
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Lygend Resources & Technology Co., Ltd., you should at once hand the form of proxy of this circular to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Lygend Resources & Technology Co., Ltd.
宁波力勤资源科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2245)

- (1) REPORT OF DIRECTORS FOR 2023;**
 - (2) REPORT OF SUPERVISORS FOR 2023;**
 - (3) ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR 2023;**
 - (4) DUTY PERFORMANCE REPORT OF INDEPENDENT DIRECTORS FOR 2023;**
 - (5) FINAL FINANCIAL REPORT FOR 2023 AND PROPOSED ANNUAL FINANCIAL BUDGET FOR 2024;**
 - (6) PROPOSED PROFIT DISTRIBUTION PLAN FOR 2023;**
 - (7) PROPOSED RE-APPOINTMENT OF AUDITOR FOR 2024;**
 - (8) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
 - (9) REMUNERATION OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT FOR 2024;**
 - (10) PROPOSED BANK CREDIT LINE APPLICATIONS FOR 2024;**
 - (11) PROVISION OF GUARANTEES BY THE COMPANY AND/OR ITS SUBSIDIARIES FOR 2024;**
 - (12) PROPOSAL FOR GENERAL MANDATE TO REPURCHASE H SHARES;**
 - (13) NOTICE OF 2023 ANNUAL GENERAL MEETING;**
 - (14) NOTICE OF UNLISTED SHARE CLASS MEETING;**
- AND**
- (15) NOTICE OF H SHARE CLASS MEETING**

Capitalized terms used in this cover page have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 5 to 17 of this circular. Notices convening the AGM and the Class Meetings of the Company to be held on Tuesday, 21 May 2024 at 10:00 a.m. at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC is set out on pages 82 to 91 of this circular.

Form(s) of proxy for use by the Shareholders at the AGM and the Class Meetings are enclosed with this circular. Whether or not you intend to attend the AGM and/or the H Share Class Meeting in person, you are requested to complete and return the accompanying form(s) of proxy in accordance with the instructions published thereon and deposit the same with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the AGM (or any adjournment thereof). Completion and return of the form(s) of proxy shall not preclude you from attending and voting in person at the AGM and/or the H Share Class Meeting (or any adjournment thereof) should you so wish.

29 April 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the meanings set out below:

“2023 Annual Report”	the annual report of the Company for the year ended 31 December 2023, which has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.lygend.com)
“2023 AGM” or “AGM”	the annual general meeting to be held by the Company on Tuesday, 21 May 2024 at 10:00 a.m. at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC
“Articles of Association”	the articles of association of the Company adopted on 31 December 2021, as amended from time to time
“Board” or “Board of Directors”	the board of Directors
“Chairman”	chairman of the Board
“Company”	Lygend Resources & Technology Co., Ltd. (寧波力勤資源科技股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 2245)
“Class Meeting(s)”	the Unlisted Share Class Meeting and the H Share Class Meeting of the Company
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the proposed amendments to the Listing Rules relating to treasury shares (as detailed in the Consultation Conclusions on the Proposed Amendments to Listing Rules Relating to Treasury Shares published by the Stock Exchange in April 2024) will become effective, being 11 June 2024
“General Manager”	a general manager of the Company
“Group”	the Company and its subsidiaries from time to time

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“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which (is) are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Share Class Meeting”	the class meeting of the H Share Shareholders to be held on Tuesday, 21 May 2024 at 10:45 a.m. at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC
“H Share Shareholder(s)”	holder(s) of H Share(s)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administration Region of the PRC
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Company
“Latest Practicable Date”	23 April 2024, being the latest practicable date prior to the publication of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Lygend Investment”	Zhejiang Lygend Investment Co., Ltd. (浙江力勤投資有限公司), a limited liability company established in the PRC on 19 April 2010 controlled by Mr. Cai Jianyong (蔡建勇), and one of the Company’s controlling shareholders
“Mandatory Provisions”	the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》) promulgated by the State Council Securities Policy Committee and the State Restructuring Commission on 27 August 1994 (Zhengweifa (1994) No. 21), as amended, modified or otherwise supplemented from time to time

DEFINITIONS

“Ningbo Lizhan”	Ningbo Lizhan Trade Co., Ltd. (寧波勵展貿易有限公司), a limited liability company established in the PRC on 30 July 2021 and one of the Company’s controlling shareholders, which is in turn wholly-owned by Lygend Investment
“PRC” or “China”	the People’s Republic of China excluding, for the purpose of this circular only, Hong Kong, Macau and Taiwan
“PRC Company Law”	the Company Law of the PRC (《中華人民共和國公司法》), as amended and adopted by the Standing Committee of the eighth National People’s Congress on 29 December 1993 and effective on 1 July 1994, of which the current implemented version was amended and effective on October 26, 2018, and this Law was last amended on 29 December 2023 and will be effective on 1 July 2024, as amended, supplemented or otherwise modified from time to time
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in Appendix II to this circular
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the Repurchase Mandate at the AGM and the Repurchase Mandate approved by way of a special resolution at the Unlisted Share Class Meeting and the H Share Class Meeting to be held separately, the general mandate to be given to the Board to exercise the power of the Company to repurchase H Shares of up to a maximum of 10% of the total number of H Shares in issue (excluding any Treasury Shares) as at the date of passing such resolution. Details of the Repurchase Mandate are set out in special resolution numbered 12 in the notice convening the AGM dated 29 April 2024
“RMB”	Renminbi, the lawful currency of the PRC
“SAFE”	the State Administration for Foreign Exchange of the PRC

DEFINITIONS

“Securities Law”	the Securities Law of the PRC (《中華人民共和國證券法》), revised and adopted by the Standing Committee of the Thirteenth National People’s Congress on 28 December 2019, which was last amended and effective on 1 March 2020, as amended, supplemented or otherwise modified from time to time
“Senior Management”	member(s) of senior management of the Company
“Share(s)”	share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules which will become effective on the Effective Date, and as amended from time to time
“Unlisted Share(s)”	comprising domestic shares of the Company, being ordinary share(s) issued by the Company and not listed on any stock exchange with a nominal value of RMB1.00 each, which are subscribed for and paid for in RMB by domestic investors
“Unlisted Share Class Meeting”	the class meeting of the Unlisted Share Shareholders to be held on Tuesday, at 21 May 2024 at 10:30 a.m. at 10/F, Building C10, R&D Park, Lane 299, Guanghai Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC
“Unlisted Share Shareholder(s)”	holder(s) of Unlisted Share(s)
“Working Rules for Independent Directors”	the Working Rules for Independent Directors of Lygend Resources & Technology Co., Ltd.
“%”	per cent

LETTER FROM THE BOARD



Lygend Resources & Technology Co., Ltd. 宁波力勤资源科技股份有限公司

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

(Stock Code: 2245)

Executive Directors:

Mr. CAI Jianyong (Chairman)
Ms. FEI Feng
Mr. CAI Jianwei
Mr. YU Weijun

Non-executive Director:

Mr. Lawrence LUA Gek Pong

Independent Non-executive Directors:

Dr. HE Wanpeng
Ms. ZHANG Zhengping
Dr. WANG James Jixian

Registered Office:

2/F, Mingchuang Building
No. 707 Tiantong South Road
Yinzhou District
Ningbo City, Zhejiang Province
PRC

Head office in the PRC:

10-11/F, Building C10, R&D Park
Lane 299, Guanghua Road
Yinzhou District
Ningbo City, Zhejiang Province
PRC

*Principal place of business
in Hong Kong:*

46/F, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

29 April 2024

To the Shareholders

Dear Sir or Madam,

- (1) REPORT OF DIRECTORS FOR 2023;
- (2) REPORT OF SUPERVISORS FOR 2023;
- (3) ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR 2023;
- (4) DUTY PERFORMANCE REPORT OF INDEPENDENT DIRECTORS FOR 2023;
- (5) FINAL FINANCIAL REPORT FOR 2023 AND PROPOSED ANNUAL FINANCIAL BUDGET FOR 2024;
- (6) PROPOSED PROFIT DISTRIBUTION PLAN FOR 2023;
- (7) PROPOSED RE-APPOINTMENT OF AUDITOR FOR 2024;
- (8) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
- (9) REMUNERATION OF THE DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT FOR 2024;
- (10) PROPOSED BANK CREDIT LINE APPLICATIONS FOR 2024;
- (11) PROVISION OF GUARANTEES BY THE COMPANY AND/OR ITS SUBSIDIARIES FOR 2024;
- (12) PROPOSAL FOR GENERAL MANDATE TO REPURCHASE H SHARES;
- (13) NOTICE OF 2023 ANNUAL GENERAL MEETING;
- (14) NOTICE OF UNLISTED SHARE CLASS MEETING;
- AND
- (15) NOTICE OF H SHARE CLASS MEETING

LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to provide you with the notices of the AGM and the Class Meetings and the information reasonably necessary for making informed decisions in respect of the resolutions at the AGM and/or the Class Meetings in respect of, among other things, (i) report of the Directors for the year ended 31 December 2023; (ii) report of the Supervisors for the year ended 31 December 2023; (iii) the annual report and audited financial statements for the year ended 31 December 2023; (iv) duty performance report of the Independent Directors for 2023; (v) final financial report for 2023 and proposed annual financial budget for 2024; (vi) proposed profit distribution plan for 2023; (vii) proposed re-appointment of auditor for 2024; (viii) proposed amendments to the Articles of Association; (ix) remuneration of the Directors, Supervisors and Senior Management for 2024; (x) proposed bank credit line applications for 2024; (xi) provision of guarantees by the Company and/or its subsidiaries for 2024; and (xii) proposal for general mandate to repurchase H Shares.

II. MATTERS TO BE RESOLVED AT THE AGM AND THE CLASS MEETINGS

1. Report of Directors for the year ended 31 December 2023

The text of the Report of Directors is set out in the section headed “Report of Directors” in the 2023 Annual Report. The Report of Directors for the year ended 31 December 2023 has been considered and approved by the Board on 28 March 2024. An ordinary resolution will be proposed at the AGM for consideration and approval.

2. Report of Supervisors for the year ended 31 December 2023

The text of the Report of Supervisors is set out in the section headed “Report of Supervisors” in the 2023 Annual Report. The Report of Supervisors for the year ended 31 December 2023 has been considered and approved by the Board of Supervisors on 27 March 2024. An ordinary resolution will be proposed at the AGM for consideration and approval.

3. Annual Report and Audited Financial Statements for the year ended 31 December 2023

The annual report and the audited financial statements for the year ended 31 December 2023 of the Company have been considered and approved by the Board on 28 March 2024. An ordinary resolution will be proposed at the AGM for consideration and approval. The annual report has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.lygend.com).

4. Duty Performance Report of the Independent Directors for 2023

An ordinary resolution will be proposed at the AGM to consider and approve the duty performance report of the Independent Directors for 2023. Details of the aforesaid duty performance report of the Independent Directors are set out in Appendix I to this circular.

LETTER FROM THE BOARD

5. Final Financial Report for 2023 and Proposed Annual Financial Budget for 2024

Final Financial Report for 2023

An ordinary resolution will be proposed at the AGM to consider and approve the final financial report for 2023. The Company has appointed Ernst & Young, certified public accountants, to audit the Company's consolidated financial statements for the year ended 31 December 2023.

During the year ended 31 December 2023, the Company recorded an operating revenue of RMB21.06 billion, representing a year-on-year growth of 15.1%, and achieved a net profit attributable to shareholders of the Company of RMB1.05 billion, representing a year-on-year decrease of 39.4%. For details, please refer to the section headed "Independent Auditor's Report" in the 2023 Annual Report.

Proposed Annual Financial Budget for 2024

An ordinary resolution will be proposed at the AGM to consider and approve the annual financial budget for 2024.

After comprehensive consideration of the operation and development status, operational capacity and business objectives of the Company for 2024, it is estimated that an operating revenue of RMB28.0 billion will be recorded in 2024.

Important notice: The proposed annual financial budget for 2024 serves as the Company's internal management and control indicator for its operation plan and does not constitute a performance commitment or profit forecast made to investors' for 2024. Achievement of this indicator is affected by various factors including changes of market conditions and operational capability of management, and subject to great uncertainty. Investors should pay special attention to the investment risks.

6. Proposed Profit Distribution Plan for 2023

The profit distribution plan for 2023 has been considered and approved by the Board on 28 March 2024. An ordinary resolution will be proposed at the AGM for consideration and approval. The consolidated financial statements of the Company for the year ended 31 December 2023 have been audited by Ernst & Young. The Company's net profit attributable to equity holders of the parent company under the consolidated financial statements of the Company for 2023 amounted to approximately RMB1.05 billion.

LETTER FROM THE BOARD

Pursuant to relevant requirements of the PRC Company Law, the Securities Law and the Articles of Association, in line with the profit distribution policy determined by the Company, and taking into account the development of the Company, the listing progress of the Company and the long-term interests of the Shareholders, the profit distribution plan of the Company for 2023 is proposed as follows:

The Board has resolved to recommend the payment of final dividend of RMB0.20 per Share (before tax) for the year ended 31 December 2023. The payment of final dividend above is subject to the approval from Shareholders at the AGM, and will be made on or around Friday, 14 June 2024.

For determining the entitlement to the final dividend, the register of members of the Company will be closed from Saturday, 25 May 2024 to Thursday, 30 May 2024, both days inclusive. Shareholders whose name appear on the register of members of the Company on Thursday, 30 May 2024 will be entitled to the final dividend. In order to be entitled to the final dividend, all transfer documents of H shares accompanied by the relevant shares certificates must be lodged 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, Wan Chai, Hong Kong before 4:30 p.m. on Friday, 24 May 2024.

Pursuant to the Notice on the Issues Concerning Withholding Enterprises Income Tax on the Dividends Payable by PRC Resident Enterprises to Overseas Non-PRC Resident Enterprise H Share Holders (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) (Guo Shui Han [2008] No. 897) of the State Administration of Taxation, a PRC resident enterprise, when distributing dividends for the year 2008 and for the years thereafter to holders of H shares who are overseas non-resident enterprises, shall be subject to enterprise income tax withheld at a uniform rate of 10%. Any H Shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organisations or groups, will be treated as shares being held by non-resident enterprise shareholders, and consequently will be subject to the withholding of the enterprise income tax.

Pursuant to relevant laws and regulations and regulatory documents such as the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》), the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》), Announcement of the State Administration of Taxation in relation to the Issuing of Administrative Measures on Preferential Treatment Entitled by Nonresidents under Tax Treaties (Announcement No. 35 [2019] of the State Administration of Taxation (《國家稅務總局關於發佈<非居民納稅人享受協定待遇管理辦法>的公告》(國家稅務總局公告2019年第35號)) and the Notice of the State Administration of Taxation on the Issues Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]45號文件廢止後有關個人所得稅徵管問題的通知》國稅函[2011]348號), dividends received by overseas resident individual shareholders from the stocks issued by domestic non-foreign investment enterprises in Hong Kong is subject to the payment of individual income tax, which shall be withheld by the withholding agents. However, overseas resident individual shareholders of the stocks issued by domestic non-foreign investment enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries in which they are residents and

LETTER FROM THE BOARD

China, or the tax arrangements between the PRC and Hong Kong (Macau). For individual holders of H Shares, dividends payable to them are subject to the individual income tax withheld at a tax rate of 10% in general unless otherwise specified by the tax regulations and the relevant tax agreements.

Shareholders should seek professional advice with their own tax advisers regarding the possible tax implications of the dividend payment. The Board is not aware of any shareholders who have waived or agreed to waive any dividends.

7. Proposed Re-Appointment of Auditor for 2024

Ernst & Young Hua Ming LLP and Ernst & Young (collectively, “EY”) were appointed as the external auditor for 2023, responsible for providing the relevant audit and review services in accordance with China Standards on Auditing and International Financial Reporting Standards, respectively. In 2023, EY discharged their duties in accordance with the professional standards of independence, objectivity and impartiality and successfully completed the relevant audit and review.

An ordinary resolution will be proposed at the AGM to consider and approve the proposal for the re-appointment of EY as the Company’s auditor for 2024 for a term until the conclusion of the next annual general meeting and to authorize the Board to fix its remuneration for 2024. Further information on the remuneration of the auditor will be provided at the next meeting of the audit committee of the Company.

8. Proposed Amendments to the Articles of Association

Reference is made to the announcement of the Company dated 29 April 2024 in relation to, among others, the proposed amendments to the Articles of Association to remove the class meeting requirement following the repeal of the Mandatory Provisions.

Details of the Proposed Amendments are set out in Appendix II to this circular. The amended and restated Articles of Association is written in Chinese. There is no official English translation in respect thereof. Therefore, the English version shall be for reference only. In case of any discrepancy, the Chinese version shall prevail. The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the AGM, the Unlisted Share Class Meeting and the H Share Class Meeting. Prior to the passing of the relevant special resolution, the prevailing Articles of Association shall remain valid.

The Board is of the view that the Proposed Amendments will not have any material impact on the business operations of the Group. The Board is also of the view that the Proposed Amendments (including the removal of the class meeting requirement from the Articles of Association of the Company following the repeal of the Mandatory Provisions) will not compromise protection of the H Share Shareholders and will not have material impact on measures relating to shareholder protection, as domestic Shares and H Shares are regarded as one class of ordinary shares under PRC law, and the substantive rights attached to these two kinds of shares (including voting rights, dividends and asset distribution upon liquidation) are the same.

LETTER FROM THE BOARD

The Proposed Amendments will become effective upon the approval by the Shareholders at the AGM, the Unlisted Share Class Meeting and the H Share Class Meeting. After the Proposed Amendments take effect, the Company will continue to comply with the Listing Rules to meet the core shareholder protection standards through compliance with PRC laws in combination with its constitutional documents pursuant to Appendix A1 of the Listing Rules and will further monitor its ongoing compliance with these standards and notify the Stock Exchange if it becomes unable to comply with any of these standards.

9. Remuneration of the Directors, Supervisors and Senior Management for 2024

In accordance with the relevant provisions of the PRC Company Law, the Articles of Associations and other regulations, and taking into account the current economic environment, the actual situation of the Company and the remuneration level of the directors, supervisors and members of senior management in the same industry and other comparable companies, the Remuneration Committee and the Board has formulated the remuneration proposal of Directors, Supervisors and Senior Management for the year ending 31 December 2024. Details of the remuneration proposal are set out as follows:

(a) Directors

In view of the fact that the executive Directors concurrently hold different positions within the Company, remuneration of each of the executive Directors shall be determined based on their positions.

The remuneration before tax paid to each of the non-executive Directors' and the independent non-executive Directors' for the year ending 31 December 2024 shall be RMB300,000.

(b) Supervisors

In view of the fact that the Supervisors concurrently hold different positions within the Company, remuneration of each of the Supervisors shall be determined based on their positions, duties and performance.

(c) Senior Management

The remuneration of each of the members of Senior Management shall be determined based on a number of factors, including but not limited to, the positions and work performance of the relevant member, the Company's operating performance and the Company's remuneration management policy.

The Board proposes to seek authorization from the Shareholders at the AGM for the Chairman and General Manager (or the person(s) authorized by the Chairman and General Manager) to enter into service contracts and/or appointment letters with each of the Directors, Supervisors and Senior Management according to terms they think fit, and deal with all other

LETTER FROM THE BOARD

necessary and related matters, and authorize the Remuneration Committee to determine remuneration assessment and incentive management according to the abovementioned proposals. The abovementioned of authorization shall remain valid and effective from the date on which the resolution for remuneration of the directors, supervisors and senior management of the Company for 2024 has been considered and approved by the Shareholders at the AGM to the date on which the annual general meeting of the Company is due to be convened in 2025.

10. Proposed Bank Credit Line Applications for 2024

To meet the rapid business development needs of the Company, and to ensure that there are sufficient funds for major investment projects, production and operations of the Company and its subsidiaries, the Board proposes to seek approval from the Shareholders at the AGM, by way of an ordinary resolution, for the bank credit line applications of the Company in 2024 in the aggregate amount of up to RMB32.2 billion (or the equivalent in other currencies). The credit lines will be used on a rolling basis. The type of the credit facilities shall include, but is not limited to, letters of credit, working capital loans, fixed asset loans, project loans, promissory notes, letters of guarantee, bills discounting, financial derivatives and other integrated businesses. The Company's credit line applications to relevant financial institutions/banks, the actual amount, terms and type of credit shall be subject to the further negotiation with the relevant financial institutions and/or banks. For the avoidance of doubt, the agreement(s) to be formally signed with the relevant financial institutions and/or banks shall prevail.

At the same time, to improve financial efficiency, the Board proposes to seek approval from the Shareholders at the AGM for the Chairman and General Manager (or the person(s) authorized by the Chairman and General Manager) to handle all procedures relating to the abovementioned bank credit line applications, including but not limited to, signing all agreements and their ancillary documents provided that the relevant facility falls within the abovementioned bank credit line. The abovementioned authorization shall remain valid and effective from the date on which the resolution for the proposed bank credit line applications of the Company for 2024 has been considered and approved by the Shareholders at the AGM to the date on which the annual general meeting of the Company is due to be convened in 2025.

11. Provision of Guarantees by the Company and/or its Subsidiaries for 2024

To meet the business development, production and operation needs of the Company and to ensure the normal business activities of the Group, taking into consideration the total amount guaranteed by way of guarantees in 2023, and possible business developments in 2024, the Board proposes to seek approval from the Shareholders at the AGM, by way of a special resolution, for the various guarantees as follows:

- (1) The Company will provide guarantees to its subsidiaries in respect of relevant bank credit or loans for daily operations, for a maximum amount of RMB23.6 billion (or equivalent in other currencies). The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges;

LETTER FROM THE BOARD

- (2) Guarantees in respect of relevant bank credit or loans for daily operations, for a maximum amount of RMB11.3 billion (or equivalent in other currencies) will be provided by subsidiaries of the Company to the Company. The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges;
- (3) Guarantees to be provided mutually by the Company's subsidiaries in 2024 will be RMB5.6 billion (or equivalent in other currencies). The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges; and
- (4) The Company will provide guarantees to its associated companies in respect of relevant bank credit or loans for daily operations, for a maximum amount of RMB6.1 billion (or equivalent in other currencies). The aforementioned guarantees include, but are not limited to, guarantees, mortgages and pledges.

According to the Articles of Association, the provision of guarantees contemplated under paragraphs (1) to (4) above is subject to approval by the Shareholders on a case-by-case basis. The Board, however, believes that granting a one-off approval and mandate by the Shareholders to the Board for handling all matters in relation to the provision of the relevant guarantees by the Company and its subsidiaries and associated companies will enable the members of the Group to have greater flexibility in obtaining timely credit financing.

As such, at the AGM, approval by way of a special resolution will be sought from the Shareholders in relation to the provision of the guarantees contemplated under paragraphs (1), (2), (3) and (4) above with an amount not exceeding RMB23.6 billion (or the equivalent in other currencies), RMB11.3 billion (or the equivalent in other currencies), RMB5.6 billion (or the equivalent in other currencies) and RMB6.1 billion (or the equivalent in other currencies) respectively. For the avoidance of doubt, the provision of guarantees by the Company and its subsidiaries contemplated under paragraphs (1) to (4) above is irrelevant to all the other existing guarantees provided by the subsidiaries.

The determined limit of guarantees mentioned above represents only the contemplated and maximum amount of guarantees to be provided. The specific amount of guarantee transactions shall be subject to the guarantee agreement(s) signed with the relevant financial institutions. The Company will comply with the relevant applicable requirements of the Listing Rules upon the signing of the relevant guarantee agreement(s).

The provision of abovementioned guarantees will be carried out strictly in compliance with the requirements of the relevant laws and regulations of the PRC, the Listing Rules and the Articles of Association.

LETTER FROM THE BOARD

At the same time, to improve financial efficiency, the Board proposes to seek authorization from the Shareholders at the AGM for the Chairman and General Manager (or the person(s) authorized by the Chairman and General Manager) to handle all procedures relating to the abovementioned guarantees, including but not limited to, signing all agreements and their ancillary documents provided that the relevant guarantee falls within the abovementioned guarantee limit.

If any of the guarantees above is subject to the approval by the Board or at the Shareholders' general meeting in accordance with the requirements of the Listing Rules and the Articles of Association regarding the approval of external guarantees, the relevant approval procedures shall be performed in accordance with the relevant requirements.

The abovementioned authorization shall remain valid and effective from the date on which the resolution for the proposed guarantees by the Group has been considered and approved by the Shareholders at the AGM to the date on which the annual general meeting of the Company is due to be convened in 2025.

12. Proposal for General Mandate to Repurchase H Shares

The PRC Company Law (to which the Company is subject to) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for the purpose of (a) reducing its registered capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as rewards to the staff of the Company; (d) the repurchase is made at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or division of the Company; (e) the repurchased shares are used for the corporate bonds convertible into shares of the listed company; or (f) the repurchase is necessary for maintaining the value of the listed company and the interests of its shareholders. In accordance with the Articles of Association, share repurchase may be effected by the Company for the purposes of reducing its share capital, granting Shares as rewards to the staff of the Company; at the request of its shareholders who disagree with shareholders' resolutions in connection with a merger or division of the Company; using the shares for conversion of convertible corporate bonds issued by the Company; maintaining the Company's value and the shareholders' equity; or in circumstances permitted by law or administrative regulations.

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

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

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In accordance with the requirements of Article 246 of the Articles of Association applicable to capital reduction, the Company is required to prepare a balance sheet and an inventory of assets upon the reduction of its registered capital. The Company will have to notify its creditors of the passing of such special resolution and the reduction of the registered capital of the Company that would occur should the Company decide to exercise the Repurchase Mandate. Such notification should be given in writing to the Company's creditors and be published by way of an announcement within 10 days and 30 days after the passing of such special resolution, respectively. Creditors then have a period of up to 30 days after receipt of the Company's written notification or if no such notification has been received, up to 45 days after the publication of the announcement to require the Company to repay amounts due to them or to provide guarantees thereof.

Conditions to Repurchase H Shares

In order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to repurchase any H Shares, approval is proposed to be sought from the Shareholders for the Repurchase Mandate. In accordance with the legal and regulatory requirements described above, the Directors have given notices to convene the AGM and the Class Meetings. At the AGM, a special resolution will be proposed to grant to the Directors the Repurchase Mandate, i.e. a conditional general mandate to repurchase H Shares up to a maximum of 10% of the total number of H Shares in issue (excluding any Treasury Shares) as at the date of passing such special resolution on the Stock Exchange. The Company will convene an Unlisted Share Class Meeting and a H Share Class Meeting to grant to the Directors the Repurchase Mandate by way of a special resolution.

The Repurchase Mandate will be conditional upon:

- (a) the passing of the special resolution approving the grant of the Repurchase Mandate at the AGM;
- (b) the passing of the special resolution approving the grant of the Repurchase Mandate at each of the Unlisted Share Class Meeting and the H Share Class Meeting; and
- (c) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 246 of the Articles of Association.

If the Company determines to repay any amount to any of its creditors in the circumstances described under condition (c) above, it expects to do so out of its internal generated fund. If the conditions are not fulfilled, the Repurchase Mandate will not be exercised by the Directors.

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The Repurchase Mandate, if approved at the AGM and the subsequent Class Meetings, would expire on the earliest of:

- (a) the conclusion of the next annual general meeting of the Company following the passing of the relevant resolution; or
- (b) the expiration of a 12-month period following the passing of the relevant resolution at the AGM and the Class Meetings; or
- (c) the date on which the authority set out in the relevant resolutions approved at a general meeting is revoked or varied by special resolutions of the Shareholders in a general meeting and separate class meetings.

Explanatory Statement

An explanatory statement containing all relevant information relating to the Repurchase Mandate is set out in Appendix III to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

III. 2023 AGM, CLASS MEETINGS AND PROXY ARRANGEMENTS

The (i) notice convening the AGM to be held on Tuesday, 21 May 2024 at 10:00 a.m.; (ii) notice convening the Unlisted Shares Class Meeting to be held on Tuesday, 21 May 2024 at 10:30 a.m.; and (iii) notice convening the H Share Class Meeting to be held on Tuesday, 21 May 2024 at 10:45 a.m., at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC is set out on pages 82 to 85, 86 to 88, and 89 to 91 of this circular respectively.

Forms of proxy for use by the Shareholders at the AGM, the Unlisted Share Class Meeting and the H Share Class Meeting are enclosed with this circular and published on the website of the Stock Exchange (www.hkexnews.hk). To be valid, the form(s) of proxy must be completed and signed in accordance with the instructions published thereon and return to the Company's H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM (for the H Share Shareholders); or for the Unlisted Share Shareholders, to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC not less than 24 hours before the time appointed for the holding of the AGM, the Unlisted Share Class Meeting and the H Share Class Meeting.

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Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. On a poll, every Shareholder present in person or by proxy (or being a corporation by its duly authorised representative) shall have one vote for each Share registered in his/her/its name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it has in the same manner.

IV. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of H Share Shareholders to attend and vote at the AGM and the H Share Class Meeting, the register of members of H Shares of the Company will be closed from Thursday, 16 May 2024 to Tuesday, 21 May 2024, both days inclusive. During such period, no transfer of the Company's H Shares will be registered. H Share Shareholders whose names appear on register of members of the Company on Tuesday, 21 May 2024 will be entitled to attend the AGM and the H Share Class Meeting. In order to be eligible to attend and vote at the AGM and the H Share Class Meeting, H Share Shareholders whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 14 May 2024.

Unlisted Share Shareholders who intend to attend the Unlisted Share Class Meeting are required to deposit the transfer documents together with the relevant share certificates to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC no later than 4:30 p.m. on Tuesday, 14 May 2024. Unlisted Share Shareholders whose names appear on the register of members of the Company on Tuesday, 21 May 2024 will be entitled to attend and vote at the Unlisted Share Class Meeting. The register of members of the Company will be closed from Thursday, 16 May 2024 to Tuesday, 21 May 2024, both days inclusive. During such period, no transfer of the Company's Unlisted Shares will be registered.

For determining the entitlement to the final dividend, the register of members of the Company will be closed from Saturday, 25 May 2024 to Thursday, 30 May 2024, both days inclusive. Shareholders whose name appear on the register of members of the Company on Thursday, 30 May 2024 will be entitled to the final dividend. In order to be entitled to the final dividend, all transfer documents of H shares accompanied by the relevant shares certificates must be lodged 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, Wan Chai, Hong Kong before 4:30 p.m. on Friday, 24 May 2024.

V. RECOMMENDATION

The Board is of the view that the resolutions set out in the notices of the AGM and the Class Meetings are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the AGM and the Class Meetings.

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VI. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of providing information with regard to the Company. The information in this circular relating to the Company has been supplied by the Directors, who collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, no other facts are omitted in this circular which would make any statement herein misleading insofar as it relates to the Company.

VII. ADDITIONAL INFORMATION

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

By order of the Board
Lygend Resources & Technology Co., Ltd.
CAI Jianyong
*Chairman, General Manager and
Executive Director*

As the independent non-executive Directors of Lygend Resources & Technology Co., Ltd. (the “Company”), we performed the duties of Independent Directors in a diligent and responsible manner, and exercised our functions and powers independently and responsibly in strictly accordance with the provisions and requirements of the relevant laws, regulations and rules such as the PRC Company Law, the Securities Law, the Rules for Independent Directors of Listed Companies, the Articles of Association and the Working Rules for Independent Directors of the Company. We paid attention to the Company’s development and gave full play to the independent role of Independent Directors. Our major works in 2023 were as follows:

I. BASIC INFORMATION OF INDEPENDENT DIRECTORS

The first session of the Board of the Company comprised a total of three Independent Directors, namely Dr. HE Wanpeng, Ms. ZHANG Zhengping and Dr. WANG James Jixian.

Dr. HE Wanpeng (何萬篷), aged 50, was appointed as a Director on 7 December 2021 and was redesignated as an independent non-executive Director on 16 December 2021. Dr. He is responsible for providing independent advice to the Board. Dr. He is a renowned policy researcher in China. He has served as the dean and chief researcher of Shanghai Research Center for Emerging Industries in the Foreshore (上海前灘新興產業研究院) since 2016, primarily engaged in providing solutions for government departments and enterprise groups. He has also served as an independent director of Shanghai Shibe HI-Tech Co., Ltd. (上海市北高新股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600604)) since February 2019 and Shanghai Lujiazui Fin and Trade (上海陸家嘴金融貿易區開發股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 600663)) since April 2021.

Ms. ZHANG Zhengping (張爭萍), aged 44, was appointed as a Director on 7 December 2021 and was redesignated as an independent non-executive Director on 16 December 2021. Ms. Zhang is responsible for providing independent advice to the Board. Ms. Zhang is a notable individual in the field of tax. Since July 2000, Ms. Zhang has worked at Ningbo Zhengyuan Tax Agent Co., Ltd. (寧波正源稅務師事務所有限公司), focusing on providing tax advice, consulting, auditing, verification, training and due diligence and other intermediary services. She is currently a senior project manager and shareholder of Ningbo Zhengyuan Tax Agent Co., Ltd., a company based in Yinzhou, Ningbo and engaged in providing tax-related services. In 2014, she was nominated as one of the Leading Talents of the National Registered Tax Agent Industry (全國註冊稅務師行業高端人才). Ms. Zhang completed undergraduate studies in accounting from Zhejiang College of Finance & Economics (currently known as Zhejiang University of Finance & Economics) in June 2002. She further obtained an executive master of professional accountancy degree from Chinese University of Hong Kong in November 2019. She has been a registered accountant with the Chinese Institute of Certified Public Accountants since December 2007 and has been a registered tax agent with the Ministry of Personnel and State Administration of Taxation since September 2004.

Dr. WANG James Jixian (王緝憲), aged 70, was appointed as a Director on 7 December 2021 and was redesignated as an independent non-executive Director on 16 December 2021. Dr. Wang is responsible for providing independent advice to the Board. Based in Hong Kong, Dr. Wang is a specialist in transport geography and has served as a research director of the Bay Area Hong Kong Centre and Belt & Road Hong Kong Centre since October 2019. He was also a member of the expert advisory panel of the “Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030” study conducted by the Planning Department of the Government of HKSAR, and was appointed as a member of the Lantau Development Advisory Committee by the HKSAR Government. Dr. Wang was an assistant lecturer, assistant professor, associate professor and head of the department of geography of the University of Hong Kong from 1993 to 2017. He was also an adjunct professor of Peking University Shenzhen Graduate School and China Academy of Urban Planning and Design, and had 30 years of teaching and research experience. Dr. Wang specialized in transport geography with a research focus in port development, port-city relations, urban and regional transportation and e-commerce logistics in China. He published several books and more than 100 academic articles, and served as an editorial board member of five international academic journals. He has served as a steering committee member of the IGU Transport & Geography Commission since 2016. Dr. Wang obtained a bachelor’s degree in production allocation from Renmin University of China in July 1982. He obtained a doctor of philosophy degree in geography from University of Toronto in November 1994. He was conferred a fellow membership of the Chartered Institute of Logistics and Transport in Hong Kong in December 2008.

II. PERFORMANCE OF DUTIES OF INDEPENDENT DIRECTORS

The Company held 5 Board meetings and 4 general meetings in 2023. As an Independent Director, we attended the Board meetings and the relevant general meetings on time, and when performing our duties in the Board, we seriously considered each of the resolutions and exercised our voting rights in a prudent manner, thus fulfilling our duty of diligence as an Independent Director.

The attendance of the Independent Directors at relevant meetings is as follows:

Name	Attendance in Board meetings				Attendance in general meetings			
	Number of attendance required in the Board meetings during the year	Number of meetings attended in person	Number of meetings attended by proxy	Number of absences	Number of attendance required in general meetings during the year	Number of meetings attended in person	Number of meetings attended by proxy	Number of absences
HE Wapeng	5	5	0	0	4	4	0	0
ZHANG Zhengping	5	5	0	0	4	4	0	0
WANG James Jixian	5	4	1	0	4	3	0	1

During the reporting period, the Independent Directors of the Company did not raise any objections or express any opinions on the resolutions of the Board and resolutions of other meetings of the Company for the year.

III. ISSUE OF INDEPENDENT OPINIONS

During the year 2023, the Independent Directors, upholding their accountability to the Company and the Shareholders, diligently performed their duties, actively attended the relevant meetings, seriously considered each of the resolutions, gave full play to their professional advantages and made independent, objective, fair and scientific judgments. They also expressed prior approval opinions and independent opinions to agree. Details are set out below:

Number	The Meeting Time	Independent opinions and issues involved	Type of opinions
1	The eleventh meeting of the first session of the Board	<ol style="list-style-type: none"> 1. Resolution on provision of guarantee and pledge of equity by Lygend Resources in respect of the syndicated loan to HPL, a joint venture company 2. Resolution on provision of guarantee and pledge of equity by Lygend Resources in respect of the syndicated loan to ONC, a joint venture company 	Agree
2	The twelfth meeting of the first session of the Board	<ol style="list-style-type: none"> 1. Remuneration plan of the Directors, Supervisors and senior management for the year 2. Resolution on the engagement of the auditing firm of the Company for the year 3. Resolution on the cap of the aggregate amount of external guarantees given by the Company for the year 4. Resolution on the provision of loans by the Company to its controlling subsidiaries 5. Resolution on the Company's plan of no distribution of profits for 2022 6. Resolution on resignation of the Board secretary and joint company secretary and the appointment of a new Board secretary and joint company secretary of the Company 	Agree

Number	The Meeting Time	Independent opinions and issues involved	Type of opinions
3	The fourteenth meeting of the first session of the Board	1. Resolution on the Company's plan of no distribution of profits for the interim period of 2023	Agree
4	The fifteenth meeting of the first session of the Board	1. Resolution on the proposed provision of loans to its specific subsidiaries	Agree

IV. ON-SITE INSPECTION

In 2023, we conducted on-site inspections of the Company and communicated fully with the Company to understand and guide the work of the Company. We paid particular attention to the Company's operating conditions, the development and implementation of systems such as internal control, and the implementation of resolutions of the Board. We maintained close contact with the Directors, the financial controllers, the secretary to the Board and the relevant staff of the Company, keeping a close eye on the impact of changes in the external environment, the industry situation and the market on the Company. We also kept abreast of the progress of major issues of the Company so as to gain an understanding of the Company's operation conditions and effectively safeguard shareholders' interests.

V. SPECIAL COMMITTEES OF THE BOARD

As a member of the special committee of the Board of the Company, we actively performed our corresponding duties as a member in accordance with the relevant requirements of the rules of procedure of the special committee of the Company in 2023. We have considered the major issues of the Company and delivered our opinions to the Board in our capacity as a member of the special committee, with a view to standardizing the Company's operation and improving the Company's internal control.

VI. PROTECTION OF INVESTORS' RIGHTS AND INTERESTS

During the year of 2023, all Independent Directors adhered to the principles of prudence, diligence and loyalty and performed their duties as Independent Directors in accordance with the requirements of the relevant laws and regulations. They have conducted independent, objective and fair considerations on each of the resolutions of the Board, exercised all their voting rights carefully and prudently, and seriously expressed their prior approval and independent opinions on the relevant matters; at the same time, they supervised and examined the performance of duties by the Directors and senior management of the Company so as to practically safeguard the legitimate rights and interests of all Shareholders, especially the minority Shareholders.

VII. TRAINING AND LEARNING

Since our appointment as an Independent Director, we have actively studied the latest laws, regulations and various rules, and participated in relevant training organized by the Company, the stock exchanges and other organizations to gain a comprehensive understanding of the governance rules of listed companies and deepen our knowledge and understanding of the relevant regulations on the protection of the rights and interests of the public Shareholders. We continuously improved our professional standards and competence in practice and constantly improved our ability to perform our duties to form a conscious awareness of protecting the rights and interests of the public Shareholders, so as to provide better advice and suggestions for the Company's scientific decision-making and risk prevention, thereby further promoting the standardization operation of the Company.

Before the amendments	After the amendments
<p>Article 1 In order to safeguard the legitimate rights and interests of Lygend Resources & Technology Co., Ltd. (the “Company”), its shareholders and creditors and to regulate the organization and activities of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”), the Letter of Opinions on Supplements and Amendments to the Articles of Association of Companies Listed in Hong Kong (the “Letter of Opinions on Amendments”), the Official Reply of the State Council on Adjustment of the Notice Period for the General Meetings and Other Matters Applicable to the Overseas Listed Companies, the Reply of the Overseas Listing Department of the China Securities Regulatory Commission and the Production System Department of the State Commission for Restructuring the Economic Systems on Opinions Concern the Supplement and Amendments to the Articles of Association of Companies to be Listed in Hong Kong, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant regulations, and based on the actual situation of the Company.</p>	<p>Article 1 In order to safeguard the legitimate rights and interests of Lygend Resources & Technology Co., Ltd. (the “Company”), its shareholders and creditors and to regulate the organization and activities of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”), the Letter of Opinions on Supplements and Amendments to the Articles of Association of Companies Listed in Hong Kong (the “Letter of Opinions on Amendments”), the Official Reply of the State Council on Adjustment of the Notice Period for the General Meetings and Other Matters Applicable to the Overseas Listed Companies, the Reply of the Overseas Listing Department of the China Securities Regulatory Commission and the Production System Department of the State Commission for Restructuring the Economic Systems on Opinions Concern the Supplement and Amendments to the Articles of Association of Companies to be Listed in Hong Kong, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Guidelines on Articles of Association of Listed Companies (the “Guidelines on Articles of Association”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant regulations, and based on the actual situation of the Company.</p>

Before the amendments	After the amendments
<p>Article 2 The Company is a joint stock limited company incorporated in accordance with the Company Law, the Special Provisions on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Provisions”) and other relevant laws and administrative regulations of the People’s Republic of China (the “PRC”).</p> <p>The Company is a joint stock limited company established by way of overall conversion on the basis of Lygend Resources & Technology Co., Ltd., and registered with the Market Supervision Administration of Ningbo City, and now holds the Business License with the unified social credit code of 91330201684250085X.</p>	<p>Article 2 The Company is a joint stock limited company incorporated in accordance with the Company Law, the Special Provisions on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Provisions”) and other relevant laws and administrative regulations of the People’s Republic of China (the “PRC”). The Company is a joint stock limited company established by way of overall conversion on the basis of Lygend Resources & Technology Co., Ltd., and registered with the Market Supervision Administration of Ningbo City, and now holds the Business License with the unified social credit code of 91330201684250085X.</p> <p>(The two paragraphs were merged)</p>
<p>Article 3 The Company was approved by the China Securities Regulatory Commission (“CSRC”) on August 2, 2022 to issue no more than 267,429,600 overseas listed foreign shares in Hong Kong.</p> <p>The foreign shares of the Company issued and listed on the Stock Exchange of Hong Kong Limited (the “SEHK”), as well as the original domestic shares and unlisted foreign shares listed and traded on the SEHK upon approval of the securities regulator of the State Council, collectively referred to as H shares.</p>	<p>Article 3 The Company was approved by the China Securities Regulatory Commission (“CSRC”) on August 2, 2022 to issue no more than 267,429,600 overseas-listed foreign-invested shares in Hong Kong.</p> <p>The foreign-invested shares of the Company issued and listed on the Stock Exchange of Hong Kong Limited (the “SEHK”), as well as the original domestic shares and unlisted foreign-invested shares listed and traded on the SEHK upon approval of the securities regulator of the State Council and filing with the CSRC, collectively referred to as H shares.</p>
<p>Article 6 The registered capital of the Company before the issue is RMB1,317,768,750. If the over-allotment option is not exercised, the registered capital of the Company after the issue will be RMB1,550,316,350, and if the over-allotment option is exercised in full, the registered capital of the Company will be RMB1,585,198,350.</p>	<p>Article 6 The registered capital of the Company before the issue is RMB1,317,768,750. If the over-allotment option is not exercised, the registered capital of the Company after the issue will be RMB1,550,316,350, and if the over-allotment option is exercised in full, the registered capital of the Company will be RMB1,585,198,350 RMB1,555,931,300.</p>

Before the amendments	After the amendments
<p>Article 10 The Articles of Association of the Company shall take effect from the date of incorporation of the Company.</p> <p>Upon approval at the general meeting of the Company, these Articles of Association shall take effect from the date of the listing and trading of the Company's H shares on the Hong Kong Stock Exchange. The original Articles of Association of the Company shall automatically cease to have effect from the effective date of these Articles of Association.</p> <p>These Articles of Association shall become a legally binding document regulating the organisation and activities of the Company, the rights and obligations between the Company and its shareholders, and among the shareholders, and shall be legally binding on the Company, its shareholders, directors, supervisors and senior management, and the aforesaid persons may assert their rights in relation to the Company's matters in accordance with these Articles of Association.</p> <p>Pursuant to these Articles of Association, shareholders may initiate legal proceedings against other shareholders, shareholders may initiate legal proceedings against directors, supervisors, general manager (chief executive) and other senior management of the Company, and shareholders may initiate legal proceedings against the Company, and the Company may initiate legal proceedings against its shareholders, directors, supervisors, general manager (chief executive) and other senior management.</p> <p>For the purpose of the preceding paragraph, initiation of legal proceedings includes initiation of proceedings in a court or application for arbitration to an arbitration body.</p>	<p>Article 10 The Articles of Association of the Company shall take effect from the date of incorporation of the Company.</p> <p>Upon approval at the general meeting of the Company, these Articles of Association shall take effect from the date of the listing and trading of the Company's H shares on the SEHK. The original Articles of Association of the Company shall automatically cease to have effect from the effective date of these Articles of Association.</p> <p>These Articles of Association shall become a legally binding document regulating the organization and activities of the Company, the rights and obligations between the Company and its shareholders, and among the shareholders, and shall be legally binding on the Company, its shareholders, directors, supervisors and senior management, and the aforesaid persons may assert their rights in relation to the Company's matters in accordance with these Articles of Association.</p> <p>Pursuant to these Articles of Association, shareholders may initiate legal proceedings against other shareholders, shareholders may initiate legal proceedings against directors, supervisors, general manager (chief executive) and other senior management of the Company, and shareholders may initiate legal proceedings against the Company, and the Company may initiate legal proceedings against its shareholders, directors, supervisors, general manager (chief executive) and other senior management.</p> <p>For the purpose of the preceding paragraph, initiation of legal proceedings includes initiation of proceedings in a court or application for arbitration to an arbitration body.</p>

Before the amendments	After the amendments
<p>Article 13 The business scope of the Company as legally registered: general items: research and development of emerging energy technologies; smelting of commonly used non-ferrous metals; sales of metal ores; sales of metal materials; sales of chemical products (excluding permitted chemical products); sales of construction materials; sales of mechanical equipment; sales of timber; sales of cotton and hemp; sales of knitwear textiles and raw materials; domestic trade agent; import and export of goods; import and export of technology; import and export agent. (Carry out business activities legitimately and independently under the business license, except for items subject to approval in accordance with the law). Permitted items: operations of hazardous chemicals (for items subject to approval by competent authorities, shall only engage in such items after such approval is obtained, and the final business scope is subject to approval).</p>	<p>Article 14 The business scope of the Company as legally registered: general items: research and development of emerging energy technologies; smelting of commonly used non-ferrous metals; sales of metal ores; sales of metal materials; sales of chemical products (excluding permitted chemical products); sales of construction materials; sales of mechanical equipment; sales of timber; sales of cotton and hemp; sales of knitwear textiles and raw materials; domestic trade agent; import and export of goods; import and export of technology; import and export agent; leasing of non-residential real estate; sales of coal and products. (Carry out business activities legitimately and independently under the business license, except for items subject to approval in accordance with the law). Permitted items: operations of hazardous chemicals (for items subject to approval by competent authorities, shall only engage in such items after such approval is obtained, and the final business scope is subject to approval).</p>
<p>Article 14 The shares of the Company shall take the form of share certificates. The Company shall have ordinary shares at all times, and the ordinary shares issued by the Company shall include domestic and foreign shares; the Company may, according to its needs and upon approval by the company approval department authorized by the State Council, create other classes of shares in accordance with relevant laws and administrative regulations.</p>	<p>Article 15 The shares of the Company shall take the form of share certificates. The Company shall have ordinary shares at all times, and the ordinary shares issued by the Company shall include domestic and foreign-invested shares; the Company may, according to its needs and upon approval by the Company approval department authorized by the State Council, create other classes of shares in accordance with relevant laws, administrative regulations, and normative documents.</p>

Before the amendments	After the amendments
	<p data-bbox="810 289 1353 995">The shares issued by the Company to domestic investors and subscribed in RMB are called domestic shares. The shares issued by the Company to foreign investors for subscription in foreign currencies are called foreign-invested shares. Foreign-invested shares listed overseas are called overseas-listed foreign-invested shares. Shares held by foreign investors that are not listed domestically or overseas are called unlisted foreign-invested shares. Shareholders of domestic shares, holders of unlisted foreign-invested shares and holders of overseas-listed foreign-invested shares have equal rights in any distribution in the form of dividends or other forms.</p> <p data-bbox="810 1051 1353 1400">The foreign investors mentioned in the preceding paragraph refer to foreign investors and investors from Hong Kong, Macao and Taiwan who subscribe for shares issued by the Company; domestic investors refer to investors within the People’s Republic of China other than the aforementioned regions who subscribe for shares issued by the Company.</p> <p data-bbox="810 1455 1353 1838">The shares issued by the Company that are listed and traded on overseas stock exchanges are collectively referred to as overseas-listed shares; the shares listed on the SEHK are referred to as H shares. H-shares refer to stocks approved for listing by the SEHK, with the par value of the shares expressed in RMB and subscribed and traded in Hong Kong dollars.</p>

Before the amendments	After the amendments
	<p data-bbox="810 289 1353 559">The foreign currencies mentioned in the preceding paragraph refer to the legal currencies of other countries or regions other than RMB that are recognized by the national foreign exchange authorities and can be used to pay shares to the Company.</p> <p data-bbox="810 612 1353 1276">With the approval of the State Council or the CSRC, shareholders of the Company’s domestic shares and unlisted foreign-invested shares may transfer all or part of their shares to overseas investors and list and trade them overseas; all or part of domestic shares and unlisted foreign-invested shares can be converted into overseas-listed shares, and the converted overseas listed shares can be listed and traded on overseas stock exchanges. If the transferred or converted shares are listed and traded on an overseas stock exchange, they must also comply with the regulatory procedures, regulations and requirements of the overseas securities market.</p>

Before the amendments					After the amendments				
Article 20 The promoters of the Company are:					Article 19 The promoters of the Company are:				
Promoter 1: Zhejiang Lygend Investment Co., Ltd.					Promoter 1: Zhejiang Lygend Investment Co., Ltd.				
Promoter 2: Ningbo Lizhan Trade Co., Ltd.					Promoter 2: Ningbo Lizhan Trade Co., Ltd.				
Details of capital contribution from each promoters are set out in the table below:					Details of capital contribution from each promoter are set out in the table below:				
Name of Promoter	Number of Shares Subscribed for (0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution	Name of Promoter	Number of Shares Subscribed for (0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution
Zhejiang Lygend Investment Co., Ltd.	50,700	Net assets converted into share capital	50,700	31 Aug 2021	Zhejiang Lygend Investment Co., Ltd.	50,700	Net assets translated into share capital	50,700	2021-8-31
Ningbo Lizhan Trade Co., Ltd.	100	Net assets converted into share capital	100	31 Aug 2021	Ningbo Lizhan Trade Co., Ltd.	100	Cash	100	2021-8-31
Total	50,800		50,800		Total	50,800		50,800	

Before the amendments					After the amendments				
<p>As approved at the 2021 extraordinary general meeting held on 29 November 2021, the registered capital of the Company was increased by RMB25,915,000 by way of capital contribution in cash, and the registered capital after the capital increase was RMB1,054,215,000. In addition, Cai Jianyong had transferred 30,849,000 shares in the Company to Xie Wen and 10,283,000 shares in the Company to Cai Xiaou, on 28 November 2021.</p> <p>As approved at the 2021 extraordinary general meeting held on 7 December 2021, the registered capital of the Company was increased by RMB263,553,750 by way of capital contribution in cash, and the registered capital after the capital increase was RMB1,317,768,750. Upon the capital increase, details on capital contribution from each shareholder are as follows:</p>					<p>As approved at the 2021 extraordinary general meeting held on November 29, 2021, the registered capital of the Company was increased by RMB25,915,000 by way of capital contribution in cash, and the registered capital after the capital increase was RMB1,054,215,000. In addition, Cai Jianyong has transferred 30,849,000 shares of the Company to Xie Wen and 10,283,000 shares of the Company to Cai Xiaou on November 28, 2021.</p> <p>As approved at the 2021 extraordinary general meeting held on December 7, 2021, the registered capital of the Company was increased by RMB263,553,750 by way of capital contribution in cash, and the registered capital after the capital increase was RMB1,317,768,750. Upon the capital increase, details on capital contribution from each shareholder are as follows:</p>				
Name of Shareholder	Number of Shares Subscribed for (0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution	Name of Shareholder	Number of Shares Subscribed for (in 0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution
Zhejiang Lygend Investment Co., Ltd.	50,700	Net assets translated into share capital	50,700	31 Aug 2021	Zhejiang Lygend Investment Co., Ltd.	50,700	Net assets converted into shares	50,700	August 31, 2021
Cai Jianyong	41,673.20	Cash	41,673.20	30 Nov 2021	Cai Jianyong	41,673.20	Cash	41,673.20	November 30, 2021
FENG YI PTE. LTD.	26,355.375	Cash	26,355.375	31 Dec 2021	FENG YI PTE. LTD.	26,355.375	Cash	26,355.375	December 31, 2021
Xie Wen	3,084.90	Cash	3,084.90	30 Nov 2021	Xie Wen	3,084.90	Cash	3,084.90	November 30, 2021
Song Zhen	1,560.90	Cash	1,560.90	30 Nov 2021	Song Zhen	1,560.90	Cash	1,560.90	November 30, 2021

Before the amendments					After the amendments				
Name of Shareholder	Number of Shares Subscribed for (0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution	Name of Shareholder	Number of Shares Subscribed for (in 0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution
Ningbo Yangcheng Enterprise Management Partnership (Limited Partnership)	1,311	Cash	1,311	30 Dec 2021	Ningbo Yangcheng Enterprise Management Partnership (Limited Partnership)	1,311	Cash	1,311	December 30, 2021
Dong Dong	1,040.60	Cash	1,040.60	30 Nov 2021	Dong Dong	1,040.60	Cash	1,040.60	November 30, 2021
Cai Jianwei	1,040.60	Cash	1,040.60	30 Nov 2021	Cai Jianwei	1,040.60	Cash	1,040.60	November 30, 2021
Cai Xiaou	1,028.30	Cash	1,028.30	30 Nov 2021	Cai Xiaou	1,028.30	Cash	1,028.30	November 30, 2021
Cai Jiansong	780.45	Cash	780.45	30 Nov 2021	Cai Jiansong	780.45	Cash	780.45	November 30, 2021
Fei Feng	780.45	Cash	780.45	30 Nov 2021	Fei Feng	780.45	Cash	780.45	November 30, 2021
Ge Kaicai	780.45	Cash	780.45	30 Nov 2021	Ge Kaicai	780.45	Cash	780.45	November 30, 2021
Ningbo Yufeng Enterprise Management Partnership (Limited Partnership)	731	Cash	731	30 Dec 2021	Ningbo Yufeng Enterprise Management Partnership (Limited Partnership)	731	Cash	731	December 30, 2021
Ningbo Litai Enterprise Management Partnership (Limited Partnership)	361	Cash	361	30 Dec 2021	Ningbo Litai Enterprise Management Partnership (Limited Partnership)	361	Cash	361	December 30, 2021
He Xiaodan	260.15	Cash	260.15	30 Dec 2021	He Xiaodan	260.15	Cash	260.15	November 30, 2021

Before the amendments					After the amendments				
Name of Shareholder	Number of Shares Subscribed for (0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution	Name of Shareholder	Number of Shares Subscribed for (in 0,000 shares)	Way of Capital Contribution	Capital Contribution (in RMB'0000)	Time of capital contribution
Ningbo Xinpan Enterprise Management Partnership (Limited Partnership)	188.50	Cash	188.50	30 Dec 2021	Ningbo Xinpan Enterprise Management Partnership (Limited Partnership)	188.50	Cash	188.50	December 30, 2021
Ningbo Lizhan Trade Co., Ltd.	100	Net assets converted into share capital	100	31 Aug 2021	Ningbo Lizhan Trade Co., Ltd.	100	Net assets converted into shares	100	August 31, 2021
Total	131,776.875		131,776.875		Total	131,776.875		131,776.875	

Before the amendments	After the amendments
<p>Article 21 With the approval of the securities regulatory authority of the State Council and the Hong Kong Stock Exchange, the Company may issue a total of 267,429,600 overseas listed foreign shares (including up to 34,882,000 shares under the over-allotment option).</p> <p>The current share capital structure of the Company is as follows: 1,555,931,350 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd., 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign shares and 238,162,600 shares are held by shareholders of overseas listed foreign shares.</p>	<p>Article 20 With the approval of the securities regulatory authority under the State Council and the SEHK, the Company may issue a total of 267,429,600 overseas listed foreign invested shares (including up to 34,882,000 shares under the over-allotment option).</p> <p>The current share capital structure of the Company is as follows: 1,555,931,350 ordinary shares, of which 507,000,000 shares are held by promoter Zhejiang Lygend Investment Co., Ltd., 1,000,000 shares are held by Ningbo Lizhan Trade Co., Ltd., 546,215,000 shares are held by other shareholders of domestic shares, 263,553,750 shares are held by shareholders of overseas unlisted foreign invested shares and 238,162,600 shares are held by shareholders of overseas listed foreign invested shares. of which 1,052,315,000 shares are held by domestic shareholders, and 503,616,350 shares are held by H share shareholders.</p>
<p>Article 25 The Company may, based on its operational and developmental needs and in accordance with the laws and regulations, increase its capital in the following manners upon respective resolutions being adopted by general meetings:</p> <ul style="list-style-type: none"> (I) public offering of shares; (II) non-public offering of shares; (III) placing new shares to its existing shareholders; (IV) issuing bonus shares to its existing shareholders; (V) transferring reserve funds into share capital; or 	<p>Article 22 The Company may, based on its operational and developmental needs and in accordance with the laws and regulations, increase its capital in the following manners upon respective resolutions being adopted by general meeting shareholders' meeting:</p> <ul style="list-style-type: none"> (I) public offering of shares; (II) non-public offering of shares; (III) placing new shares to its existing shareholders; (IV) issuing bonus shares to its existing shareholders; (V) transferring reserve funds into share capital; or

Before the amendments	After the amendments
<p>(VI) any other means permitted by laws and administrative regulations or approved by the securities regulatory authority of the State Council and the securities regulatory authority where the shares of the Company are listed and any other relevant regulatory authority.</p> <p>After the increase of share capital of the Company by means of the issuance of new shares has been approved in accordance with the provisions of these Articles of Association and the listing rules of the place where the shares of the Company are listed, the issuance of such shares should be made in accordance with the procedures prescribed by relevant national laws, administrative regulations, departmental regulations and the listing rules of the place where the shares of the Company are listed.</p>	<p>(VI) any other means permitted by laws and administrative regulations or approved by the securities regulatory authority under the State Council CSRC and the securities regulatory authority where the shares of the Company are listed and any other relevant regulatory authority.</p> <p>After the increase of share capital of the Company by means of the issuance of new shares has been approved in accordance with the provisions of these Articles of Association and the listing rules of the place where the shares of the Company are listed, the issuance of such shares should be made in accordance with the procedures prescribed by relevant national laws, administrative regulations, departmental regulations and the listing rules of the place where the shares of the Company are listed.</p> <p>(In the full text of the Articles of Association, “general meeting” is changed to “shareholders’ meeting”; “Securities Regulatory Authority under the State Council” is changed to “CSRC”)</p>
<p>Article 29 The Company may acquire shares of the Company by means of open centralized trading or other means approved by laws and regulations, the CSRC and the securities regulatory authority at the place where the shares of the Company are listed.</p> <p>Where the Company acquires its own shares under the circumstances specified in items (III), (V) and (VI) of Article 27 of these Articles of Association, the acquisition shall be made through open centralized trading.</p>	<p>Article 26 The Company may acquire shares of the Company by means of open centralized trading or other means approved by laws and regulations, the CSRC and the securities regulatory authority at the place where the shares of the Company are listed.</p> <p>Where the Company acquires its own shares under the circumstances specified in items (III), (V) and (VI) of Article 27 Article 24 of these Articles of Association, the acquisition shall be made through open centralized trading.</p>

Before the amendments	After the amendments
<p>Article 31 Where the Company acquires shares of the Company under the circumstances set out in items (I) and (II) of Article 27 of these Articles of Association, a resolution shall be adopted at the general meeting; where the Company acquires shares in the Company under the circumstances set out in items (III), (V) and (VI) of Article 27, a resolution shall be adopted at a meeting of the board of directors at which two-thirds of the directors are present.</p> <p>After the shares of the Company are acquired pursuant to Article 27, the shares acquired by the Company under the circumstance set out in item (I) shall be cancelled within 10 days from the date of acquisition; the shares acquired under the circumstances set out in items (II) or (IV) shall be transferred or cancelled within six months; and for the shares acquired in circumstances set out in items (III), (V) or (VI), the total number of shares held by the Company shall not exceed 10 % of the total issued shares of the Company, and such shares acquired shall be transferred or cancelled within three years.</p> <p>After the Company has repurchased its shares in accordance with the law, it shall, within the period prescribed by laws and administrative regulations, cancel such shares and apply to the original company registration authority for registration of the change in registered capital. The registered capital of the Company shall be written down by the total par value of such cancelled shares.</p>	<p>Article 28 Where the Company acquires shares of the Company under the circumstances set out in items (I) and (II) of Article 27 Article 24 of these Articles of Association, a resolution shall be adopted at the general meeting shareholders' meeting; where the Company acquires shares in the Company under the circumstances set out in items (III), (V) and (VI) of Article 27 Article 24, a resolution shall be adopted at a meeting of the board of directors at which two-thirds of the directors are present.</p> <p>After the shares of the Company are acquired pursuant to Article 27 Article 24, the shares acquired by the Company under the circumstance set out in item (I) shall be cancelled within 10 days from the date of acquisition; the shares acquired under the circumstances set out in items (II) or (IV) shall be transferred or cancelled within six months; and for the shares acquired in circumstances set out in items (III), (V) or (VI), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares acquired shall be transferred or cancelled within three years.</p> <p>After the Company has repurchased its shares in accordance with the law, it shall, within the period prescribed by laws and administrative regulations, cancel such shares and apply to the original company registration authority for registration of the change in registered capital. The registered capital of the Company shall be written down by the total par value of such cancelled shares.</p>
<p>Article 37 The shares held by the promoters in the Company shall not be transferred within one year from the date of incorporation of the Company.</p>	<p>Article 34 The Company's shares held by the promoters issued before the Company's public issuance of shares, shall not be transferred within 1 year within one year from the date when the Company's stocks are listed and traded established on the stock exchange.</p>

Before the amendments	After the amendments
<p>Article 44 During the period when H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure that all listing documents for all of its securities listed on the Hong Kong Stock Exchange contain the following declarations, and shall also instruct and procure its share registrar to refuse to register the subscription, purchase or transfer of its shares in the name of any particular holder unless and until such particular holder submits to such share registrar a signed form for such shares containing the declarations below:</p> <p>(I) the purchaser of the shares agrees with the Company and each of its shareholders, and the Company agrees with each shareholder, to observe and comply with the requirements of the Company Law, the Special Provisions and other relevant laws and regulations and these Articles of Association.</p> <p>(II) the purchaser agrees with the Company and each of its shareholders, directors, supervisors, general manager (chief executive) and other senior management, and the Company, acting on behalf of itself and each of its directors, supervisors, general manager (chief executive) and other senior management, agrees with each shareholder to refer all disputes and claims arising from these Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws or administrative regulations concerning the affairs of the Company to arbitration in accordance with the provisions of these Articles of Association, and any reference to arbitration shall be deemed to authorise the arbitration tribunal to conduct a public hearing and to publish its award. Such arbitral award shall be final.</p>	<p>Article 38 During the period when H shares are listed on the SEHK, the Company shall ensure that all listing documents for all of its securities listed on the SEHK contain the following declarations, and shall also instruct and procure its share registrar to refuse to register the subscription, purchase or transfer of its shares in the name of any particular holder unless and until such particular holder submits to such share registrar a signed form for such shares containing the declarations below:</p> <p>(I) the purchaser of the shares agrees with the Company and each of its shareholders, and the Company agrees with each shareholder, to observe and comply with the requirements of the Company Law, the Special Provisions and other relevant laws and regulations and these Articles of Association.</p> <p>(II) the purchaser agrees with the Company and each of its shareholders, directors, supervisors, general manager (chief executive) and other senior management, and the Company, acting on behalf of itself and each of its directors, supervisors, general manager (chief executive) and other senior management, agrees with each shareholder to refer all disputes and claims arising from these Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws or administrative regulations concerning the affairs of the Company to arbitration in accordance with the provisions of these Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct a public hearing and to publish its award. Such arbitral award shall be final.</p>

Before the amendments	After the amendments
<p>(III) the purchaser of the shares agrees with the Company and each of its shareholders that the shares of the Company shall be freely transferable by their holders.</p> <p>(IV) the purchaser of the shares authorises the Company to enter into contracts on his/her behalf with each director and senior management whereby such director and senior management will undertake to observe and perform their duties to the shareholders as provided in these Articles of Association.</p>	<p>(III) the purchaser of the shares agrees (II) with the Company and each of its shareholders that the shares of the Company shall be freely transferable by their holders.</p> <p>(IV) the purchaser of the shares (III) authorizes the Company to enter into contracts on his/her behalf with each director and senior management whereby such director and senior management will undertake to observe and perform their duties to the shareholders as provided in these Articles of Association.</p>
<p>Article 46 The Company shall maintain a register of shareholders, recording the following particulars:</p> <p>(I) the name, address (domicile) and occupation or nature of each shareholder;</p> <p>(II) the class and number of shares held by each shareholder;</p> <p>(III) the amount paid or payable in respect of the shares held by each shareholder;</p> <p>(IV) the serial number(s) of the share certificates(s) held by each shareholder;</p> <p>(V) the date on which each shareholder is registered as a shareholder; and</p> <p>(VI) the date on which each shareholder ceases to be a shareholder.</p>	<p>Article 39 The Company shall maintain a register of shareholders, recording the following particulars:</p> <p>(I) the name, address (domicile) and occupation or nature of each shareholder;</p> <p>(II) the class and number of shares held by each shareholder;</p> <p>(III) the amount paid or payable in respect of the shares held by each shareholder;</p> <p>(IV) the serial number(s) of the share certificates(s) held by each shareholder;</p> <p>(V) the date on which each shareholder is registered as a shareholder; and</p> <p>(VI) the date on which each shareholder ceases to be a shareholder.</p>

Before the amendments	After the amendments
<p>Unless there is proof to the contrary, the register of shareholders shall be sufficient evidence to the holding of the shares of the Company by a shareholder.</p> <p>...</p> <p>(IV) any receipts issued by any joint shareholders in respect of any dividend, bonus or return of capital payable to such joint shareholders shall be deemed to be a valid receipt from such joint shareholders to the Company.</p>	<p>Unless there is proof to the contrary, the register of shareholders shall be sufficient evidence to the holding of the shares of the Company by a shareholder.</p> <p>...</p> <p>(IV) any receipts issued by any joint shareholders in respect of any dividend, bonus or return of capital payable to such joint shareholders shall be deemed to be a valid receipt from such joint shareholders to the Company.</p>
<p>Article 47 The Company may, in accordance with an understanding and agreement between the securities regulatory authority under the State Council and overseas securities regulatory authority, keep the register of shareholders of overseas-listed foreign shares outside of the PRC and appoint overseas agent(s) for the management thereof. The original register of shareholders of overseas-listed foreign shares listed in Hong Kong shall be maintained in Hong Kong and must be available for inspection by shareholders, provided that the Company may close the register of shareholders under any equivalent provisions of Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</p> <p>...</p> <p>If there is any inconsistency between the original and the copy of the register of shareholders of overseas-listed foreign shares, the original version shall prevail.</p>	<p>Article 40 The Company may, in accordance with an understanding and agreement between the securities regulatory authority under the State Council and overseas securities regulatory authority, keep the register of shareholders of overseas-listed foreign-invested shares outside of the PRC and appoint overseas agent(s) for the management thereof. The original register of shareholders of overseas-listed foreign-invested shares listed in Hong Kong shall be maintained in Hong Kong and must be available for inspection by shareholders, provided that the Company may close the register of shareholders under any equivalent provisions of Section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</p> <p>...</p> <p>If there is any inconsistency between the original and the copy of the register of shareholders of overseas-listed foreign-invested shares, the original version shall prevail.</p>

Before the amendments	After the amendments
<p>Article 52 Any shareholder who is registered in, or any person who requests to have his or her name entered in, the register of shareholders may (if his/her share certificate (the “Original Certificate”) is lost) apply to the Company for a replacement share certificate in respect of such shares (the “Relevant shares”).</p> <p>If a shareholder of domestic shares loses his/her share certificate and applies for a replacement, it shall be dealt with in accordance with relevant provisions of the Company Law.</p> <p>If a shareholder of overseas-listed foreign shares loses his/her share certificate and applies for a replacement, it may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of shareholders of overseas-listed foreign shares is maintained.</p> <p>Where a shareholder of H shares loses his/her share certificate and applies for its replacement, the replacement of share certificate shall comply with the following requirements:</p> <p>(I) the applicant shall submit an application in standard form prescribed by the Company accompanied by a notarial certificate or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as a statement that no other person shall be entitled to request for registration as the shareholder in respect of the Relevant Shares;</p>	<p>Article 41 Any shareholder who is registered in, or any person who requests to have his or her name entered in, the register of shareholders may (if his/her share certificate (the “Original Certificate”) is lost) apply to the Company for a replacement share certificate in respect of such shares (the “Relevant shares”).</p> <p>If a shareholder of domestic shares loses his/her share certificate and applies for a replacement, it shall be dealt with in accordance with relevant provisions of the Company Law.</p> <p>If a shareholder of overseas-listed foreign-invested shares H shares loses his/her share certificate and applies for a replacement, it may be dealt with in accordance with the laws, rules of the stock exchange or other relevant regulations of the place where the original register of shareholders of overseas-listed foreign-invested shares H shares is maintained.</p> <p>Where a shareholder of H shares loses his/her share certificate and applies for its replacement, the replacement of share certificate shall comply with the following requirements:</p> <p>(I) the applicant shall submit an application in standard form prescribed by the Company accompanied by a notarial certificate or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as a statement that no other person shall be entitled to request for registration as the shareholder in respect of the Relevant Shares;</p>

Before the amendments	After the amendments
<p>(II) no statement has been received by the Company from a person other than the applicant who requests for having his/her name registered as a holder of the Relevant Shares before the Company came to a decision to issue the replacement share certificate;</p> <p>(III) the Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such newspapers designated by the board of directors. The announcement shall be published at least once every thirty days within a period of ninety days.</p> <p>(IV) the Company shall have, prior to the publication of its announcement of intention to issue a replacement certificate, delivered to the stock exchange on which its shares are listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of ninety days.</p>	<p>(II) no statement has been received by the Company from a person other than the applicant who requests for having his/her name registered as a holder of the Relevant Shares before the Company came to a decision to issue the replacement share certificate;</p> <p>(III) the Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such newspapers designated by the board of directors. The announcement shall be published at least once every thirty days within a period of ninety days.</p> <p>(IV) the Company shall have, prior to the publication of its announcement of intention to issue a replacement certificate, delivered to the stock exchange on which its shares are listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of 90 (ninety) days.</p>

Before the amendments	After the amendments
<p>In case an application to issue a replacement certificate has been made without the consent of the registered shareholder of Relevant Shares, the Company shall send by post to such registered shareholder a copy of the announcement to be published;</p> <p>(V) If, upon expiration of the ninety-day period referred to in items (III) and (IV) of this Article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant according to his application;</p> <p>(VI) where the Company issues a replacement certificate under this Article, it shall forthwith cancel the Original Certificate and record such cancellation and issue of replacement in the register of shareholders accordingly;</p> <p>(VII) all expenses relating to the cancellation of an Original Certificate and the issue of a replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.</p>	<p>In case an application to issue a replacement certificate has been made without the consent of the registered shareholder of Relevant Shares, the Company shall send by post to such registered shareholder a copy of the announcement to be published;</p> <p>(V) If, upon expiration of the ninety-day period referred to in items (III) and (IV) of this Article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant according to his application;</p> <p>(VI) where the Company issues a replacement certificate under this Article, it shall forthwith cancel the Original Certificate and record such cancellation and issue of replacement in the register of shareholders accordingly;</p> <p>(VII) All costs incurred by the Company for canceling the original shares and reissuing new shares shall be borne by the applicant. The Company reserves the right to refuse to take any action before the applicant provides reasonable guarantees.</p>

Before the amendments	After the amendments
<p>Article 57</p> <p>...</p> <p>(VIII) on the basis of one share one vote, shareholders holding more than 3% of the voting rights attached to the share capital of the Company, individually or in aggregate, shall have the right to propose provisional proposals and submit it in writing to the convener 10 business days before the date of the general meeting;</p> <p>...</p>	<p>Article 44</p> <p>.....</p> <p>(VIII) on the basis of one share one vote, shareholders holding more than 3%1% of the voting rights attached to the share capital of the Company, individually or in aggregate, shall have the right to propose provisional proposals and submit it in writing to the convener 10 business days before the date of the general meeting;</p>
<p>Article 66</p> <p>...</p> <p>(XII) to review and approve the guarantees under the Article 67 of these Articles of Association;</p> <p>...</p> <p>(XVI) to review the proposals raised by the shareholders representing 3% or more of the Company’s voting shares severally or jointly; and</p> <p>(XVII) to review issues which should be decided by the general meeting as stipulated by laws, administrative regulations, departmental rules, listing rules of the place where the Company’s shares are listed or these Articles of Association.</p>	<p>Article 52</p> <p>.....</p> <p>(XII) to review and approve the guarantees under the Article 67 Article 53 of these Articles of Association;</p> <p>.....</p> <p>(XVI) to review the proposals raised by the shareholders representing 3% or more of the Company’s voting shares severally or jointly; and</p> <p>(XVII) to review issues which should be (XVI) decided by the general meeting as stipulated by laws, administrative regulations, departmental rules, listing rules of the place where the Company’s shares are listed or these Articles of Association.</p>

Before the amendments	After the amendments
	<p>The powers of the above-mentioned shareholders' meeting shall not be exercised by the board of directors or other institutions or individuals through authorization. However, the shareholders' meeting may authorize or entrust the board of directors to handle the matters authorized or entrusted by the shareholders' meeting without violating the relevant Chinese laws, regulations, normative documents, the laws and regulations of the place where the Company's shares are listed and the mandatory provisions of the listing rules, including but not limited to granting the board of directors a general authorization to issue, allot and deal with additional shares at the shareholders' meeting, subject to applicable laws, regulations and listing rules, the number of which shall not exceed 20% of the Company's total issued share capital on the day the resolution is passed (or other proportions stipulated by applicable laws, regulations, and listing rules of the place where the Company's shares are listed). The content of authorization shall be clear and specific. The authorization of the board of directors by the shareholders' meeting, if the authorized matters are matters that shall be passed by ordinary resolutions of the shareholders' meeting as stipulated in the Articles of Association, shall be approved by more than half of the voting rights held by shareholders (including shareholders' proxies) present at the shareholders' meeting; if the authorized matters are matters that shall be passed by a special resolution of the shareholders' meeting as stipulated in these Articles of Association, shall be approved by more than two-thirds of the voting rights held by shareholders (including shareholders' proxies) present at the shareholders' meeting. In particular, the authorization or delegation by the Shareholders' Meeting to the Board of Directors to handle the relevant matters does not imply that it authorizes the Board of Directors to exercise its powers and functions on behalf of the Board of Directors, and the Board of Directors shall not exceed the scope of authorization by the Shareholders' Meeting to handle relevant matters.</p>

Before the amendments	After the amendments
<p>Article 71 Independent directors have the right to propose the board of directors to convene extraordinary general meetings. The board of directors shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within 10 days upon receiving the request in accordance with the requirements of laws, administrative regulations, listing rules of the stock exchange where the Company’s shares are listed and these Articles of Association.</p> <p>...</p>	<p>Article 58 Independent directors (independent non-executive directors (INEDs)) have the right to propose the board of directors to convene an extraordinary general meeting shareholders’ meeting. The board of directors shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting shareholders’ meeting within 10 days upon receiving the proposal in accordance with the requirements of laws, administrative regulations, listing rules of the stock exchange where the Company’s shares are listed and these Articles of Association.</p> <p>.....</p> <p>(In the full text of the Articles of Association, “independent directors” are changed to “INEDs”)</p>
<p>Article 78</p> <p>When the Company convenes a general meeting, the board of directors, the supervisory board or shareholders, individually or in aggregate, holding 3% or more of shares of the Company shall have the right to propose motions.</p> <p>On the basis of one share one vote, shareholders individually or collectively holding 3% or more of voting rights attached to the Company’s share capital shall be entitled to propose provisional proposals and submit the same to the convener in writing 10 days prior to date of the meeting. The convener shall dispatch a supplementary notice of the general meeting and announce the contents of such provisional proposal within 2 days upon receipt of the proposal.</p> <p>...</p> <p>The general meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of meeting or that is inconsistent with Article 77 hereof.</p>	<p>Article 65</p> <p>When the Company convenes a general meeting shareholders’ meeting, the board of directors, the supervisory board or shareholders, individually or in aggregate, holding 3% 1% or more of shares of the Company shall have the right to propose motions.</p> <p>on the basis of one share one vote, shareholders holding more than 3% 1% of the voting rights attached to the share capital of the Company, individually or in aggregate, shall have the right to propose provisional proposals and submit it in writing to the convener 10 business days before the date of the general meeting shareholders’ meeting; The convener shall issue a supplementary notice to the general meeting shareholders’ meeting within 2 days after receiving the proposal to disclose the contents of the temporary proposal.</p> <p>.....</p> <p>The general meeting shareholders’ meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of the general meetings shareholders’ meeting or that is inconsistent with Article 77 Article 64 hereof.</p>

Before the amendments	After the amendments
<p>Article 79 The Company shall give reasonable notice in writing to the shareholders of a general meeting. The convener shall give 21 days' prior notice of an annual general meeting, and 15 days' prior notice of an extraordinary meeting by way of written announcement. In determining the commencement date and the period, the date on which the meeting is held and the date on which the notice is given shall not be included. A business day as aforesaid means a day on which the Hong Kong Stock Exchange is open for business for dealing in securities.</p>	<p>Article 66 The Company must give reasonable written notice to shareholders regarding the holding of a general meeting. The convener will notify all shareholders in the form of a written announcement 21 days before the annual general meeting, and the extraordinary general meeting will notify all shareholders in the form of a written announcement 15 days before the meeting. When the Company calculates the starting period, it does not include the day when the notice is sent and the day when the meeting is held. The above business days refer to the days when the SEHK is open for securities trading.</p>
<p>Article 81 The notice of a general meeting shall include the following:</p> <ul style="list-style-type: none"> (I) be issued in writing; (II) the time, venue and time of the meeting; (III) describe the matters and proposals submitted to the meeting; ... 	<p>Article 67 The general meeting Notice of shareholders' meeting shall include the following contents shall meet the following requirements:</p> <ul style="list-style-type: none"> (I) be issued in the form of written announcement; (II) designate the date, place and meeting time time, place, method and meeting period; (III) describe the matters and proposals submitted to the meeting;

Before the amendments	After the amendments
<p>Article 83 Unless otherwise provided by laws, administrative regulations, listing rules of the stock exchange where the Company's shares are listed or these Articles of Association, the notice of a general meeting shall be served by hand or prepaid mail to shareholders (regardless of whether they have voting rights at the general meeting). The address of the recipients shall be the address registered in the register of shareholders. For the holders of domestic shares, notice of a general meeting may be in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the competent securities regulatory department of the State Council, and all holders of domestic shares shall be deemed as having been notified of the forthcoming general meeting once the announcement is published.</p> <p>Provided that such action is complied with relevant laws, administrative regulations and listing rules of the stock exchange where the Company's shares are listed and fulfills the relevant procedures, the Company may also issue the notice for the general meeting to the holders of H shares through the website of the Company, the website specified by the Hong Kong Stock Exchange, or by other methods as approved by the Hong Kong Listing Rules and these Articles of Association to replace the method of delivery by hand or prepaid post.</p>	<p>Article 69 Unless otherwise provided by laws, administrative regulations, listing rules of the stock exchange where the Company's shares are listed or these Articles of Association, the notice of a general meeting shall be served by hand or prepaid mail to shareholders (regardless of whether they have voting rights at the general meeting). The address of the recipients shall be the address registered in the register of shareholders. For the holders of domestic shares, notice of a general meeting may be in the form of an announcement.</p> <p>The aforesaid announcement shall be published in one or more newspapers specified by the competent securities regulatory department of the State Council, and all holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders' meeting once the announcement is published.</p> <p>Provided that such action is complied with relevant laws, administrative regulations, normative documents and listing rules of the stock exchange where the Company's shares are listed and fulfills the relevant procedures, the Company may also issue the notice for the general meeting shareholders' meeting to the holders of H shares through the website of the Company, the website specified by the SEHK, or by other methods as approved by the Hong Kong Listing Rules and these Articles of Association to replace the method of delivery by hand or prepaid post.</p>

Before the amendments	After the amendments
<p>Article 115 The general meeting shall vote on a show of hands unless a poll is demanded by the following persons before or after the show of hands:</p> <p>(I) the chairman of the meeting;</p> <p>(II) at least 2 voting shareholders or proxies of the voting shareholders; or</p> <p>(III) 1 or more shareholders (including shareholder's proxies) holding more than 10% (including 10%) of the voting shares at the meeting separately or jointly.</p> <p>Unless a poll is demanded, the chairman of the meeting shall, on the basis of the result of the show of hands, announce the passing of resolutions and record it in the minutes of the meeting as the final basis, without having to prove the number or proportion of votes for or against the resolution passed at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who demanded it.</p>	<p>Article 101 The general meeting shall vote on a show of hands unless a poll is demanded by the following persons before or after the show of hands:</p> <p>(I) the chairman of the meeting;</p> <p>(II) at least 2 voting shareholders or proxies of the voting shareholders; or</p> <p>(III) 1 or more shareholders (including shareholder's proxies) holding more than 10% (including 10%) of the voting shares at the meeting separately or jointly.</p> <p>Unless a poll is demanded, the chairman of the meeting shall, on the basis of the result of the show of hands, announce the passing of resolutions and record it in the minutes of the meeting as the final basis, without having to prove the number or proportion of votes for or against the resolution passed at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who demanded it.</p> <p>In accordance with the Hong Kong Listing Rules, unless the presiding officer of the meeting decides in good faith to allow resolutions purely on procedural or administrative matters to be voted on by a show of hands, any vote taken by shareholders at a shareholders' meeting must be conducted by poll. The Company must announce voting results in accordance with the methods specified in the Hong Kong Listing Rules.</p>

Before the amendments	After the amendments
<p>Article 136 Directors shall be elected or removed by shareholders at a general meeting and can be removed from their office prior to the expiry of their term by the general meeting. Each term of office of directors shall be three years, and a director may be re-elected and re-appointed upon the expiry of his/her term of office.</p> <p>Written notice of the intention to nominate a candidate for directorship and of the candidate’s willingness to accept the nomination shall be sent to the Company at least seven days prior to the general meeting.</p> <p>...</p>	<p>Article 114 Directors shall be elected or removed by shareholders at a general meeting shareholders’ meeting and can be removed from their office prior to the expiry of their term by the general meeting shareholders’ meeting. Each term of office of directors shall be three years, and a director may be re-elected and re-appointed upon the expiry of his/her term of office.</p> <p>Written notice of the intention to nominate a candidate for directorship and of the candidate’s willingness to accept the nomination shall be sent to the Company at least seven days prior to the general meeting.</p> <p>.....</p>
<p>Article 156 The board of directors shall convene meetings of the board of directors by means of notice in person, by fax, by mail, by telephone or by other means; the notice period shall be 10 days prior to regular meetings and 5 days prior to ad hoc meetings. However, the notice period for ad hoc meetings may be shortened by unanimous written consent of all directors.</p>	<p>Article 144 The board of directors shall convene meetings of the board of directors by means of notice in person, by fax, by mail, by telephone or by other means; the notice period shall be 10 14 days prior to regular meetings and 5 days prior to ad hoc meetings. However, the notice period for ad hoc meetings may be shortened by unanimous written consent of all directors.</p>
<p>Article 165 The Company shall have one general manager (chief executive), who shall be appointed or removed by the board of directors.</p> <p>The Company shall have several vice general managers (vice chief executives), who shall be appointed or removed by the board of directors.</p> <p>The general manager (chief executive), vice general manager (vice chief executive) and Chief Financial Officer of the Company are senior management of the Company.</p>	<p>Article 153 The Company shall have one general manager (Chief executive), who shall be appointed or removed by the board of directors.</p> <p>The Company shall have several vice 4 general managers (vice chief executives), who shall be appointed or removed by the board of directors.</p> <p>The general manager (chief executive), vice general manager (vice chief executive) and Chief Financial Officer of the Company are senior management of the Company.</p>
<p>Article 166 The provisions of Article 137 on the fiduciary duty of directors and Article 138 (IV) to (VI) on the duty of diligence shall apply to senior management.</p>	<p>Article 154 The provisions of Article 137 Article 115 on the fiduciary duty of directors and Article 138 Article 116 (IV) to (VI) on the duty of diligence shall apply to senior management.</p>

Before the amendments	After the amendments
<p>Article 185</p> <p>The Company shall have a supervisory board. The supervisory board shall consist of 3 supervisors.</p> <p>...</p> <p>The supervisory board shall consist of an appropriate proportion of shareholders representative supervisors and employee representative supervisors, and the percentage of employee representative supervisors shall not be less than 1/3 of the board. The employee representative supervisors shall be elected by employees of the Company at the employee representatives' congress, employee congress or in any other democratic form.</p>	<p>Article 173</p> <p>The Company shall have a supervisory board. The supervisory board shall consist of 3 supervisors.</p> <p>.....</p> <p>The supervisory board shall consist of an appropriate proportion of shareholders representative supervisors and employee representative supervisors, and the percentage of employee representative supervisors shall not be less than 1/3 of the board. be 1. The employee representative supervisors shall be elected by employees of the Company at the employee representatives' congress, employee congress or in any other democratic form.</p>
<p>Article 186</p> <p>.....</p> <p>(VIII) to bring actions against any director or senior management members according to Article 151 of the Company Law;</p> <p>.....</p>	<p>Article 174</p> <p>.....</p> <p>(VIII) to bring actions against any director or senior management members according to Article 151 of the Company Law;</p>

Before the amendments	After the amendments
<p>Article 210 The Company shall submit its annual financial and accounting reports to the CSRC and the stock exchange on which the Company's shares are listed within 4 months after the end of each fiscal year; the interim financial and accounting report shall be submitted to the local CSRC office and the stock exchange on which the Company's shares are listed within 2 months after the end of the first 6 months of each fiscal year; the quarterly financial and accounting report shall be submitted to the local CSRC office and the stock exchange on which the Company's shares are listed within 1 month after the end of the first 3 months and the first 9 months of each fiscal year, respectively.</p> <p>...</p>	<p>Article 180 The Company shall submit its annual financial and accounting reports to the CSRC and the stock exchange on which the Company's shares are listed within 4 months after the end of each fiscal year; the interim financial and accounting report shall be submitted to the local CSRC office and the stock exchange on which the Company's shares are listed within 2 months after the end of the first 6 months of each fiscal year; the quarterly financial and accounting report shall be submitted to the local CSRC office and the stock exchange on which the Company's shares are listed within 1 month after the end of the first 3 months and the first 9 months of each fiscal year, respectively.</p> <p>.....</p>
<p>Article 212 The Company's financial reports shall be made available for shareholders' inspection at the Company twenty days before the date of every annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.</p> <p>The Company shall deliver to each shareholder of overseas-listed foreign shares (including each holder of H shares) by hand or by prepaid mail or by other means permitted by the Hong Kong Stock Exchange at the address registered in the register of shareholders the aforesaid reports or the directors' report, together with the balance sheet (including each document required to be attached to the balance sheet as provided by law), the income statement or the statement of revenues and expenditures or the summary of financial report, not later than twenty-one days before the date of every annual general meeting of the shareholders.</p>	<p>Article 182 The Company's financial report shall be prepared with the Company for shareholders' inspection 20 days before the annual general meeting. Each shareholder of the Company is entitled to the financial reports referred to in this chapter.</p> <p>The Company shall deliver to each shareholder of overseas-listed foreign-invested shares (including each holder of H shares) by hand or by prepaid mail or by other means permitted by the SEHK at the address registered in the register of shareholders the aforesaid reports or the directors' report, together with the balance sheet (including each document required to be attached to the balance sheet as provided by law), the income statement or the statement of revenues and expenditures or the summary of financial report, not later than twenty-one days before the date of every annual general meeting of the shareholders.</p>

Before the amendments	After the amendments
<p>Article 214 The Company shall allocate 10% of the after-tax annual profits as the statutory reserve fund of the Company. When the cumulated amount of the statutory reserve fund of the Company exceeds 50% of its registered capital, no further allocation will be required.</p> <p>.....</p>	<p>Article 184 The Company's profit distribution plan for each year shall be reviewed and approved by the general meeting. The Company's after-tax profits are distributed in the following proportions and order:</p> <ul style="list-style-type: none"> (I) making up for losses; (II) withdrawing the statutory provident fund (withdrawal at ten percent (10%) of the after-tax profit for the year); (III) withdrawing any provident fund upon resolution of the general meeting; (IV) paying dividends to shareholders. <p>When the Company distributes after-tax profits for the year, it shall withdraw 10% of the profits and include them in the Company's statutory reserve fund. If the cumulative amount of the Company's statutory reserve fund is more than 50% of the Company's registered capital, no further withdrawals can be made.</p> <p>.....</p>

Before the amendments	After the amendments
<p>Article 221 The Company shall appoint an accounting firm qualified to engage in securities – related business to undertake matters including audits of Company’s annual financial statements, the verification of its net assets and provision of other relevant consultancy services. The term of appointment shall be 1 year which commence on the date of conclusion of the current annual general meeting and end on the date of the conclusion of the subsequent annual general meeting and may be renewed.</p>	<p>Article 190 The Company shall appoint an accounting firm that has obtained the qualification to engage in securities-related business and complies with relevant regulations such as the Securities Law and the Hong Kong Listing Rules to undertake matters including audits of Company’s annual financial statements, the verification of its net assets and provision of other relevant consultancy services. The term of appointment shall be 1 year which commence on the date of conclusion of the current annual general meeting shareholders’ meeting and end on the date of the conclusion of the subsequent annual general meeting shareholders’ meeting and may be renewed.</p>
<p>Article 222 The Company’s appointment of an accounting firm shall be decided by an ordinary resolution of the general meeting of shareholders. The board of directors shall not appoint any accounting firm prior to a decision being made by the general meeting.</p>	<p>Article 191 The Company’s appointment of an accounting firm shall be decided by an ordinary resolution of the general meeting shareholders’ meeting. The board of directors shall not appoint any accounting firm prior to a decision being made by the general meeting shareholders’ meeting. The audit committee may propose to the board of directors the audit fees of the accounting firm or make relevant suggestions on determining the audit fees. The supervisor having perceived any abnormality in the Company’s operation may, if necessary, hire an accounting firm, etc.</p>

Before the amendments	After the amendments
<p>Article 230 Notices of the Company shall be delivered by the following means:</p> <p>(I) by hand;</p> <p>(II) by mail;</p> <p>(III) by fax;</p> <p>(IV) by e-mail;</p> <p>.....</p>	<p>Article 199 Notices of the Company shall be delivered by the following means:</p> <p>(I) by hand;</p> <p>(I) by mail;</p> <p>(II) by fax;</p> <p>(III) by e-mail;</p> <p>.....</p>
<p>Article 233 The notice of meetings of the board of directors shall be sent by hand, mail, facsimile or e-mail.</p>	<p>Article 202 The notice of meetings of the board of directors shall be sent by hand, mail, facsimile or e-mail.</p>
<p>Article 234 The notice of meetings of the supervisory board shall be sent by hand, mail, facsimile or e-mail.</p>	<p>Article 203 The notice of meetings of the supervisory board shall be sent by hand, mail, facsimile or e-mail.</p>
<p>Article 235 Notices delivered by hand shall be deemed duly served on the day when the addressee signs (or seals) the receipt of delivery; notices delivered by mail shall be deemed duly served on the fifth business day upon its dispatch to the post office; and notices sent by announcement shall be deemed duly served on the date of its first publication. Notices sent by fax shall be deemed duly served on the date the recipient sends back a return receipt if the sender notifies the recipient by phone and the recipient sends back a return receipt in time, or on the date immediately after the fax is sent if the sender notifies the recipient by phone but the recipient does not send back a return receipt in time or at all. Notices sent by e-mail shall be deemed duly served when the data message enters the specific system designated by the recipient.</p>	<p>Article 204 Notices delivered by hand shall be deemed duly served on the day when the addressee signs (or seals) the receipt of delivery; notices delivered by mail shall be deemed duly served on the fifth business day upon its dispatch to the post office; and Notices sent by announcement shall be deemed duly served on the date of its first publication. Notices sent by fax shall be deemed duly served on the date the recipient sends back a return receipt if the sender notifies the recipient by phone and the recipient sends back a return receipt in time, or on the date immediately after the fax is sent if the sender notifies the recipient by phone but the recipient does not send back a return receipt in time or at all. Notices sent by e-mail shall be deemed duly served when the data message enters the specific system designated by the recipient.</p>

Before the amendments	After the amendments
<p>Article 237 If the Company is required by the listing rules of the place where its shares are listed to send, mail, distribute, issue, publish or otherwise make available relevant documents of the Company in English and Chinese, the Company may (on stated intention of the shareholder) send only the English version or only the Chinese version to the shareholder concerned if the Company has made appropriate arrangements to determine whether the shareholder wishes to receive only the English version or only the Chinese version, and to the extent permitted by and subject to applicable laws and regulations.</p>	<p>Article 206 If the Company is required by the listing rules of the place where its shares are listed to send, mail, distribute, issue, publish or otherwise (e.g. email) make available relevant documents of the Company in English and Chinese, the Company may (on stated intention of the shareholder) send only the English version or only the Chinese version to the shareholder concerned if the Company has made appropriate arrangements to determine whether the shareholder wishes to receive only the English version or only the Chinese version, and to the extent permitted by and subject to applicable laws and regulations.</p>
<p>Article 241 In the case of the merger or division of the Company, a merger or division plan shall be drafted by the board of directors and after the plan is adopted according to the procedures stipulated in these Articles of Association, the relevant procedures for examination and approval shall then be carried out in accordance with law. If a shareholder objects to the merger or division plan, that shareholder shall have the right to require the Company or those shareholders who approve the merger or division plan to purchase his/her shares at a fair price. The contents of the resolution of merger or division of the Company shall be made into a special document which shall be available for inspection by the shareholders.</p> <p>For holders of foreign shares of the company listed in Hong Kong the aforesaid document shall be delivered by mail to each of them.</p>	<p>Article 210 The board of directors of the Company shall propose a plan for the merger or division of the Company, and after the plan is adopted in accordance with the procedures stipulated in the Company's Articles of Association, the relevant approval procedures shall be completed in accordance with the law. Shareholders who oppose the Company's merger or division plan have the right to require the Company or shareholders who agree to the Company's merger or division plan to purchase their shares at a fair price. The contents of the Company's merger or division resolution shall be prepared in special documents for shareholders to review.</p> <p>For holders of H shares of the Company listed in Hong Kong, the aforesaid document shall be delivered by mail to each of them.</p>

Before the amendments	After the amendments
<p>Article 242 In a merger of companies, the companies shall execute a merger agreement and prepare their respective balance sheets and schedules of assets. The companies shall notify their creditors within 10 days of adopting merger resolutions, and shall publish an announcement at least three times on information disclosure press within 30 days.</p> <p>.....</p>	<p>Article 211 If the Company is to be merged, the merging parties shall sign a merger agreement and prepare a balance sheet and property list. The Company shall notify its creditors within 10 days from the date of making the merger resolution, and make an announcement on the information disclosure media within 30 days at least 3 times.</p> <p>.....</p>
<p>Article 244 If the Company is to be divided, its assets shall be divided accordingly.</p> <p>In a division of the company, a balance sheet and a schedule of assets shall be prepared. The Company shall notify its creditors within 10 days of the date on which the division resolution is made, and shall make announcements at least three times in the information disclosure press within thirty days.</p>	<p>Article 213 If the Company is to be divided, its assets shall be divided accordingly.</p> <p>When the Company is divided, the parties to the division shall sign a division agreement and prepare a balance sheet and property list. The Company shall notify its creditors within 10 days from the date of making the division resolution, and make an announcement on the information disclosure media within 30 days at least 3 times.</p>
<p>Article 249 In the circumstance of item (I) of Article 248 hereof, the Company may continue to exist by amending these Articles of Association.</p> <p>.....</p>	<p>Article 218 In the circumstance of item (I) of Article 248 Article 217 hereof, the Company may continue to exist by amending these Articles of Association.</p> <p>.....</p>

Before the amendments	After the amendments
<p>Article 250 Where the Company is dissolved in accordance with items (I), (II), and (VI) of Article 248 hereof, a liquidation committee shall be established within fifteen days upon occurrence of the reason for dissolution to carry out liquidation. Members of the liquidation committee shall be determined by an ordinary resolution of the general meeting of shareholders.</p> <p>Where the Company is dissolved according to the item (IV) of Article 248 hereof, the People’s Court shall, according to provisions of related laws, organize the shareholders, relevant authorities and related professionals to form a liquidation committee to carry out liquidation.</p> <p>Where the Company is dissolved according to item (V) of Article 248 hereof, the competent authority shall organize the shareholders, relevant authorities and related professionals to form a liquidation committee to carry out liquidation.</p>	<p>Article 219 Where the Company is dissolved in accordance with items (I), (II), and (VI) of Article 248 Article 217 hereof, a liquidation committee shall be established within fifteen days upon occurrence of the reason for dissolution to carry out liquidation. Members of the liquidation committee shall be determined by an ordinary resolution of the general meeting shareholders’ meeting.</p> <p>Where the Company is dissolved according to the item (IV) of Article 248 Article 217 hereof, the People’s Court shall, according to provisions of related laws, organize the shareholders, relevant authorities and related professionals to form a liquidation committee to carry out liquidation.</p> <p>Where the Company is dissolved according to item (V) of Article 248 Article 217 hereof, the competent authority shall organize the shareholders, relevant authorities and related professionals to form a liquidation committee to carry out liquidation.</p>

Before the amendments	After the amendments
<p>Article 253 The liquidation committee shall, within 10 days of its establishment, send notices to creditors and shall, make announcements at least three times in the information disclosure press within 60 days. A creditor shall be entitled to claim its rights to the liquidation committee within 30 days of receipt of the notice, or within 45 days of the announcement if any such creditor did not receive the notice.</p> <p>In claiming its rights, the creditor shall provide an explanation of matters relevant to the creditor’s rights and provide supporting evidence. The liquidation committee shall register the creditor’s rights.</p> <p>During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.</p>	<p>Article 222 The liquidation committee shall notify the creditors within 10 days from the date of establishment and make an announcement on the information disclosure media within 60 days at least 3 times. The creditors shall declare their creditor’s rights to the liquidation group within 30 days as of the date of receiving such notice, or within 45 days from the date of announcement if they have not received the notice.</p> <p>In claiming its rights, the creditor shall provide an explanation of matters relevant to the creditor’s rights and provide supporting evidence. The liquidation committee shall register the creditor’s rights.</p> <p>During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.</p>
<p>Article 264 Any amendment to these Articles of Association involving the content of the Mandatory Provisions shall take effect upon approval by the company approval authority under the State Council and the securities regulatory authority under the State Council. If registration matters are involved, the Company shall apply for registration of the changes in accordance with the law.</p>	<p>Article 233 Any amendment to these Articles of Association involving the content of the Mandatory Provisions shall take effect upon approval by the company approval authority under the State Council and the securities regulatory authority under the State Council. involving registration matters, the Company shall apply for registration of the changes in accordance with the law.</p>

Before the amendments	After the amendments
<p>Article 266 Definitions</p> <p>(I) A controlling shareholder is a shareholder who, acting alone or in concert with others, can elect more than half of the directors; who, acting alone or in concert with others, holds more than 30% of the issued shares of the Company; who, acting alone or in concert with others, can exercise more than 30% of voting rights of the Company or can control the exercise of more than 30% of voting rights of the company; and who, acting alone or in concert with others, otherwise de facto controls the Company.</p> <p>.....</p>	<p>Article 234 Definitions</p> <p>(I) A controlling shareholder is a shareholder who, acting alone or in concert with others, can elect more than half of the directors; who, acting alone or in concert with others, holds more than 30% of the issued shares of the Company; who, acting alone or in concert with others, can exercise more than 30% of voting rights of the Company or can control the exercise of more than 30% of voting rights of the company; and who, acting alone or in concert with others, otherwise de facto controls the Company whose shares account for more than 50% of the Company's total capital stock; who hold less than 50% of the shares, but the voting rights they hold are sufficient to have a significant impact on the resolutions of the shareholders' meeting. If the Hong Kong Listing Rules stipulate the definition of a controlling shareholder, such provisions shall prevail.</p> <p>.....</p>
<p>Article 272 Upon approval by the Company's shareholders in general meeting, these Articles of Association shall come into effect on the date of the listing and trading of the Company's overseas-listed foreign shares (H Shares) on the Hong Kong Stock Exchange upon the public offering.</p>	<p>Article 240 Upon approval by the Company's shareholders in general meeting shareholders' meeting, these Articles of Association shall come into effect on the date of the listing and trading of the Company's overseas-listed foreign-invested shares (H Shares) on the SEHK upon the public offering.</p>

“Remove terms and conditions”

Article 17 The Company may issue shares to domestic investors and overseas investors upon approval by the securities regulatory authority of the State Council.

“Overseas investors” referred to in the preceding paragraph shall refer to investors from foreign countries, and the regions of Hong Kong, Macao and Taiwan who subscribe for shares issued by the Company; “domestic investors” shall refer to investors within the PRC other than the aforesaid regions, who subscribe for shares issued by the Company.

Article 18 Shares issued by the Company to domestic investors for subscription in RMB shall be referred to as “domestic shares”. Shares issued by the Company to overseas investors for subscription in foreign currency are “foreign shares”. If the foreign shares are listed overseas, they are known as “overseas listed foreign shares”. Shares held by overseas investors that are not listed domestically or overseas are known as “unlisted foreign shares”.

Shares issued with the approval of the securities regulatory authority of the State Council and approved by the overseas securities regulatory authorities for listing and trading on overseas stock exchanges shall be collectively referred to as “overseas listed shares”.

A “foreign currency” referred to in the preceding paragraph shall refer to the statutory currency of a country or region other than RMB that is recognised by the State Administration of Foreign Exchange and can be used to pay to the Company for the shares.

Upon approval of the securities regulator of the State Council, the holders of domestic shares and unlisted foreign shares of the Company may transfer all or part of the shares they hold to overseas investors and get them listed and traded overseas; all or part of the domestic shares and unlisted foreign shares may be converted into overseas listed shares, and the converted overseas listed shares may be listed and traded on an overseas stock exchange. When the transferred or converted shares are listed and traded on an overseas stock exchange, it shall comply with the regulatory procedures, regulations and requirements of overseas securities markets. The domestic shares and unlisted foreign shares shall be regarded as the same class of shares as the original overseas listed foreign shares after converted into overseas listed shares.

Article 22 The board of directors of the Company may make arrangements for the implementation of separate issues of H shares and domestic shares in accordance with a plan approved by the securities regulatory authority of the State Council. The Company’s plan to issue H shares and domestic shares separately in accordance with the preceding paragraph may be implemented separately within 15 months from the date of approval by the securities regulatory authority of the State Council or the department authorized by the State Council or within the validity period of the approval document.

Article 23 If the Company issues H shares and domestic shares separately within the total number of shares determined in the issuance plan, all shares shall be fully issued in one tranche; if there are special circumstances that prevent full issue of shares in one tranche, the shares may also be issued in several tranches subject to the approval of the securities regulatory authority of the State Council.

Chapter 3 Shares**Section 4 Financial Assistance for Acquisition of the Shares of the Company**

Article 40 The Company and its subsidiaries shall not offer any financial assistance at any time by any means to purchasers or prospective purchasers who will or who intend to purchase the shares of the Company. The aforementioned purchasers include both persons who have directly or indirectly assumed obligations due to purchasing the shares of the Company.

The Company and its subsidiaries shall not offer any financial assistance at any time by any means in order to reduce or relieve the obligations of the aforesaid obligors.

The provisions in this Article shall not apply to the circumstances as stated in Article 42 of these Articles of Association.

Article 41 “Financial assistance” referred to in these Articles of Association include, without limitation to, the following means:

- gifts;
- guarantee (including the undertaking of liability or the provision of property by the guarantor to secure the performance of obligations by the obligor), or indemnity (other than indemnity arising from the Company’s own fault) and the release or waiver of any rights;
- provision of loans or the conclusion of a contract under which the obligations of the Company are to be fulfilled prior to the obligations of the other party to the contract, and a change in the parties to, and the assignment of rights arising under such loan or contract;
- any other form of financial assistance given by the Company when the Company is insolvent, or has no net assets, or such assistance that would lead to significant reduction in the net assets of the Company.

“Assumption of obligations” referred to in these Articles of Association shall include the assumption of obligation by way of contract or the entering into an arrangement (whether enforceable or not, and whether entered into on its own account or with any other persons), or by the changing of the obligor’s financial position by any other means.

Article 42 The following actions shall not be regarded as actions prohibited under Article 40 of this Section:

- (I) the financial assistance provided by the Company is in good faith in the interests of the Company, and the main purpose of the financial assistance is not to purchase the shares of the Company, or the financial assistance is an incidental part of an overall plan of the Company;
- (II) the lawful distribution of the Company’s assets as dividends;

- (III) the distribution of dividends in the form of shares;
- (IV) the reduction of registered capital, repurchase of shares, or reorganization of shareholding structure of the Company etc. in accordance with these Articles of Association;
- (V) the provision of loans by the Company within its scope of business and in the ordinary course of its business (provided that this does not reduce the net assets of the Company or that if this causes a reduction, the financial assistance is provided out of the distributable profits of the Company); and
- (VI) contributions made by the Company to an employee shareholding scheme (provided that this does not lead to a reduction in the net assets of the Company or that if there causes a reduction, the financial assistance is taken from the distributable profits of the Company).

Chapter 3 Shares

Section 5 Share Certificates and Register of Shareholders

Article 43 The share certificates of the Company shall be in registered form. The share certificates of the Company shall include the following particulars:

- (I) name of the Company;
- (II) date of incorporation of the Company;
- (III) class of shares, par value and number of shares represented;
- (IV) serial number of the share certificate; and
- (V) other items as required by the Company Law, the Special Provisions and other laws and regulations, and other items required by the stock exchange(s) on which the shares of the Company are listed.

Article 45 The share certificates shall be signed by the chairman of the board of directors. Where the stock exchange where the shares of the Company are listed requires the share certificates to be signed by other senior management of the Company, the share certificates shall also be signed by such other relevant senior management. The share certificates shall take effect after the Company seal is affixed thereto or printed thereon. The share certificates shall only be affixed with the Company's seal under the authorization of the board of directors. The signatures of the chairman of the board of directors or other relevant senior management of the Company on the share certificates may also be in printed form.

Under the circumstance of paperless issuance of and trading in shares of the Company, the applicable provisions of the securities regulatory authority and the stock exchange at the place where the shares of the Company are listed shall apply separately.

Article 48 The Company shall keep a complete register of shareholders. The register of shareholders shall consist of the following:

- (I) the register of shareholders maintained at the Company's domicile other than those specified in items (II) and (III) of this Article;
- (II) the register of shareholders of overseas-listed foreign shares maintained at the place where the stock exchange on which the Company is listed abroad is domiciled (the original register of shareholders of overseas-listed foreign shares listed in Hong Kong shall be maintained in Hong Kong); and
- (III) the register of shareholders maintained at such other place as the board of directors may consider necessary for the purpose of listing the shares of the Company.

Article 49 Different parts of the register of shareholders shall not overlap one another. No transfer of the shares registered in any part of the register of shareholders shall, during the existence of that registration, be registered in any other part of the register of shareholders. Changes or corrections to each part of the register of shareholders shall be made in accordance with the laws of the places where each part of the register of shareholders is maintained.

Article 50 No change in the register of shareholders resulting from share transfers may be made within thirty days prior to a general meeting or five days prior to the reference date for dividend distribution determined by the Company.

Article 51 Any person who disputes the register of shareholders and requests to have his or her name be entered in or removed from the register of shareholders may apply to a competent court to rectify the register of shareholders.

Article 53 Where the Company issues a replacement certificate pursuant to these Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who is subsequently registered as the owner of such shares (in the case that he is a bona fide purchaser) shall not be removed from the register of shareholders.

Article 54 The Company shall not be liable for any damages sustained by any person by reason of the cancellation of the Original Certificate or the issuance of the replacement certificate, unless the claimant proves that the Company had committed a fraudulent act.

Article 65 In addition to obligations as required by laws, administrative regulations or required by the listing rules of the stock exchange on which shares of the Company are listed, a controlling shareholder when exercising his/her shareholder's rights shall not exercise his/her voting rights to make decisions which will harm the interests of all or some of the shareholders of the Company on the following matters:

- (I) to relieve a director or supervisor of his duty to act in good faith in the best interests of the Company;
- (II) to approve the expropriation by a director or supervisor (for his/her own benefit or another's benefit) through any means, of the Company's property, including (but not limited to) opportunities beneficial to the Company;

(III) to approve the expropriation by a director or supervisor (for his/her own benefit or another's benefit) of the individual rights or interests of other shareholders, including (but not limited to) any distribution rights and voting rights, but not including resolutions regarding reorganization of the Company submitted to shareholders for approval by the general meeting for adoption in accordance with these Articles of Association.

Article 80 No shareholders' general meeting shall decide on matters not stated in the notice of the meeting.

Article 118 When the number of votes for and against a resolution are equal, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to cast one additional vote.

Section 7 Special Procedures for Voting by Classes of Shareholders

Article 128 Shareholders who hold different classes of shares are class shareholders. Class shareholders shall enjoy rights and assume obligations in accordance with law, administrative regulation and these Articles of Association.

Apart from shareholders of other classes of shares, shareholders of domestic shares and shareholders of unlisted foreign shares are regarded as the shareholders of the same class, shareholders of domestic shares and shareholders of overseas-listed foreign shares are regarded as shareholders of different classes, and shareholders of unlisted foreign shares and shareholders of overseas listed foreign shares are regarded as shareholders of different classes.

Article 129 If the Company proposes to vary or abrogate certain rights of a certain class of shareholders, this proposal should be passed by a special resolution at the general meeting and passed at the meeting convened according to Articles 131 to 135 by the related class of shareholders. The approval of a general meeting or a class meeting of shareholders is not required if the rights conferred on a class of shareholders are varied or abrogated as a result of changes in domestic or foreign laws and regulations and the listing rules of the place where the Company's shares are listed, as well as decisions made by domestic or foreign regulatory authorities in accordance with the law.

The behaviors that upon approval of the State Council or the securities regulators authorized by the State Council, the shareholders of domestic shares and unlisted foreign shares of the Company transfer all or part of their holdings of shares to overseas investors, or convert all or part of their holdings of domestic shares or unlisted foreign shares into overseas listed shares and get them listed and traded on an overseas stock exchange shall not be regarded as the Company's intention to change or abolish the rights of class shareholders, and are not subject to the approval of the general meeting of shareholders or class meeting of shareholders.

Article 130 The rights of a certain class of shareholders shall be regarded to be varied or abrogated in the following circumstances:

- (I) increase or reduce in the number of shares of such class, or to increase or reduce the number of shares of other class which enjoys the same or more voting rights, distribution rights or other privileges;
- (II) to convert part or whole of the shares of such class into other class(es), convert part or whole of the shares of other class(es) into such class, or grant such conversion rights;
- (III) cancel or reduce the rights of such class of shares to entitle, receive payable dividends or cumulative dividends;
- (IV) reduce or cancel the privileged rights of such class of shares to acquire dividends or obtain distribution of assets during liquidation of the Company;
- (V) increase, cancel or reduce the conversion, option, voting, transfer or privileged allotment rights of such class of shares or the rights of such class of shares to obtain securities issued by the Company;
- (VI) cancel or reduce the rights of such class of shares to receive amounts payable by the Company in a particular currency;
- (VII) create new class(es) of shares with the same or more voting rights, distribution rights or other privileges as compared with those enjoyed by such class of Shares;
- (VIII) impose restrictions or additional restrictions on the transfer of ownership of such class of shares;
- (IX) grant share subscription options or share conversion options of such class or another class of shares;
- (X) increase the rights or privileges of other class(es) of Shares;
- (XI) any restructuring scheme of the Company that may result in the assumption of disproportionate responsibilities by different classes of shareholders during the restructuring; and
- (XII) revise or abolish the provisions under this Section.

Article 131 Where issues specified in items (II) to (VIII), (XI) and (XII) of Article 130 are involved, the affected class shareholders, whether or not they are entitled to vote at general meetings originally, shall have the right to vote at class general meetings. However, the interested shareholder(s) shall have no voting rights at the meeting for such class of shareholders. The definition of “interested shareholder” referred in the preceding paragraph are as follows:

- (I) in the case where the Company sends a repurchase offer to all shareholders pursuant to Article 27 of these Articles of Association according to the same proportion or the Company repurchases its shares with open transaction in the stock exchange, it refers to a controlling shareholder within the meaning of these Articles of Association;
- (II) in the case where the Company repurchase shares by an off-market agreement pursuant to Article 27 of these Articles of Association, it is a holder of the shares to which the proposed agreement relates;
- (III) in the case of a restructuring of the Company, it is a shareholder who assumes a relatively lower proportion of obligation than the obligations imposed on shareholders of that class under the proposed restructuring or who has an interest in the proposed restructuring different from the general interests of the shareholders of that class.

Article 132 Resolutions of a meeting of class shareholders shall be passed by affirmative votes representing more than two-thirds of the voting rights of shareholders of that class presented at the relevant meeting who, according to Article 131, are entitled to vote thereat.

Article 133 Notice of a meeting of class shareholders shall be given to all shareholders who are registered as holders of that class in the register of shareholders as provided for in Article 79 hereof. Such notice shall give such shareholders notice of the matters to be considered at such meeting and the date and venue of the meeting of class shareholders.

If there are special provisions in the listing rules of the stock exchange where the shares of the Company are listed, the provisions shall apply.

Article 134 Notice of a meeting of class shareholders shall be given only to those shareholders entitled to vote at that meeting.

Meetings of class shareholders shall be conducted in a manner which is as similar as possible to that of a general meeting. The provisions of these Articles of Association relating to procedures of general meetings are also applicable to meetings of class shareholders.

Article 135 Apart from the holders of other classes of shares, the holders of domestic shares and holders of unlisted foreign shares are deemed to be the same type of shareholders, the holders of the domestic shares, the holders of unlisted foreign shares and holders of overseas listed foreign shares shall be regarded as shareholders of different classes. The special voting procedures at a general meeting for class shareholders shall not apply for the following circumstances:

- (I) upon the approval by way of a special resolution passed by a general meeting, the Company issues overseas listed foreign shares every twelve months, provided that the amount of shares intended to be issued is not more than twenty percent of the issued and outstanding shares of the class;
- (II) the Company's plan on issuing overseas listed foreign shares at the time of establishment which is completed within fifteen months from the date of approval from competent securities department under the State Council; or
- (III) where with the approval by the security's regulatory authorities of the State Council the shareholders who hold the domestic shares and the unlisted foreign shares of the Company transfer the shares held by them to foreign investors or the conversion of domestic shares and unlisted foreign shares into overseas listed shares and causes these shares to be listed and traded on an overseas stock exchange.

Chapter 9 Qualifications and Obligations of the Company's

Directors, Supervisors and Senior Management

Article 191 No one shall be a director, supervisor, general manager (chief executive) or other senior officer of the Company if in any of the following circumstances:

- (I) has no civil capacity or has limited civil capacity for civil conduct;
- (II) be subject to criminal penalty due to corruption, bribery, expropriation, misappropriation of property or for disrupting the socialist market economic order, and less than five years has elapsed after the sentence was served, or has been deprived of political rights due to such crimes, and less than five years has elapsed after the deprivation was completed;
- (III) has served as a director, factory manager or general manager of a company or enterprise that was bankrupted and liquidated, and was personally liable for the bankruptcy of such company or enterprise, and less than three years has elapsed after the date of completion of the bankruptcy and liquidation of the company or enterprise;

- (IV) acted as a former legal representative of a company or an enterprise which has had its business license revoked and been ordered to close down its business for violating the laws, and was personally liable for that revocation, and less than three years has elapsed since the date of revocation;
- (V) an individual who has a comparatively large amount of debts that have become overdue and have not yet been settled;
- (VI) is currently under investigation for criminal offense and which investigation is not yet concluded;
- (VII) is prohibited from acting as leader of an enterprise by virtue of any laws and administrative regulations;
- (VIII) is not a natural person;
- (IX) has been prohibited to enter the capital market by the CSRC and the ban has not expired;
- (X) has been convicted by relevant competent authorities for violation of securities related laws and regulations, where such violation involved fraudulent or dishonest acts, and less than five years has elapsed since the date of such conviction; and
- (XI) other circumstances stipulated by laws, administrative regulations, departmental rules, regulatory documents or the listing rules of the stock exchange at the place where the Company's shares are listed.

Where the Company elects or appoints directors, supervisors or recruits senior management in violation of the provisions of this Article, such election, appointment or recruitment shall be null and void. A director, a supervisor or a recruited senior management falling into any circumstances specified in this Article during his or her term of office shall be dismissed by the Company.

Article 192 The validity of an act carried out by a director, general manager (chief executive) or senior management of the Company on its behalf as against a bona fide third party, shall not be affected by any irregularity in the appointment, election or qualification hereof.

Article 193 In addition to the obligations imposed by laws, administrative regulations or the listing rules of the securities exchange on which shares of the Company are listed, each of the Company's directors, supervisors, general manager (chief executive) and other senior management owes the following duties to each shareholder, in the exercise of the functions and powers of the Company granted to him:

- (I) not to cause the Company to exceed the Company's scope of business stipulated in its business license;
- (II) to act bona fide in good faith in the best interests of the Company;
- (III) not to expropriate the Company's property in any way, including (without limitation) usurpation of opportunities which benefit the Company; and
- (IV) not to expropriate the personal rights of individual shareholders, including (without limitation) rights to distributions and voting rights, save and except pursuant to a restructuring of the Company which has been submitted to the shareholders for approval in accordance with these Articles of Association.

Article 194 Each of the Company's directors, supervisors, general manager (chief executive) and other senior officers owes a duty, in the exercise of his/her powers and in the discharge of his/her duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Article 195 Each of the Company's directors, supervisors, general manager (chief executive) and other senior management shall exercise his power or perform his duties on fiduciary principles; and shall not put himself/herself in a position where his duty and his interest may conflict. These principles include (without limitation):

- (I) to act bona fide in good faith in the best interest of the Company;
- (II) to act within the scope of its powers and not to act ultra vires;
- (III) to exercise his discretion in person without being subject to the manipulations of other persons, and not to transfer such discretion to other persons unless permitted by law or administrative regulation or approved by the informed shareholders at the general meeting;
- (IV) to treat shareholders of the same class with equality, and to treat shareholders of different classes with fairness;
- (V) not to enter into contracts or conduct transactions or make arrangements with the Company unless otherwise provided by these Articles of Association or approved by the informed shareholders at the general meeting;
- (VI) not to employ the Company's assets in any way so as to pursue interests for himself/herself unless approved by the informed shareholders at the general meeting;
- (VII) not to accept any bribery or other illegal income by using his powers and position, and seize the assets of the Company in any manner, including (but not limited to) opportunities beneficial to the Company;
- (VIII) not to accept commissions relating to transactions of the Company, without the approval of the informed shareholders at the general meeting;
- (IX) to abide by these Articles of Association, perform his duties in good faith, protect the Company's interests, and not to pursue his personal gain by taking advantage of his powers and positions at the Company;
- (X) not to compete with the Company in any way unless approved by the informed shareholders at the general meeting;
- (XI) not to misappropriate the funds of the Company or lend the funds of the Company to other persons, open accounts in his own or another individual's name for deposit of the Company's assets, or provide security for the debts of the shareholders of the Company or other individuals with Company's assets; and

(XII) not to divulge confidential information relating to the Company received during his term of office, unless approved by the informed shareholders at the general meeting; and not to use such information unless for the purpose of the Company's interests; provided that such information may be disclosed to a court or other governing authorities:

- (1) as prescribed by law;
- (2) as required for the purpose of public interest; or
- (3) as required for the purpose of such director's, supervisor's, general manager's (chief executive's) or other senior managements' own interests.

Article 196 Directors, supervisors, general manager (chief executive) and other senior management of the Company shall not direct the following persons or organizations ("associates") to engage in activities prohibited for directors, supervisors, general manager (chief executive) and other management of the Company:

- (I) spouses or minor children of directors, supervisors, general manager (chief executive) and other senior management of the Company;
- (II) trustees of directors, supervisors, general manager (chief executive) and other senior management of the Company or of such persons as described in item (I) of this Article;
- (III) partners of directors, supervisors, general manager (chief executive) and other senior management of the Company or of such persons as described in items (I) or (II) of this Article;
- (IV) company (companies) in which a director, supervisor, general manager (chief executive) and other senior management of the Company, whether alone or jointly with the persons as described in items (I), (II) or (III) of this Article or other directors, supervisors, general manager (chief executive) or other senior management of the Company has de facto control; and
- (V) directors, supervisors, general manager (chief executive) and other senior management of the controlled company (companies) referred to in item (IV) of this Article.

Article 197 The fiduciary duty of a director, supervisor, general manager (chief executive) and any other senior management of the Company may not necessarily cease upon the termination of his term, their confidentiality obligations to trade business secrets of the Company shall survive the termination of his term. The duration of other obligations and duties shall be determined on the principle of fairness, taking into account of the lapse of time between his leaving office and the occurrence of relevant event, and the situation and the circumstances and terms under which his relation with the Company was ended.

Article 198 The informed shareholders of relevant circumstances may at the general meeting waive a director, supervisor, general manager (chief executive) and any other senior management of the Company of his liability as a result of his violation of any specific duty, save as by Article 65 hereof.

Article 199 A director, supervisor, general manager (chief executive) and any other senior management of the Company having any direct or indirect material conflict of interests in any executed or proposed contracts, transactions, or arrangements (except the contracts of employment between the Company and its directors, supervisors, general manager or other senior management), regardless of whether such interests are usually subject to the approval and consent of the board of directors, such persons shall disclose the nature and extent of the interests to the board of directors as soon as possible.

Unless the directors, supervisors, general manager (chief executive) and other senior management of the Company with conflicts of interest have disclosed their interests to the board of directors in accordance with the requirements of the preceding paragraph, and the board of directors has approved the matter without counting the interested persons into the quorum and without their participation in the vote, the Company shall have the right to rescind such contracts, transactions or arrangements, except in circumstances where the counterparty is acting in good faith without knowledge that the directors, supervisors, general manager and other senior management are in breach of their duties chief executive chief executive.

Where the related persons of the Company's directors, supervisors, general manager (chief executive), and other senior management have interests in a contract, transaction or arrangement, the relevant directors, supervisors, general manager (chief executive) and other management personnel shall also be deemed to be interested chief executive chief executive.

Article 200 If, prior to the Company's initial consideration of such contracts, transactions, or arrangements, a director, supervisor, general manager (chief executive) or any other senior manager of the Company has delivered a written notice to the board of directors, which contains the statement that he has interests in the contracts, transactions, or arrangements which may subsequently be concluded the Company, such director, supervisor, general manager (chief executive) or other senior manager shall be deemed to have made the disclosure stipulated by the preceding Article in respect of the statement contained in the notice.

Article 201 The Company shall not, in any manner, perform tax duties for its directors, supervisors, general manager (chief executive) and other senior management.

Article 202 The Company shall not, directly or indirectly, provide loans or loan guarantees to a director, supervisor, general manager (chief executive) and other senior management of the Company and its parent company, nor shall the Company provide the same to their related persons. The preceding provision shall not apply in the following circumstances:

- (I) loans or loan guarantees provided by the Company to its subsidiaries;
- (II) loans, loan guarantees or other funds provided by the Company to the directors supervisors, general manager (chief executive) and other senior management of the Company pursuant to their employment contracts which were adopted by the general meeting, with which the foregoing persons can make payments in the interests of the Company or for the expenses incurred in performing their duties and responsibilities for the Company; or
- (III) where the normal scope of business of the Company includes the provisions of loans and loan guarantees, loans and loan guarantees can be provided by the Company to the relevant directors, supervisors, general manager (chief executive), and other senior management of the Company and their related persons, provided that the loans and loan guarantees are provided on normal commercial terms and conditions.

Article 203 If the Company provides a loan in breach of the provisions above, the person who has received the loan shall repay it immediately regardless of the terms of the loan.

Article 204 A guarantee for a loan provided by the Company in breach of the preceding Article 202 (I) shall not be enforceable against the Company, save in respect of the following circumstances:

- (I) the lender was not aware of the relevant circumstances when he provided a loan to a related party of any of the directors, supervisors, general manager and other senior management of the Company or its parent company; or
- (II) the collateral provided by the Company has already been lawfully disposed of by the lender to a bona fide purchaser.

Article 205 For the purpose of the foregoing provisions of this Chapter, a “guarantee” includes an undertaking or property provided by the guarantor to secure the obligator’s performance of his obligations.

Article 206 In addition to the rights and remedies provided by law and administrative regulations when a director, supervisor, general manager (chief executive) or other senior management of the Company breaches the duties which he owes to the Company, the Company shall be entitled to take the following measures:

- (I) to demand such director, supervisor, general manager (chief executive) or other senior management to compensate for the losses sustained by it as a result of such breach;
- (II) to rescind any contract or transaction which has been entered into between the Company and such director, supervisor, general manager (chief executive) or other senior management or between the Company and a third party, where such party knew or should have known that such director, supervisor, general manager (chief executive) or other senior management representing the Company was in breach of his duty owed to the Company;
- (III) to demand such director, supervisor, general manager (chief executive) or other senior management to surrender the profits made as result of the breach of his duty;
- (IV) to recover any money which should have been received by the Company but were received by such director, supervisor, general manager (chief executive) or other senior management instead, including (without limitation) any commissions; and
- (V) to demand the return of interest earned or which may have been earned by such director, supervisor, general manager (chief executive) or other senior management on moneys which should have been received by the Company.

Article 207 The Company shall enter into written contracts with the director, supervisor, general manager (chief executive) and other senior management regarding remuneration which are subject to the prior approval of the general meeting. The written contracts shall include at least the following provisions:

- (I) an undertaking by the directors, supervisors, the general manager (chief executive) and other senior management to the Company that they will comply with the Company Law and the Special Provisions, these Articles of Association, the Code on Takeovers and Mergers, the Code on Share Repurchases and other requirements established by the Hong Kong Stock Exchange and agree that the Company will have the remedies provided for in these Articles of Association and that neither such contract nor their positions are transferable;
- (II) an undertaking by the directors, supervisors, the general manager (chief executive) and other senior management to the Company that they will observe and perform their duties to the shareholders as set out in these Articles of Association; and
- (III) the arbitration clause as set out in Article 265 of these Articles of Association.

The aforesaid remunerations include:

- (I) remuneration for a director, supervisor or senior management of the Company;
- (II) remuneration for a director, supervisor or senior management of the subsidiaries of the Company;
- (III) remuneration for those providing other services for managing the Company and any of its subsidiaries; and
- (IV) compensation to directors or supervisors for the loss of office or upon retirement.

Except pursuant to any contracts described above, the directors and supervisors shall not initiate litigation against the Company and claim benefits due to them for the foregoing matters.

Article 208 The remuneration contracts between the Company and its directors or supervisors shall stipulate that if the Company is to be acquired, the directors and supervisors of the Company shall, subject to prior approval of the general meeting, be entitled to compensation or other funds for loss of their positions or upon retirement. Such compensation shall be in accordance with the principle of fairness and shall not damage the legitimate rights and interests of the Company or carry out transfer of benefits. The “acquisition of the Company” mentioned in this paragraph refers to one of the following circumstances:

- (I) a takeover offer made by any person to all shareholders;
- (II) a takeover offer made by any person with the intent of becoming a “controlling shareholder”. See the definition of “controlling shareholder” in Article 66 hereof.

If relevant director or supervisor does not comply with this Article, any funds received by them shall go to the persons who have accepted the offer mentioned above and sell their shares. The directors and supervisors shall bear the expenses arising from the proportional distribution of such amounts, and such expenses shall not be deducted from the amounts.

Article 216 The Company may distribute dividends in the following forms:

- (I) cash;
- (II) shares.

Subject to relevant laws, administrative regulations and departmental rules of the PRC, the Company may exercise the right to forfeit unclaimed dividends, however, such power may only be exercised after the applicable limitation period expires.

Chapter 14 Dispute Resolution

Article 265 The Company shall abide by the following rules for dispute resolution:

- (I) Any dispute or claim arising between holders of overseas-listed foreign shares and the Company, between holders of overseas-listed foreign shares and the Company's directors, supervisors or senior officers, and between holders of overseas-listed foreign shares and holders of domestic shares, in respect of any rights or obligations arising under these Articles of Association, the Company Law and any other relevant laws and administrative regulations concerning the affairs of the Company shall be resolved through arbitration.

When a dispute or claim referred to in the preceding paragraph is referred to arbitration, the entire claim or dispute must be resolved through arbitration, and all persons who have a cause of action on grounds of the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall, where such person is the Company, or shareholders, directors, supervisors, or other senior management of the Company, shall abide submit to arbitration.

Dispute in respect of the who is a shareholder and over the register of shareholders need not be resolved by arbitration;

- (II) The party seeking arbitration may choose for the arbitration to be arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or the Hong Kong International Arbitration Center in accordance with its securities arbitration rules. Once a claimant submits a dispute or claim for arbitration, the other party must submit to the arbitral body selected by the claimant.

If a party seeking arbitration opts for arbitration by the Hong Kong International Arbitration Center, either party may request for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Center.

- (III) Unless otherwise provided by laws and administrative regulations, the laws of the PRC shall apply to any disputes or claims that are resolved by arbitration described in item (I) above.
- (IV) The award of the arbitral body is final and shall be binding upon all parties.

New terms and conditions

Article 12 The Company shall establish Communist Party organizations and carry out Party activities in accordance with the provisions of the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities of party organizations.

Article 37 Shareholders of the Company are persons who hold shares of the Company in accordance with the law and whose names are registered in the register of shareholders. The Company establishes a register of shareholders based on the certificates provided by the securities registration agency. The register of shareholders is sufficient evidence to prove that shareholders hold the Company's shares. Shareholders enjoy rights and assume obligations according to the class of shares they hold; shareholders holding the same class of shares enjoy the same rights and assume the same obligations.

Article 57 When the Company convenes a shareholders' meeting, it may appoint a lawyer to provide legal opinions on the following issues:

- (I) Whether the convening and convening procedures of the meeting comply with the provisions of laws, regulations, normative documents, and these Articles of Association;
- (II) Whether the qualifications of the persons attending the meeting and the qualifications of the convener are legal and valid;
- (III) Whether the voting procedures and voting results of the meeting are legal and valid;
- (IV) Legal opinions on other relevant issues at the request of the Company.

Article 113 The directors of the Company are natural persons. Anyone who falls under any of the following circumstances cannot serve as a director of the Company:

- (I) Where he has no capacity for civil conduct or having limited capacity for civil conduct;
- (II) Where he has been sentenced to criminal punishment for embezzlement, bribery, embezzlement, misappropriation of property or sabotage of the socialist market economic order, and the duration since the expiration of the execution is less than five years; or he has been deprived of political rights due to a crime, and the duration since the expiration of the execution is less than five years; or he has been sentenced to probation and a 2-year period has not elapsed since the date of expiration of the probation period;

New terms and conditions

- (III) Where he has served as a director, factory director or general manager of a company or enterprise undergoing bankruptcy liquidation that he bears personal responsibility, and the duration since the date of completion of the bankruptcy liquidation of the company or enterprise is less than three years;
- (IV) Where he has served as the legal representative of a company or enterprise that has had its business license revoked or ordered to close due to violation of laws that he bears personal responsibility, and the duration since the company or enterprise's business license was revoked or ordered to close is less than three years;
- (V) Where he/she has a significant amount of debt that has not yet been settled upon maturity and is therefore listed as dishonest person subject to enforcement by the People's Court;
- (VI) Other contents stipulated in laws, regulations and normative documents.

If a director is elected or appointed in violation of the provisions of this article, the election, delegation or appointment shall be invalid. If any of the circumstances specified in this article occurs during the term of office of a director, the Company shall remove him from office.

Article 117 Directors (including INEDs) shall jointly and individually fulfill their fiduciary responsibilities and the responsibilities to act with due skill, prudence and diligence, when performing the above responsibilities, they must at least comply with the standards established by Hong Kong laws. That is, every director, when performing his duties as a director, must:

- (I) Act honestly and in good faith in the interests of the Company as a whole;
- (II) Act for appropriate purposes;
- (III) Be responsible to the Company for the use or misuse of the Company's assets;
- (IV) Avoid actual and potential conflicts of interest and position;
- (V) Fully and fairly disclose its interests in the contract with the Company; and
- (VI) Act with the degree of skill, care and diligence that others may reasonably expect of a person with similar knowledge and experience who holds the position of director of the Company.

New terms and conditions**Chapter 5 Board of Directors****Section 2 Independent Non-Executive Directors (INEDs):**

Article 124 An independent director (INED) refers to a director who does not hold any other position in the Company other than director, member or chairman of a director special committee, who does not have relationship with the Company and its major shareholders that may hinder its independent and objective judgment, and who comply with the independence requirements of the laws, regulations and listing rules of the place where the Company's shares are listed.

Article 125 The Company's board of directors shall have independent directors (INEDs), and the number of independent directors (INEDs) shall not be less than three and shall not be less than one-third of all directors, and include at least one independent director (INED) who is an accounting professional and one independent director (INED) who is resident in Hong Kong.

Article 126 Independent directors (INEDs) shall have the qualifications and independence required by laws, regulations and normative documents of the place where the Company's shares are listed as well as the Hong Kong Listing Rules. In principle, an independent director (INED) may serve as an independent director in no more than three domestic listed companies, and shall ensure that he/she can commit enough time and effort to effectively performing his or her duties as an independent director (INED).

Article 127 Independent directors (INEDs) have the same term as other directors of the Company. When the term expires, they may be re-elected, provided that such term of office shall not be more than six years on an accumulative basis.

Article 128 If an independent director (INED) resigns or is removed from office during his term of office, the Company shall publish an announcement and disclose relevant information in accordance with the laws, regulations and listing rules of the place where the Company's shares are listed.

If an independent director (INED) resigns or is being dismissed due to failing to meet the qualifications and independence required by these Articles of Association, resulting in the proportion of the independent directors (INEDs) on the board of directors or its special committees not complying with the laws, regulations and listing rules of the place where the Company's shares are listed or the requirements of these Articles of Association, or the absence of accounting professionals among the independent directors (INEDs), the Company shall complete the by-election within sixty days from the date of the occurrence of the aforesaid facts.

If at any time the number of independent directors (INEDs) of the Company does not meet the requirements on the number, qualification or independence stipulated in the Hong Kong Listing Rules, the Company must immediately notify the SEHK and explain the relevant details and reasons in an announcement. The Company must also appoint a sufficient number of independent directors (INEDs) to meet the requirements of the listing rules of the Hong Kong Listing Rules within three months after it fails to meet the relevant requirements.

Article 129 Independent directors (INEDs) must perform their duties in accordance with the relevant provisions of laws, regulations and normative documents of the place where the Company's shares are listed as well as the Hong Kong Listing Rules.

New terms and conditions

Article 130 The Company shall formulate a working system for independent directors (INEDs), which shall specifically stipulate the terms of office, nomination, election and replacement, rights and obligations of independent directors (INEDs), etc., and which shall be approved by the shareholders' meeting.

Article 131 Regarding independent directors (INEDs), if this section does not clearly provide for them, the relevant provisions of relevant laws, regulations and normative documents of the place where the Company's shares are listed, the Hong Kong Listing Rules and these Articles of Association shall apply.

(Note: Due to the deletion and addition of some articles, the order and directory of the articles in the full text of the Articles of Association have been changed accordingly)

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolution to be proposed at the AGM and the Class Meetings in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,052,315,000 domestic shares with a nominal value of RMB1.00 each and 503,616,350 H Shares with a nominal value of RMB1.00 each.

2. REASONS FOR REPURCHASE OF H SHARES

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to seek a mandate from the Shareholders to enable the Company to repurchase H Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders as a whole.

3. EXERCISE OF THE REPURCHASE MANDATE

Subject to the passing of the relevant special resolution set out in the respective notices of the AGM and the Class Meetings, the Directors will be granted the Repurchase Mandate until the end of the Relevant Period (as defined in the notice of the AGM). In addition, the exercise of the Repurchase Mandate is subject to the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure under Article 246 of the Articles of Association. The notice will not be sent to the creditors until the Repurchase Mandate is approved at the Unlisted Share Class Meeting and the H Share Class Meeting by way of a special resolution.

As at the Latest Practicable Date, assuming the Repurchase Mandate is approved at the AGM and the Class Meetings, the exercise in full of the Repurchase Mandate would result in up to 50,361,635 H Shares (assuming there is no issue or repurchase of additional H Shares from the Latest Practicable Date up to the date of the AGM) being repurchased by the Company during the Relevant Period (as defined in the notice of the AGM).

4. FUNDING OF REPURCHASE OF H SHARES

The Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of PRC and/or any other applicable laws, as the case may be.

In accordance with the requirements of PRC applicable laws or administrative regulations, the Company is entitled by its Articles of Association to purchase its H Shares. The Company may not repurchase H Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Based on the financial position disclosed in the recently published audited accounts for the year ended 31 December 2023, the Directors consider that there will not be any material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is to be exercised in full at any time during the proposed repurchase period. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing and in the best interests of the Company.

5. STATUS OF REPURCHASED H SHARES

As at the date of this circular, the Listing Rules provide that the listing of all the H Shares repurchased by the Company shall be automatically cancelled and the relevant share certificates shall be cancelled and destroyed.

On the Effective Date, the Listing Rules will be amended, pursuant to which, among others, the H Shares repurchased by the Company shall be held as treasury shares or cancelled. The listing of all shares which are held as Treasury Shares shall retained. The listing of all H Shares which are purchased by the Company but not held as Treasury Shares shall be automatically cancelled and the relevant share certificates shall be cancelled and destroyed.

6. MARKET PRICES OF H SHARES

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

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2023	11.8	10.58
May 2023	12	10.4
June 2023	12.3	10.4
July 2023	11.9	10.3
August 2023	11.98	6.15
September 2023	7.18	6.8
October 2023	8.98	7.37
November 2023	7.64	6.62

Month	Highest HK\$	Lowest HK\$
December 2023	7.40	6.12
January 2024	6.65	5.77
February 2024	6.27	5.63
March 2024	6.18	5.10
April 2024		
<i>(up to the Latest Practicable Date)</i>	6.96	5.35

7. GENERAL INFORMATION

The Directors consider that there would not be a material adverse impact on the working capital or on the gearing position of the Company in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period (as compared with the position disclosed in the latest published audited accounts of the Company for the year ended 31 December 2023). However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Board at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

The Directors will exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company confirms that neither the explanatory statement nor the Repurchase Mandate has any unusual features.

For the H Shares repurchased by the Company under the Repurchase Mandate on or after the Effective Date, the Company may cancel such shares and/or hold them as Treasury Shares subject to market conditions and the Company's capital management needs at the relevant time of the repurchases.

To the best of the knowledge of the Directors having made all reasonable enquiries, none of the Directors or any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any H Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders. The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any H Shares to the Company, or that they have undertaken not to sell any H Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

8. EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Cai Jianyong (蔡建勇), one of the executive Directors, the chairman of the Board and the founder of the Company, holds approximately 59.43% interest in the Company, consisting of (i) approximately 26.78% direct interest; (ii) approximately 32.59% indirect interest through Lygend Investment; and (iii) approximately 0.06% indirect interest through Ningbo Lizhan, a wholly-owned subsidiary of Lygend Investment. Ms. Xie Wen (謝雯), the spouse of Mr. Cai, also holds approximately 1.98% interest in the Company.

Accordingly, Mr. Cai and Lygend Investment are the controlling shareholders of the Company, together with Ms. Xie and Ningbo Lizhan who will be presumed to be part of the group of controlling shareholders of the Company.

In the event that the Directors exercise in full the power to repurchase H Shares in accordance with the Repurchase Mandate, the percentage shareholding Mr. Cai and his respective associates and Ms. Xie are interested in would be increased to approximately 62.37% of the issued share capital of the Company.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code and/or result in the aggregate number of H Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange. The Directors are not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable law, as a result of any purchases to be made under the Repurchase Mandate.

9. SHARE REPURCHASE MADE BY THE COMPANY

During the previous six months preceding and up to the Latest Practicable Date, the Company has not repurchased any of its H Shares (whether on the Stock Exchange or otherwise).

NOTICE OF 2023 ANNUAL GENERAL MEETING



Lygend Resources & Technology Co., Ltd.

宁波力勤资源科技股份有限公司

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

(Stock Code: 2245)

NOTICE OF 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Lygend Resources & Technology Co., Ltd. (the “Company”) will be held on Tuesday, 21 May 2024 at 10:00 a.m. (or any adjournment thereof) at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, to consider and, if thought fit, pass the following resolutions. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 29 April 2024.

ORDINARY RESOLUTIONS

1. To consider and approve the report of the directors of the Company for the year ended 31 December 2023.
2. To consider and approve the report of the supervisors of the Company for the year ended 31 December 2023.
3. To consider and approve the annual report of the Company for the year ended 31 December 2023 and the audited consolidated financial statements of the Company for the year ended 31 December 2023.
4. To consider and approve the duty performance report of the Independent Directors for 2023.
5. To consider and approve the final financial report for 2023 and the proposed annual financial budget for 2024.
6. To consider and approve the profit distribution plan for 2023.
7. To consider and approve the proposed re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young, certified public accountants as the auditor of the Company for 2024 and authorize the Board to fix their remuneration.
8. To consider and approve the remuneration of the directors, supervisors and senior management of the Company for 2024.

NOTICE OF 2023 ANNUAL GENERAL MEETING

9. To consider and approve the proposed bank credit line applications of the Company for 2024.

SPECIAL RESOLUTIONS

10. To consider and approve the proposed amendments to the Articles of Association.
11. To consider and approve the provision of guarantees by the Company and/or its subsidiaries for 2024.
12. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

The General Mandate for the Repurchase of H Shares

- (a) subject to paragraphs (b) and (c) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Stock Exchange during the Relevant Period (as defined in paragraph (e) below), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Stock Exchange or any other governmental or regulatory bodies.
- (b) the total number of H Shares of the Company authorised to be repurchased subject to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of the H Shares in issue (excluding any Treasury Shares) of the Company as at the date of the passing of this resolution.
- (c) the approval in paragraph (a) above shall be conditional upon:
- (i) the passing of a special resolution at the AGM of the Company to be held on 21 May 2024 with the same terms (except for this sub-paragraph (c)(i)) as the resolutions passed at the H Share Class Meeting and the Unlisted Share Class Meeting to be convened separately for such purpose; and
- (ii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 246 of the articles of association of the Company (the “Articles of Association”).
- (d) the Board be hereby authorised to:
- (i) where applicable, make such amendments to the Articles of Association accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and

NOTICE OF 2023 ANNUAL GENERAL MEETING

- (ii) where applicable, file the amended Articles of Association with the relevant governmental authorities of the PRC.
- (e) for the purpose of this resolution:

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

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

By order of the Board
Lygend Resources & Technology Co., Ltd.
CAI Jianyong
*Chairman, General Manager and
Executive Director*

The PRC, 29 April 2024

As at the date of this notice, the executive Directors are Mr. CAI Jianyong, Ms. FEI Feng, Mr. CAI Jianwei and Mr. YU Weijun; the non-executive Director is Mr. Lawrence LUA Gek Pong; the independent non-executive Directors are Dr. HE Wanpeng, Ms. ZHANG Zhengping and Dr. WANG James Jixian.

NOTICE OF 2023 ANNUAL GENERAL MEETING

Notes:

1. The voting at the AGM will be conducted by way of poll.
2. For the purpose of determining the eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 16 May 2024 to Tuesday, 21 May 2024, both days inclusive. During such period, no transfer of the Company's H Shares will be registered. H Share Shareholders whose names appear on register of members of the Company on Tuesday, 21 May 2024 will be entitled to attend the AGM. In order to be eligible to attend and vote at the AGM, H Share Shareholders whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 14 May 2024.
3. Each Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a Shareholder.
4. An ordinary resolution at a general meeting shall be passed by one half or above of the voting rights held by shareholders (including their proxies) attending the general meeting. A special resolution at a general meeting shall be passed by two-thirds or above of the voting rights held by Shareholders (including their proxies) attending the general meeting.
5. The form of proxy must be signed by the Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, the instrument must be either under its common seal or signed by the director or his/her attorney duly authorized. If the instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
6. In order to be valid, the form of proxy of the H Share Shareholders together with the power of attorney or other authorization document (if any) signed by the authorized person or notarially certified power of attorney must be deposited at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or for the Unlisted Share Shareholders, to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the AGM if he/she so wishes.
7. The AGM is expected to last for no more than half a day. Shareholders or their proxies attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the meeting shall produce their identity documents.
8. All times refer to Hong Kong local time, except as otherwise stated.

NOTICE OF UNLISTED SHARE CLASS MEETING



Lygend Resources & Technology Co., Ltd.

宁波力勤资源科技股份有限公司

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

(Stock Code: 2245)

NOTICE OF UNLISTED SHARE CLASS MEETING

Notice is hereby given that the Unlisted Share Class Meeting of Lygend Resources & Technology Co., Ltd. (the “**Company**”) will be held on Tuesday, 21 May 2024 at 10:30 a.m. (or any adjournment thereof) at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, to consider and, if thought fit, pass the following resolutions. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 29 April 2024.

SPECIAL RESOLUTIONS

1. To consider and approve the proposed amendments to the Articles of Association.
2. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

The General Mandate for the Repurchase of H Shares

- (a) subject to paragraphs (b) and (c) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Stock Exchange during the Relevant Period (as defined in paragraph (e) of special resolution numbered 12 of the notice of the 2023 AGM of the Company), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Stock Exchange or any other governmental or regulatory bodies.
- (b) the total number of H Shares of the Company authorised to be repurchased subject to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of the H Shares in issue (excluding any Treasury Shares) of the Company as at the date of the passing of this resolution.

NOTICE OF UNLISTED SHARE CLASS MEETING

- (c) the approval in paragraph (a) above shall be conditional upon:
- (i) the passing of a special resolution at the AGM of the Company to be held on 21 May 2024 with the same terms (except for this sub-paragraph (c)(i)) as the resolutions passed at the H Share Class Meeting and the Unlisted Share Class Meeting to be convened separately for such purpose; and
 - (ii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 246 of the Articles of Association.
- (d) the Board be hereby authorised to:
- (i) where applicable, make such amendments to the Articles of Association accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares of the Company as contemplated in paragraph (a) above; and
 - (ii) where applicable, file the amended Articles of Association with the relevant governmental authorities of the PRC.

By order of the Board
Lygend Resources & Technology Co., Ltd.
CAI Jianyong
*Chairman, General Manager and
Executive Director*

The PRC, 29 April 2024

As at the date of this notice, the executive Directors are Mr. CAI Jianyong, Ms. FEI Feng, Mr. CAI Jianwei and Mr. YU Weijun; the non-executive Director is Mr. Lawrence LUA Gek Pong; the independent non-executive Directors are Dr. HE Wanpeng, Ms. ZHANG Zhengping and Dr. WANG James Jixian.

NOTICE OF UNLISTED SHARE CLASS MEETING

Notes:

1. For details of the general mandate for the repurchase of H Shares, please refer to the accompanying circular of the Company.
2. In order to determine the Unlisted Share Shareholders who are entitled to attend the Unlisted Share Class Meeting, the register of members of the Company will be closed from Thursday, 16 May 2024 to Tuesday, 21 May 2024, both days inclusive. To be entitled to attend and vote at the Unlisted Share Class Meeting, Unlisted Share Shareholders whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC no later than 4:30 p.m. on Tuesday, 14 May 2024.
3. Each Shareholder entitled to attend and vote at the Unlisted Share Class Meeting may appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a Shareholder.
4. If a Shareholder appoints more than one proxy to attend the meeting, its proxy can only vote by poll.
5. If a proxy is appointed to attend the Unlisted Share Class Meeting on behalf of an Unlisted Share Shareholder, the proxy must produce a form of proxy which is signed by the appointer or his/her agent so authorized in writing, or if the appointer is a legal person, sealed by the stamp of the legal person or signed by its director or agent so officially authorized. The form of proxy shall specify the number of shares represented by the proxy of the Shareholder. Where a Shareholder appoints more than one proxy, he/she shall specify the number of shares represented by each proxy.
6. The form of proxy must be signed by the Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, the instrument must be either under its common seal or signed by the director or his/her attorney duly authorized. If the instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
7. In order to be valid, the form of proxy of the Unlisted Share Shareholders together with the power of attorney or other authorization document (if any) signed by the authorized person or notarially certified power of attorney must be deposited at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, not less than 24 hours before the time appointed for holding the Unlisted Share Class Meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the Unlisted Share Class Meeting if he/she so wishes.
8. References to time and dates in this notice are to Hong Kong time and dates.

NOTICE OF H SHARE CLASS MEETING



Lygend Resources & Technology Co., Ltd.

宁波力勤资源科技股份有限公司

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

(Stock Code: 2245)

NOTICE OF H SHARE CLASS MEETING

Notice is hereby given that the H Share Class Meeting of Lygend Resources & Technology Co., Ltd. (the "Company") will be held on Tuesday, 21 May 2024 at 10:45 a.m. (or any adjournment thereof) at 10/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, to consider and, if thought fit, pass the following resolutions. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 29 April 2024.

SPECIAL RESOLUTIONS

1. To consider and approve the proposed amendments to the Articles of Association.
2. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

The General Mandate for the Repurchase of H Shares

- (a) subject to paragraphs (b) and (c) below, the Board be and is hereby authorized to exercise all the powers of the Company to repurchase the H Shares in issue of the Company on the Stock Exchange during the Relevant Period (as defined in paragraph (e) of special resolution numbered 12 of the notice of the 2023 AGM of the Company), subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the PRC, the Stock Exchange or any other governmental or regulatory bodies.
- (b) the total number of H Shares of the Company authorised to be repurchased subject to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of the H Shares in issue (excluding any Treasury Shares) of the Company as at the date of the passing of this resolution.
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the passing of a special resolution at the AGM of the Company to be held on 21 May 2024 with the same terms (except for this sub-paragraph (c)(i)) as the resolutions passed at the H Share Class Meeting and the Unlisted Share Class Meeting to be convened separately for such purpose; and

NOTICE OF H SHARE CLASS MEETING

- (ii) the Company not being required by any of its creditors to repay or to provide guarantee in respect of any amount due to any of them (or if the Company is so required by any of its creditors, the Company having, in its absolute discretion, repaid or provided guarantee in respect of such amount) pursuant to the notification procedure set out in Article 246 of the Articles of Association.

- (d) the Board be hereby authorised to:
 - (i) where applicable, make such amendments to the Articles of Association of the Company accordingly as it thinks fit so as to reduce the registered share capital of the Company and to reflect the new capital structure of the Company upon the repurchase of H Shares as contemplated in paragraph (a) above; and
 - (ii) where applicable, file the amended Articles of Association with the relevant governmental authorities of the PRC.

By order of the Board
Lygend Resources & Technology Co., Ltd.
CAI Jianyong
*Chairman, General Manager and
Executive Director*

The PRC, 29 April 2024

As at the date of this notice, the executive Directors are Mr. CAI Jianyong, Ms. FEI Feng, Mr. CAI Jianwei and Mr. YU Weijun; the non-executive Director is Mr. Lawrence LUA Gek Pong; the independent non-executive Directors are Dr. HE Wanpeng, Ms. ZHANG Zhengping and Dr. WANG James Jixian.

NOTICE OF H SHARE CLASS MEETING

Notes:

1. For details of the general mandate for the repurchase of H Shares, please refer to the accompanying circular of the Company.
2. In order to determine the H Share Shareholders who are entitled to attend the H Share Class Meeting, the register of members of the Company will be closed from Thursday, 16 May 2024 to Tuesday, 21 May 2024, both days inclusive. To be entitled to attend and vote at the H Share Class Meeting, H Share Shareholders whose transfers of Shares have not been registered shall deposit the transfer documents together with the relevant share certificates with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 14 May 2024.
3. Each Shareholder entitled to attend and vote at the H Share Class Meeting may appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a Shareholder.
4. If a Shareholder appoints more than one proxy to attend the meeting, its proxy can only vote by poll.
5. If a proxy is appointed to attend the H Share Class Meeting on behalf of an H Share Shareholder, the proxy must produce a form of proxy which is signed by the appointer or his/her agent so authorized in writing, or if the appointer is a legal person, sealed by the stamp of the legal person or signed by its director or agent so officially authorized. The form of proxy shall specify the number of shares represented by the proxy of the Shareholder. Where a Shareholder appoints more than one proxy, he/she shall specify the number of shares represented by each proxy.
6. The form of proxy must be signed by the Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, the instrument must be either under its common seal or signed by the director or his/her attorney duly authorized. If the instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
7. In order to be valid, the form of proxy of the H Share Shareholders together with the power of attorney or other authorization document (if any) signed by the authorized person or notarially certified power of attorney must be deposited at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; or to the business address of the Company in the PRC, at 10-11/F, Building C10, R&D Park, Lane 299, Guanghua Road, Yinzhou District, Ningbo City, Zhejiang Province, PRC, not less than 24 hours before the time appointed for holding the H Share Class Meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the H Share Class Meeting if he/she so wishes.
8. References to time and dates in this notice are to Hong Kong time and dates.