries’ debts.
2	Article 5 External guarantees provided by the Company must be considered and approved by the board of directors or the general meeting in accordance with legal procedures. Without the approval of the resolutions of the board of directors or the general meeting of the Company, neither the Company nor its subsidiaries may provide external guarantees, or provide guarantees to each other.	Article 5 External guarantees provided by the Company must be considered and approved by the board of directors or the shareholders’ meeting in accordance with legal procedures. Without the approval of the resolutions of the board of directors or the shareholders’ meeting of the Company, neither the Company nor its subsidiaries may provide external guarantees.
3	Article 26 These Measures shall take effect and be put into implementation from the date when the Company completes its initial public offering of H shares on the HKEX and is listed on the HKEX after being reviewed and approved by the shareholders’ general meeting of the Company. The original Measures of the Company shall automatically become invalid upon the effective date of these Measures.	Article 26 These Measures shall take effect from the date of being reviewed and approved by the shareholders’ meeting of the Company.

LAOPU GOLD CO., LTD.

ADMINISTRATIVE MEASURES FOR EXTERNAL GUARANTEES

Chapter 1 General Provisions

Article 1 In order to safeguard the interests of the shareholders and investors of Laopu Gold Co., Ltd. (“the Company”), standardize the external guarantees of the Company and control the Company’s operating risks, these Measures are hereby formulated in accordance with the relevant provisions of the Company Law of the PRC, the Guarantee 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 other relevant laws, regulations, normative documents and the Articles of Association of Laopu Gold Co., Ltd. (the “Articles of Association”).

Article 2 These Measures are applicable to the Company and its subsidiaries including the wholly owned subsidiaries of the Company, controlled subsidiaries of which the Company holds more than 50% of the shares, or subsidiaries that can determine the election of more than half of the members of its board of directors, or subsidiaries that can be effectively controlled through agreements or other arrangements.

The “external guarantees” referred to herein refer to the guarantees, mortgage or pledge provided by the Company as a third party for others excluding the guarantees provided by the Company for its own debts and for its controlled subsidiaries’ debts.

Article 3 The Company shall disclose relevant information in accordance with the relevant requirements when providing external guarantees.

Chapter 2 Basic Principles for Providing External Guarantees

Article 4 The Company shall strictly control the activities of guarantees, and in principle, shall not provide guarantees for subsidiaries or other entities (other than the invested companies). In principle, subsidiaries shall not provide external guarantees.

Article 5 External guarantees provided by the Company must be considered and approved by the board of directors or the shareholders’ meeting in accordance with legal procedures. Without the approval of the resolutions of the board of directors or the shareholders’ meeting of the Company, neither the Company nor its subsidiaries may provide external guarantees.

Article 6 When providing external guarantees, the Company shall, as far as possible, require the guaranteed party to provide the Company with a counter-guarantee in the form of pledges or mortgages, or a third party recommended by the guaranteed party and approved by the Company to provide the Company with a counter-guarantee, and the provider of the counter-guarantee shall have the actual bearing capacity.

Article 7 The Company shall truthfully provide all information on external guarantees of the Company to the auditors that audit the Company as required.

Article 8 All directors and senior management officers of the Company shall prudently treat and strictly control the debt risks arising from external guarantees, and shall be jointly and severally liable for compensation for losses arising from illegal or improper external guarantees according to the laws.

Chapter 3 Authority to Provide External Guarantees

Article 9 The Company authorizes the financial department to be the functional department for the Company's daily external guarantee matters. In establishing and implementing internal control of guarantees, the Company shall strengthen the risk control of key steps and take corresponding control measures to achieve the following objectives:

- (1) to ensure the standard operation of guarantee business, prevent and control the risk of contingent liabilities;
- (2) to ensure the guarantee business is true, complete and accurate, to meet the needs of information disclosure;
- (3) to comply with the relevant provisions of the PRC on guarantee and requirements of regulatory authorities;
- (4) the relevant contracts and agreements must comply with the provisions of laws and regulations of the PRC, such as the Civil Code, and the Articles of Association.

Article 10 The following external guarantees to be provided by the Company shall be submitted to the shareholders' meeting for consideration after review and approval by the board of directors:

- (1) Any provision of guarantee, where the total amount of external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets;
- (2) Any provision of guarantee, where the total amount of external guarantees provided by the Company exceeds 30% of the latest audited total assets;

- (3) Guarantees in which the amount guaranteed by the Company within one year exceeds 30% of the Company's latest audited total assets;
- (4) Provision of guarantee to any item whose liability-asset ratio exceeds 70%;
- (5) Provision of a single guarantee the amount of which exceeds 10% of the latest audited net assets;
- (6) Provision of guarantee to shareholders, de facto controllers and their connected parties;
- (7) Other guarantees as required by laws, administrative regulations, rules, other normative documents and relevant laws and regulations and regulatory rules of the place where the Company's shares are listed.

For external guarantees that violate the relevant laws and regulations and the approved authority and review procedures as stipulated in the Articles of Association, the Company shall take reasonable and effective measures to release or rectify the illegal guarantees, reduce the losses of the Company, safeguard the interests of the Company and minority shareholders, and hold relevant personnel accountable.

Save for the external guarantees stipulated in the preceding paragraphs, other external guarantees of the Company shall be considered and approved by the board of directors.

Article 11 Matters of external guarantees that shall be considered by the shareholders' meeting must be approved by a majority of the valid votes held by the shareholders attending the meeting. The amount of guarantee provided by the Company within 12 consecutive months, which exceeds 30% of the Company's latest audited total assets, shall be approved by over two-thirds of the valid voting rights held by the shareholders attending the shareholders' meeting. When the shareholders' meeting deliberates the matter of guarantee provided to a shareholder, de facto controllers and their related parties, such shareholder or shareholders controlled by such de facto controllers shall not participate in the voting on such matter of guarantee, which shall be passed by a majority of the valid voting rights held by other shareholders attending the shareholders' meeting.

Article 12 External guarantees to be approved by the Board shall, in addition to being approved by more than half of all the directors, also be approved by over two-thirds of the directors present at the board meeting. If a director is related with such matter under consideration, he/she shall abstain from voting. If the number of unrelated directors attending the board meeting is less than three, such guarantee matters shall be put forward to the shareholders' meeting for consideration.

Chapter 4 Acceptance and Review of the Application for External Guarantees

Article 13 After receiving an application for providing a guarantee from the guaranteed enterprise, the Company shall start to evaluate the credit status of the guaranteed enterprise. The Company shall request the following information from the guaranteed enterprise:

- (1) basic information about the enterprise (including the business registration status such as the name, registered address, legal representative, scope of business of the enterprise, and whether there are any other relationships such as connected relationship with the Company);
- (2) the latest financial statements for the most recent period, the audited financial reports for the most recent accounting year and the analysis of repayment ability;
- (3) loan contracts, guarantee contracts and other major contracts relating to the debts;
- (4) the status of the counter-guarantee provided, including the way of providing the counter-guarantee, the reliability of the counter-guarantee and whether there are any legal impediments (if any), etc.;
- (5) other important information, including but not limited to the performance status, contact information, bank credit certificates, and tax registrations of the major suppliers, customers and creditor banks, etc.

Article 14 After receiving the guaranteed party's application, the finance department shall timely investigate the credit status of the guaranteed party and conduct a risk analysis on the contemplated guarantee, and the written report signed by the chief financial officer together with the application for guarantee and photocopies of appendices thereto will be submitted to the general manager of the Company.

Article 15 The general manager of the Company shall conduct a compliance review and issue its opinion after receiving the written report from the financial department and the relevant materials of the guarantee application.

Article 16 After the guarantee application passes the compliance review, the general manager shall arrange for deliberation and approval of the application at the meeting of the board of directors or the shareholders' meeting in accordance with the relevant requirements under the Articles of Association.

Article 17 After the shareholders' meeting or the board of directors of the Company has made a decision on the guarantee, the legal department shall review the relevant legal documents such as the contract for the principal creditor's right and the guarantee contract, and the finance department shall arrange for entering into a written guarantee contract between the Company and the principal creditor. The guarantee contract and the counter-guarantee contract shall be signed by the chairman of the board of directors or his or her authorized signatory, and no other person shall enter into any external guarantee contract on behalf of the Company without authorization.

Chapter 5 Risk Control in respect of Guarantees

Article 18 The Company shall adhere to the principle of risk control in the process of providing a guarantee and shall strictly control the limit of guarantee liabilities to the guaranteed enterprise while conducting risk evaluation on the guaranteed enterprise.

Article 19 The Company shall, when providing an external guarantee, require the other party to provide a counter guarantee, if possible, and shall prudently check the counter-guarantee provider's capability of acting as guarantor and the exercisability of the required counter guarantee.

Article 20 During the guarantee period, the Company shall track and monitor any change in the financial position of the guaranteed enterprise and shall pay visits to the guaranteed enterprise on a regular or irregular basis. The finance department shall issue a repayment reminder to the guaranteed enterprise one month before the expiry of the debts of the guaranteed enterprise.

Article 21 If the guaranteed party fails to perform its repayment obligation after the expiry of its debts, the finance department, in conjunction with the general manager of the Company, shall implement appropriate measures. During the guarantee period, if the guaranteed party is subject to organizational change, cancellation, bankruptcy or liquidation, the Company shall exercise its right of recourse in accordance with the relevant laws.

Article 22 The finance department shall send the recourse situation to the general manager and the Board of the Company after starting the recourse procedure and after the end of the recourse.

Chapter 6 Supplementary Provisions

Article 23 Matters not provided for in these Measures shall be implemented in accordance with relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, other regulations of the securities regulatory authorities in Hong Kong and relevant regulations of the Articles of Association. If these Measures are inconsistent with the relevant laws, regulations, other normative documents, Hong Kong Listing Rules, other regulations of the securities regulatory authorities in Hong Kong and relevant regulations of the Articles of Association, the relevant laws, regulations, other normative documents and the Articles of Association shall prevail.

Article 24 The phrases "more than", "below" and "within" herein for the numbers include the numbers indicated themselves, while the phrase "exceed" excludes the number indicated itself.

Article 25 As authorized by the shareholders' meeting, the Board of the Company shall be responsible for the drafting and interpretation of these Measures. Any amendment to these Measures shall be approved by the shareholders' meeting.

Article 26 These Measures shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.

EXPLANATION ON THE AMENDMENTS TO THE ADMINISTRATIVE
MEASURES FOR CONNECTED TRANSACTIONS

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Administrative Measures for Connected Transactions. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	Article 33 These Measures shall take effect and be put into implementation from the date when the Company completes its initial public offering of H shares on the HKEX and is listed on the HKEX after being reviewed and approved by the shareholders’ general meeting of the Company.	Article 33 These Measures shall take effect from the date of being reviewed and approved by the shareholders’ meeting of the Company.

LAOPU GOLD CO., LTD.

ADMINISTRATIVE MEASURES FOR CONNECTED TRANSACTIONS

Chapter 1 General Provisions

Article 1 In order to guarantee the fairness of connected transactions of Laopu Gold Co., Ltd. (the “Company”), ensure that the Company’s connected transactions are concluded in a fair, equal and transparent manner and compliant with the regulatory requirements of the regulatory authorities, and safeguard the interests of the Company and all shareholders, these Measures are hereby formulated in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other laws, regulations and normative documents and the relevant provisions of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) and the Articles of Association of Laopu Gold Co., Ltd. (the “Articles of Association”).

Article 2 Connected transactions shall comply with the provisions of the relevant laws, regulations and Hong Kong Listing Rules and comply with the principles of compliance, integrity and fairness.

Connected transactions shall be conducted on “general commercial terms” or the terms of connected transactions shall not be more favourable to related parties than those of similar transactions with unrelated persons. The Company must enter into written agreements with all connected parties for all connected transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Article 3 These Measures are only a summary of the connected transactions requirements in the relevant laws and regulations and the Hong Kong Listing Rules. The relevant staff responsible for connected transactions shall manage connected transactions in accordance with the relevant laws and regulations and the specific requirements of the Hong Kong Listing Rules.

Chapter 2 Definition of Connected Person(s)

Article 4 A connected person of the Company means a director, supervisor, chief executive officer or “substantial shareholder” of the Company or its “subsidiaries”, or their “associates”, including:

- (1) the directors, chief executive or “substantial shareholders” of the Company and its “subsidiaries”;
- (2) any person who was a director of the Company or its “subsidiaries” within 12 months preceding the transaction date;

- (3) the supervisors of the Company;
- (4) the “associates” of the persons referred to in (1) to (3) above;
- (5) the non-wholly-owned subsidiaries of the Company in which the connected persons of the Company referred to in (1), (2), (3) and (4) (except connected persons of the “subsidiaries” of the Company) are entitled to, severally or jointly, exercise or control the exercise of 10% or more of the voting power at any shareholders’ meeting of such non-wholly-owned subsidiaries;
- (6) any “subsidiary” of the non-wholly-owned subsidiary referred to in (5) above;
- (7) any person who is considered as a connected person by the Hong Kong Stock Exchange or any other connected persons as specified under the Hong Kong Listing Rules from time to time.

Chapter 3 Definition and Categories of Connected Transactions

Article 5 A connected transaction of the Company means any transaction (including “one-off connected transaction” and “continuing connected transaction”) between the Company and any connected person(s), or any transaction of “acquiring or disposing of interest in the Company” between the Company and a person who is not a connected person, or any transaction which involves “subscription on favourable terms”, “subscription of different class of shares”, “financial assistance”, “options” or “joint ventures”.

Article 6 According to the required reporting, announcement or approval procedures, connected transactions can be classified as fully exempted connected transaction, partially exempted connected transaction and non-exempt connected transaction.

Article 7 The Hong Kong Stock Exchange is entitled to aggregate a series of connected transactions and treat them as if they were one transaction if they were all completed within a 12-month period or were otherwise related. In such cases, the Company must comply with the requirements for the relevant classification of the connected transactions when aggregated.

Factors which the Hong Kong Stock Exchange may take into account in determining whether connected transactions will be aggregated include whether the transactions:

- (1) are entered into by the Company with the same party or with parties connected or otherwise associated with one another;
- (2) involve the acquisition or disposal of securities or an interest in one particular company or group of companies;
- (3) involve the acquisition or disposal of components of one asset; or
- (4) together lead to substantial involvement by the Company in a business activity which did not previously form a part of the Company’s principal business activities.

The Hong Kong Stock Exchange shall have the right to aggregate all continuing connected transactions with the same connected person to determine in which category the aggregated transaction falls.

Chapter 4 Fully Exempted and Partially Exempted Connected Transaction

Article 8 Fully exempted connected transactions are connected transactions which are exempted from all requirements of reporting, announcement and approval of “independent shareholders”.

Fully exempted “continuing connected transactions” and “financial assistance” shall be subject to the relevant requirements of annual review set out in Article 27 of these Measures.

Article 9 The following connected transactions are fully exempted one-off connected transactions:

- (1) “de minimis transactions”
- (2) “financial assistance”
- (3) “issue of new securities by the Company or its subsidiaries”
- (4) “stock exchange dealings”
- (5) “purchase of own securities”
- (6) “directors’ service contracts and insurance”
- (7) “consumer goods or consumer services”
- (8) “sharing of administrative services”
- (9) “transactions with associates of a passive investor”
- (10) “transactions with persons connected at the level of subsidiaries”

Provided that all percentage ratios (other than the profit ratio) of a transaction meet one of the following threshold requirements (other than the “issuance of new securities” by the Company to connected persons):

- (1) less than 0.1%;
- (2) less than 1% and the transaction is a connected transaction only because it involves “connected person(s)” at the “subsidiary” level; or
- (3) less than 5%, and the total consideration (in the case of “financial assistance”, the total amount of the “financial assistance” together with any pecuniary benefit paid to the connected person or jointly held entity) is also less than HK\$3 million.

Article 10 The following connected transactions are fully exempted “financial assistance”:

- (1) Financial assistance provided by the Company or the “subsidiary” of the Company to a “connected person” or a “jointly held entity” will be fully exempted if:
 1. The financial assistance is on normal commercial terms or better terms; and
 2. The relevant financial assistance provided by the Company or the “subsidiary” of the Company is in proportion to the direct equity interest held by the Company or its subsidiaries in the connected person or jointly held entity. Any guarantee provided by the Company or the “subsidiary” of the Company must be an individual guarantee (and not a joint and several guarantee).
- (2) Financial assistance received by the Company or the “subsidiary” of the Company from a “connected person” or a “jointly held entity” will be fully exempted if:
 1. The financial assistance is on normal commercial terms or better terms; and
 2. The financial assistance is not secured by the assets of the Company or the “subsidiary” of the Company.

Partially exempted connected transactions are connected transactions which are exempted from the requirement of approval by “independent shareholders”.

Partially exempted “one-off connected transactions” shall be dealt with in accordance with the announcement requirement under Chapter 14A of the Hong Kong Listing Rules and the reporting requirement.

Partially exempted “continuing connected transactions” shall be dealt with in accordance with the announcement requirement under Chapter 14A of the Hong Kong Listing Rules, the reporting requirement, and the requirements of “continuing connected transactions”.

Partially exempted “financial assistance” shall be dealt with in accordance with the requirements of partially exempted one-off connected transactions or of partially exempted “continuing connected transactions” respectively, depending on whether it is a one-off or continuing connected transaction.

Article 11 A one-off connected transaction on “normal commercial terms” is a partially exempted one-off connected transaction where each of the percentage ratios (other than the profit ratio) is/are:

- (1) less than 5%; or
- (2) less than 25% and the total consideration is less than HK\$10,000,000.

This Article does not apply to the “issue of new securities” by the Company to a connected person.

Article 12 A continuing connected transaction on “normal commercial terms” is a partially exempted “continuing connected transaction” where each of the percentage ratios (other than the profit ratio), on an annual basis, is/are:

- (1) less than 5%; or
- (2) less than 25% and the annual consideration is less than HK\$10,000,000.

Article 13 “Financial assistance” provided by the Company to a “connected person” or a “jointly held entity” on “normal commercial terms”, is a partially exempted “financial assistance” where each of the percentage ratios (other than the profit ratio) is/are:

- (1) less than 5%; or
- (2) less than 25% and the total value of the financial assistance together with any preferential benefit to the connected person is less than HK\$10,000,000.

Chapter 5 Non-Exempt Connected Transactions

Article 14 Non-exempt connected transactions, i.e., any connected transaction that does not fall within or exceed the provisions of Chapter 4 herein, must be subject to the requirements of reporting, announcement and approval by “independent shareholders”.

Article 15 Non-exempt one-off connected transactions must be reported, announced and approved by “independent shareholders”, and shall be subject to the following processing principles:

- (1) They shall firstly be approved by the Board of Directors of the Company, and an announcement must be issued before the opening of the market on the first business day after the Board of Directors’ approval is obtained. The principles of the announcement are as follows: an announcement shall be published on the website of the Hong Kong Stock Exchange in accordance with the requirements of the Hong Kong Listing Rules to disclose the relevant information after the terms of the transaction have been agreed. The content of the announcement must clearly reflect:
 1. whether the directors consider that such transaction is a transaction on normal commercial terms in the ordinary and usual course of business of the listed issuer;
 2. the opinion of the independent non-executive directors; and
 3. whether any of the directors has a material interest in the transaction and whether they have waived their voting rights at the Board meeting.

- (2) Following the approval by the Board of Directors and the release of the announcement, the independent financial adviser shall confirm that the connected transaction is fair and reasonable and in the interests of the Company and all shareholders, and submit such opinion to the Independent Board Committee for review, which shall then hold a separate meeting to confirm that the connected transaction is fair and reasonable and in the interests of the Company and all shareholders. The aforesaid opinions of the independent financial adviser and the Independent Board Committee shall be included in the shareholders' circular to be issued to the shareholders.
- (3) Within 15 working days after the release of the announcement, the expected finalized version of the circular must be sent to the Hong Kong Stock Exchange for review, and then the circular confirmed by the Hong Kong Stock Exchange to be in compliance with the Listing Rules must be sent to the shareholders, which must be available in both English and Chinese. Any amendments or supplements to the circular and/or provision of relevant information should be sent to the shareholders no less than 10 working days prior to the date of the shareholders' meeting.
- (4) Submit connected transactions to the shareholders' meeting for consideration. The connected transaction can be carried out only after the approval of the shareholders' meeting. At the shareholders' meeting, connected person(s) with significant interests shall abstain from voting. A statement that connected person(s) with significant interests shall abstain from voting shall be included in the circular to be issued to shareholders. "Independent shareholders" shall vote by way of a poll. Before the opening of the market on the first working day after the meeting, the Company shall issue an announcement to disclose the voting results.
- (5) Make reporting. The handling principles are as follows: disclose in the first annual report and accounts after the connected transaction the date of the transaction, the parties to the transaction and their connected relationship with each other, the transaction and its purpose, consideration and terms, and the nature and extent of the interest held by the connected person in the transaction.

Article 16 Non-exempt "continuing connected transactions" shall abide by the following handling principles:

- (1) Setting an annual "cap" for each connected transaction and disclosing the basis for the calculation of the cap.
- (2) A written agreement shall be signed with the connected persons for each connected transaction, and the content of the agreement shall reflect the "general commercial terms" and list the basis for calculating the payment amount. The agreement term shall be fixed and shall not exceed three years. If the agreement term shall exceed three years due to the nature of the transaction, the written confirmation opinion of the independent financial advisor shall be obtained.

- (3) Subject to the requirements of reporting, announcement and approval by “independent shareholders”, and consideration and approval under the relevant internal authorization of the Company.
- (4) To comply with the relevant provisions of the Hong Kong Stock Exchange on annual review of continuing connected transactions.
- (5) If the Company enters into an agreement involving continuing transactions and thereafter such transactions (for any reason, such as one of the counterparties becoming the director of the Company) become continuing connected transactions, the Company shall become aware of any amendment or update, and comply fully with all applicable requirements for reporting, announcement and approval by “independent shareholder” of Chapter 14A of the Hong Kong Listing Rules for all continuing connected transactions effective after such amendment or update occurs.
- (6) Where the continuing connected transaction is under any of the following circumstances, the Company shall comply with the procedures for reporting, announcement and approval by “independent shareholder” specified in the Hong Kong Stock Exchange again:
 1. if the above-mentioned cap is exceeded; or
 2. if the relevant agreement is updated or the terms thereof are significantly revised.

Article 17 Where a non-exempt connected transaction of “financial assistance” is a one-off connected transaction, it shall be dealt with in accordance with Article 15. Where a non-exempt connected transaction of “financial assistance” is a continuing connected transaction, it shall be dealt with in accordance with Article 16.

Chapter 6 Management of Connected Transactions

Article 18 The approving authorities of connected transactions include:

- (1) The shareholders’ meeting and the “independent shareholders”

The shareholders’ meeting and “independent shareholders” are responsible for approving connected transactions and the relevant matters required to be approved by them. Any connected transactions, which are subject to the approval of the “independent shareholders”, shall be approved by way of a poll at a shareholders’ meeting.

(2) The board of directors

The board of directors is responsible for supervising and managing connected transactions, as well as approving partially exempted connected transactions, non-exempt connected transactions and other connected transactions that are subject to approval of the board of directors under these Measures.

When voting or making any decision on a connected transaction, the persons who have a connected relationship with such transaction and have a right to vote or make any decision shall abstain from voting or making any decision.

Article 19 The general manager and his/her authorized persons or departments of the Company shall be responsible for managing the information files of connected persons, and collection, disclosure, filing and submission for approval of the information on connected transactions.

Article 20 The Company shall establish information files of connected persons and update the same on a timely basis.

Article 21 The general manager and his/her authorized persons or departments of the Company shall prepare, send and collect the declaration forms of connected persons. The president and his/her authorized persons or departments of the Company shall identify connected persons of the Company in accordance with the definition of connected person as set out in Article 4 of these Measures, and input such information into information files of connected persons and update the same on a timely basis.

Information files of connected persons shall be voluntarily reported on a regular basis. The general manager and his/her authorized persons or departments of the Company shall send and collect the declaration forms of connected persons to and from connected persons on a semi-annual basis, and procure connected persons to voluntarily report to the general manager and his/her authorized persons or departments immediately after they hold a position in the Company or become a “substantial shareholder” of the Company. If there is any change in the information reported, such change should be reported immediately after its occurrence.

Article 22 The general manager and his/her authorized persons or departments shall distribute a list of connected persons updated from time to time to each of the relevant departments and branches. Each of the relevant departments and branches shall identify the transactions based on the definition of connected transaction in these Measures and the relevant laws and regulations, as well as the connected person list distributed from time to time by the general manager and his/her authorized persons or departments, and carry out the following procedures:

- (1) it is required to review information and records of connected persons to determine if the counterparty of a transaction is a connected person of the Company.

- (2) in the case of the counterparty being a connected person of the Company, it is required to report the relevant information or materials to the general manager and his/her authorized personnel or department for review, including the basis of pricing for the connected transaction, price of similar transactions in the market, the transaction contract and the proposed duration of the contract.
- (3) the general manager and his/her authorized personnel or department may, where appropriate, require relevant departments to submit a confirmation letter to confirm that the Company would also enter into relevant transactions with other independent third parties in accordance with similar terms.

Article 23 President and his/her authorized personnel or department shall disclose or report information on connected transactions to the public in a timely manner pursuant to the requirements of the relevant laws, regulations, the Hong Kong Listing Rules, regulatory authority, the Hong Kong Stock Exchange and relevant authorities in accordance with the requirements set out in Chapters 3 to 5 of these Measures.

Article 24 The Company shall organize a specific auditing for connected transactions at least once a year, and report the audit results to the board of directors and the board of supervisors.

Article 25 The Company shall not engage intermediaries controlled by any connected person for the provision of auditing or actuarial services.

Article 26 Each year the independent non-executive directors of the Company shall review the “continuing connected transactions” and confirm in the annual report and accounts that:

- (1) the connected transactions fall into the “ordinary business” of the Company;
- (2) the connected transactions have been conducted either on “normal commercial terms” or, if there are not sufficient comparable transactions to judge whether the terms of such transactions are on “normal commercial terms”, on terms no less favorable to the Company than terms available to or from (as the case may be) independent third parties; and
- (3) the connected transactions have been conducted in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Article 27 Each year the auditors of the Company shall review the continuing connected transactions, and provide a confirmation letter to the Board of the Company (with a copy provided to the Hong Kong Stock Exchange at least 10 business days prior to the bulk printing of the Company’s annual report), confirming that the continuing connected transactions:

- (1) have been approved by the Board of the Company;
- (2) are conducted in accordance with the pricing policies of the Company if the transactions involve the provision of goods or services by the Company;

- (3) have been conducted in accordance with the terms of the relevant agreement governing such transactions; and
- (4) have not exceeded the cap disclosed in the previous announcement(s).

The Company shall allow, and shall procure that the counterparty to the continuing connected transactions shall allow, the auditors to access and review its accounting records for the purpose of reporting on the transactions by the auditors as set out in the Hong Kong Listing Rules. The Company's board of directors must state in the annual report whether its auditors have confirmed the matters stated above in this Article.

Article 28 The Company shall promptly notify the Hong Kong Stock Exchange and publish an announcement if it knows or has reason to believe that the independent non-executive directors and/or the auditors will not be able to confirm the matters set out above, respectively. The Company may have to re-comply with the requirements of reporting, announcement and independent shareholders' approval, and any other conditions the Hong Kong Stock Exchange considers appropriate.

Chapter 7 Legal Liability and Penalty Provisions

Article 29 If a connected person of the Company conducts a connected transaction in violation of the provisions hereof, which causes losses to the Company, the Company and the shareholders may file a suit to the people's court in accordance with laws.

Article 30 The Company shall impose penalties on any directors, senior management, other persons directly in charge and persons responsible who have violated the relevant provisions hereof in accordance with the relevant laws and regulations as well as the Company's rules and regulations.

Chapter 8 Supplementary Provisions

Article 31 Matters not provided for in these Measures shall be implemented in accordance with relevant national laws, regulations, normative documents, the Hong Kong Listing Rules, other regulations of the securities regulatory authorities in Hong Kong and relevant regulations of the Articles of Association. If these Measures are inconsistent with the laws, regulations, other normative documents, Hong Kong Listing Rules, other regulations of the securities regulatory authorities in Hong Kong and relevant regulations of the Articles of Association, the laws, regulations, other normative documents and the Articles of Association shall prevail.

Article 32 As authorized by the shareholders' meeting, the Board of the Company shall be responsible for the drafting and interpretation of these Measures. Any amendment to these Measures shall be approved by the shareholders' meeting.

Article 33 These Measures shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.

EXPLANATION ON THE AMENDMENTS TO THE
RULES OF PROCEDURES FOR MEETINGS OF THE
BOARD OF SUPERVISORS

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Rules of Procedures for Meetings of the Board of Supervisors. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	<p>Article 5 The board of supervisors shall exercise the following powers:</p> <p>(1) to examine and give written examination opinions on the Company’s regular reports prepared by the board of directors;</p> <p>(2) to review the financial affairs of the Company;</p> <p>(3) to monitor the conduct of the directors or senior officers in the course of performing their duties and to propose the recall of any director or senior officer who violates any law or administrative regulations, or the Articles of Association;</p> <p>(4) to require any director or senior officer who damages the Company’s interests to take remedial action;</p> <p>(5) to propose interim general meetings, and to convene and preside over a general meeting when the board of directors fails to perform its duty to convene and preside over a general meeting as prescribed in the Company Law;</p> <p>(6) to submit proposals to the general meeting;</p> <p>(7) to file a suit against any director or senior officer of the Company in accordance with the provisions of Article 151 of the Company Law;</p> <p>(8) to undertake an investigation on discovering any irregularities in the operation of the Company and, where necessary, engage an accounting firm to assist in any such investigation at the expense of the Company; and</p> <p>(9) other powers stipulated by the Articles of Association or granted by the general meeting.</p>	<p>Article 5 The board of supervisors shall exercise the following powers:</p> <p>(1) to examine and give written examination opinions on the Company’s regular reports prepared by the board of directors;</p> <p>(2) to review the financial affairs of the Company;</p> <p>(3) to monitor the conduct of the directors or senior officers in the course of performing their duties and to propose the dismissal of any director or senior officer who violates any law or administrative regulations, the Articles of Association or resolutions of the shareholders’ meeting;</p> <p>(4) to require any director or senior officer who damages the Company’s interests to take remedial action;</p> <p>(5) to propose interim shareholders’ meetings, and to convene and preside over a shareholders’ meeting when the board of directors fails to perform its duty to convene and preside over a shareholders’ meeting as prescribed in the Company Law;</p> <p>(6) to submit proposals to the shareholders’ meeting;</p> <p>(7) to file a suit against any director or senior officer of the Company in accordance with the provisions of Article 189 of the Company Law;</p> <p>(8) to undertake an investigation on discovering any irregularities in the operation of the Company and, where necessary, engage professional institutions, such as accounting firms and law firms, to assist in any such investigation at the expense of the Company; and</p> <p>(9) other powers stipulated by the Articles of Association or granted by the shareholders’ meeting.</p>

No.	Before Amendments	After Amendments
2	<p>Article 6 At the annual general meeting of the Company, the board of supervisors shall present its special report on the supervision of the Company over the past year, including:</p> <p>(1) review of the financial affairs of the Company;</p> <p>(2) the due diligence of the directors and senior officers in performing their duties for the Company and the implementation of relevant laws and regulations, the Articles of Association and resolutions of the shareholder's general meeting; and</p> <p>(3) other material matters deemed to be reportable by the board of supervisors at the shareholders' general meeting.</p> <p>The board of supervisors may also, to the extent it deems necessary, express opinions on the proposals being deliberated by the shareholders' general meeting and submit its independent report.</p>	<p>Article 6 At the annual general meeting of the Company, the board of supervisors shall present its special report on the supervision of the Company over the past year, including:</p> <p>(1) review of the financial affairs of the Company;</p> <p>(2) the due diligence of the directors and senior officers in performing their duties for the Company and the implementation of relevant laws and regulations, the Articles of Association and resolutions of the shareholders' meeting; and</p> <p>(3) other material matters deemed to be reportable by the board of supervisors at the shareholders' meeting.</p> <p>The board of supervisors may also, to the extent it deems necessary, express opinions on the proposals being deliberated by the shareholders' meeting and submit its independent report.</p>
3	<p>Article 10 The supervisors shall attend the Board meetings of the Company to supervise the legality of the convening procedures for the Board meetings of the Company, whether the avoidance of voting by related directors and the contents of the resolutions of the Board meetings comply with the provisions of laws, regulations and the Articles of Association, and whether they meet the actual needs of the Company.</p>	<p>Article 10 The supervisors shall attend the Board meetings of the Company to supervise the legality of the convening procedures for the Board meetings of the Company, whether the avoidance of voting by related directors and the contents of the resolutions of the Board meetings comply with the provisions of laws, regulations and the Articles of Association, and whether they meet the actual needs of the Company.</p>

No.	Before Amendments	After Amendments
4	<p>Article 19 The proposals to the meeting of the board of supervisors shall meet the following conditions:</p> <p>(1) the contents of the proposals shall not be in conflict with the provisions of laws, regulations and the Articles of Association, and shall fall within the scope of the Company's business activities and the duties of the board of supervisors;</p> <p>(2) the proposals must be in line with the interests of the Company and the shareholders;</p> <p>(3) the proposals have clear topics and specific matters; and</p> <p>(4) the proposals must be submitted in writing.</p>	<p>Article 19 The proposals to the meeting of the board of supervisors shall meet the following conditions:</p> <p>(1) the contents of the proposals shall not be in conflict with the provisions of laws, regulations and the Articles of Association, and shall fall within the scope of the Company's business activities and the duties of the board of supervisors;</p> <p>(2) the proposals must be in line with the interests of the Company and the shareholders;</p> <p>(3) the proposals have clear topics and specific matters; and</p> <p>(4) the proposals must be submitted in writing.</p>
5	<p>Article 21 The meetings of the board of supervisors shall be convened and presided over by the chairman of the board of supervisors. Where the chairman is unable to perform his duties or fails to do so, a supervisor jointly nominated by an absolute majority of supervisors shall convene and preside over the meetings of the board of supervisors.</p>	<p>Article 21 The meetings of the board of supervisors shall be convened and presided over by the chairman of the board of supervisors. Where the chairman is unable to perform his duties or fails to do so, a supervisor jointly nominated by more than half of the supervisors shall convene and preside over the meetings of the board of supervisors.</p>
6	<p>Article 27 An interim meeting of the board of supervisors may be convened and resolved by means of written voting, provided that the supervisor's opinions are fully expressed, and shall be signed by the attending supervisors. After being signed by the number of supervisors required to pass the resolution in accordance with the Articles of Association, the resolution shall take effect from the date of signature by the last supervisor to sign. A written resolution shall be delivered by hand, post or fax.</p>	<p>Article 27 An interim meeting of the board of supervisors may be convened and resolved by means of written voting, provided that the supervisor's opinions are fully expressed, and shall be signed by the attending supervisors. After being signed by the number of supervisors required to pass the resolution in accordance with the Articles of Association, the resolution shall take effect from the date of signature by the last supervisor to sign. A written resolution shall be delivered by hand, post or fax.</p>

No.	Before Amendments	After Amendments
7	Article 31 The secretary to the Board of the Company shall be responsible for keeping the meeting attendance book, proxy statements, records, resolutions and other written materials.	Article 31 The company secretary shall be responsible for keeping the meeting attendance book, proxy statements, records, resolutions and other written materials.
8	Article 34 If the contents of these Rules are in conflict with the provisions of laws, regulations, rules and the Articles of Association, such contents shall be invalid, and the board of supervisors of the Company shall amend these Rules in a timely manner.	Article 34 If the contents of these Rules are in conflict with the provisions of laws, regulations, rules and the Articles of Association, such contents shall be invalid, and the board of supervisors of the Company shall amend these Rules in a timely manner.
9	Article 35 These Rules shall take effect and be put into implementation from the date when the Company completes its initial public offering of H shares on the HKEX and is listed on the HKEX, after being reviewed and approved by the shareholders' general meeting of the Company. The original Rules of the Company shall automatically become invalid upon the effective date of these Rules.	Article 35 These Rules shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.

LAOPU GOLD CO., LTD.

RULES OF PROCEDURES FOR MEETINGS OF THE
BOARD OF SUPERVISORS

Chapter 1 General Provisions

Article 1 In order to standardize the discussion methods and procedures of the board of supervisors of the Company, ensure the work efficiency of the board of supervisors, effectively exercise the functions and powers of the board of supervisors, and give full play to the supervisory role of the board of supervisors, the Rules of Procedures for Meetings of the Board of Supervisors (the “Rules”) are formulated in accordance with the Company Law of the PRC (the “Company Law”), the Securities 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 other relevant laws, regulations and normative documents and the Articles of Association of Laopu Gold Co., Ltd. (the “Articles of Association”).

Article 2 These Rules shall be binding on all supervisors of the Company, persons designated by the board of supervisors, and other relevant personnel who attend the meetings of the board of supervisors.

Chapter 2 Board of Supervisors

Article 3 According to the Articles of Association of the Company, the board of supervisors shall consist of three supervisors.

Article 4 The board of supervisors shall have a chairman, and the election or dismissal of the chairman shall be subject to the affirmative vote of no less than two-thirds of supervisors.

The board of supervisors shall be composed of shareholder representatives, external supervisors, and an appropriate proportion of company employee representatives. The number of employee representatives shall be no less than one-third of all supervisors. The external supervisor in the supervisory board refers to a supervisor who does not hold any position other than a company supervisor, except for shareholder representative supervisors and internal supervisors. Shareholder representative supervisors are nominated by shareholders who individually or jointly hold more than 3% of the company’s shares, while external supervisors are nominated by the supervisory board and elected or replaced by the shareholders’ meeting. Employee representatives on the board of supervisors shall be democratically elected by employees through the employee representative congress, the employee congress, or any other means. The number of supervisors served by employee representatives is one, and the employee representatives on the board of supervisors shall be democratically elected by the employees of the Company through the employee representative congress, the employee congress, or any other means.

Article 5 The board of supervisors shall exercise the following powers:

(1) to examine and give written examination opinions on the Company's regular reports prepared by the board of directors;

(2) to review the financial affairs of the Company;

(3) to monitor the conduct of the directors or senior officers in the course of performing their duties and to propose the dismissal of any director or senior officer who violates any law or administrative regulations, the Articles of Association or resolutions of the shareholders' meeting;

(4) to require any director or senior officer who damages the Company's interests to take remedial action;

(5) to propose interim shareholders' meetings, and to convene and preside over a shareholders' meeting when the board of directors fails to perform its duty to convene and preside over a shareholders' meeting as prescribed in the Company Law;

(6) to submit proposals to the shareholders' meeting;

(7) to file a suit against any director or senior officer of the Company in accordance with the provisions of Article 189 of the Company Law;

(8) to undertake an investigation on discovering any irregularities in the operation of the Company and, where necessary, engage professional institutions, such as accounting firms and law firms, to assist in any such investigation at the expense of the Company; and

(9) other powers stipulated by the Articles of Association or granted by the shareholders' meeting.

Article 6 At the annual general meeting of the Company, the board of supervisors shall present its special report on the supervision of the Company over the past year, including:

(1) review of the financial affairs of the Company;

(2) the due diligence of the directors and senior officers in performing their duties for the Company and the implementation of relevant laws and regulations, the Articles of Association and resolutions of the shareholders' meeting; and

(3) other material matters deemed to be reportable by the board of supervisors at the shareholders' meeting.

The board of supervisors may also, to the extent it deems necessary, express opinions on the proposals being deliberated by the shareholders' meeting and submit its independent report.

Article 7 Where the board of supervisors exercises its powers set forth above, where necessary, engages professional institutions, such as law firms and accounting firms, to assist at the expense of the Company.

Article 8 The board of supervisors may propose to the board of directors that an extraordinary shareholders' meeting shall be held and shall make any such proposal to the board of directors in writing. Where the board of directors declines to hold an extraordinary shareholders' meeting nor does it respond within 10 days upon receipt of the proposal, the Board shall be deemed to be incapable of or has failed in performing the duty of convening a shareholders' meeting, in which case the board of supervisors may convene and preside over such meeting by itself.

Where shareholder(s) who individually or jointly hold 10% or more of the Company's shares propose to the board of supervisors to convene an extraordinary shareholders' meeting, and the board of supervisors agrees to hold such meeting, it shall send out a shareholders' meeting notice within five days upon receipt of such request. Changes to the original proposal(s) in the notice shall be subject to the consent of the shareholders concerned.

Article 9 Supervisors shall be present at shareholders' meetings of the Company. Except for matters involving company trade secrets which cannot be disclosed at shareholders' meetings, the board of supervisors shall, in collaboration with the board of directors, provide replies and explanations in respect of the inquiries and suggestions made by the shareholders.

Article 10 The supervisors shall attend the Board meetings of the Company to supervise the legality of the convening procedures for the Board meetings of the Company, whether the avoidance of voting by related directors and the contents of the resolutions of the Board meetings comply with the provisions of laws, regulations and the Articles of Association, and whether they meet the actual needs of the Company.

Article 11 The board of supervisors shall hold meetings no less than once every six months, the notice of which shall be served to all supervisors 10 days before the meeting by hand, post, e-mail, or fax.

Article 12 The chairman of the board of supervisors may convene an interim meeting of the board of supervisors in light of actual needs or at the request of one-third or more of the supervisors. The notice of the meeting shall be served in writing to all supervisors 3 days before the meeting by hand, post or fax, or e-mail. Where a supervisor proposes to convene an interim meeting of the board of supervisors, he/she shall explain the reasons and purposes for the meeting.

Chapter 3 Notices of Meetings and Sign-in Rules

Article 13 Under normal circumstances of convening a meeting of the board of supervisors of the Company, the chairman shall decide the time, venue, contents and participants of the meeting. The notice of the meeting shall be signed and issued by the chairman. The contact person of the board of supervisors shall be responsible for giving the notice to the relevant persons and making preparations for the meeting.

Article 14 Notices of meetings shall be served by hand, post or fax, or e-mail. The notice of a regular meeting shall be given 10 days in advance; and the notice of an interim meeting shall be given 3 days in advance. In case of postponement or cancellation of meetings for any reason, a notice shall be given 1 day before the original date.

Article 15 Upon receipt of the notice of the meeting, each person required to attend the meeting shall notify the contact person 2 days before the date of the meeting as to whether or not he/she will attend.

Article 16 Where a supervisor is unable to attend a meeting for any reason, he/she may appoint another supervisor to attend and vote at the meeting on his/her behalf.

The proxy statements shall be prepared by the contact person in a standardized format, which shall be delivered to the supervisors as an attachment to the notice.

Article 17 The meeting of the board of supervisors must adopt a sign-in system, whereby all persons who are present at the meeting must sign in on their own, and it is not allowed to do the sign-in by another person. The meeting attendance book and other written materials of the meeting shall be kept in file.

Chapter 4 Rules of Procedures for Proposals to the Meeting

Article 18 Proposals which the supervisors and other relevant persons of the Company need to present to the board of supervisors for study, discussion and resolution shall be submitted to the associate of the board of supervisors in advance. Upon collection, classification and sorting by the associate of the board of supervisors, such proposals shall be forwarded to the chairman for review, and the chairman shall decide whether or not to include them in the agenda.

In principle, all the proposals submitted shall be included in the agenda. The chairman shall explain in writing to the proposer the reasons for the proposals excluded from the agenda.

Contents of the proposals, together with the notice of the meeting, shall be served on all supervisors and the relevant persons required to attend the meeting, except for those of the relevant materials issued by intermediary agencies.

Article 19 The proposals to the meeting of the board of supervisors shall meet the following conditions:

(1) the contents of the proposals shall not be in conflict with the provisions of laws, regulations and the Articles of Association, and shall fall within the scope of the Company's business activities and the duties of the board of supervisors;

(2) the proposals must be in line with the interests of the Company and the shareholders;

(3) the proposals have clear topics and specific matters; and

(4) the proposals must be submitted in writing.

Chapter 5 Rules of Procedures for Meetings and Resolutions of Meetings

Article 20 No meeting of the board of supervisors shall be held unless attended by more than half of the supervisors. Any resolution adopted by the board of supervisors must be approved by more than two-thirds (inclusive) of the supervisors.

Article 21 The meetings of the board of supervisors shall be convened and presided over by the chairman of the board of supervisors. Where the chairman is unable to perform his duties or fails to do so, a supervisor jointly nominated by more than half of the supervisors shall convene and preside over the meetings of the board of supervisors.

Article 22 If any supervisor fails to attend meetings of the board of supervisors in person two consecutive times, the said supervisor shall be deemed incapable of performing his/her duties, and the board of supervisors shall suggest that the shareholders' meeting or the employee representative congress dismiss the said supervisor.

Article 23 The meetings of the board of supervisors shall fully adopt democratic discussions, respect the opinions of each supervisor, and allow the supervisors to reserve their different personal opinions when making resolutions. Supervisors who reserve different opinions or hold opposing opinions shall obey and implement the resolutions made by the board of supervisors, and shall not resist or act according to their own will in implementing the resolutions, otherwise, the board of supervisors may suggest that the shareholders' meeting or the employee representative congress dismiss the said supervisor.

Article 24 For any proposal to be discussed by the board of supervisors, the proposer or a supervisor appointed shall speak thereon, elaborating its main contents, causes and effects, and mainstream opinion on the proposal. For any significant proposal, relevant personnel shall be organized to conduct investigation and verification in advance and to issue a written report thereon, so as to facilitate a consideration by all supervisors.

Article 25 The observers at the meetings of the board of supervisors shall attend the meetings only during the discussion of the related proposals, and shall withdraw during other moments. All observers may have the right to speak but have no right to vote. The board of supervisors shall take full consideration of the opinions given by the observers before making any decision.

Article 26 Voting on the board of supervisors' resolutions shall be conducted by a show of hands. However, the way of voting by open ballot shall be adopted if two or more supervisors so request. Each supervisor shall have one vote.

Article 27 An interim meeting of the board of supervisors may be convened and resolved by means of written voting, provided that the supervisor's opinions are fully expressed, and shall be signed by the attending supervisors. After being signed by the number of supervisors required to pass the resolution in accordance with the Articles of Association, the resolution shall take effect from the date of signature by the last supervisor to sign. A written resolution shall be delivered by hand, post or fax.

Article 28 Each of the resolutions on the agenda shall be resolved in writing by the board of supervisors.

Article 29 Opinions and explanations of supervisors on the resolved matters shall be accurately recorded in the minutes of the meetings.

Article 30 The meetings of the board of supervisors shall be recorded by associates. If the associates are unable to record the meeting properly for any reason, the associates shall appoint a minute-taker to record the minutes. The associates shall inform the minute-taker in detail of the requirements for recording and the confidentiality obligations to be fulfilled.

Supervisors, associates and minute-takers who are present at the meetings shall sign on the records.

The minutes of meetings of the board of supervisors shall be kept for a period of 10 years.

Chapter 6 Post-meeting Matters

Article 31 The company secretary shall be responsible for keeping the meeting attendance book, proxy statements, records, resolutions and other written materials.

Article 32 Prior to the disclosure of the board of supervisor's resolutions through normal channels, all persons present at the meetings shall not leak in any way or make use of the confidential information for his/her benefit.

Chapter 7 Supplementary Provisions

Article 33 The right of interpretation of these Rules shall belong to the board of supervisors.

Article 34 If the contents of these Rules are in conflict with the provisions of laws, regulations, rules and the Articles of Association, such contents shall be invalid, and the board of supervisors of the Company shall amend these Rules in a timely manner.

Article 35 These Rules shall take effect from the date of being reviewed and approved by the shareholders' meeting of the Company.

The following is an explanatory statement, as required by the Listing Rules, to provide you with the requisite information for your consideration of the Repurchase Mandate.

1. DESCRIPTION AND NUMBER OF SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the issued share capital of the Company comprised 94,774,860 H Shares and 73,591,840 Unlisted Shares with a nominal value of RMB1.00 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further H Shares are issued or repurchased between the Latest Practicable Date and the EGM, the Company may repurchase pursuant to the Repurchase Mandate a maximum of 9,477,486 H Shares which represent 10% of the total number of H Shares in issue (excluding any Treasury Shares) as at the date of passing of the relevant resolution at the EGM.

2. REASONS FOR REPURCHASE

In order to enable the Company to make full use of share repurchase as a means for adjusting the capital structure in line with the market conditions and the needs of the Company, the net asset value and/or earnings per Share may be increased under the principle of protecting investors' interests.

The Board believes that neither this explanatory statement nor the proposed Repurchase Mandate has any unusual features, and the repurchase of Shares is in the interests of the Shareholders as a whole and the Company, and conducive to boosting investors' confidence.

3. SOURCE OF FUNDS

The Company shall, in accordance with the Articles of Association and the applicable PRC laws, regulations and statutes, legally set aside funds for purposes related to its internal resources (which may include surplus reserves and retained earnings) at the time of share repurchase.

4. IMPACT ON WORKING CAPITAL

The Directors believe that the exercise of the mandate for the repurchase of Shares in full at any time during the proposed repurchase period would not cause a material adverse impact on the working capital or gearing ratio of the Company (as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up). However, if the Company's working capital or assets and liabilities level would be materially and adversely affected as a result of the repurchase of Shares, then the Directors shall not propose the exercise of the general mandate for the repurchase of Shares to that degree. The Directors shall at an appropriate time consider the prevailing market conditions, and in the best interests of the Company, determine on the number, price of Shares to be repurchased and other terms.

5. STATUS OF THE REPURCHASED SHARES

The Company may cancel such repurchased Shares or hold them as Treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any Treasury Shares deposited with the Central Clearing and Settlement System (CCASS) pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings of the Company for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

6. PRESENT INTENTION OF DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), has any present intention to sell to the Company any of the Shares according to the general mandate for the repurchase of Shares if the relevant resolution is approved by the Shareholders.

7. UNDERTAKING OF THE DIRECTORS

The Directors will exercise the powers of the Company to repurchase Shares pursuant to the Listing Rules and the applicable PRC laws and in accordance with the contents set out in the special resolution in the EGM notice.

8. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the power of the Company to repurchase Shares pursuant to the general mandate for the repurchase of Shares, such an increase will be treated as an acquisition of the voting rights pursuant to Rule 32 of the Takeovers Code. If such an increase results in the change in control, it could, under certain circumstances, result in an obligation to make a mandatory offer for Shares in accordance with Rule 26 of the Takeovers Code.

To the best knowledge and belief of the Company, having taking into account the voting rights held or controlled by the controlling shareholders as at the Latest Practicable Date, the Directors consider that the increase in aggregate control over the voting rights of the controlling shareholders in the event that the Board exercises the proposed Repurchase Mandate in full would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, save as disclosed above, to the best knowledge and belief of the Directors, the Directors are not aware of any consequence which may arise under the Takeovers Code or any similarly applicable laws as a consequence of any repurchase of Shares under the general mandate for the repurchase of Shares.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital being held in public hands. The Directors do not propose to repurchase Shares which would result in the number of Shares in public hands falling below the prescribed minimum percentage of 25%.

9. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) from the Listing Date to the Latest Practicable Date.

10. CORE CONNECTED PERSON

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so in the event that the repurchase of Shares is approved by the Shareholders' general meeting.

11. SHARE PRICES

The highest and lowest traded prices for the H Shares recorded on the Stock Exchange from the Listing Date and up to the Latest Practicable Date were as follows:

	Highest <i>Hong Kong</i> <i>dollars</i>	Lowest <i>Hong Kong</i> <i>dollars</i>
2024		
June (28 June 2024)	75.60	60.95
July	89.90	72.00
August (up to the Latest Practicable Date)	95.20	76.40

EXPLANATION ON THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Since there no longer exists the “shareholders’ general meeting/general meeting” in the new PRC Company Law, which is replaced by the “shareholders’ meeting”, the “shareholders’ general meeting/general meeting” is changed to the “shareholders’ meeting” in the Articles of Association. In addition, the amendments to other articles are explained as follows:

No.	Before Amendments	After Amendments
1	Article 3 Pursuant to the approval by CSRC dated 25 March 2024, the Company initially issued 25,724,200 overseas listed foreign shares in Hong Kong, and our shareholders converted all or part of their total 69,050,660 domestic unlisted shares into overseas listed shares (hereinafter referred to as the “H Shares”). The aforesaid H Shares were listed on the main board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) on 28 June 2024 and 30 July 2024, respectively.	Article 3 Pursuant to the approval by CSRC dated 25 March 2024, the Company initially issued 25,724,200 overseas listed foreign shares in Hong Kong, and our shareholders converted all or part of their total 69,050,660 domestic unlisted shares into overseas listed shares. The aforesaid Shares were listed on the main board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”) on 28 June 2024 and 30 July 2024, respectively.
2	Article 11 Other senior management referred to in the Articles of Association means the deputy general manager, the secretary to the board of directors and the chief financial officer.	Article 11 Other senior management referred to in the Articles of Association means the deputy general manager and the chief financial officer.

No.	Before Amendments	After Amendments
3	<p>Article 14 Upon legal registration, the scope of business of the Company is: to organize cultural exchanges of the arts; to hold events and exhibitions; arts and crafts design; product design; sales of gold and silver products, jewelry, and handicrafts; protection of intangible cultural heritage import and export of goods, import and export agent, import and export of technologies. (Market entity may choose their scope of business and carry out business activities freely in accordance with the law; for items requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities; enterprises shall not carry out business activities prohibited and restricted by the national and city's industrial policy.)</p>	<p>Article 14 Upon legal registration, the scope of business of the Company is: general items: sales of gold and silver products; retail of jewelry; retail of arts and crafts and collectibles (except ivory and its products); sales of arts and crafts and ceremonial articles (except ivory and its products); protection of intangible cultural heritages; wholesale of jewelry; retail of stationery; retail of clothing and apparel; sales of knitwear and textile; retail of shoes and hats; retail of cosmetics; sales of daily chemical products; operation of traditional spice products; sales of daily ceramic products; organization of cultural and artistic exchange activities; professional design services; import and export of goods; import and export of technologies; import and export agent. (Except for items that are required to obtain approvals according to law, business activities can be carried out independently with a business license in accordance with the law) Licensed items: catering service. (For items that are required to obtain approvals according to law, business activities can only be carried out after the approval of relevant departments. Specific business items shall be subject to the approval documents or licenses of relevant departments)</p>

No.	Before Amendments	After Amendments
4	<p>Article 18 The H Shares issued by the Company may be held by the Hong Kong Securities Clearing and Settlement System in accordance with the laws of the place where the shares are listed and the requirements of the securities registration and depository system, or may be held by the shareholders in their own names.</p>	<p>Article 18 The Company’s overseas shares that are listed on the Hong Kong Stock Exchange shall be referred to as H Shares. Shares issued by the Company that are not listed on domestic or overseas stock exchanges shall be referred to as unlisted shares. After the overseas issuance and listing of shares by the Company, shareholders holding unlisted shares of the Company may convert their unlisted shares into overseas listed shares and list and trade such shares on the overseas stock exchanges if permitted by relevant laws, administrative regulations and departmental rules. The aforesaid shares shall also comply with the regulatory procedures, rules and requirements of the domestic and overseas securities markets when listed and traded on the overseas stock exchanges. The conversion of the aforesaid unlisted shares into overseas listed shares and listing and trading of such shares on the overseas stock exchanges are not subject to the approval of a shareholders’ meeting.</p> <p>The H Shares issued by the Company may be held by the Hong Kong Securities Clearing and Settlement System in accordance with the laws of the place where the shares are listed and the requirements of the securities registration and depository system, or may be held by the shareholders in their own names.</p>
5	<p>Article 19 Amend the “form of investment” to “method of investment” in the table setting out the details of the promoter’s investment.</p>	

No.	Before Amendments	After Amendments
6	<p>Article 21 The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide any financial assistance, in the form of gift, advance, guarantee, compensation or loans, to any person that purchases or plans to purchase the shares of the Company.</p>	<p>Article 21 Except for the implementation of the employee stock ownership plan, the Company shall not provide gifts, loans, guarantees and other financial assistance for others to obtain shares of the Company or its parent company. The Company or its subsidiaries (including the Company's affiliated enterprises) shall not provide any financial assistance, in the form of gift, advance, guarantee, compensation or loan, to any person that purchases or plans to purchase the shares of the Company.</p> <p>The Company may, for the benefit of the Company, provide financial assistance for others to obtain shares of the Company or its parent company, upon a resolution of the shareholders' meeting or a resolution of the board of directors in accordance with the Articles of Association or the authorization of the shareholders' meeting, provided that the aggregate amount of financial assistance shall not exceed 10% of the total issued share capital. Resolutions of the board of directors shall be passed by more than two-thirds of all directors.</p> <p>In case of a violation of the preceding two paragraphs that results in losses to the Company, any directors, supervisors and senior management members responsible for the violation shall be liable for compensation.</p>

No.	Before Amendments	After Amendments
7	<p>Article 22 The Company may, upon resolution by the shareholders' general meeting, adopt the following methods to increase its capital in accordance with its business and development needs and pursuant to the provisions of laws and regulations:</p> <p>(1) public offering of shares; (2) non-public offering of shares; (3) distribution of bonus shares to existing shareholders; (4) conversion of the reserve fund to additional share capital; (5) other means as permitted by laws, administrative regulations and approved by the securities regulatory authorities of the place where the Company's shares are listed, HKEX and CSRC.</p> <p>The Company's issuance of new shares to increase capital shall, upon approval according to the Articles of Association and the listing rules of the place where the Company's shares are listed, be carried out in accordance with the procedures stipulated by relevant national laws, administrative regulations, departmental rules and the listing rules of the place where the Company's shares are listed.</p>	<p>Article 22 The Company may, upon resolution by the shareholders' meeting, adopt the following methods to increase its capital in accordance with its business and development needs and pursuant to the provisions of laws and regulations:</p> <p>(1) public offering of shares; (2) non-public offering of shares; (3) distribution of bonus shares to existing shareholders; (4) conversion of the reserve fund to additional share capital; (5) other means as permitted by laws, administrative regulations and approved by the securities regulatory authorities of the place where the Company's shares are listed, Hong Kong Stock Exchange and CSRC.</p> <p>Subject to the provisions of the securities regulatory authorities of the place where the Company's shares are listed, the Hong Kong Stock Exchange and the CSRC, the board of directors of the Company is entitled to decide to issue shares, which are no more than 50% of the issued shares within three years, but if the capital contribution is made at the price of non-monetary property, it shall be resolved by the shareholders' meeting. Where the board of directors decides to issue new shares, the resolution of the board of directors shall be passed by more than two-thirds of all directors.</p> <p>If the board of directors decides to issue shares in accordance with the provisions of the preceding paragraph, resulting in changes in the registered capital and the number of issued shares of the Company, the amendment to the items recorded in the Articles of Association of the Company does not need to be voted on by the shareholders' meeting anymore.</p>

No.	Before Amendments	After Amendments
		The Company's issuance of new shares to increase capital shall, upon approval according to the Articles of Association and the listing rules of the place where the Company's shares are listed, be carried out in accordance with the procedures stipulated by relevant national laws, administrative regulations, departmental rules and the listing rules of the place where the Company's shares are listed.
8	<p>Article 31 Shares of the Company held by the promoters shall not be transferred within one year from the Company's establishment. The shares which have already been issued prior to the Company's public offering shall not be transferred within one year after the Company's stocks are listed at the stock exchange.</p> <p>The directors, supervisors and senior management of the Company shall report to the Company the shares held by them in the Company and any alterations to the shares so held, and the shares transferred each year by them during their terms of office shall not exceed 25% of their total shares of the same type in the Company; the shares of the Company held by them shall not be transferred within one year after the Company's stocks are listed. The aforesaid persons shall not transfer the shares of the Company held by them for the period of six months after they leave the Company. Where relevant provisions of the securities regulatory authority of the place where the Company's shares are listed have otherwise provided for the restrictions on the transfer of overseas listed shares, such provisions shall prevail.</p>	<p>Article 31 The shares which have already been issued prior to the Company's public offering shall not be transferred within one year after the Company's stocks are listed on the stock exchange.</p> <p>The directors, supervisors and senior management of the Company shall report to the Company the shares held by them in the Company and any alterations to the shares so held, and the shares transferred each year by them during their terms of office determined at the time of his/her assumption of office shall not exceed 25% of their total shares of the same type in the Company; the shares of the Company held by them shall not be transferred within one year after the Company's stocks are listed. The aforesaid persons shall not transfer the shares of the Company held by them for the period of six months after they leave the Company.</p> <p>Where the shares are pledged within the time limit for transfer prescribed by laws or administrative regulations, the pledgee may not exercise the pledge right within the time limit for transfer.</p> <p>Where relevant provisions of the securities regulatory authority of the place where the Company's shares are listed have otherwise provided for the restrictions on the transfer of overseas listed shares, such provisions shall prevail.</p>

No.	Before Amendments	After Amendments
9	<p>Article 32 When any shareholder, holding more than 5% of the company’s shares, of the Company or any director, supervisor, senior management of the company disposes of his/her/its shares or other securities with an equity nature in the company within 6 months of purchase, or purchases shares in the Company again within six months after disposal, the proceeds derived therefrom shall be retained for the benefit of the company and be revoked by the board of directors of the Company. However, the disposals by brokerage companies holding more than 5% of the shares in the Company due to the fact that their underwritten shares remain unsubscribed and other circumstances stipulated by the CSRC shall not be subject to the restriction.</p> <p>The shares or other securities with an equity nature held by any director, supervisor, senior management and natural person shareholder referred to in the preceding paragraph shall include the shares or other securities with an equity nature held by their spouses, parents and children, and those held through others’ accounts.</p> <p>If the Board of the Company fails to comply with the requirements under the preceding paragraph of this Article, a shareholder shall have the rights to request the Board to do so within 30 days. In failure of the Board of the Company to comply with the same within the aforesaid period, such shareholder shall have the rights to institute a legal proceeding directly with the court in its own name for the benefit of the Company.</p> <p>If the Board of the Company fails to comply with the requirements under the first paragraph of this Article, the director(s) liable shall assume joint and several responsibilities pursuant to laws.</p>	<p>Delete. (The number of subsequent articles shall be changed correspondingly)</p>

No.	Before Amendments	After Amendments
10	<p>Article 36 The shareholders of the Company shall have the following rights:</p> <p>(1) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>(2) to lawfully require, convene, preside over or attend general meetings either in person or by proxy, speak at the general meetings and exercise the corresponding voting right;</p> <p>(3) to supervise, manage, make recommendations or make inquiries about the operations of the Company;</p> <p>(4) to transfer, bestow or pledge shares held by them in accordance with laws, administrative regulations, requirements of the securities regulatory authorities of the place where the Company's shares are listed and provisions of the Articles of Association;</p> <p>(5) to inspect the Articles of Association, register of members, counterfoil of company debentures, minutes of shareholders' general meetings, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors and financial and accounting reports;</p> <p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;</p> <p>(7) to require the Company to buy their shares in the event of their objection to resolutions of the general meeting concerning merger or division of the Company;</p>	<p>Article 35 The shareholders of the Company shall have the following rights:</p> <p>(1) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>(2) to lawfully require, convene, preside over or attend shareholders' meetings either in person or by proxy, speak at the shareholders' meetings and exercise the corresponding voting right;</p> <p>(3) to supervise, make recommendations or make inquiries about the operations of the Company;</p> <p>(4) to transfer, bestow or pledge shares held by them in accordance with laws, administrative regulations, requirements of the securities regulatory authorities of the place where the Company's shares are listed and provisions of the Articles of Association;</p> <p>(5) to inspect and duplicate the Articles of Association, register of members, counterfoil of company debentures, minutes of shareholders' meetings, resolutions of meetings of the board of directors, resolutions of meetings of the board of supervisors and financial and accounting reports;</p> <p>(6) in the event of the termination or liquidation of the Company, to participate in the distribution of the remaining property of the Company in proportion to the shares held by them;</p> <p>(7) to require the Company to buy their shares in the event of their objection to resolutions of the shareholders' meeting concerning merger or division of the Company;</p>

No.	Before Amendments	After Amendments
	<p>(8) to check the Hong Kong branch of the Company's shareholder register, but the company may suspend shareholder registration procedures in accordance with the provisions equivalent to Article 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);</p> <p>(9) to enjoy other rights stipulated by laws, administrative regulations, departmental rules relevant requirements of the securities regulatory authorities of the place where the Company's shares are listed or the Articles of Association.</p> <p>The Company shall not exercise any power to freeze or infringe in any other way any rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that they have not disclosed their interests to the Company.</p>	<p>(8) to check the Hong Kong branch of the Company's shareholder register, but the company may suspend shareholder registration procedures in accordance with the provisions equivalent to Article 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);</p> <p>(9) to enjoy other rights stipulated by laws, administrative regulations, departmental rules, relevant requirements of the securities regulatory authorities of the place where the Company's shares are listed or the Articles of Association.</p> <p>The Company shall not exercise any power to freeze or infringe in any other way any rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that they have not disclosed their interests to the Company.</p>
11	<p>Article 44 The general meeting is the body by which the Company exercises its powers, and shall exercise the following powers in accordance with the law:</p> <p>(1) to decide on the business strategies and investment plans of the Company;</p> <p>(2) to elect and replace directors and supervisors whose posts are not taken by employee representatives, and to decide on matters regarding the remuneration of directors and supervisors;</p> <p>(3) to consider and approve reports of the board of directors;</p> <p>(4) to consider and approve reports of the board of supervisors;</p> <p>(5) to consider and approve annual financial budget proposals and final accounts proposals for the Company;</p>	<p>Article 43 The shareholders' meeting is the body by which the Company exercises its powers, and shall exercise the following powers in accordance with the law:</p> <p>(1) to elect and replace directors and supervisors, and to decide on matters regarding the remuneration of directors and supervisors;</p> <p>(2) to consider and approve reports of the board of directors;</p> <p>(3) to consider and approve reports of the board of supervisors;</p> <p>(4) to consider and approve plans for the distribution of company profits and plans to cover losses;</p> <p>(5) to adopt resolutions on any increase or reduction in the registered capital of the Company;</p>

No.	Before Amendments	After Amendments
	<p>(6) to consider and approve plans for the distribution of company profits and plans to cover losses;</p> <p>(7) to adopt resolutions on any increase or reduction in the registered capital of the Company;</p> <p>(8) to pass resolutions on the issuance of company bonds;</p> <p>(9) to adopt resolutions on matters such as any merger, breakup, dissolution or liquidation of the Company or any change in the legal form of the Company;</p> <p>(10) to amend the Company's Articles of Association;</p> <p>(11) to adopt resolutions on the Company's appointment or dismissal of accounting firms;</p> <p>(12) to consider and approve the transactions and guarantee matters to be decided by the general meeting as prescribed in the Articles of Association and the rules of procedure for the general meeting;</p> <p>(13) to consider the purchase or sale in any one year of material assets valued in excess of 30% of the Company's total assets as audited in the latest period;</p> <p>(14) to consider and approve changes in the use of funds raised;</p> <p>(15) to consider equity incentive plans and employees stock ownership plans; and</p> <p>(16) to consider other matters to be decided by the general meeting as prescribed in laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.</p>	<p>(6) to pass resolutions on the issuance of company bonds;</p> <p>(7) to adopt resolutions on matters such as any merger, breakup, dissolution or liquidation of the Company or any change in the legal form of the Company;</p> <p>(8) to amend the Company's Articles of Association;</p> <p>(9) to adopt resolutions on the Company's appointment or dismissal of accounting firms;</p> <p>(10) to consider and approve the transactions and guarantee matters to be decided by the shareholders' meeting as prescribed in the Articles of Association and the rules of procedure for the shareholders' meeting;</p> <p>(11) to consider the purchase or sale in any one year of material assets valued in excess of 30% of the Company's total assets as audited in the latest period;</p> <p>(12) to consider and approve changes in the use of funds raised;</p> <p>(13) to consider equity incentive plans and employees' stock ownership plans; and</p> <p>(14) to consider other matters to be decided by the shareholders' meeting as prescribed in laws, administrative regulations, departmental rules, Hong Kong Listing Rules or the Articles of Association.</p>

No.	Before Amendments	After Amendments
12	<p>Article 49 When general meeting is held, the Company will engage a lawyer (if necessary) to provide legal opinions in respect of the following issues and announce such opinions:</p> <p>(1) whether the procedures of convening and holding comply with laws, administrative regulations and the Articles of Association;</p> <p>(2) whether the qualifications of those attending the general meeting and the conveners are legitimate and valid;</p> <p>(3) whether the voting procedure and voting results are legitimate and valid;</p> <p>(4) legal opinions on other related issues required by the Company.</p>	Delete. (The number of subsequent articles shall be changed correspondingly)
13	<p>Article 54 When a general meeting is convened by the board of supervisors or by the shareholders, the board of directors and the secretary to the board of directors shall assist. The board of directors shall provide the register of shareholders on the date of registration of shareholding. The register of shareholders the convener acquired shall not be used for any other purposes other than convening of a general meeting.</p>	<p>Article 52 When a shareholders' meeting is convened by the board of supervisors or by the shareholders, the board of directors and the company secretary shall assist. The board of directors shall provide the register of shareholders on the date of registration of shareholding. The register of shareholders the convener acquired shall not be used for any other purposes other than convening of a shareholders' meeting.</p>
14	<p>Article 59 The notice of general meeting shall include the following contents:</p> <p>(1) the time, venue and duration of the meeting;</p> <p>(2) matters and proposals to be considered at the meeting;</p>	<p>Article 57 The notice of shareholders' meeting shall include the following contents:</p> <p>(1) the time, venue and duration of the meeting;</p> <p>(2) matters and proposals to be considered at the meeting;</p>

No.	Before Amendments	After Amendments
	<p>(3) a prominent written statement as follows: all common shareholders have the right to attend the general meeting, and may authorize in written form a proxy, who need not necessarily be a company shareholder, to attend and vote at the meeting;</p> <p>(4) the equity registration date for determining those shareholders who have the right to attend the general meeting;</p> <p>(5) the names and telephone numbers of the permanent contact persons; and</p> <p>(6) voting time and voting procedures online or by other means (if any).</p> <p>The specific details of all proposals shall be adequately and fully disclosed in all general meeting notices and supplementary notices. Where matters to be discussed require independent non-executive directors’ opinions, the opinions and reasons given by the independent non-executive directors shall be disclosed when the general meeting notice or supplementary notice is issued.</p> <p>The start time of online or other form of voting of the general meeting (if any) shall not be earlier than 3:00 pm on the day before the on-site general meeting, and shall not be later than 9:30 am on the day of the on-site general meeting, and the end time shall not be earlier than 3:00 pm on the day the on-site general meeting ends.</p> <p>The interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it shall not be changed.</p>	<p>(3) a prominent written statement as follows: all common shareholders have the right to attend the shareholders’ meeting, and may authorize in written form a proxy, who need not necessarily be a company shareholder, to attend and vote at the meeting;</p> <p>(4) the equity registration date for determining those shareholders who have the right to attend the shareholders’ meeting.</p> <p>The specific details of all proposals shall be adequately and fully disclosed in all shareholders’ meeting notices and supplementary notices. Where matters to be discussed require independent non-executive directors’ opinions, the opinions and reasons given by the independent non-executive directors shall be disclosed when the shareholders’ meeting notice or supplementary notice is issued.</p> <p>The interval between the equity registration date and the meeting date shall be no more than 7 working days. Once the equity registration date is confirmed, it shall not be changed.</p>

No.	Before Amendments	After Amendments
15	Article 69 The convener and the lawyer engaged by the Company shall jointly verify the validity of the shareholders' qualification according to the register of shareholders provided by the Securities Depository and Clearing Institutions and register the name (or title) of shareholders and the voting shares held by them. The meeting registration shall be stopped before the chairman of the meeting declares the number of shareholders and proxies present at the live meeting and the total voting shares.	Article 67 The convener shall jointly verify the validity of the shareholders' qualification according to the register of shareholders provided by the Securities Depository and Clearing Institutions and register the name (or title) of shareholders and the voting shares held by them. The meeting registration shall be stopped before the chairman of the meeting declares the number of shareholders and proxies present at the live meeting and the total voting shares.
16	Article 70 When a general meeting is held, all directors, supervisors and secretary to the Board of the Company shall attend the meeting, and the general manager and other senior management members shall also be present at the meeting.	Article 68 When a shareholders' meeting is held, all directors, supervisors and the company secretary of the Company shall attend the meeting, and the general manager and other senior management members shall also be present at the meeting.
17	Article 76 Minutes of a general meeting shall be kept by the secretary to the Board . The minutes of the meeting shall specify: (1) time, venue and agenda of the meeting, and the name of the convener; (2) the names of the presider, and the directors, supervisors, general manager and other senior management officers attending or present at the meeting;	Article 74 Minutes of a shareholders' meeting shall be kept by the company secretary. The minutes of the meeting shall specify: (1) time, venue and agenda of the meeting, and the name of the convener; (2) the names of the presider, and the directors, supervisors, general manager and other senior management officers attending or present at the meeting;

No.	Before Amendments	After Amendments
	<p>(3) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company, including the number of domestic shareholders (including proxies) and H Shareholders (including proxies) attending the general meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company;</p> <p>(4) the consideration process, summaries of speeches and voting result for each proposal;</p> <p>(5) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;</p> <p>(6) the names of the lawyer, counting officer and monitoring officer;</p> <p>(7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.</p>	<p>(3) the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company, including the number of domestic shareholders (including proxies) and H Shareholders (including proxies) attending the shareholders' meeting, the total number of voting shares held by them and their respective proportions of these shares to the total number of shares of the Company;</p> <p>(4) the consideration process, summaries of speeches and voting results for each proposal;</p> <p>(5) inquiries or suggestions of the shareholders, and the corresponding responses or explanations;</p> <p>(6) the names of the counting officer and monitoring officer;</p> <p>(7) other contents that shall be recorded in the minutes in accordance with the Articles of Association.</p>
18	<p>Article 77 The convener shall ensure the meeting minutes are true, accurate and complete. Directors, supervisors and the secretary to the Board attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes. The meeting minutes and the signed attendance record of the shareholders who attended in person, the proxy forms for the proxies present at the meeting and the valid information relating to other methods of voting shall be kept together for no less than 10 years.</p>	<p>Article 75 The convener shall ensure the meeting minutes are true, accurate and complete. Directors, supervisors and the company secretary attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes. The meeting minutes and the signed attendance record of the shareholders who attended in person, the proxy forms for the proxies present at the meeting and the valid information relating to other methods of voting shall be kept together for no less than 10 years.</p>

No.	Before Amendments	After Amendments
19	<p>Article 80 The following matters shall be passed by an ordinary resolution of the general meeting:</p> <p>(1) work reports of the board of directors and the board of supervisors;</p> <p>(2) plans for the distribution of company profits and plans to cover losses as drafted by the board of directors;</p> <p>(3) the appointment and dismissal of members of the board of directors and the board of supervisors, along with the remuneration of and payments to such members;</p> <p>(4) the annual financial budget and final accounts for the Company;</p> <p>(5) the Company's annual report;</p> <p>(6) appointment and dismissal of accounting firms, determining the remuneration of accounting firms;</p> <p>(7) the Company intends to engage in connected transactions with related parties with an amount of over RMB30,000,000 and accounting for more than 5% of the absolute value of the Company's latest audited net assets;</p> <p>(8) change the investment project with raised funds;</p> <p>(9) any other matter other than those required by laws, administrative regulations or the Articles of Association to be passed by special resolution.</p>	<p>Article 78 The following matters shall be passed by an ordinary resolution of the shareholders' meeting:</p> <p>(1) work reports of the board of directors and the board of supervisors;</p> <p>(2) plans for the distribution of company profits and plans to cover losses as drafted by the board of directors;</p> <p>(3) the appointment and dismissal of members of the board of directors and the board of supervisors, along with the remuneration of and payments to such members;</p> <p>(4) the Company's annual report;</p> <p>(5) appointment and dismissal of accounting firms, determining the remuneration of accounting firms;</p> <p>(6) change the investment project with raised funds;</p> <p>(7) any other matter other than those required by laws, administrative regulations or the Articles of Association to be passed by special resolution.</p>

No.	Before Amendments	After Amendments
20	<p>Article 85 The list of director and supervisor candidates shall be submitted to the general meeting for voting in the form of a proposal.</p> <p>When voting on the election of directors and supervisors at a general meeting, the cumulative voting system is adopted.</p> <p>Under the aforementioned cumulative voting system, in the election of directors or supervisors at a general meeting, each share shall be entitled to such number of votes that is equal to the number of directors or supervisors to be elected, and a shareholder may allocate all of his/her votes to a single candidate. The Board shall publicly disclose the respective resumes and particulars of director and supervisor candidates to the shareholders.</p> <p>Method and procedure of nomination of directors and supervisors: to be submitted by shareholder(s) individually or collectively holding 3% or more of the shares in the Company, to the board of directors and the board of supervisors separately; after review and approval by the board of directors and the board of supervisors, the board of directors and the board of supervisors will propose at the general meeting for review and approval.</p> <p>The board of directors and the board of supervisors may propose candidates for directors and supervisors.</p>	<p>Article 83 The list of director and supervisor candidates shall be submitted to the shareholders’ meeting for voting in the form of a proposal.</p> <p>When voting on the election of directors and supervisors at a shareholders’ meeting, the cumulative voting system may be adopted.</p> <p>Under the aforementioned cumulative voting system, in the election of directors or supervisors at a shareholders’ meeting, each share shall be entitled to such number of votes that is equal to the number of directors or supervisors to be elected, and a shareholder may allocate all of his/her votes to a single candidate. The Board shall publicly disclose the respective resumes and particulars of director and supervisor candidates to the shareholders.</p> <p>Method and procedure of nomination of directors and supervisors: to be submitted by shareholder(s) individually or collectively holding 3% or more of the shares in the Company, to the board of directors and the board of supervisors separately; after review and approval by the board of directors and the board of supervisors, the board of directors and the board of supervisors will propose at the shareholders’ meeting for review and approval.</p> <p>The board of directors and the board of supervisors may propose candidates for directors and supervisors.</p>
21	<p>Article 88 The same vote may only be cast once on site, online or by other means, provided that if the same vote is cast more than once, only the first vote will be deemed valid.</p>	<p>Article 86 The same vote may only be cast once on site or by other means, provided that if the same vote is cast more than once, only the first vote will be deemed valid.</p>

No.	Before Amendments	After Amendments
22	<p>Article 90 Before voting on any proposal, a general meeting shall choose two shareholders' representatives to participate in the votes counting or scrutinizing, provided that no such shareholders' representative shall be a shareholder who is interested in the subject matter of such proposal or his/her proxy.</p> <p>The counsels, shareholders' representatives and supervisors' representatives shall jointly count and scrutinize the votes cast on such proposal. The voting results shall be declared at the meeting and recorded in the minutes of the meeting.</p> <p>The shareholders, who cast votes online or by other means, whether in person or by proxy, shall have the right to check their voting results through the relevant voting system.</p>	<p>Article 88 Before voting on any proposal, a shareholders' meeting shall choose two shareholders' representatives to participate in the votes counting or scrutinizing, provided that no such shareholders' representative shall be a shareholder who is interested in the subject matter of such proposal or his/her proxy.</p> <p>The shareholders' representatives and supervisors' representatives shall jointly count and scrutinize the votes cast on such proposal at a shareholders' meeting. The voting results shall be declared at the meeting and recorded in the minutes of the meeting.</p> <p>The shareholders, who cast votes by other means, whether in person or by proxy, shall have the right to check their voting results through the relevant voting system.</p>
23	<p>Article 91 The on-site voting at a general meeting shall not end before voting online or by other means. The chairperson shall declare the result of voting on each proposal, and whether such proposal has been adopted accordingly.</p> <p>Before the formal declaration of the result of any voting, the Company, teller(s), scrutineer(s), shareholders, network service providers and other persons involved in voting on site, online or by other means shall have the obligation to keep confidential the information related to the voting.</p>	<p>Article 89 The chairperson of a shareholders' meeting shall declare the result of voting on each proposal, and whether such proposal has been adopted accordingly.</p> <p>Before the formal declaration of the result of any voting, the Company, teller(s), scrutineer(s), shareholders and other persons involved in voting on site or by other means shall have the obligation to keep confidential the information related to the voting.</p>

No.	Before Amendments	After Amendments
24	<p>Article 98 Directors of the Company shall be natural persons, who are not required to hold shares in the Company. A person may not serve as a director of the Company if any of the following circumstances applies:</p> <p>(1) without capacity or with restricted capacity for civil acts;</p> <p>(2) within five years after serving sentence for embezzlement, bribery, infringement or misappropriation of property, or for jeopardizing socialist market economic order, or within five years after serving sentence and being deprived of political rights for crime;</p> <p>(3) within three years after insolvency and liquidation of such company or enterprise where the person acted as a directors, factory manager or business manager and has been held accountable for the insolvency;</p> <p>(4) within three years after company or enterprise the person acted as legal representative is revoked business license and ordered to shut down for violating law on which the person is held accountable;</p> <p>(5) liable to large amount of unliquidated mature debts;</p> <p>(6) currently being prohibited from participating in securities market by the China Securities Regulatory Commission and such barring period has not elapsed;</p> <p>(7) other circumstances as stipulated by the laws, administrative regulations, departmental rules or relevant laws and regulations and regulatory rules of the place where the Company's shares are listed.</p> <p>If the election or appointment of directors has violated the requirements herein, such election or appointment or employment shall be void and invalid. If such circumstances arise during the period of employment of a director, the Company shall dismiss the duties of such director.</p>	<p>Article 96 Directors of the Company shall be natural persons, who are not required to hold shares in the Company. A person may not serve as a director of the Company if any of the following circumstances applies:</p> <p>(1) without capacity or with restricted capacity for civil acts;</p> <p>(2) for embezzlement, bribery, infringement or misappropriation of property, or for jeopardizing socialist market economic order, or within five years after serving a sentence and within two years from the date of expiry of probation, being deprived of political rights for crime;</p> <p>(3) within three years after insolvency and liquidation of such company or enterprise where the person acted as a director, factory manager or business manager and has been held accountable for the insolvency;</p> <p>(4) within three years after the company or enterprise the person acted as legal representative is revoked business license and ordered to shut down for violating the law on which the person is held accountable;</p> <p>(5) liable to large amounts of unliquidated mature debts, resulting in being named a dishonest person subject to enforcement by the People's Court;</p> <p>(6) currently being prohibited from participating in the securities market by the China Securities Regulatory Commission and such barring period has not elapsed;</p> <p>(7) other circumstances as stipulated by the laws, administrative regulations, departmental rules or relevant laws and regulations and regulatory rules of the place where the Company's shares are listed.</p> <p>If the election or appointment of directors has violated the requirements herein, such election or appointment or employment shall be void and invalid. If such circumstances arise during the period of employment of a director, the Company shall dismiss the duties of such director.</p>

No.	Before Amendments	After Amendments
25	<p>Article 100 Directors shall observe the laws, administrative regulations and Articles of Association, and fulfill the following fiduciary duties to the Company:</p> <p>(1) to not abuse their official powers to accept bribes or other unlawful income, and not to misappropriate the properties of the Company;</p> <p>(2) to not misappropriate the Company’s funds;</p> <p>(3) to not deposit the Company’s assets or funds into accounts under their own names or the names of other individuals;</p> <p>(4) to not lend the Company’s funds to others or provide guarantee in favor of others supported by the Company’s property in violation of the Articles of Association without approval of the general meeting or the board of directors;</p> <p>(5) to not enter into contracts or transactions with the Company in violation of the Articles of Association or without approval of the general meeting;</p> <p>(6) to not take advantage of their position to procure business opportunities for themselves or others that should have otherwise been available to the Company or operate businesses similar to that of the Company for their own benefits or on behalf of others without approval of the general meeting;</p> <p>(7) to not accept commissions from transactions between others and the Company for their own benefits;</p> <p>(8) to not disclose any secret of the Company without authorization;</p> <p>(9) to not use their connected relations to damage the interests of the Company;</p>	<p>Article 98 Directors shall observe the laws, administrative regulations and Articles of Association, and fulfill the following fiduciary duties to the Company:</p> <p>(1) to not abuse their official powers to accept bribes or other unlawful income, and not to misappropriate the properties of the Company;</p> <p>(2) to not misappropriate the Company’s funds;</p> <p>(3) to not deposit the Company’s assets or funds into accounts under their own names or the names of other individuals;</p> <p>(4) to not lend the Company’s funds to others or provide a guarantee in favor of others supported by the Company’s property in violation of the Articles of Association without approval of the shareholders’ meeting or the board of directors;</p> <p>(5) to not enter into contracts or transactions with the Company in violation of the Articles of Association or without approval of the shareholders’ meeting;</p> <p>(6) to not take advantage of their position to procure business opportunities for themselves or others that should have otherwise been available to the Company or operate businesses similar to that of the Company for their own benefits or on behalf of others without approval of the board of directors. However, except the business opportunities that cannot be utilized by the Company after they have been reported to and then resolved by the board of directors, or in accordance with the laws, administrative regulations or the Articles of Association;</p>

No.	Before Amendments	After Amendments
	<p>(10) laws, administrative regulations, departmental rules, relevant laws, regulations and regulatory rules of the place where the Company's shares are listed and other fiduciary obligations stipulated in the Articles of Association. Any income obtained by directors in violation of any of the provisions herein shall belong to the Company. The director shall be liable to indemnify the Company against any losses incurred.</p>	<p>(7) to not accept commissions from transactions between others and the Company for their own benefits; (8) to not disclose any secret of the Company without authorization; (9) to not use their connected relations to damage the interests of the Company; (10) laws, administrative regulations, departmental rules, relevant laws, regulations and regulatory rules of the place where the Company's shares are listed and other fiduciary obligations stipulated in the Articles of Association. Any income obtained by directors in violation of any of the provisions herein shall belong to the Company. The director shall be liable to indemnify the Company against any losses incurred.</p>
26	<p>Article 106 Directors shall be liable for compensation if the Company incurred any losses due to violations of applicable provisions of laws, administrative regulations, departmental rules or the Articles of Association on the part of the directors in performing their duties.</p>	<p>Article 104 Directors shall be liable for compensation if the Company incurred any losses due to violations of applicable provisions of laws, administrative regulations, departmental rules or the Articles of Association on the part of the directors in performing their duties. The Company shall be liable for compensation for any damage caused to other persons by the directors when carrying out their duties in the Company; the directors shall also be liable for compensation if they have engaged in intentional misconduct or gross negligence.</p>

No.	Before Amendments	After Amendments
27	<p>Article 110 The board of directors shall exercise the following powers:</p> <p>(1) to convene the general meeting and present reports thereto;</p> <p>(2) to implement resolutions adopted by the general meeting;</p> <p>(3) to determine the Company's operating plans and investment programs;</p> <p>(4) to draft the Company's annual financial budget and final accounts plan;</p> <p>(5) to draft plans for the distribution of company profits and plans to cover losses;</p> <p>(6) to draft plans relating to any increase or reduction in registered capital, the issuance of bonds or other securities, or listing;</p> <p>(7) to draft plans for the Company's major purchases, the acquisition of the Company's shares, merger, demerger, dissolution and change of corporate formation of the Company;</p> <p>(8) to determine, within the scope of the powers granted by the general meeting, matters including the Company's external investments, the sale and purchase of assets, asset mortgages, external guarantees, third party financial management, related-party transactions, donation to other organizations, among other matters;</p> <p>(9) to determine the establishment of the Company's internal management structure;</p> <p>(10) to decide on matters such as appointment or dismissal of the Company's general manager, secretary to the board of directors and on their compensation and incentives/disincentives; to decide on appointment or dismissal of the Company's deputy managers, chief financial officer and other senior officers as nominated by the general manger and on their remuneration and incentives/disincentives;</p>	<p>Article 108 The board of directors shall exercise the following powers:</p> <p>(1) to convene the shareholders' meeting and present reports thereto;</p> <p>(2) to implement resolutions adopted by the shareholders' meeting;</p> <p>(3) to determine the Company's operating plans and investment programs;</p> <p>(4) to draft plans for the distribution of company profits and plans to cover losses;</p> <p>(5) to draft plans relating to any increase or reduction in registered capital, the issuance of bonds or other securities, or listing;</p> <p>(6) to draft plans for the Company's major purchases, the acquisition of the Company's shares, merger, demerger, dissolution and change of corporate formation of the Company;</p> <p>(7) to determine, within the scope of the powers granted by the shareholders' meeting, matters including the Company's external investments, the sale and purchase of assets, asset mortgages, external guarantees, third party financial management, connected transactions, donations to other organizations, among other matters;</p> <p>(8) to apply for bank credit, asset mortgages and borrowed funds;</p> <p>(9) to approve the plan on converting the Company's domestic unlisted shares into overseas listed foreign shares (H Shares) for the purpose of listing on the main board of The Stock Exchange of Hong Kong Limited;</p> <p>(10) to determine the establishment of the Company's internal management structure;</p>

No.	Before Amendments	After Amendments
	<p>(11) to formulate the Company's basic management systems;</p> <p>(12) to formulate plans to amend the Articles of Association;</p> <p>(13) to manage the disclosure of information by the Company;</p> <p>(14) to make proposals to the general meeting on the appointment or replacement of the accounting firm that audits the Company;</p> <p>(15) to listen to the work reports given by the general manager of the Company and oversee the general manager's work;</p> <p>(16) any other power granted by laws, administrative regulations, departmental rules, relevant laws, regulations and regulatory rules of the stock exchange where the Company's shares are listed, or the Articles of Association.</p>	<p>(11) to decide on matters such as the appointment or dismissal of the Company's general manager, and company secretary and on their compensation and incentives/disincentives; to decide on the appointment or dismissal of the Company's deputy managers, chief financial officer and other senior officers as nominated by the general manager and on their remuneration and incentives/disincentives;</p> <p>(12) to formulate the Company's basic management systems;</p> <p>(13) to formulate plans to amend the Articles of Association;</p> <p>(14) to manage the disclosure of information by the Company;</p> <p>(15) to make proposals to the shareholders' meeting on the appointment or replacement of the accounting firm that audits the Company;</p> <p>(16) to listen to the work reports given by the general manager of the Company and oversee the general manager's work;</p> <p>(17) any other power granted by laws, administrative regulations, departmental rules, relevant laws, regulations and regulatory rules of the stock exchange where the Company's shares are listed, or the Articles of Association.</p>

No.	Before Amendments	After Amendments
	<p>The board of directors of the Company shall establish special committees, including the audit, strategy, nomination, remuneration and evaluation committee. The special committees shall be accountable to the board of directors and perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposals of the committees shall be submitted to the board of directors for consideration and approval. All members of the special committees shall be directors, among which audit committee shall only be non-executive directors and consist of at least three members. The majority of its members shall be independent non-executive directors, at least one of whom shall be an independent non-executive director with the appropriate professional qualifications as provided for in the Hong Kong Listing Rules or the appropriate accounting or relevant financial management expertise, and its convener, or chairman, shall be an independent non-executive director. The majority of the members of the remuneration and evaluation committee must be independent non-executive directors and its convener, or chairman, must be an independent non-executive director. The convener, or chairman, of the nomination committee must be the chairman of the board of directors or an independent non-executive director, and the majority of the members also must be independent non-executive directors. In accordance with its requirements, the board of directors may also set up other committees and reshuffle existing committees. The board of directors is responsible for formulating the rules of the special committees to regulate their operation.</p>	<p>The board of directors of the Company shall establish special committees, including the audit, strategy, nomination, remuneration and evaluation committees. The special committees shall be accountable to the board of directors and perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposals of the committees shall be submitted to the board of directors for consideration and approval. All members of the special committees shall be directors, among which the audit committee shall only be non-executive directors and consist of at least three members. The majority of its members shall be independent non-executive directors, at least one of whom shall be an independent non-executive director with the appropriate professional qualifications as provided for in the Hong Kong Listing Rules or the appropriate accounting or relevant financial management expertise, and its convener, or chairman, shall be an independent non-executive director. The majority of the members of the remuneration and evaluation committee must be independent non-executive directors and its convener, or chairman, must be an independent non-executive director. The convener, or chairman, of the nomination committee must be the chairman of the board of directors or an independent non-executive director, and the majority of the members also must be independent non-executive directors. In accordance with its requirements, the board of directors may also set up other committees and reshuffle existing committees. The board of directors is responsible for formulating the rules of the special committees to regulate their operation.</p>

No.	Before Amendments	After Amendments
	Matters exceeding the scope of the authority of the general meeting shall be submitted to the general meeting for consideration.	Matters exceeding the scope of the authority of the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.
28	Article 116 If the chairman of the board of directors cannot or does not perform his/her duties, a director jointly elected by more than half of the directors shall perform such duties.	Article 114 If the chairman of the board of directors cannot or does not perform his/her duties, a director jointly elected by more than half of the directors shall perform such duties.
29	Article 125 The board of directors shall prepare minutes of the meetings of the Board and such minutes shall be signed by the directors present at the meeting. The attending directors are entitled to request that an explanatory record of their comments made at the meeting be noted in the minutes. The minutes of the Board meeting shall be properly kept as corporate documents for a period of not less than ten years.	Article 123 The board of directors shall prepare minutes of the meetings of the Board and such minutes shall be confirmed by the directors present at the meeting. The attending directors are entitled to request that an explanatory record of their comments made at the meeting be noted in the minutes. The minutes of the Board meeting shall be properly kept as corporate documents for a period of not less than ten years.
30	Article 127 The Company shall appoint a secretary to the board of directors, who shall be responsible for preparing for general meetings and meetings of the board of directors, the retention of documents, the management of shareholder materials, etc. The secretary to the board of directors shall be deemed to be the senior officers of the Company, and shall abide by laws, administrative regulations, departmental rules and the Articles of Association.	Delete. (The number of subsequent articles shall be changed correspondingly)

No.	Before Amendments	After Amendments
31	<p>Article 128 The Company shall appoint one general manager, who shall be appointed or dismissed by the board of directors.</p> <p>The Company shall appoint several deputy managers, one chief financial officer, one secretary of the board of directors, who shall be appointed or dismissed by the board of directors.</p> <p>The general manager, the deputy managers, the chief financial officer and the secretary of the board of directors shall be deemed to be the senior officers of the Company.</p>	<p>Article 125 The Company shall appoint one general manager, who shall be appointed or dismissed by the board of directors.</p> <p>The Company shall appoint several deputy managers and one chief financial officer, who shall be appointed or dismissed by the board of directors.</p> <p>The general manager, the deputy managers and the chief financial officer shall be deemed to be the senior officers of the Company.</p>
32	<p>Article 132 The general manager shall report to the board of directors and shall exercise the following functions and powers:</p> <p>(1) to manage the Company’s production and operations, and organize the implementation of Board resolutions and report his/her work to the Board;</p> <p>(2) to organize the implementation of the Company’s annual operating plans and investment programs;</p> <p>(3) to draft the plan for the Company’s internal management structure;</p> <p>(4) to formulate the Company’s basic management systems;</p> <p>(5) to formulate detailed company rules;</p> <p>(6) to make recommendations to the board of directors on the appointment or removal of any deputy manager or the chief financial officer of the Company;</p> <p>(7) to appoint or remove officers of the Company other than those to be appointed or removed by the board of directors; and</p> <p>(8) any other functions and power granted by the Articles of Association and the board of directors.</p> <p>The general manager shall be present at Board meetings.</p>	<p>Article 129 The general manager shall report to the board of directors and shall exercise the following functions and powers:</p> <p>(1) to manage the Company’s production and operations, and organize the implementation of Board resolutions and report his/her work to the Board;</p> <p>(2) to draft the plan for the Company’s internal management structure;</p> <p>(3) to formulate the Company’s basic management systems;</p> <p>(4) to formulate detailed company rules;</p> <p>(5) to make recommendations to the board of directors on the appointment or removal of any deputy manager or the chief financial officer of the Company;</p> <p>(6) to appoint or remove officers of the Company other than those to be appointed or removed by the board of directors; and</p> <p>(7) any other functions and power granted by the Articles of Association or the board of directors.</p> <p>The general manager shall be present at Board meetings.</p>

No.	Before Amendments	After Amendments
33	<p>Article 137 The Company shall appoint a secretary to the board of directors who shall be responsible for the matters relating to preparations for general meeting and Board meetings, keeping of documentation and managing shareholders' data. Where the company has assigned company secretary to handle the abovementioned matters pursuant to the Hong Kong Listing Rules and the company has appointed joint company secretaries, the company secretary shall handle the above matters in accordance with the relevant rules. The company secretary shall be responsible for handling matters such as information disclosure of the Company.</p> <p>The secretary to the board of directors (and company secretary) shall comply with laws, administrative regulations, departmental rules, the relevant requirements of the laws, regulations and regulatory rules of the place where the Company's shares are listed and the Articles of Association.</p>	<p>Article 134 The Company shall appoint a company secretary who shall be responsible for the matters relating to preparations for shareholders' meetings and Board meetings, keeping of documentation and managing shareholders' data. Where the Company has assigned a company secretary to handle the abovementioned matters pursuant to the Hong Kong Listing Rules and the company has appointed joint company secretaries, the company secretary shall handle the above matters in accordance with the relevant rules. The company secretary shall be responsible for handling matters such as information disclosure of the Company.</p> <p>The company secretary shall comply with laws, administrative regulations, departmental rules, the relevant requirements of the laws, regulations and regulatory rules of the place where the Company's shares are listed and the Articles of Association.</p>
34	<p>Article 138 If a senior management member contravenes the provisions of laws, administrative regulations, departmental rules or the Articles of Associations when carrying out his/her duties in the Company shall be liable to compensate the Company for the losses thereof.</p>	<p>Article 135 If a senior management member contravenes the provisions of laws, administrative regulations, departmental rules or the Articles of Associations when carrying out his/her duties in the Company, he/she shall be liable to compensate the Company for the losses thereof. The Company shall be liable for compensation for any damage caused to other persons by the senior management member when carrying out his/her duties in the Company; the senior management personnel shall also be liable for compensation if they have engaged in intentional misconduct or gross negligence.</p>

No.	Before Amendments	After Amendments
35	<p>Article 148 The Company shall establish a board of supervisors. The board of supervisors shall consist of 3 supervisors, and a chairman. The appointment or dismissal of the chairman shall be subject to the affirmative vote of no less than two-thirds supervisors. The chairman shall convene and preside over meetings of the board of supervisors. Where the chairman is unable to exercise his powers or fails to do so, a supervisor jointly nominated by an absolute majority of supervisors shall convene and preside over meetings of the board of supervisors.</p> <p>The board of supervisors shall be composed of shareholder representatives, external supervisors, and an appropriate proportion of company employee representatives. The number of employee representatives shall be no less than one-third of all supervisors. The external supervisor in the supervisory board refers to a supervisor who does not hold any position other than a company supervisor, except for shareholder representative supervisors and internal supervisors. Shareholder representative supervisors are nominated by shareholders who individually or jointly hold more than 3% of the company’s shares, while external supervisors are nominated by the supervisory board and elected or replaced by the general meeting. Employee representatives on the board of supervisors shall be democratically elected by employees through the employee representative congress, the employee congress, or any other means.</p>	<p>Article 145 The Company shall establish a board of supervisors. The board of supervisors shall consist of 3 supervisors, and a chairman. The appointment or dismissal of the chairman shall be subject to the affirmative vote of no less than two-thirds of supervisors. The chairman shall convene and preside over meetings of the board of supervisors. Where the chairman is unable to exercise his powers or fails to do so, a supervisor jointly nominated by more than half of the supervisors shall convene and preside over meetings of the board of supervisors.</p> <p>The board of supervisors shall be composed of shareholder representatives, external supervisors, and an appropriate proportion of company employee representatives. The number of employee representatives shall be no less than one-third of all supervisors. The external supervisor in the supervisory board refers to a supervisor who does not hold any position other than a company supervisor, except for shareholder representative supervisors and internal supervisors. Shareholder representative supervisors are nominated by shareholders who individually or jointly hold more than 3% of the company’s shares, while external supervisors are nominated by the supervisory board and elected or replaced by the shareholders’ meeting. Employee representatives on the board of supervisors shall be democratically elected by employees through the employee representative congress, the employee congress, or any other means.</p>

No.	Before Amendments	After Amendments
36	<p>Article 149 The board of supervisors shall exercise the following powers:</p> <p>(1) to examine and give written examination opinions on the Company’s regular reports prepared by the board of directors;</p> <p>(2) to review the financial affairs of the Company;</p> <p>(3) to monitor the conduct of the directors or senior officers in the course of performing their duties and to propose the recall of any director or senior officer who violates any law or administrative regulations, or the Articles of Association;</p> <p>(4) to require any director or senior officer who damages the Company’s interests to take remedial action;</p> <p>(5) to propose interim general meetings, and to convene and preside over a general meeting when the board of directors fails to perform its duty to convene and preside over a general meeting as prescribed in the Company Law;</p> <p>(6) to submit proposals to the general meeting;</p> <p>(7) to file a suit against any director or senior officer of the Company in accordance with the provisions of Article 151 of the Company Law; and</p> <p>(8) to undertake an investigation on discovering any irregularities in the operation of the Company and, where necessary, engage an accounting firm to assist in any such investigation at the expense of the Company.</p>	<p>Article 146 The board of supervisors shall exercise the following powers:</p> <p>(1) to examine and give written examination opinions on the Company’s regular reports prepared by the board of directors;</p> <p>(2) to review the financial affairs of the Company;</p> <p>(3) to monitor the conduct of the directors or senior officers in the course of performing their duties and to propose the dismissal of any director or senior officer who violates any law or administrative regulations, the Articles of Association or resolutions of the shareholders’ meeting;</p> <p>(4) to require any director or senior officer who damages the Company’s interests to take remedial action;</p> <p>(5) to propose interim shareholders’ meetings, and to convene and preside over a shareholders’ meeting when the board of directors fails to perform its duty to convene and preside over a shareholders’ meeting as prescribed in the Company Law;</p> <p>(6) to submit proposals to the shareholders’ meeting;</p> <p>(7) to file a suit against any director or senior officer of the Company in accordance with the provisions of Article 189 of the Company Law; and</p> <p>(8) to undertake an investigation on discovering any irregularities in the operation of the Company and, where necessary, engage professional institutions, such as accounting firms and law firms, to assist in any such investigation at the expense of the Company.</p>

No.	Before Amendments	After Amendments
37	<p>Article 150 The board of supervisors shall hold meetings no less than once every six months. An interim meeting may be convened at the request of the supervisors. Resolutions of the board of supervisors shall be adopted by no less than two-thirds (inclusive) of the supervisors.</p>	<p>Article 147 The board of supervisors shall hold meetings no less than once every six months. An interim meeting may be convened at the request of the supervisors. Resolutions of the board of supervisors shall be adopted by no less than two-thirds (inclusive) of the supervisors.</p> <p>When voting on resolutions of the board of supervisors, one supervisor shall have one vote.</p>
38	<p>Article 159 In distributing its current-year after-tax profits, the Company shall allocate 10% of its profit to its statutory reserve fund. Allocations to the Company's statutory reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company's registered capital.</p> <p>Where the statutory reserve fund is not sufficient to cover any loss made by the Company in the previous year, the current year's profit shall be used to cover such loss before any allocation is made to the statutory reserve fund pursuant to the preceding paragraph.</p> <p>After an allocation to the statutory reserve fund has been made from the after-tax profit of the Company, and subject to the adoption of a resolution by the general meeting, an allocation may be made to the discretionary reserve fund.</p> <p>After the Company has covered its losses and made allocations to the reserve funds, any remaining profit shall be distributed to the shareholders in proportion to their respective shareholdings unless otherwise stipulated in the Articles of Association.</p> <p>Where the general meeting, in violation of the preceding paragraph, distributes profits to the shareholders before covering company losses and making an allocation to the company statutory reserve fund, the profits so distributed must be returned to the Company.</p>	<p>Article 156 In distributing its current-year after-tax profits, the Company shall allocate 10% of its profit to its statutory reserve fund. Allocations to the Company's statutory reserve fund may be waived once the cumulative amount of funds therein exceeds 50% of the Company's registered capital.</p> <p>Where the statutory reserve fund is not sufficient to cover any loss made by the Company in the previous year, the current year's profit shall be used to cover such loss before any allocation is made to the statutory reserve fund pursuant to the preceding paragraph.</p> <p>After an allocation to the statutory reserve fund has been made from the after-tax profit of the Company, and subject to the adoption of a resolution by the shareholders' meeting, an allocation may be made to the discretionary reserve fund.</p> <p>After the Company has covered its losses and made allocations to the reserve funds, any remaining profit shall be distributed to the shareholders in proportion to their respective shareholdings unless otherwise stipulated in the Articles of Association.</p> <p>Where the shareholders' meeting, in violation of the preceding paragraph, distributes profits to the shareholders before covering company losses and making an allocation to the company statutory reserve fund, the profits so distributed must be returned to the Company. The shareholders and director(s) liable, supervisors and senior management shall be liable to indemnify the Company against any losses incurred.</p>

No.	Before Amendments	After Amendments
39	<p>Article 160 The Company's common reserve fund shall be applied to cover the losses of the Company, expand its business operations or be converted to increase the capital of the Company. However, the capital reserve fund may not be used to cover the Company's losses.</p> <p>Upon the conversion of statutory common reserve fund into capital, the balance of the common reserve fund shall not be less than 25% of the registered capital of the Company before such conversion.</p>	<p>Article 157 The Company's common reserve fund shall be applied to cover the losses of the Company, expand its business operations or be converted to increase the capital of the Company. To cover the losses of the Company with the capital reserve fund, the discretionary reserve fund and statutory reserve fund shall be used first; if it cannot be covered, the capital reserve fund can be used according to regulations.</p> <p>Upon the conversion of the statutory common reserve fund into capital, the balance of the common reserve fund shall not be less than 25% of the registered capital of the Company before such conversion.</p>
40	<p>Article 161 Subject to the requirements of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, after the resolution on the profit distribution plan has been adopted at the general meeting of the Company, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months from the convening of the general meeting.</p>	<p>Article 158 Subject to the requirements of laws and regulations and the securities regulatory rules of the place where the Company's shares are listed, after the resolution on the profit distribution plan has been adopted at the shareholders' meeting of the Company, or after the board of directors of the Company has formulated a specific plan based on the next year's interim dividend conditions and upper limit reviewed and approved by the annual general meeting, the board of directors of the Company shall complete the distribution of dividends (or shares) within two months from the convening of the shareholders' meeting.</p>

No.	Before Amendments	After Amendments
41	Article 165 The Company shall publish its financial report under the international accounting standards or the accounting standards of the overseas place where the Company's shares are listed twice each financial year, including the annual financial report within 4 months after the closing date of each accounting year, and the interim financial report within 2 months after the closing date of the first half in each accounting year.	Article 162 The Company shall publish its financial report under the international accounting standards or the accounting standards of the overseas place where the Company's shares are listed twice each financial year, including the annual financial report within 4 months after the closing date of each accounting year, and the interim financial report within 3 months after the closing date of the first half in each accounting year.
42	Article 183 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's merger resolution and shall publish an announcement on newspapers within 30 days from the date of such resolution. The creditors shall, within 30 days of the receipt of the notice or, for those who do not receive the notice, within 45 days from the date of the announcement, demand the Company to settle their debts or provide corresponding guarantees for such debts. The resolution of merger or division of the Company shall be contained in a special document and uploaded to HKEX website and the Company's website according to the requirements of Hong Kong Listing Rules for inspection by shareholders. For shareholders of overseas listed foreign shares, the aforesaid documents shall also be served by mail or in a manner permitted by the securities regulatory authority of the place where the Company's shares are listed.	Article 180 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's merger resolution and shall publish an announcement in newspapers or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. The creditors shall, within 30 days of the receipt of the notice or, for those who do not receive the notice, within 45 days from the date of the announcement, demand the Company to settle their debts or provide corresponding guarantees for such debts. The resolution of the merger or division of the Company shall be contained in a special document and uploaded to the HKEX website and the Company's website according to the requirements of Hong Kong Listing Rules for inspection by shareholders. For shareholders of overseas listed foreign shares, the aforesaid documents shall also be served by mail or in a manner permitted by the securities regulatory authority of the place where the Company's shares are listed.

No.	Before Amendments	After Amendments
43	<p>Article 185 When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division, the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's resolution on division, and shall publish an announcement on newspapers within 30 days from the date of such resolution.</p>	<p>Article 182 When the Company is divided, its assets shall be split up accordingly.</p> <p>In the event of a division, the Company shall prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's resolution on division, and shall publish an announcement on newspapers or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.</p>
44	<p>Article 187 Where the Company is required to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days from the date of the Company's resolution on reduction of registered capital and shall publish an announcement on newspapers within 30 days from the date of such resolution. The creditors shall, within 30 days of the receipt of the notice or, for those who do not receive the notice, within 45 days from the date of the announcement, demand the Company to settle their debts or provide corresponding guarantees for such debts.</p> <p>The registered capital of the Company after reduction shall not be less than the statutory minimum amount.</p>	<p>Article 184 Where the Company is required to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days from the date of passing the Company's resolution on reduction of registered capital at a shareholders' meeting and shall publish an announcement on newspapers or in the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. The creditors shall, within 30 days of the receipt of the notice or, for those who do not receive the notice, within 45 days from the date of the announcement, demand the Company to settle their debts or provide corresponding guarantees for such debts.</p> <p>When the Company reduces its registered capital, it shall reduce its shares in proportion to the shares held by its shareholders, unless otherwise provided by law.</p> <p>The registered capital of the Company after reduction shall not be less than the statutory minimum amount.</p>

No.	Before Amendments	After Amendments
45	<p>Article 190 The Company may be dissolved for any of the following reasons:</p> <p>(1) the operating term prescribed in the Articles of Association has expired, or any other grounds for dissolution prescribed in the Articles of Association have arisen;</p> <p>(2) the general meeting has adopted a resolution to dissolve the Company;</p> <p>(3) dissolution is required due to a merger involving the Company or the breakup of the Company;</p> <p>(4) the Company’s business license has been lawfully revoked, or the Company has been ordered to close down or wound up; or</p> <p>(5) where serious difficulties have arisen in the operation of the Company and the continuation of the Company would certainly damage the shareholders’ interests to a significant extent; however, where any such scenario cannot be resolved through other channels, shareholders representing more than 10% of all voting rights may petition the people’s court to dissolve the Company.</p>	<p>Article 187 The Company may be dissolved for any of the following reasons:</p> <p>(1) the operating term prescribed in the Articles of Association has expired, or any other grounds for dissolution prescribed in the Articles of Association have arisen;</p> <p>(2) the shareholders’ meeting has adopted a resolution to dissolve the Company;</p> <p>(3) dissolution is required due to a merger involving the Company or the breakup of the Company;</p> <p>(4) the Company’s business license has been lawfully revoked, or the Company has been ordered to close down or wound up; or</p> <p>(5) where serious difficulties have arisen in the operation of the Company and the continuation of the Company would certainly damage the shareholders’ interests to a significant extent; however, where any such scenario cannot be resolved through other channels, shareholders representing more than 10% of all voting rights may petition the people’s court to dissolve the Company.</p> <p>If the Company has any grounds for dissolution specified in the preceding paragraph, it shall publicize the grounds for dissolution through the National Enterprise Credit Information Publicity System within ten days.</p>

No.	Before Amendments	After Amendments
46	<p>Article 191 Where the circumstances described in item (1) of Article 190 apply to the Company, it may amend its Articles of Association to continue its existence. Any amendment made to the Articles of Association pursuant to the preceding paragraph shall be adopted by no less than two-thirds of all voting shareholders in attendance at the relevant general meeting.</p>	<p>Article 188 Where the circumstances described in item (1) and (2) of Article 187 apply to the Company, and that has not distributed its property to its shareholders, it may amend its Articles of Association or obtain approval by resolution at the shareholders' meeting to continue its existence. Any amendment made to the Articles of Association or obtaining approval by resolution at the shareholders' meeting pursuant to the preceding paragraph shall be adopted by no less than two-thirds of all voting shareholders in attendance at the relevant shareholders' meeting.</p>
47	<p>Article 192 Where the Company is to be dissolved pursuant to items (1), (2), (4) or (5) Article 190 of the Articles of Association, a liquidation committee shall be established within 15 days from the date when the event of dissolution occurs. The liquidation committee shall be composed of directors or members determined by the general meeting. Where the Company fails to form a liquidation committee to liquidate the Company within the prescribed period of time, its creditors may petition the people's court to appoint the relevant persons to establish a liquidation committee and liquidate the Company.</p>	<p>Article 189 Where the Company is to be dissolved pursuant to items (1), (2), (4) or (5) in Article 187 of the Articles of Association, a liquidation committee shall be established within 15 days from the date when the event of dissolution occurs. The liquidation committee shall be composed of directors or members determined by the shareholders' meeting. Where the Company fails to form a liquidation committee to liquidate the Company within the prescribed period of time or fails to carry out liquidation after forming the liquidation committee, its stakeholders may petition the people's court to appoint the relevant persons to establish a liquidation committee and liquidate the Company.</p> <p>Where the Company is dissolved in accordance with the provisions of item (4) of Article 187 of the Articles of Association, the department or the company registration authority that made the decision to revoke the business license, order closure or revocation may apply to the people's court for designating relevant persons to form a liquidation committee to carry out liquidation.</p>

No.	Before Amendments	After Amendments
48	<p>Article 194 The liquidation committee shall notify creditors within ten days of its establishment, and shall make a public announcement on newspaper within 60 days. Creditors shall file their claims with the liquidation committee within 30 days of receiving the notice, or within 45 days of publication of the first notice if any such creditor does not receive the notice.</p> <p>In filing their claims, creditors shall provide all relevant details relating thereto and provide supporting materials. The liquidation committee shall make records of such claims.</p> <p>The liquidation committee shall not pay out on any creditors' claims while such claims are still being filed.</p>	<p>Article 191 The liquidation committee shall notify creditors within ten days of its establishment, and shall make a public announcement in newspapers or the National Enterprise Credit Information Publicity System within 60 days. Creditors shall file their claims with the liquidation committee within 30 days of receiving the notice, or within 45 days of publication of the first notice if any such creditor does not receive the notice.</p> <p>In filing their claims, creditors shall provide all relevant details relating thereto and provide supporting materials. The liquidation committee shall make records of such claims.</p> <p>The liquidation committee shall not pay out on any creditors' claims while such claims are still being filed.</p>
49	<p>Article 196 Where the liquidation committee, after identifying the Company's assets and preparing the balance sheet and schedule of assets, discovers that the Company does not have sufficient assets to repay the Company's debts in full, the liquidation committee shall file a bankruptcy petition with the people's court in accordance with the law.</p> <p>Once the people's court has ruled that the Company be adjudicated bankrupt, the liquidation committee shall transfer the liquidation of the Company to the people's court.</p>	<p>Article 193 Where the liquidation committee, after identifying the Company's assets and preparing the balance sheet and schedule of assets, discovers that the Company does not have sufficient assets to repay the Company's debts in full, the liquidation committee shall file a bankruptcy liquidation with the people's court in accordance with the law.</p> <p>Once the people's court has accepted the Company's bankruptcy application, the liquidation group shall transfer the liquidation of the company to the bankruptcy administrator designated by the people's court.</p>

No.	Before Amendments	After Amendments
50	<p>Article 198 Members of the liquidation committee shall act faithfully in discharge of their duties and shall perform their liquidation obligations in accordance with the law.</p> <p>Members of the liquidation committee shall not abuse their authority to accept any bribes or other illegal income and shall not seize the Company's property. Any member of the liquidation committee who willfully or through gross negligence causes losses to the Company or its creditors shall be liable for compensation.</p>	<p>Article 195 Members of the liquidation committee shall perform their liquidation duties and assume duties of loyalty and diligence.</p> <p>Any member of the liquidation committee who neglects to perform the liquidation duties and causes losses to the Company, shall be liable for compensation; any member of the liquidation committee who willfully or through gross negligence causes losses to the creditors shall be liable for compensation.</p>

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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Laopu Gold Co., Ltd. **老鋪黃金股份有限公司**

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6181)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “EGM”) of Laopu Gold Co., Ltd. (the “Company”) will be held at Conference Room, LG Floor, Grand Hyatt Beijing, No. 1 Dong Chang’an Avenue, Dongcheng District, Beijing, the PRC on Friday, 20 September 2024 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions (with or without amendments). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 5 September 2024.

Ordinary Resolutions

1. To consider and approve the Proposed Adjustment of the Remuneration of Independent Non-Executive Directors.
2. To consider and approve the Proposed Amendments to Certain Rules and Measures of the Company:
 - 2.1 Rules of Procedures for the General Meeting;
 - 2.2 Rules of Procedures for Meetings of the Board of Directors;
 - 2.3 Working Rules for the Independent Non-executive Directors;
 - 2.4 Administrative Measures for External Investments;
 - 2.5 Administrative Measures for External Guarantees;
 - 2.6 Administrative Measures for Connected Transactions; and
 - 2.7 Rules of Procedures for Meetings of the Board of Supervisors.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

3. To consider and approve the Proposed Abolishment of Certain Rules of the Company:
 - 3.1 Management Rules of Information Disclosure;
 - 3.2 Management Rules of Raised Funds; and
 - 3.3 Management Rules Regulating Capital Transactions with Related Parties.
4. To consider and approve the Proposed H Share Full Circulation:
 - 4.1 Proposed Application for the H Share Full Circulation; and
 - 4.2 Proposed Grant of Authorization to the Board and its Delegated Persons to Handle Matters Relating to the H Share Full Circulation.

Special Resolutions

5. To consider and approve the General Mandate for the Issuance of Shares;
6. To consider and approve the General Mandate for the Repurchase of H Shares; and
7. To consider and approve the Proposed Amendments to the Articles of Association and Adoption of the New Articles of Association.

By Order of the Board

Laopu Gold Co., Ltd.

老鋪黃金股份有限公司

Xu Gaoming

Chairman of the Board and Executive Director

5 September 2024

Notes:

- (1) Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer or attorney duly authorized.
- (3) In order to be valid, the proxy form together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) or the Company's office at Rooms 3-6, 6/F No. 3 West Building, The Towers at Oriental Plaza, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, the PRC (for Unlisted Share Shareholders) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. Thursday, 19 September 2024 at 10:00 a.m.), or any adjourned meeting thereof (as the case may be).

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

- (4) Completion and return of the proxy form shall not preclude the Shareholders from attending and voting in person at the EGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the proxy form shall be deemed to be revoked.
- (5) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall alone be entitled to vote in respect thereof.
- (6) For the purpose of determining the H Shareholders entitled to attend and vote at the EGM, the register of members of H Shares will be closed from Monday, 16 September 2024 to Friday, 20 September 2024 (both days inclusive). The record date for determining the entitlement of the Shareholders to attend and vote at the EGM will be Friday, 20 September 2024. In order to qualify for the entitlement to attend and vote at the above EGM, the H Shareholders must lodge all transfer forms accompanied by the relevant H share certificates with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Friday, 13 September 2024.
- (7) All resolutions at the EGM will be decided on a poll. Shareholders will still be able to vote by doing so in advance of the EGM by proxy. If a Shareholder (other than those who can attend the EGM physically) wishes to vote on any resolution at the EGM, he/she/it can appoint the chairman of the EGM or proxy who can attend the EGM physically to exercise his/her/its right to vote at the EGM in accordance with his/her/its instructions.
- (8) Shareholders who attend the EGM shall be responsible for their own travel and accommodation expenses. Shareholders (or their proxies) attending the meeting shall procure their identity documents.
- (9) All times refer to Hong Kong local time, except as otherwise stated.

As at the date of this notice, the Board comprises (i) Mr. Xu Gaoming, Mr. Feng Jianjun, Mr. Xu Rui and Mr. Jiang Xia as executive directors; and (ii) Mr. Sun Yijun, Dr. He Yurun and Mr. See Tak Wah as independent non-executive directors.