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洛 阳 钼 业

洛 陽 樂 川 鉬 業 集 團 股 份 有 限 公 司

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

(Stock Code: 03993)

**AMENDMENTS TO THE EMPLOYEE SHARE OWNERSHIP PLAN
ACCOMPLISHMENT OF THE PERFORMANCE APPRAISAL
INDICATORS OF THE EMPLOYEE SHARE OWNERSHIP PLAN
PURCHASE OF STRUCTURED DEPOSIT WITH
INTERNAL IDLE FUND
PURCHASE OF WEALTH MANAGEMENT OR
ENTRUSTED WEALTH MANAGEMENT PRODUCTS WITH
INTERNAL IDLE FUND
PROVISION OF GUARANTEE TO
WHOLLY-OWNED SUBSIDIARIES
AND
PROVISION OF SUPPLY CHAIN FINANCING GUARANTEE BY
IXM TO ITS SUPPLIERS**

I. AMENDMENTS TO THE EMPLOYEE SHARE OWNERSHIP PLAN

We refer to the announcement and the circular of China Molybdenum Co., Ltd. (the “**Company**”) dated 5 May 2021 and the poll result announcement of the Company dated 23 May 2021, in relation to, among other things, the adoption of the 2021 First Phase of Employee Share Ownership Plan of the Company (the “**Employee Share Ownership Plan**” or “**ESOP**”). The 2020 annual general meeting of the Company has considered and approved the Employee Share Ownership Plan and authorized the board (the “**Board**”) of directors (the “**Directors**”) of the Company to handle matters in relation to the Employee Share Ownership Plan including stipulation and revision of the Employee Share Ownership Plan and the lock-up, unlock and allocation of shares purchased under the Employee Share Ownership Plan.

1. Basic Information

Considering the resignation of an original ESOP participant, to further improve the management of the ESOP, pursuant to the authorization from the general meeting of the Company, on 10 June 2022, the Board has resolved to amend the Employee Share Ownership Plan and the administrative measures for the Employee Share Ownership Plan (the “**Amendments**”). For further details of the Amendments, please refer to the appendix to this announcement. For full sets of the revised Employee Share Ownership Plan and the revised administrative measures for the Employee Share Ownership Plan, please refer to the overseas regulatory announcement of the Company dated 12 June 2022.

2. Impact of the Amendments

The amendments to the Employee Share Ownership Plan and its administrative measures will help to further promote the implementation of the Employee Share Ownership Plan, and the Amendments comply with the Company Law of the People’s Republic of China (《中華人民共和國公司法》, the “**Company Law**”), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》, the “**Securities Law**”), the Guiding Opinions on Pilot Implementation of Employee Share Ownership Plan for Listed Companies (《關於上市公司實施員工持股計劃試點的指導意見》, the “**Guiding Opinions**”). The Amendments will not detriment the interests of the Company and its shareholders.

3. Decision-making Procedure for the Amendments

On 10 June 2022, the second meeting of the holders of the 2021 First Phase of the Employee Share Ownership Plan, the fifth extraordinary meeting of the sixth session of the Board and the ninth meeting of the sixth session of the supervisory committee of the Company have considered and approved to amend the Employee Share Ownership Plan. The independent non-executive Directors approved the Amendments.

According to the authorization of the 2020 annual general meeting of the Company, the Amendments will be implemented after consideration and approval by the Board and are not subject to the approval of the general meeting of the Company.

4. Opinions from Independent Non-executive Directors

- (1) The Amendments are in line with the actual situation of the Employee Share Ownership Plan and has been considered and approved at the second holders' meeting of the Employee Share Ownership Plan, and the relevant decision-making procedures are legal and effective.
- (2) The revised Employee Share Ownership Plan is in compliance with the provisions of the Company Law, the Securities Law, the Guiding Opinions and other relevant laws, regulations and regulatory documents, and there are no circumstances that are detrimental to the interests of the Company and its shareholders, nor are there circumstances that compel employees to participate in the Employee Share Ownership Plan by way of apportionment or forced distribution.
- (3) Related Directors has abstained from voting upon consideration of the proposals relating to the Amendments, and the procedure was legal and in compliance with relevant regulations.

5. Opinions from Lawyers

Llinks Law Offices issued the following legal opinion on the Amendments: The Company has fulfilled the necessary approvals and authorizations for the Amendments in accordance with the Company Law, the Securities Law, the Guidance Opinions, the Guidelines No. 1 for the Self-regulation of Companies Listed on the Shanghai Stock Exchange–Compliant Operation (《上海證券交易所上市公司自律監管指引第1號—規範運作》，the “**Self-Regulatory Guidelines**”) and other relevant laws, regulations and regulatory documents. The Amendments are in compliance with the Company Law, the Securities Law, the Guiding Opinions, the Self-Regulatory Guidelines and other relevant laws, regulations and regulatory documents.

Pursuant to relevant laws and regulations, Mr. Yuan Honglin, Mr. Li Chaochun and Mr. Sun Ruiwen have abstained from voting on the relevant Board resolutions due to conflicts of interest or potential conflicts of interest with the Employee Share Ownership Plan. Save as disclosed above, none of the Directors have a material interest in the Employee Share Ownership Plan.

II. ACCOMPLISHMENT OF THE PERFORMANCE APPRAISAL INDICATORS OF THE EMPLOYEE SHARE OWNERSHIP PLAN

1. Basic Information

According to the audit report issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP, the performance appraisal targets regarding the first tranche of interest allocation period of the Employee Share Ownership Plan has been fulfilled. Other than the ESOP participant resigned from the Company, the personal performance appraisal indicators of other ESOP participants for the first tranche of interest allocation period have been confirmed as accomplished by the human resources department of the Company after assessment as follows:

	Appraisal Indicators	Completion	Appraisal
Performance Appraisal Indicators for the Company	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2021 shall not be more than 60%;	The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2021 is 49%.	Fulfilled
	(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2021 shall not be less than 12%.	The compound annual growth rate of return on equity in 2021 is 122%.	Fulfilled
Personal Performance Appraisal Indicators	The personal performance appraisal indicators are divided into three categories: excellent, qualified and unqualified. Employees participating in the Employee Share Ownership Plan shall be rated as excellent or above in their personal annual assessment.	A total of five employees participated in the Employee Share Ownership Plan, of which one employee resigned from the Company during the lock-up period. After consideration and approval by the second meeting of the management committee of the Employee Share Ownership Plan, the remaining four employees are eligible to participate in the Employee Share Ownership Plan. The individual appraisal results of such Incentive participants in 2021 are all rated as excellent and above, which has met the requirements.	Fulfilled

According to the provisions of the Employee Share Ownership Plan, the management committee of the Employee Share Ownership Plan may assign the units and corresponding interests unlocked during the first tranche of interest allocation period to the incentive participants through non-trading transfer. The details of the unlocking of shares are as follows:

No.	 Holders	 Positions	 Amount of Units
1	Sun Ruiwen	President	10,800,000
2	Yuan Honglin	Chairman of the Board	4,807,972
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer	4,500,000
4	Liu Dajun	Assistant to president	<u>4,500,000</u>
Total			<u><u>24,607,972</u></u>

2. Opinions from the Independent Non-Executive Directors

The independent non-executive Directors are of the view that after their verification, the unlocking conditions for the first unlocking period of the Employee Share Ownership Plan have been met in compliance with laws and regulations including Guiding Opinions and the relevant provisions of the Employee Share Ownership Plan and the administrative measures for the Employee Share Ownership Plan. The company performance appraisal indicators and individual performance appraisal indicators have been accomplished and the unlocking of the Employee Share Ownership Plan has not violated the interests of the Company and its shareholders, especially small and medium shareholders. The independent non-executive Directors unanimously agreed with the accomplishment of the unlocking conditions.

3. Arrangements Following the Expiry of the First Lock-up Period

The Employee Share Ownership Plan will strictly abide by the market trading rules and the prohibition of buying and selling stocks during the sensitive period of information. All parties shall not use the Employee Share Ownership Plan to conduct securities fraud such as insider trading and market manipulation. Sensitive periods include but are not limited to:

- (1) Within 30 days before the publication of the Company's annual report or interim report, if the date of publication of the annual report or interim report is postponed due to special reasons, the sensitive period shall start from the 30th day prior to the original publication date to one day before the publication of the report;
- (2) Within 10 days before the publication of the Company's quarterly report, profit forecast, and preliminary financial data;
- (3) From the date of the occurrence of a major event that may have a relatively great impact on the trading price of the Company's stocks and derivatives, or the date of entering the decision-making process of such event, to the date of disclosure of such event according to law;
- (4) Other periods stipulated by the China Securities Regulatory Commission and the stock exchanges.

4. Others

The Company will continue to pay attention to the implementation of the Employee Share Ownership Plan, and timely perform its information disclosure obligations in accordance with relevant laws and regulations.

Pursuant to relevant laws and regulations, Mr. Yuan Honglin, Mr. Li Chaochun and Mr. Sun Ruiwen have abstained from voting on the relevant Board resolution due to conflicts of interest or potential conflicts of interest with the Employee Share Ownership Plan. Save as disclosed above, none of the Directors have a material interest in the Employee Share Ownership Plan.

III. PURCHASE OF STRUCTURED DEPOSIT WITH INTERNAL IDLE FUND

We refer to the announcement dated 12 June 2022 in relation to the poll results of the 2021 annual general meeting of the Company (the “AGM”), upon the approval of the Shareholders at the AGM and according to the actual needs of the Company, the Board agreed to authorize the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of purchase of structured deposit with internal idle fund within the scope of the authorization of the AGM. Such authorization will take effect until the date of the 2022 annual general meeting of the Company and the details of which are as set out as follows:

1. type and amount of the deposit: the structured deposit products purchased by the Company are mainly short term products, the balance cap of the unmatured structured deposit products shall not exceed RMB12 billion (or equivalent amount in foreign currency);
2. term of the deposit: each separate service shall not exceed 12 months;
3. validity term: shall be effective from the date of the passing of relevant resolution at the AGM to the date of convening the 2022 annual general meeting.

IV. PURCHASE OF WEALTH MANAGEMENT OR ENTRUSTED WEALTH MANAGEMENT PRODUCTS WITH INTERNAL IDLE FUND

We refer to the announcement dated 12 June 2022 in relation to the poll results of the AGM, upon the approval of the Shareholders at the AGM and in order to improve the efficiency of the use of idle fund and maximize the utility value of fund of the Company, on the premise of ensuring the Company’s daily stable operations, fund safety, operational compliance, and risks control, the Board agreed to authorize the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of purchase of wealth management or entrusted wealth management products with internal idle fund within the scope of the authorization of the AGM. Such authorization will take effect until the date of the 2022 annual general meeting of the Company and the details of which are as set out as follows:

1. size of investment: the balance cap of the unmatured wealth management or entrusted wealth management investment shall not be more than RMB10 billion (or equivalent amount in foreign currency), the funds within such cap may be used on a rolling basis;
2. investment targets: wealth management or entrusted wealth management products with high security and good liquidity (excluding structured deposit products);

3. validity term: from the date of the passing of relevant resolution at the AGM to the date of convening the 2022 annual general meeting.

V. PROVISION OF GUARANTEE TO WHOLLY-OWNED SUBSIDIARIES

We refer to the announcement dated 12 June 2022 in relation to the poll results of the AGM, upon the approval of the Shareholders at the AGM and in order to better support the development of the Company's direct or indirect wholly-owned subsidiaries and respond more timely to its financing needs and reduce its financing costs, according to the Company's actual operation status, the Board agreed to authorize the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of provision of guarantee to the wholly-owned subsidiaries of the Company within the scope of the authorisation of the AGM. Such authorisation will take effect until the date of the 2022 annual general meeting of the Company and the details of which are as set out as follows:

1. amount of guarantee: accumulated maximum balance amount of RMB59.5 billion (or equivalent amount in foreign currency);
2. types of guarantee: loans applied from domestic and foreign financial institutions, bond issuance, bank's acceptance bills, electronic commercial bills, letters of guarantee, bills, letters of credit, mortgaged and pledged loans, bank funds business, letters of guarantee for environmental issues, letters of guarantee for bidding issues, the derivatives trading cap and overdraft cap;
3. validity term: from the date of the passing of relevant resolution at the AGM to the date of convening the 2022 annual general meeting.

VI. PROVISION OF SUPPLY CHAIN FINANCING GUARANTEE BY IXM TO ITS SUPPLIERS

We refer to the announcement dated 12 June 2022 in relation to the poll results of the AGM, upon the approval of the Shareholders at the AGM and in order to facilitate the continuous and steady development of the business of IXM Holding S.A., a wholly-owned subsidiary of the Company (together with its subsidiaries and member units, "IXM"), the Board agreed to authorize the chairman of the Board or the chief financial officer of the Company to deal specifically with the matters of provision of guarantee by IXM to its suppliers within the scope of the authorization of the AGM. Such authorization will take effect until the date of the 2022 annual general meeting of the Company and the details of which are as set out as follows:

1. amount of guarantee: the balance cap of USD130 million (or equivalent amount in foreign currency);

2. authorized matters: (1) determine or implement detailed plans for the provision of supply chain financing guarantee provided by IXM to its suppliers, including, among others, guarantee target, guarantee content, guarantee amount, guarantee period and guarantee method; (2) to perform the approval procedures (if any) in relation to the above-mentioned guarantees and to promptly disclose information (if required) in accordance with the requirements of the relevant regulatory authorities; and (3) other relevant matters;
3. validity term: from the date of the passing of relevant resolution at the AGM to the date of convening the 2022 annual general meeting.

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

Luoyang City, Henan Province, PRC, 12 June 2022

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

* *For identification purpose only*

APPENDIX – AMENDMENTS TO THE EMPLOYEE SHARE OWNERSHIP PLAN

Revised content		
Chapter	Original	Revised
SPECIAL NOTICE	<p>8. The duration of the Employee Share Ownership Plan shall not exceed 48 months and the lock-up period of the Target Shares acquired shall be 12 months. Each effective from the date when the Employee Share Ownership Plan is considered and approved at the shareholders’ general meeting of the Company and the Company announces the registration of the last tranche of the Target Shares under the designated accounts of Employee Share Ownership Plan.</p> <p>9. The Employee Share Ownership Plan will be managed by the Company itself, and a Management Committee for the Employee Share Ownership Plan will be set up as the manager for the Employee Share Ownership Plan so as to exercise shareholders’ rights on behalf of the Employee Share Ownership Plan……</p>	<p>8. The duration of the Employee Share Ownership Plan shall not exceed 60 months and the lock-up period of the Target Shares acquired shall be 12 months. Each effective from the date when the Employee Share Ownership Plan is considered and approved at the shareholders’ general meeting of the Company and the Company announces the registration of the last tranche of the Target Shares under the designated accounts of Employee Share Ownership Plan.</p> <p>9. The Employee Share Ownership Plan will be managed by the Company itself, or the commissioned third-party institutions, and a Management Committee for the Employee Share Ownership Plan or its authorized unit will be set up as the manager for the Employee Share Ownership Plan so as to exercise shareholders’ rights on behalf of the Employee Share Ownership Plan……</p>

Revised content		
Chapter	Original	Revised
V . TERM, LOCK-UP PERIOD, ALLOCATION OF THE EMPLOYEE SHARE OWNERSHIP PLAN	<p>(I) Term of the Employee Share Ownership Plan</p> <p>1. The term of the Employee Share Ownership Plan is 48 months, commencing from the date when the draft of the Employee Share Ownership Plan is considered and approved at the shareholders' general meeting of the Company and the Company announces the registration of the last tranche of the Target Shares under the Employee Share Ownership Plan. The Employee Share Ownership Plan will be automatically terminated if it is not extended upon expiry.</p>	<p>(I) Term of the Employee Share Ownership Plan</p> <p>1. The term of the Employee Share Ownership Plan is 60 months, commencing from the date when the draft of the Employee Share Ownership Plan is considered and approved at the shareholders' general meeting of the Company and the Company announces the registration of the last tranche of the Target Shares under the Employee Share Ownership Plan. The Employee Share Ownership Plan will be automatically terminated if it is not extended upon expiry.</p>

Revised content		
Chapter	Original	Revised
	(III) Allocation of the Employee Share Ownership Plan	<p>(III) Allocation of the Employee Share Ownership Plan</p> <p>Newly added :</p> <p>2. The performance appraisal year will be automatically extended by one year for the new incentive participants who are entitled with the shares of the Employee Share Ownership Plan held by the resigned holders as at the end of the year (i.e. December 31 of the year) during the performance appraisal period (i.e. 2021, 2022, 2023) as stipulated in paragraph (4) of Article 5 of the Employee Share Ownership Plan. The specific appraisal indicators for such incentive participants shall be set by the Management Committee of the Employee Share Ownership Plan separately.</p>

Revised content		
Chapter	Original	Revised
	<p>(IV) Performance Appraisal of the Employee Share Ownership Plan</p> <p>.....</p> <p>1. Performance Appraisal Indicators for the Company:</p> <p>.....</p> <p><i>Note:</i> The asset-liability ratio is calculated based on the amount after deducting monetary capital, which includes RMI of trading companies IXM B.V.; the return on equity ratio is the weighted average return on equity ratio, and the incentive cost arising from the implementation of the Employee Share Ownership Plan is not considered in the calculation; during the term of the Employee Share Ownership Plan, if there are changes in the total assets and net assets caused by the Company's additional issuance, allotment of Shares, issuance of convertible bonds, etc, the changes in the total assets and net assets caused by such events and the corresponding revenue shall be excluded from the appraisal results.</p>	<p>(IV) Performance Appraisal of the Employee Share Ownership Plan</p> <p>.....</p> <p>1. Performance Appraisal Indicators for the Company:</p> <p>.....</p> <p><i>Note 1:</i> The asset-liability ratio is calculated based on the amount after deducting monetary capital, which includes RMI of trading companies IXM B.V.; the return on equity ratio is the weighted average return on equity ratio, and the incentive cost arising from the implementation of the Employee Share Ownership Plan is not considered in the calculation; during the term of the Employee Share Ownership Plan, if there are changes in the total assets and net assets caused by the Company's additional issuance, allotment of Shares, issuance of convertible bonds, etc, the changes in the total assets and net assets caused by such events and the corresponding revenue shall be excluded from the appraisal results.</p> <p><i>Note 2:</i> According to item 2 of paragraph (3) of Article 5 of the Employee Share Ownership Plan, as Mr. Zhou Jun, the new incentive participant of the Employee Share Ownership Plan, will be entitled with the relevant shares and corresponding interests held by Ms. Wu Yiming, the performance appraisal period for Mr. Zhou Jun will be 2022-2024, namely.</p>

Revised content		
Chapter	Original	Revised
		<p>interest allocation period</p> <p>Performance appraisal targets</p> <p>First tranche of interest allocation period</p> <p>(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2022 shall not be more than 60% ;</p> <p>(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2022 shall not be less than 12%.</p> <p>Second tranche of interest allocation period</p> <p>(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2023 shall not be more than 60% ;</p> <p>(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2023 shall not be less than 12%.</p> <p>Third tranche of interest allocation period</p> <p>(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2024 shall not be more than 60% ;</p> <p>(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2024 shall not be less than 12%.</p>
	<p>3. Application of Appraisal Results</p> <p>When the performance appraisal for the Company meets the standard, the distributable amount to the Holder in the corresponding allocation period = amount of the Target Shares in the allocation period × allocation coefficient.</p>	Delete this article

Revised content		
Chapter	Original	Revised
VII. RIGHTS AND OBLIGATIONS OF THE COMPANY AND HOLDERS	<p>(I) Rights and Obligations of the Company</p> <p>.....</p> <p>After being approved by the general meeting of shareholders, the Employee Share Ownership Plan shall be managed by the Company itself. Depending on the implementation of the Employee Share Ownership Plan, professional institutions with relevant qualifications may be engaged to provide consultation and other services for the Employee Share Ownership Plan.</p> <p>The internal top management authority of the Employee Share Ownership Plan is the Holders' meeting. A Management Committee shall be set up at the Holders' meeting, and the Management Committee shall be authorized as the management body of the Employee Share Ownership Plan to supervise the daily management of the Employee Share Ownership Plan and exercise other shareholders' rights except voting rights on behalf of the Holders. The Employee Share Ownership Plan management measures clearly stipulate the responsibilities of the Management Committee, and take sufficient risk prevention and isolation measures. The Board of the Company is responsible for drafting and revising the draft plan, and handling other matters related to the Employee Share Ownership Plan within the scope authorized by the general meeting of Shareholders.</p>	<p>(I) Rights and Obligations of the Company</p> <p>.....</p> <p>After being approved by the general meeting of shareholders, the Employee Share Ownership Plan shall be managed by the Company itself or the commissioned third parties. Depending on the implementation of the Employee Share Ownership Plan, professional institutions with relevant qualifications may be engaged to provide consultation, entrusted management and other services for the Employee Share Ownership Plan.</p> <p>The internal top management authority of the Employee Share Ownership Plan is the Holders' meeting. A Management Committee shall be set up at the Holders' meeting, and the Management Committee shall be authorized to perform some of the Management Committee's functions, and supervise the daily management of the Employee Share Ownership Plan. The Employee Share Ownership Plan management measures clearly stipulate the responsibilities of the Management Committee, and take sufficient risk prevention and isolation measures. The Board of the Company is responsible for drafting and revising the draft plan, and handling other matters related to the Employee Share Ownership Plan within the scope authorized by the general meeting of Shareholders.</p>

Revised content		
Chapter	Original	Revised
VIII. MANAGEMENT MODE OF THE EMPLOYEE SHARE OWNERSHIP PLAN	<p>(I) Holders' Meeting</p> <p>.....</p> <p>2. The following matters shall be considered and discussed at the Holders' Meeting:</p> <p>.....</p> <p>(7) Authorization to the Management Committee to take charge of the collaboration with the professional agencies;</p> <p>(8) Other matters deemed as necessary for consideration at the Holders' Meeting by the Management Committee.</p>	<p>(I) Holders' Meeting</p> <p>.....</p> <p>2. The following matters shall be considered and discussed at the Holders' Meeting:</p> <p>.....</p> <p>(7) Authorization to the Management Committee to take charge of the collaboration with the professional agencies;</p> <p>(8) Authorization to the Management Committee to delegate its management functions to third-party professional institutions.</p> <p>(9) Other matters deemed as necessary for consideration at the Holders' Meeting by the Management Committee.</p>

Revised content		
Chapter	Original	Revised
	<p>(II) Management Committee</p> <p>.....</p> <p>3. The Management Committee shall discharge the following functions and authority:</p> <p>.....</p> <p>(4) Decide on whether to engage relevant professional institutions to provide management, consultation and other services for the daily management of the Employee Share Ownership Plan;</p>	<p>(II) Management Committee</p> <p>.....</p> <p>3. The Management Committee shall discharge the following functions and authority:</p> <p>.....</p> <p>(4) Decide on whether to engage relevant professional institutions to provide entrusted management, consultation and other services for the daily management of the Employee Share Ownership Plan;</p>

Revised content		
Chapter	Original	Revised
		<p>Addition</p> <p>(III) Entrusted management institution</p> <p>1. Selection of the entrusted management institution (if any): The Management Committee may delegate the management of the Employee Share Ownership Plan to a qualified professional institution, which will safeguard the legal rights and interests of the Employee Share Ownership Plan and ensure its property safety in accordance with the relevant laws and regulations and the Employee Share Ownership Plan. On behalf of the Employee Share Ownership Plan, the Company shall enter into the entrusted management contract or relevant agreement documents with such management institution.</p>

Revised content		
Chapter	Original	Revised
		<p>2. Main terms of the entrusted management contract (subject to the execution the relevant agreements): As of the date of the announcement of the Employee Share Ownership Plan, the Company has not entered into or intended to enter into any entrusted management contracts and relevant agreement documents.</p> <p>3. Accrual and payment of relevant fees: Management fee, trustee fee and other relevant fees shall be subject to the relevant agreement executed.</p> <p>4. Taxation: The tax obligations of each tax subject involved in the operation of the entrusted management shall be fulfilled in accordance with national tax laws and regulations.</p>

Revised content		
Chapter	Original	Revised
X. AMENDMENT, TERMINATION AND DISPOSAL OF EQUITY OF HOLDERS OF THE EMPLOYEE SHARE OWNERSHIP PLAN	<p>(II) Amendment to the Employee Share Ownership Plan</p> <p>Within the term, any amendment to the Employee Share Ownership Plan shall be approved by the Holders holding more than 2/3 (inclusive) of the total units present at the Holders' Meeting and submitted to the Board for consideration and approval.</p>	<p>(II) Amendment to the Employee Share Ownership Plan</p> <p>Within the term, any amendment to the Employee Share Ownership Plan shall be approved by the Holders holding more than 2/3 (inclusive) of the total units present at the Holders' Meeting and submitted to the Board for consideration and approval, other than the decision authorized to be made by the Holders' meeting and the Management Committee of the Employee Share Ownership Plan.</p>

Revised content		
Chapter	Original	Revised
	<p>5. In case of any of the following circumstances, the Management Committee shall decide on whether the interests held by the Holder shall be dealt with in accordance with the procedures prior to the occurrence of such circumstances, or cancel the Holder's qualification to participate in the Employee Share Ownership Plan, in such case, the relevant interests of the Target Shares shall be compulsorily taken back by the Management Committee at the subscription price and transferred to other employees eligible to participate in the Employee Share Ownership Plan at the price decided by the Management Committee; and such new participants of the Employee Share Ownership Plan shall be assessed in accordance with the appraisal indicators of the Employee Share Ownership Plan (if participated into the Employee Share Ownership Plan in the final year of the Employee Share Ownership Plan, the Management Committee shall specifically set appraisal indicators to such participants):</p>	<p>5. In case of any of the following circumstances, the Management Committee shall decide on whether the interests held by the Holder shall be dealt with in accordance with the procedures prior to the occurrence of such circumstances, or cancel the Holder's qualification to participate in the Employee Share Ownership Plan, in such case, the relevant interests of the Target Shares shall be compulsorily taken back by the Management Committee at the subscription price and transferred to other employees eligible to participate in the Employee Share Ownership Plan at the price decided by the Management Committee; and such new participants of the Employee Share Ownership Plan shall be assessed in accordance with the appraisal indicators of the Employee Share Ownership Plan (if participated into the Employee Share Ownership Plan in the final year of the Employee Share Ownership Plan, the Management Committee shall specifically set appraisal indicators to such participants):</p>

Revised content		
Chapter	Original	Revised
	<p>(1) Where the Holder retires and the Board decides that the interests held by the Holder shall be dealt with in accordance with the procedures prior to the occurrence of such circumstance, the personal performance appraisal results shall no longer be considered as the requirement for unlocking;</p> <p>(2) Where the Holder resigns due to the loss of working ability and the Board decides that the equity held by the Holder shall be dealt with in full accordance with the procedures prior to the occurrence of such circumstance, the personal performance appraisal results shall no longer be considered as the requirement for unlocking;</p>	<p>(1) Where the Holder retires and the Management Committee decides that the interests held by the Holder shall be dealt with in accordance with the procedures prior to the occurrence of such circumstance, the personal performance appraisal results shall no longer be considered as the requirement for unlocking;</p> <p>(2) Where the Holder resigns due to the loss of working ability and the Management Committee decides that the equity held by the Holder shall be dealt with in full accordance with the procedures prior to the occurrence of such circumstance, the personal performance appraisal results shall no longer be considered as the requirement for unlocking;</p>

Revised content		
Chapter	Original	Revised
	<p>(3) Where the Holder passes away due to the performance of his/her duties, and the Board decides that the equity held by the Holder shall be dealt with in full accordance with the procedures prior to the occurrence of such circumstance, the equity held by the Holder shall be held by his designated property successor or legal successor on his behalf.</p>	<p>(3) Where the Holder passes away due to the performance of his/her duties, and the Management Committee decides that the equity held by the Holder shall be dealt with in full accordance with the procedures prior to the occurrence of such circumstance, the equity held by the Holder shall be held by his designated property successor or legal successor on his behalf.</p>

Revised content		
Chapter	Original	Revised
XIV. AUTHORIZATION TO THE BOARD BY GENERAL MEETING	<p>Upon the consideration and approval of the Employee Share Ownership Plan, the general meeting of the Company authorizes the Board to handle all matters in relation to the Employee Share Ownership Plan, including but not limited to the following:</p> <p>.....</p> <p>The above authorization shall be valid from the date of approval by the general meeting of the Company to the date of termination of the Employee Share Ownership Plan. The above authorization matters, except for those clearly stipulated by laws, administrative regulations, rules and regulations of CSRC, normative documents, the Employee Share Ownership Plan or the Articles of Association, can be directly exercised by the chairman or the appropriate person authorized by him on behalf of the Board.</p>	<p>Upon the consideration and approval of the Employee Share Ownership Plan, the general meeting of the Company authorizes the Board to handle all matters in relation to the Employee Share Ownership Plan, including but not limited to the following:</p> <p>.....</p> <p>The above authorization shall be valid from the date of approval by the general meeting of the Company to the date of termination of the Employee Share Ownership Plan. The above authorization matters, except for those clearly stipulated by laws, administrative regulations, rules and regulations of CSRC, normative documents, the Employee Share Ownership Plan or the Articles of Association, can be exercised by the Holder’s meeting, the Management Committee of the Employee Share Ownership Plan or the appropriate person authorized by the Board.</p>
XVI. OTHER IMPORTANT MATTERS	<p>3. The Employee Share Ownership Plan can only be implemented after being deliberated and approved by the general meeting of Company.</p>	<p>3. The Employee Share Ownership Plan can only be implemented after being deliberated and approved by the general meeting of Company or other authorized institutions.</p>

Note: In the event of any discrepancies between the Chinese version and the English Version of this appendix to the announcement, the Chinese version shall prevail.