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If you have sold or transferred all your shares in **Jinchuan Group International Resources Co. Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser or 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 transferee.

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JINCHUAN 金川

JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD

金川集團國際資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2362)

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED DECLARATION OF FINAL DIVIDEND,
ADOPTION OF THE 2024 SHARE OPTION SCHEME,
ADOPTION OF THE 2024 SHARE INCENTIVE SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Jinchuan Group International Resources Co. Ltd to be held at United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong on Wednesday, 26 June 2024 at 3:00 p.m. is set out on pages 54 to 61 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.jinchuan-intl.com).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e. before 3:00 p.m. on Monday, 24 June 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting if they so wish.

4 June 2024

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DEFINITIONS

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

“2015 Share Incentive Scheme”	the share incentive scheme of the Company adopted by way of an ordinary resolution at the annual general meeting of the Company held on 2 June 2015
“2019 Share Option Scheme”	the share option scheme of the Company adopted by way of an ordinary resolution at the extraordinary general meeting of the Company held on 19 June 2019
“2024 Share Incentive Scheme”	the share incentive scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix IV to the circular
“2024 Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix III to the circular
“2024 Share Schemes”	collectively, the 2024 Share Incentive Scheme and the 2024 Share Option Scheme
“Adoption Date”	the date on which the 2024 Share Schemes are conditionally adopted by resolutions of the Shareholders at the AGM
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong, at 3:00 p.m. on Wednesday, 26 June 2024, notice of which is set out on pages 54 to 61 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended from time to time
“Awarded Share(s)”	the Performance Shares granted on the Offer Date
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors

DEFINITIONS

“Branch Share Registrar”	Boardroom Share Registrars (HK) Limited, being the Hong Kong branch share registrar and transfer office of the Company
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Jinchuan Group International Resources Co. Ltd, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Participant(s)”	eligible participant(s) under the 2024 Share Schemes
“Excluded Person(s)”	any Eligible Participant who is resident in a place where the grant of Performance Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the 2024 Share Incentive Scheme is not permitted under the laws or regulations of such place or where in the view of the Board, to comply with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participants
“Grantee(s)”	any Eligible Participant who accepts an Offer in accordance with the terms of the offer letter and the 2024 Share Schemes or (where the context so permits) a person entitled, in accordance with the laws of succession in consequence of the death of the original Grantee
“Group”	the Company and its subsidiaries and associates controlled by the Company from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors to allot, issue and otherwise deal with the Shares not exceeding 20% of the total number of issued Shares as at the date of passing the relevant resolution to grant such mandate
“JCG”	金川集團股份有限公司 (Jinchuan Group Co., Ltd.*), a state-owned enterprise established in the PRC and the ultimate controlling shareholder of the Company
“JCHK”	Jinchuan Group (Hongkong) Resources Holdings Limited, an investment holding company incorporated in Hong Kong and a wholly-owned subsidiary of JCG
“Last AGM”	the previous annual general meeting of the Company held on 24 May 2023
“Latest Practicable Date”	29 May 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	an offer of the grant of an Option and/or a Performance Share made in accordance with the terms of the 2024 Share Schemes
“Offer Date”	the date on which an Offer is made to an Eligible Participant
“Option(s)”	a right to subscribe for Shares granted by the Board pursuant to the terms of the 2024 Share Option Scheme

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“Performance Share(s)”	the performance-based Shares of the Company to be granted to the Eligible Participants pursuant to the terms of the 2024 Share Incentive Scheme
“PRC”	the People’s Republic of China
“Register of Members”	the register of members of the Company maintained by the Branch Share Registrar at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong
“Remuneration and Nomination Committee”	the remuneration and nomination committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of issued Shares of the Company as at the date of passing the relevant resolution to grant such mandate
“Retiring Directors”	the Directors, namely Mr. Gao Tianpeng, Mr. Wang Qiangzhong and Mr. Poon Chiu Kwok retiring at the AGM and, being eligible, are offering themselves for re-election at the AGM, in accordance with the Articles of Association
“Scheme Mandate Limit”	the total of new Shares which may be allotted and issued upon exercise of all options and awards to be granted under the 2024 Share Schemes and other share scheme(s) of the Company, which shall not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date or the date of approval of the refreshed limit pursuant to the terms of the 2024 Share Schemes, whichever is the latest
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the appointment of the Trustee for the administration of the 2024 Share Incentive Scheme
“Trustee”	the trustee corporation or trustee corporations to be appointed by the Company for the administration of the 2024 Share Incentive Scheme, if any
“%”	per cent.

* *for identification purposes only*

LETTER FROM THE BOARD



JINCHUAN金川

JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD

金川集團國際資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2362)

Executive Directors:

Mr. Gao Tianpeng (*Chief Executive Officer*)
Mr. Cheng Yonghong (*Chairman of the Board*)

Non-executive Directors:

Mr. Liu Jian
Mr. Wang Qiangzhong

Independent non-executive Directors:

Mr. Yen Yuen Ho, Tony
Mr. Poon Chiu Kwok
Mr. Yu Chi Kit
Ms. Han Ruixia

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit 3101, 31/F
United Centre
95 Queensway
Hong Kong

4 June 2024

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED DECLARATION OF FINAL DIVIDEND,
ADOPTION OF THE 2024 SHARE OPTION SCHEME,
ADOPTION OF THE 2024 SHARE INCENTIVE SCHEME,
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the AGM including (i) the proposed re-election of the Retiring Directors; (ii) the granting of the Issue Mandate; (iii) the granting

LETTER FROM THE BOARD

of the Repurchase Mandate; (iv) the extension of the Issue Mandate; (v) the proposed declaration of final dividend; (vi) the adoption of the 2024 Share Option Scheme; and (vii) the adoption of the 2024 Share Incentive Scheme. The Board has confirmed that having made all reasonable enquiries, no Shareholder is required to abstain from voting on any of the resolutions as set out in the notice of the AGM.

RE-ELECTION OF THE RETIRING DIRECTORS

As at the Latest Practicable Date, the Board consists of eight Directors, namely Mr. Gao Tianpeng, Mr. Cheng Yonghong, Mr. Liu Jian, Mr. Wang Qiangzhong, Mr. Yen Yuen Ho, Tony, Mr. Poon Chiu Kwok, Mr. Yu Chi Kit and Ms. Han Ruixia.

Pursuant to Article 84(1) of the Articles of Association, at every annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Gao Tianpeng (“**Mr. Gao**”) shall retire as an executive Director; Mr. Wang Qiangzhong (“**Mr. Wang**”) shall retire as a non-executive Director and Mr. Poon Chiu Kwok (“**Mr. Poon**”) shall retire as an independent non-executive Director at the AGM.

The Retiring Directors, being eligible, would offer themselves for re-election at the AGM. Each of the Directors seeking for re-election at the AGM has been considered with reference to their respective qualification, experience, management position and past contribution to the Group. The nomination accorded with the nomination policy and objective criteria as set out in the Company’s board diversity policy. Mr. Poon, being a member of the Remuneration and Nomination Committee, had abstained from voting at the committee meeting when his own nominations were considered. The Board was satisfied that each of the Retiring Directors has the required character, integrity and experience to continue to fulfil the role and function of the Directors.

The Board accepted the nomination and recommended Mr. Gao, Mr. Wang and Mr. Poon to stand for re-election at the AGM.

Details of the Retiring Directors proposed to be re-elected are set out in Appendix I to this circular.

ISSUE MANDATE

At the Last AGM, a general mandate was granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with the Shares in the Company. Such mandate shall lapse at the conclusion of the AGM. At the AGM, ordinary resolutions will be proposed to (i) grant to the Directors a general mandate to allot, issue and otherwise deal with the Shares not exceeding 20% of the total number of issued Shares as at the date of passing such resolution; and (ii) add to such general mandate so granted to the Directors any Shares repurchased by the Company in accordance with the Repurchase Mandate. The Directors have confirmed that they have no present intention to issue any new Shares pursuant to the Issue Mandate.

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As at the Latest Practicable Date, the issued share capital of the Company is 12,502,082,051 Shares. Assuming that there is no change in the issued share capital of the Company between the Latest Practicable Date and the date of the AGM, the maximum number of Shares which may be issued pursuant to the Issue Mandate will be 2,500,416,410 Shares.

REPURCHASE MANDATE

At the Last AGM, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase its own Shares. Such mandate shall lapse at the conclusion of the AGM. At the AGM, an ordinary resolution will be proposed to grant a general mandate to the Directors to exercise the powers of the Company to repurchase its own Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing such resolution. An explanatory statement as required under the Listing Rules to provide the requisite information in respect of the Repurchase Mandate is set out in Appendix II to this circular. The Directors have confirmed that they have no present intention to repurchase any Shares pursuant to the Repurchase Mandate.

FINAL DIVIDEND

Reference is made to the annual results announcement for the year ended 31 December 2023 of the Company published on 22 March 2024. The Board has recommended the payment of a final dividend of HK0.2 cent per Share for the year ended 31 December 2023 to Shareholders whose names appear on the register of members of the Company on Sunday, 7 July 2024, subject to the Shareholders' approval at the AGM. The proposed final dividend, if approved, will be paid on 31 July 2024.

PROPOSED ADOPTION OF THE 2024 SHARE SCHEMES

With effect from 1 January 2023, Chapter 17 of the Listing Rules has been amended and it applies to share schemes involving grant of shares or options over new shares by listed issuers. In this connection, there are certain changes to Chapter 17 of the Listing Rules that would eventually entail substantial revisions to the 2019 Share Option Scheme and the 2015 Share Incentive Scheme.

In view of such amendments, the Company proposes to adopt the 2024 Share Option Scheme and the 2024 Share Incentive Scheme subject to the approval by the Shareholders at the AGM to be convened by the Company, and to terminate the 2019 Share Option Scheme and the 2015 Share Incentive Scheme, conditional upon the 2024 Share Schemes becoming effective.

An ordinary resolution will be proposed to the Shareholders to approve and adopt the 2024 Share Option Scheme and the 2024 Share Incentive Scheme, respectively. The proposals allow the Company to keep providing incentives to Eligible Participants to contribute to the Group and to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group.

A copy of the rules of the 2024 Share Schemes will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jinchuan-intl.com) for display for a period of not less than 14 days before the date of the AGM and the rules of the 2024 Share Schemes will be made available for inspection at the AGM.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 12,502,082,051 Shares in issue. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the AGM and after the resolutions regarding the proposed adoption of the 2024 Share Schemes are passed at the AGM, the total number of Shares which may be issued in respect of all Options and Awarded Shares that may be granted under the 2024 Share Schemes and all share options and all share awards that may be granted under any other share schemes of the Company would be no more than 1,250,208,205 Shares, representing no more than approximately 10% of the total number of Shares in issue as at the Adoption Date.

As at the Latest Practicable Date, the Company does not have any intention or plan to grant any Options and/or Performance Shares under the 2024 Share Schemes.

THE 2024 SHARE OPTION SCHEME

The 2019 Share Option Scheme was adopted by the Company on 19 June 2019. Pursuant to the terms of the 2019 Share Option Scheme, it shall be valid and effective for a period of 10 years commencing on the adoption date thereof, subject to any early termination by ordinary resolution in general meeting or determined by the Board.

The Company has not granted any option under the 2019 Share Option Scheme since its adoption, and thus there is no outstanding option granted under the 2019 Share Option Scheme as at the Latest Practicable Date.

The Board resolved to terminate the 2019 Share Option Scheme and to adopt the 2024 Share Option Scheme. A summary of the principal terms of the 2024 Share Option Scheme is set out in Appendix III to this circular.

(a) Purpose of the 2024 Share Option Scheme

The purpose of the 2024 Share Option Scheme is to provide incentive or reward to Eligible Participants for their contribution to, and continuing efforts to promote the interests of the Group.

(b) Eligible Participants

The Board may, at its absolute discretion, invite any director (including executive Directors, non-executive Directors and independent non-executive Directors) or employees of the Group to be an Eligible Participant of the 2024 Share Option Scheme.

In assessing the eligibility of any Eligible Participant, the Board will consider, among others: (i) his/her skills, knowledge, experience, expertise and other relevant personal qualities; (ii) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (iii) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development; (iv) his/her educational and professional qualifications, and knowledge in the industry; and (v) whether granting Options to him/her is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group.

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The Board is of the view that the aforesaid criteria for determining the eligibility of the Eligible Participants are in line with the purpose of the 2024 Share Option Scheme. As at the Latest Practicable Date, the Company has not formulated any concrete plan or intention to grant any Option to the independent non-executive Directors under the 2024 Share Option Scheme. However, having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of Shareholders and all Board members, including the independent non-executive Directors; (ii) it is common to include independent non-executive Directors as eligible participants of share option schemes among public companies; and (iii) independent non-executive Directors may provide crucial contributions to the Group's development and business in providing valuable insight and advices to the Company with their deep industry knowledge and professional background, as well as their vital role in maintaining a sound corporate governance framework and supervising the internal control system within the Group, the Board believes the inclusion of independent non-executive Directors as Eligible Participants and the flexibility to grant Options to the independent non-executive Directors in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

The Company is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of the Options under the 2024 Share Option Scheme for the following reasons: (i) the independent non-executive Directors will continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) approval by independent Shareholders will be required if any Option is to be granted to independent non-executive Directors or any of their respective associates would result in the total number of Shares issued and to be issued upon exercise of all the Options granted and to be granted to such person in the period of 12 months up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue; and (iii) the Board will be mindful of the recommended best practice E.1.9 of the corporate governance code set out in Appendix C1 to the Listing Rules that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors when considering any future grants of Options to the independent non-executive Directors.

(c) *Duration and termination*

The adoption of the 2024 Share Option Scheme will take effect on the Adoption Date and is conditional upon:

- (i) the passing of the ordinary resolution by the Shareholders to approve the 2024 Share Option Scheme; and
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued in respect of the new Shares to be granted under the 2024 Share Option Scheme.

LETTER FROM THE BOARD

Application will be made to the Listing Committee for the approval of the listing of, and permission to deal in the new Shares to be issued upon the exercise of the Options granted under the 2024 Share Option Scheme.

Subject to the satisfaction of such conditions, the 2024 Share Option Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date, subject to any early termination by ordinary resolution in general meeting or determined by the Board.

(d) Administration

The 2024 Share Option Scheme shall be subject to the administration of the Board whose decision shall be final and binding on all parties.

No trustee will be appointed to administer the 2024 Share Option Scheme, and none of the Directors is a trustee nor has a direct or indirect interest in the trustee(s) of the 2024 Share Option Scheme (if any).

(e) Operation of the 2024 Share Option Scheme

Granting of Options

The Board is entitled but not bound at any time within the period of 10 years after the Adoption Date to make an Offer to an Eligible Participant, taking into account such factors as the Board may at its discretion consider appropriate, which will entitle the relevant Eligible Participant to subscribe for such number of Shares as the Board may in its absolute discretion determine, being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof, at the subscription price as the Board may determine (the “**Subscription Price**”).

The Subscription Price shall be a price solely determined by the Board and notified to an Eligible Participant and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Offer Date, which must be a business day;
- (ii) the average of the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Offer Date; and
- (iii) the nominal value of the Shares.

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The value of the Options is linked to the future Share price, which in turn depends on the performance of the Company. Further, the Options are typically granted with other long-term incentives such as performance conditions to holistically support attraction, motivation and retention considerations. The Board considers that such basis will serve to drive long-term focus and shareholder value creation and encourage the Eligible Participants to acquire proprietary interests in the Company.

An Option shall be personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option.

Exercise of Options

An Option may be exercised according to the terms of the 2024 Share Option Scheme and the relevant offer letter in whole or in part by the Grantee (or his personal representatives) before its expiry by giving notice in writing to the Company stating that the Option is to be exercised and the number of Shares in respect of which it is exercised, provided that the number of Shares shall be equal to the size of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. The period during which the Option may be exercised is to be determined and notified by the Board but shall expire in any event not later than the last day of the 10 year period after the Offer Date.

Save for the circumstances as prescribed in paragraph 9 of Appendix III to this circular, the vesting period for Options under the 2024 Share Option Scheme shall not be less than 12 months. The Board and the Remuneration and Nomination Committee consider the shorter vesting period as reasonable given (i) setting a strict 12-month vesting period would not work or would not be fair to the holders of the Options whose employment is terminated due to death or permanent disability or occurrence of any out-of-control events; (ii) in the case of a take-over, scheme of arrangement or a scheme for the reconstruction or amalgamation of the Company, it would be fair to accelerate the vesting period of the Options to give Grantees an opportunity to benefit from or participate in the major corporate events of the Company; and (iii) in the case of winding-up of the Company, it would be fair to accelerate the vesting period of the Options if the winding-up occurs before the end of their respective vesting period.

As such, the Board and the Remuneration and Nomination Committee are of the view that the shorter vesting period prescribed in paragraph 9 of Appendix III to this circular is appropriate and aligns with the purpose of the 2024 Share Option Scheme.

LETTER FROM THE BOARD

Performance target

Vesting of Options will be subject to performance targets, if any, to be satisfied by the Eligible Participants as determined by the Board from time to time. The Board is of the view that it is impracticable to set out a generic set of performance targets that apply to all Eligible Participants in the terms of the 2024 Share Option Scheme, as each Eligible Participant contributes to the Group in different ways and thus his/her performance will be measured with different parameters, having considered their roles in the Group. When setting specific performance targets for each Eligible Participant, the Board will have regard to the purpose of the 2024 Share Option Scheme and various other factors including but not limited to, and where appropriate, (i) individual performance (e.g. time commitment, work performance and length of service); (ii) performance of the Group (e.g. sales performance, production yield and profit); and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Eligible Participant (e.g. operation efficiency, cost control and business growth). A description of the relevant performance targets will be included in the offer letter to be provided to Eligible Participants when an Offer is made, in accordance with the Listing Rules.

Providing the Board with more flexibility in setting the terms and conditions of the vesting of the Options under particular circumstance of each grant will facilitate the Board's aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Options on a case-by-case basis. The Company will evaluate the actual performance and contribution of an Eligible Participant for the past financial year against the performance targets set and form a view as to whether the relevant performance targets have been fulfilled. The assessment will be based on the individual's overall performance, performance of the team or department that the Eligible Participant belongs to and the performance of the Group as a whole. The finance department of the Company shall be responsible for compiling a performance appraisal report on data relating to Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance results and the individual performance results, which will be submitted to the Board and/or the Remuneration and Nomination Committee for consideration and approval. The Board shall have the sole discretion in determining whether the relevant performance targets for the Eligible Participants have been met. For the avoidance of doubt, the performance targets are not applicable to independent non-executive Directors.

LETTER FROM THE BOARD

(f) Individual limit

Where any grant of Options to an Eligible Participant would result in the maximum number of new Shares issued and to be issued upon exercise of the Options already granted or to be granted to each Eligible Participant under the 2024 Share Option Scheme and all share options and share awards granted under any other share schemes of the Company to such Eligible Participant (excluding any share options or share awards lapsed in accordance with the terms of the relevant share schemes) in any 12-month period up to and including the date of such grant exceed 1% in aggregate of the Shares in issue as at the date of such grant, such grant must be separately approved by the Shareholders in general meeting, at which the relevant Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstained from voting. The number and terms of such Options shall be fixed before the general meeting of the Company at which the same are approved.

(g) Connected person limit

Where an Option is to be granted to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is also a proposed Grantee of the Option.

Where any grant of Options to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Options granted (excluding any Options lapsed in accordance with the terms of the 2024 Share Option Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue, such further grant must be approved by the Shareholders in general meeting with the grantee, his/her associates and all core connected persons of the Company abstain from voting.

Any change in the terms of any Options granted to a connected person of the Company must be approved by the Shareholders in accordance with the Listing Rules if the initial grant of the Options requires such approval (except where the changes take place automatically under the terms of the 2024 Share Option Scheme).

(h) Clawback mechanism

In any of the following circumstances, the Board may, at its sole and absolute discretion, require the Grantees to return the gains from the granted Options (if any):

- (i) the Grantee has committed any act of fraud or dishonesty or serious misconduct during the period of his/her employment or engagement by any member of the Group;

LETTER FROM THE BOARD

- (ii) the Grantee has engaged in any act or omission to perform any of his/her duties that has or will have a material adverse effect on the reputation or interests of any member of the Group;
- (iii) the Grantee has been convicted of any criminal offense involving his/her integrity or honesty, whether or not in connection with his/her relationship with the Group; or
- (iv) the Grantee has caused a material misstatement in the Group's financial statements.

The Board considers that the above clawback mechanism enables the Company to clawback such Options (together with the related gains, if any) which are inequitable to be granted to or vested on the Grantees, and is therefore in line with the purpose of the 2024 Share Option Scheme and in the interests of the Group and the Shareholders as a whole.

THE 2024 SHARE INCENTIVE SCHEME

The 2015 Share Incentive Scheme was adopted by the Company on 2 June 2015. Pursuant to the terms of the 2015 Share Incentive Scheme, it shall be valid and effective for a period of 10 years commencing on the adoption date thereof, subject to any early termination determined by the Board.

The Company has not granted any awards under the 2015 Share Incentive Scheme since its adoption, and thus there is no outstanding Shares granted under the 2015 Share Incentive Scheme as at the Latest Practicable Date.

The Board resolved to terminate the 2015 Share Incentive Scheme and to adopt the 2024 Share Incentive Scheme.

A summary of the principal terms of the 2024 Share Incentive Scheme is set out in Appendix IV to this circular.

(a) Purpose of the 2024 Share Incentive Scheme

The purpose of the 2024 Share Incentive Scheme is to provide incentive or reward to Eligible Participants for their contribution to, and continuing efforts to promote the interests of, the Group.

LETTER FROM THE BOARD

(b) Eligible Participants

The Board may, at its absolute discretion, invite any person belonging to any of the following classes of persons of any member of the Group, to be an Eligible Participant:

- (i) directors, including executive directors and non-executive directors but excluding independent non-executive directors, of any member of the Group; and
- (ii) employees of the Group who make significant contribution to the Group, or have the scarce skills needed in the industry.

In assessing the eligibility of any Eligible Participant, the Board will consider, among others: (i) his/her skills, knowledge, experience, expertise and other relevant personal qualities; (ii) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (iii) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development; (iv) his/her educational and professional qualifications, and knowledge in the industry; and (v) whether granting Performance Shares to him/her is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group.

The adoption of the 2024 Share Incentive Scheme enables the Group to use share incentives to encourage employees of the Group to contribute to the Group and align the mutual interests of each party, as the Company and the employees of the Group will mutually benefit from the long-term growth of the Group. The Board is of the view that the criteria for the selection of the Eligible Participants is in line with the Company's business needs and align with the purpose of the 2024 Share Incentive Scheme.

(c) Duration and termination

The 2024 Share Incentive Scheme is conditional upon the passing of an ordinary resolution by the Shareholders at the AGM. Subject to the satisfaction of such condition, the 2024 Share Incentive Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date subject to any early termination determined by the Board.

(d) Administration

The 2024 Share Incentive Scheme shall be subject to the administration of the Board, whose decisions (save as otherwise provided herein) shall be final and binding on all parties, or the Remuneration and Nomination Committee or the Trustee (if the Trustee is appointed by the Company) in accordance with the terms of the 2024 Share Incentive Scheme or the terms of the Trust Deed (in case where the Trustee is appointed) respectively.

LETTER FROM THE BOARD

No Trustee has been appointed or identified as at the Latest Practicable Date and the Company does not intend to consider whether a Trustee should be appointed until grants are being made under the 2024 Share Incentive Scheme.

None of the Directors will be a Trustee nor has a direct or indirect interest in the Trustee. The Trustee will be a third party independent of the Company and not connected with any of its connected persons.

If a Trustee is appointed, the Trust Deed shall provide that the Trustee holding unvested Shares of the 2024 Share Incentive Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owners' direction and such a direction is given.

(e) Operation of the 2024 Share Incentive Scheme

Source of Performance Shares

The 2024 Share Incentive Scheme permits the granting of the Performance Shares to Eligible Participants that are either new Shares of the Company or existing Shares of the Company that are purchased pursuant to the terms of the 2024 Share Incentive Scheme. The 2024 Share Incentive Scheme further provides that, for grants to Eligible Participants who are connected persons of the Company, existing Shares will be purchased from the secondary market to satisfy the relevant number of the Awarded Shares. For grants to Eligible Participants who are not the connected persons of the Company, the Trustee or the Remuneration and Nomination Committee will subscribe for new Shares from the Company and/or the Trustee will purchase existing Shares from the secondary market to satisfy the relevant number of Awarded Shares. The Performance Shares held by the Trustee (if any) will be counted towards public float.

Subject to the terms of the 2024 Share Incentive Scheme, in the event that any Performance Shares are to be allotted and issued as new Shares under the scheme mandate, the Company will comply with the relevant Listing Rules when allotting and issuing any new Shares under the scheme mandate and application will be made to the Listing Committee for the granting of the listing of, and permission to deal in the new Shares to be issued at the time of offering the Shares.

LETTER FROM THE BOARD

Granting of Performance Shares

The Board is entitled but not bound at any time within the period of 10 years after the Adoption Date to make an Offer to any Eligible Participant (other than any Excluded Person), taking into account such factors as set out in the above paragraph headed “Eligible Participants” and other factors as the Board may at its discretion consider appropriate.

The Board may select the Eligible Participants and determine the number of the Awarded Shares to be offered to each of them and notify the Remuneration and Nomination Committee and (if applicable) the Trustee. In determining the number of Awarded Shares for an Eligible Participant, the Board may take into consideration matters including (without limitation) the general financial condition of the Company or other member of the Group, and the rank, skills, performance and contributions or potential contributions of the relevant Eligible Participants.

An Offer made shall be personal to the Eligible Participants to whom it is made and shall not be assignable and no Eligible Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares referable to him/her pursuant to such Offer.

The Awarded Shares will be granted to the Eligible Participants at nil consideration unless otherwise decided by the Board. The purchase price of the Awarded Shares (if any) shall be such price which shall be determined by the Board from time to time based on considerations such as the prevailing closing price of the Shares, the purpose of the grant of the Awarded Shares and the characteristics and profile of the Eligible Participants. Such room for discretion provides the Board with flexibility to stipulate, if necessary, a purchase price for Awarded Shares, while balancing the purpose of the award and the interests of Shareholders.

Vesting of Performance Shares

In relation to an Eligible Participants that have been made an Offer, subject to the fulfillment of all vesting conditions to the vesting of the Performance Shares on such Eligible Participants, the Remuneration and Nomination Committee or the Trustee (as the case may be) will transfer and/or issue the Performance Shares in relation to the relevant Eligible Participants pursuant to the terms of the 2024 Share Incentive Scheme.

Subject to the circumstances where there is a change in control of the Company, the minimum vesting period for all Awarded Shares is 12 months. By setting a general vesting period of not less than 12 months, the Group can achieve the purpose of retaining talents and achieve a stable and consistently growth and development, and hence is in line with the purpose of the 2024 Share Incentive Scheme.

LETTER FROM THE BOARD

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares shall immediately vest on the date when such change of control event becomes or is declared unconditional and such date shall be deemed to be the vesting date. In the event that the vesting period for Awarded Shares granted to Eligible Participants being shorter than twelve (12) months following the aforesaid circumstances, the Board and the Remuneration and Nomination Committee consider the shorter vesting period as reasonable given (i) in the case of a change in control of the Company, it would be fair to accelerate the vesting period of Awarded Shares to give Grantees an opportunity to benefit from or participate in the major corporate event of the Company as holders of the Shares, which reassures the Grantees of their incentives being protected and binds their long-term interests with those of the Group; and (ii) in case of a dissolution or liquidation of the Company, it would be fair to accelerate the vesting period of the Awarded Shares if the dissolution or liquidation occurs before the end of their respective vesting periods. As such, the Board and the Remuneration and Nomination Committee are of the view that the shorter vesting period under the circumstances where there is a change in control is appropriate and align with the purpose of the 2024 Share Incentive Scheme, and therefore complies with Rule 17.03F of the Listing Rules.

Performance target

The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to an Eligible Participant (including, without limitation, as to performance criteria which must be satisfied by the Eligible Participant and/or the Company and/or other members of the Group, before the Awarded Shares may be vested).

The Board is of the view that it is impracticable to set out a generic set of performance targets that apply to all Eligible Participants in the terms of the 2024 Share Incentive Scheme, as each Eligible Participant contributes to the Group in different ways and thus his/her performance will be measured with different parameters, having considered their roles in the Group. When setting specific performance targets for each Eligible Participant, the Board will have regard to the purpose of the 2024 Share Incentive Scheme and various other factors including but not limited to, and where appropriate, (i) individual performance (e.g. time commitment, work performance and length of service); (ii) performance of the Group (e.g. sales performance, production yield and profit); and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Eligible Participant (e.g. operation efficiency, cost control and business growth). A description of the relevant performance targets will be included in the offer letter to be provided to Eligible Participants when an Offer is made, in accordance with the Listing Rules.

LETTER FROM THE BOARD

Providing the Board with more flexibility in setting the terms and conditions of the vesting of the Awarded Shares under particular circumstance of each grant will facilitate the Board's aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Performance Shares on a case-by-case basis. The Company will evaluate the actual performance and contribution of an Eligible Participant for the past financial year against the performance targets set and form a view as to whether the relevant performance targets have been fulfilled. The assessment will be based on the individual's overall performance, performance of the team or department that the Eligible Participant belongs to and the performance of the Group as a whole. The finance department of the Company shall be responsible for compiling a performance appraisal report on data relating to Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance results and the individual performance results, which will be submitted to the Remuneration and Nomination Committee for consideration and approval. The Board or the Remuneration and Nomination Committee shall have the sole discretion in determining whether the relevant performance targets for the Eligible Participants have been met.

(f) Individual limit

Where any grant of Performance Shares to an Eligible Participant would result in aggregate of the number of Shares issued or to be issued to the Eligible Participant upon vesting of Shares or options under all Company's share schemes granted to him/her in any 12-month period would exceed 1% of the total number Shares in issue at such time, such grant must be separately approved by the Shareholders in general meeting, at which the relevant Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstained from voting. The number and terms of such Performance Shares shall be fixed before the general meeting of the Company at which the same are approved.

(g) Connected person limit

Any grant of Performance Shares to a Director (other than independent non-executive Directors), chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors.

LETTER FROM THE BOARD

Where any grant of Performance Shares to a Director (other than independent non-executive Directors), chief executive or substantial shareholders of the Company, or any of their associates would result in the Shares issued and to be issued in respect of all Performance Shares granted (excluding any Shares lapsed in accordance with the terms of the 2024 Share Incentive Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue, such further grant must be approved by the Shareholders in general meeting with the grantee, his/her associates and all core connected persons of the Company abstain from voting.

Any change in the terms of any Performance Shares granted to a connected person of the Company must be approved by the Shareholders in accordance with the Listing Rules if the initial grant of the Performance Shares requires such approval (except where the changes take place automatically under the terms of the 2024 Share Incentive Scheme).

(h) Clawback mechanism

In any of the following circumstances, the Board may, at its sole and absolute discretion, require the Grantees of the Performance Shares to return the gains from the vested Awarded Shares:

- (i) the Grantee has committed any act of fraud or dishonesty or serious misconduct during the period of his/her employment or engagement by any member of the Group;
- (ii) the Grantee has engaged in any act or omission to perform any of his/her duties that has or will have a material adverse effect on the reputation or interests of any member of the Group;
- (iii) the Grantee has been convicted of any criminal offense involving his/her integrity or honesty, whether or not in connection with his/her relationship with the Group; or
- (iv) the Grantee has caused a material misstatement in the Group's financial statements.

The Board considers that the above clawback mechanism enables the Company to clawback such Awarded Shares (together with the related gains, if any) which are inequitable to be granted to or vested on the Grantees, and is therefore in line with the purpose of the 2024 Share Incentive Scheme and in the interests of the Group and the Shareholders as a whole.

LETTER FROM THE BOARD

AGM

Set out in pages 54 to 61 of this circular is a notice convening the AGM which will be held at United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong at 3:00 p.m. on Wednesday, 26 June 2024, at which resolutions will be proposed to approve, among other things, the re-election of the Retiring Directors, the granting of the Issue Mandate, the granting of the Repurchase Mandate, the extension of the Issue Mandate, the proposed declaration of final dividend and the adoption of the 2024 Share Schemes.

The form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jinchuan-intl.com). Whether or not you are able to attend the AGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the AGM (i.e. before 3:00 p.m. on Monday, 24 June 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM if they so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of Shareholders at the AGM will be taken by poll. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Thursday, 20 June 2024 to Wednesday, 26 June 2024 (both days inclusive). During such period, no transfer of Shares will be registered for the purpose of determining the entitlement to attend and vote at the AGM. All transfer documents accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on Wednesday, 19 June 2024. Shareholders whose names are recorded in the Register of Members on Wednesday, 26 June 2024 are entitled to attend and vote at the AGM.

The Register of Members of the Company will be closed from Thursday, 4 July 2024 to Sunday, 7 July 2024 (both days inclusive) for the purpose of determining the entitlement of the shareholders of the Company to receive the final dividend for the year ended 31 December 2023. No transfer of shares may be registered during the said period. In order to qualify to receive the final dividend for the year ended 31 December 2023, all transfer documents accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on Wednesday, 3 July 2024.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the re-election of the Retiring Directors, the granting of the Issue Mandate, the granting of the Repurchase Mandate, the extension of the Issue Mandate, the proposed declaration of final dividend and the adoption of the 2024 Share Schemes, are in the interests of the Company and the Shareholders as a whole, and therefore recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement contained herein or this circular misleading.

FURTHER INFORMATION

Your attention is drawn to the information contained in the appendices to this circular.

For and on behalf of the Board
Jinchuan Group International Resources Co. Ltd
Wong Tak Chuen
Company Secretary

APPENDIX I PARTICULARS OF THE DIRECTORS FOR RE-ELECTION

The following are the particulars of the Retiring Directors proposed for re-election at the AGM:

EXECUTIVE DIRECTOR

Mr. Gao Tianpeng, aged 52, B Eng and EMBA, was appointed as the Chief Executive Officer and an executive director of the Company since August 2017. He was previously the non-executive director of the Company for the period from 30 November 2010 to 21 March 2014. During his 31-year career in JCG, he has been overseeing various matters including cost management, financial management, international trading management, risk management, foreign exchange business, capital operation and equity division reform of JCG and daily affairs of the board of directors. He was also a manager of the Cost Branch of Financial Department of JCG, manager of Financial Department of International Trading, general manager of Risk Management Department, general manager of Capital Operation Department, the general manager of International Department of Resources Capital, vice general manager of China Jinchuan Investment Holding Limited and the director of Metorex (Proprietary) Limited, a wholly-owned subsidiary of the Company, successively. He has extensive experience in financial cost management, risk management and asset management.

Mr. Gao has entered into a service agreement with the Company for a period of 3 years from 23 August 2023 to 22 August 2026. Pursuant to the service agreement between Mr. Gao and the Company, Mr. Gao is entitled to (i) a monthly salary of HK\$70,875; (ii) a performance-related discretionary bonus; (iii) other benefits provided by the Company including but not limited to housing allowances; and (iv) is also eligible to participate in the share schemes of the Company and other benefits in kind available to Directors. Mr. Gao is not entitled to director's fee in respect of his service as a Director. He is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the articles of association of the Company.

APPENDIX I PARTICULARS OF THE DIRECTORS FOR RE-ELECTION

NON-EXECUTIVE DIRECTOR

Mr. Wang Qiangzhong, aged 59, with qualification of senior engineer, graduated from Jiangxi Metallurgy Academia (now known as Jiangxi University of Science and Technology) in July 1986, major in mining engineering. He obtained a diploma in financial management for listed companies from Shanghai University of Finance and Economics in June 2001 and his master degree of business administration from Lanzhou University in June 2011. From 2005 to 2014, he served at various positions in Gansu Lantuo Group Limited* (甘肅蘭駝集團有限責任公司), including general manager and chairman of the board of directors. During his tenure in Gansu Lantuo Group Limited*, he was also appointed as a researcher of the board of supervisors of the Gansu Provincial State-owned Assets Supervision and Administration Commission. Since July 2015, he has acted as the chairman of the board of directors of Gansu Province Xinye Asset Management Co. Ltd.* (甘肅省新業資產經營有限責任公司). He currently serves as the director of Baiyin Nonferrous Group Co., Ltd., the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601212). He has extensive experience in financial management and operation management.

Mr. Wang has entered into a letter of appointment with the Company for a period of 3 years from 20 June 2022 to 19 June 2025 (both days inclusive). He is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the articles of association of the Company and no director's fee will be paid to him in respect of his service as the non-executive Director. He is eligible to participate in the share schemes of the Company and other benefits in kind available to non-executive Directors.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Poon Chiu Kwok, aged 62, was appointed as an independent non-executive director of the Company since March 2017, holds a master's degree in international accounting, a post-graduate diploma in laws, a bachelor's degree in laws and a bachelor's degree in business studies. He has years of experience in regulatory affairs, corporate finance and governance. He is an executive director, vice president and company secretary of Huabao International Holdings Limited, whose shares are listed on the Stock Exchange. He currently serves as an independent non-executive director of the following companies listed on the Stock Exchange: AUX International Holdings Limited, China Isotope & Radiation Corporation, Greentown Service Group Co. Ltd., Sany Heavy Equipment International Holdings Company Limited and Sunac China Holdings Limited. He also served as an independent non-executive director of Changan Minsheng APLL Logistics Co., Ltd. (from 30 September 2011 to 30 June 2023), Yankuang Energy Group Company Limited (from 29 June 2017 to 30 June 2023), Yuanda China Holdings Limited (from 12 April 2011 to 9 September 2023), and Honghua Group Limited (from 15 June 2017 to 1 December 2021). Mr. Poon is a fellow member of CPA Australia Ltd., the Hong Kong Securities and Investment Institute, The Chartered Governance Institute of UK, The Hong Kong Chartered Governance Institute and a member of the Canadian Institute of Mining, Metallurgy and Petroleum.

APPENDIX I PARTICULARS OF THE DIRECTORS FOR RE-ELECTION

As at the Latest Practicable Date, Mr. Poon does not have any interest in the shares of the Company within the meaning of Part XV of the SFO, and has no relationship with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. Poon has entered into a letter of appointment with the Company with a term ending 31 December 2025. He is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the articles of association of the Company. He is entitled to a director's fee of HK\$264,000 per annum. The said director's fee was determined with reference to his duties and responsibilities, and will be subject to review by the Remuneration and Nomination Committee of the Company on an annual basis. Mr. Poon has not entered into nor will be proposed to enter into any service contracts, which fall within the meanings of Rule 13.68 of the Listing Rules requiring the prior approval of shareholders of the Company at general meetings, with the Company. Mr. Poon is also eligible to participate in the share schemes of the Company and other benefits in kind available to independent non-executive Directors.

GENERAL

The above emoluments of the Retiring Directors are recommended by the Remuneration and Nomination Committee and approved by the Board with reference to their respective qualifications, experience and roles and duties in the Company.

Mr. Gao Tianpeng held position as senior management in JCG which principally engages in businesses of production of nickel, copper, cobalt, platinum group metals, nonferrous metal plates, chemical products and chemicals of nonferrous metals. Mr. Gao Tianpeng held directorship and position as senior management in JCHK, which indirectly holds 60.73% issued share capital of the Company, and is principally engaged in investment holding. The said 60.73% shareholding is held through four companies, namely, Jinchuan (BVI) Limited, Jinchuan (BVI) 1 Limited, Jinchuan (BVI) 2 Limited and Jinchuan (BVI) 3 Limited, in which Mr. Gao Tianpeng held directorship. Jinchuan (BVI) Limited, Jinchuan (BVI) 1 Limited, Jinchuan (BVI) 2 Limited and Jinchuan (BVI) 3 Limited are principally engaged in investment holding.

Mr. Wang Qiangzhong is the chairman of Gansu Province Xinye Asset Management Co. Ltd., which holds 8.88% issued share capital of the Company.

Save as disclosed above, each of the Retiring Directors does not have any other relationship with any Directors, senior management or substantial or controlling Shareholders (as defined in the Listing Rules) and has not held any directorship in other listed public companies in the past three years. As at the Latest Practicable Date, the Retiring Directors do not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, the Board is not aware of any matter in relation to the Retiring Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and any other matter that needs to be brought to the attention of the Shareholders.

* *for identification purposes only*

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the granting of the Repurchase Mandate to be proposed at the AGM.

1. SHARE CAPITAL

At the Latest Practicable Date, the issued share capital of the Company comprised 12,502,082,051 Shares. Subject to the passing of the resolution approving the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of AGM, the Directors would be authorised under the Repurchase Mandate to repurchase a maximum of 1,250,208,205 Shares, representing 10% of the existing 12,502,082,051 Shares in issue during the course of the period from the AGM to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the interests of the Company and its Shareholders as a whole as it would enable the Directors to repurchase Shares in the market as and when appropriate. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Any repurchase would only be financed out of funds of the Company legally available for such purpose in accordance with the Memorandum and Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its 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.

It is currently envisaged that the funds required for any repurchase would be derived from the working capital and/or the distributable profits of the Company.

4. IMPACT OF REPURCHASES

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its audited consolidated financial statements for the year ended 31 December 2023) in the event that the Repurchase Mandate is exercised in full at any time during the period covered by the Repurchase Mandate. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing level.

The Company intends to cancel the repurchased Shares following settlement of any repurchase under the Repurchase Mandate.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Memorandum and Articles of Association and the applicable laws of the Cayman Islands. The Company confirms that neither the explanatory statement nor the Repurchase Mandate has any unusual features.

6. DISCLOSURE OF INTEREST

As at the Latest Practicable Date, none of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, have a present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company or have undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

7. THE TAKEOVERS CODE

If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and, depending on the level of increase of the shareholding, become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best knowledge of the Company, JCG and its concert parties were interested in 7,593,009,857 Shares, representing approximately 60.73% of the issued share capital of the Company.

Assuming that there is no alteration to the existing shareholdings, upon exercise of the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the shareholding of JCG and its concert parties in the Company would be increased to approximately 67.48% of the issued share capital of the Company. The Directors are not aware of any consequences of such repurchases of Shares that would result in a Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate were to be exercised in full. Moreover, the Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no change in the total number of issued Shares between the Latest Practicable Date and date of repurchase, the exercise of Repurchase Mandate whether in whole or in part will not result in the number of Shares held by the public being reduced to less than 25% of the issued share capital of the Company. The Directors have no intention to exercise the Repurchase Mandate to an extent that may result in a public shareholding less than such prescribed percentage under the Listing Rules.

8. SHARE PURCHASES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

9. SHARE PRICES

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

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	0.66	0.53
May	0.56	0.41
June	0.475	0.39
July	0.47	0.38
August	0.46	0.38
September	0.51	0.395
October	0.485	0.37
November	0.51	0.435
December	0.67	0.455
2024		
January	0.66	0.51
February	0.74	0.485
March	0.89	0.62
April	0.97	0.71
May (up to the Latest Practicable Date)	1.05	0.76

Set out below is a summary of the principal terms and conditions of the 2024 Share Option Scheme to provide sufficient information to Shareholders for their consideration of the 2024 Share Option Scheme proposed to be adopted at the AGM.

1. PURPOSE

The purpose of the 2024 Share Option Scheme is to provide incentive or reward to Eligible Participants for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the Board may approve from time to time.

2. WHO MAY JOIN

Any director (whether executive or non-executive, including any independent non-executive director); and employee (whether full time or part time) of the Group is eligible to participate in the 2024 Share Option Scheme.

In assessing the eligibility of any Eligible Participant, the Board will consider, among others:

- (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
- (b) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- (c) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development;
- (d) his/her educational and professional qualifications, and knowledge in the industry; and
- (e) whether granting Options to him/her under the 2024 Share Option Scheme is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group.

3. DURATION OF THE 2024 SHARE OPTION SCHEME

The 2024 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which it is adopted by ordinary resolution of the Shareholders in general meeting, after which period no further Options shall be granted. Subject to the above, in all other respects, in particular, in respect of Options remaining outstanding on the expiry of the 10 year period referred to in this paragraph, the provision of the 2024 Share Option Scheme shall remain in full force and effect.

4. MAXIMUM NUMBER OF SHARES

The maximum aggregate number of Shares which may be issued underlying the Options and any option or award granted under other share scheme of the Company, must not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval of the Scheme Mandate Limit, being 1,250,208,205. No Options may be granted under the 2024 Share Option Scheme if this will result in such limit being exceeded.

For the purposes of calculating the Scheme Mandate Limit, Shares which are the subject matter of any options that have already lapsed in accordance with the terms of the relevant schemes shall not be counted.

The Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders in general meeting after three (3) years from the date of Shareholders' approval for the last refreshment, or within three (3) year period but subject to additional requirements under the Listing Rules, provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of Shareholders' approval of the refreshing of the Scheme Mandate Limit;
- (b) options previously granted under any share schemes of the Company (including options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed; and
- (c) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

The Company may seek separate approval from the Shareholders in the general meeting for granting Options which will result in the Scheme Mandate Limit being exceeded, provided that:

- (a) the grant is to Eligible Participants specifically identified by the Company before the approval is sought; and
- (b) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

5. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANTS

No Option shall be granted to any Eligible Participant (the “**Relevant Eligible Participant**”) if, at the relevant time of grant, the aggregate number of Shares issued and to be issued upon exercise of all Options under the 2024 Share Option Scheme (granted and proposed to be granted, whether exercised, cancelled or outstanding), or grant of options or shares under all the Company’s share schemes to the Relevant Eligible Participant in any 12-month period would exceed 1% of the total number of Shares in issue at such time, unless:

- (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules in force from time to time, by ordinary resolution of the Shareholders in general meeting, at which the Relevant Eligible Participant and his close associates (or his associates if the Relevant Eligible Participant is a connected person) abstained from voting;
- (b) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time; and
- (c) the number and terms (including the subscription price) of such Options are fixed before the general meeting of the Company at which the same are approved.

6. GRANT OF OPTIONS

Each offer of an Option (the “**Offer**”) shall be in writing made to an Eligible Participant by letter in such form as the Board may from time to time determine at its discretion (the “**Offer Letter**”). The Offer Letter shall state, among others, the period during which the Option may be exercised (the “**Option Period**”), which period is to be determined and notified by the Board but shall expire in any event not later than the last day of the 10 year period after the date of grant of the Option. The Board may specify in the Offer Letter any conditions which must be satisfied before the Option may be exercised, including without limitation such performance targets and minimum periods for which an Option must be held before it can be exercised, as the Board may determine from time to time.

The Board is of the view that it is impracticable to set out a generic set of performance targets that apply to all Eligible Participants in the terms of the 2024 Share Option Scheme, as each Eligible Participant contributes to the Group in different ways and thus his/her performance will be measured with different parameters, having considered their roles in the Group. When setting specific performance targets for each Eligible Participant (if any), the Board will have regard to the purpose of the 2024 Share Option Scheme and various other factors including but not limited to, and where appropriate, (i) individual performance (e.g. time commitment, work performance and length of service); (ii) performance of the Group (e.g. sales performance, production yield and profit); and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Eligible Participant (e.g. operation efficiency, cost control and business growth).

The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Options (if any) on a case-by-case basis. The Company will evaluate the actual performance and contribution of an Eligible Participant for the past financial year against the performance targets set and form a view as to whether the relevant performance targets have been fulfilled. The assessment will be based on the individual’s overall performance, performance of the team or department that the Eligible Participant belongs to and the performance of the Group as a whole. The finance department of the Company shall be responsible for compiling a performance appraisal report on data relating to Group-level targets and the human resource department shall be responsible for compiling a performance appraisal report based on the Group’s performance results and the individual performance results, which will be submitted to the Board and/or the Remuneration and Nomination Committee for consideration and approval. The Board shall have the sole discretion in determining whether the relevant performance targets for the Eligible Participants have been met.

The Board shall specify in the Offer Letter a date by which the grantee must accept the Offer, being a date no later than 14 days after the date on which the Option is offered (the “**Offer Date**”) or the date on which the conditions for the Offer are satisfied. Payment of option price of HK\$1.00 shall be made upon acceptance of the Offer.

7. SUBSCRIPTION PRICE

The price at which each Share subject to an Option may be subscribed for on the exercise of that Option (the “**Subscription Price**”) shall be a price solely determined by the Board and notified to an Eligible Participant and shall be at least the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Offer Date, which must be a business day;
- (b) the average of the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the Offer Date; and
- (c) the nominal value of the Share.

8. GRANT OF OPTIONS TO CONNECTED PERSONS

Where an Option is to be granted to a Director, chief executive or substantial shareholder of the Company (or any of their respective associate(s)), the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is also a proposed grantee of the Option.

Where any grant of Options to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options (granted and proposed to be granted, whether exercised, cancelled or outstanding), or grant of options or share under all the Company’s share schemes granted to him/her in the 12-month period immediately preceding the Offer Date to exceed 0.1% of the number of Shares in issue as at the Offer Date:

- (a) such further grant of Options must be approved by Shareholders in general meeting with such Eligible Participants, his/her associates and all core connected persons of the Company abstaining from voting;
- (b) a circular containing the details of the grant shall be despatched to the Shareholders in a manner complying with, and containing the information as required under the Listing Rules (including in particular a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options or awards) to the independent Shareholders as to voting at general meeting of the Company); and

- (c) the Company shall comply with the requirements under relevant provisions of the Listing Rules.

Any change in the terms of any Option granted to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in accordance with the Listing Rules if the initial grant of the Options requires such approval (except where the changes take place automatically under the terms of the 2024 Share Option Scheme).

9. VESTING OF OPTIONS

The vesting period in respect of any Option shall not be less than 12 months. Subject to paragraph 18(g) and the clawback provisions set out in paragraph 24, the Board and the Remuneration and Nomination Committee may at its discretion grant a shorter vesting period to an Eligible Participant in the following circumstances:

- (a) grants to an Eligible Participant whose employment is terminated due to death or permanent disability or occurrence of any out-of-control events;
- (b) a general offer by way of a take-over is made to all the Shareholders and such offer becomes or is declared unconditional;
- (c) a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings;
- (d) other than a general offer or a scheme of arrangement, a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- (e) a notice is given by the Company to its Shareholders to convene a general meeting for the purpose of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company other than for the purposes of a reconstruction, amalgamation or scheme of arrangement.

10. RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of an Option shall be subject to the Company's memorandum and articles of association and the laws of the Cayman Islands for the time being in force and shall rank *pari passu* in all respects with other fully-paid Shares in issue as at the date of allotment and will entitle the holders to the same rights of the holders of other fully paid Shares in issue, including voting, dividend, transfer and any other rights. In particular, the Shares to be allotted and issued upon the exercise of an Option will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the date of allotment and issue. The Option itself (before exercise) will not entitle the grantee to any of aforementioned Shareholder's rights.

11. RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

No Offer shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of actual publication of the results announcement, no Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of results announcement.

12. RIGHTS ON CEASING TO BE AN ELIGIBLE PARTICIPANT

Subject to paragraph 18(g), where the Grantee of an outstanding Option ceases to be an Eligible Participant for any reason, the Options granted to him/her shall continue to be valid and exercisable during the Option Period in accordance with the terms of the 2024 Share Option Scheme.

13. RIGHTS ON DEATH OR DISABILITY

Subject to paragraph 18(g), where the Grantee of an outstanding Option dies or becomes permanently disabled before exercising the Option in full or at all, the Option may be exercised up to the entitlement of such Grantee by his personal representatives within 12 months after the date of his/her death or permanent disability or such longer period as the Board may determine.

14. RIGHTS ON TAKEOVER

If a general offer by way of a take-over is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Company shall forthwith notify all the Grantees and any Grantee (or his personal representative) that they may by notice in writing to the Company within 21 days after such offer becoming or being declared unconditional exercise the Option to its full extent or to the extent specified in such notice.

15. RIGHTS ON SCHEME OF ARRANGEMENT

If a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith notify all the Grantees and any Grantee (or his person representatives) that they may thereafter (but before such time as shall be notified by the Company) by notice in writing to the Company exercise the Option to its full extent or to the extent specified in such notice.

16. RIGHTS ON COMPROMISE OR OTHER ARRANGEMENT

If a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it despatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representatives) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his Options in full or in part, but the aforesaid exercise of an Option shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all outstanding Options shall lapse except insofar as previously exercised under the 2024 Share Option Scheme. The Company may require the Grantee (or his personal representatives) to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

17. RIGHTS ON WINDING-UP

In the event a notice is given by the Company to its Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or his personal representatives) shall be entitled to exercise all or any of his Options at any time no later than four business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than one business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

18. LAPSE OF OPTION

The right to exercise an Option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of the period referred to in paragraph 13;
- (c) subject to the general offer by way of a take-over becomes or is declared unconditional, the expiry of the period referred to in paragraph 14;
- (d) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph 15;
- (e) subject to the compromise or arrangement becoming effective, the expiry of the period referred on in paragraph 16;
- (f) subject to paragraph 17, the date of the commencement of the winding-up of the Company;

- (g) the date on which the Grantee ceases to be an Eligible Participant by reason of summary dismissal for misconduct or other breach of the terms of his/her employment or other contract constituting him an Eligible Participant, or appears either to be unable to pay or have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his/her creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty;
- (h) the date on which the Grantee commits a breach of the duty not to sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option;
- (i) the date on which the Option is cancelled by the Board according to the terms of the 2024 Share Option Scheme; or
- (j) the non-fulfillment of any condition to the 2024 Share Option Scheme on or before the date stated therein.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph.

19. CANCELLATION OF OPTIONS

The Board may cancel an Option granted but not exercised with the approval of the grantee of such Option.

No Options may be granted to an Eligible Participant in place of his cancelled Options unless there are available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit from time to time.

20. TERMINATION OF THE 2024 SHARE OPTION SCHEME

The Company, by ordinary resolution in general meeting, or the Board may at any time terminate the operation of the 2024 Share Option Scheme and in such event no further Option will be offered but the provisions of the 2024 Share Option Scheme shall remain in full force and effect in all other respects and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the 2024 Share Option Scheme.

21. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the grantee and shall not be assignable nor transferable, and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option.

22. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of a capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to:

- (a) the number of Shares subject to the Option so far as unexercised;
- (b) the Subscription Price for the Shares subject to the Option so far as unexercised;
- (c) the Shares to which the Option relates;
- (d) the method of exercise of the Option (if applicable); and/or
- (e) any combination thereof.

In the event of any adjustment made, the auditor of the Company or the independent financial adviser to the Company (acting as expert not arbitrator) shall at the request of the Company certify in writing to the Board either generally or as regards any particular grantee that the adjustments are in compliance with the requirements under the note to Rules 17.03(13) of the Listing Rules.

Any such adjustments must give a grantee the same proportion of the equity capital of the Company as to which that grantee was previously entitled, rounded to the nearest whole share, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value.

23. ALTERATION OF THE 2024 SHARE OPTION SCHEME

The 2024 Share Option Scheme may be altered in any respect by resolution of the Board except that the provisions of the Scheme as to any terms and conditions of the Scheme which are of a material nature, and the provisions relating to the matters set out in Rule 17.03 of the Listing Rules, shall not be altered to the advantage of grantees except with the prior approval of the Shareholders in general meeting (with grantees and their respective associates abstaining from voting). No such alterations shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the grantees as would be required of the Shareholders under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.

Any change to the authority of the Board in relation to any alterations to the terms of the 2024 Share Option Scheme must be approved by the Shareholders in general meeting.

Any alterations to the terms of Options granted to an Eligible Participant must be approved by the Board, the Remuneration and Nomination Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration and Nomination Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2024 Share Option Scheme.

The amended terms of the 2024 Share Option Scheme or the Options must comply with Chapter 17 of the Listing Rules.

24. CLAWBACK MECHANISM

In any of the following circumstance, the Board may, at its sole and absolute discretion, require the grantees to return the gains from the granted Options (if any):

- (a) the grantee has committed any act of fraud or dishonesty or serious misconduct during the period of his/her employment or engagement by any member of the Group;

- (b) the grantee has engaged in any act or omission to perform any of his/her duties that has or will have a material adverse effect on the reputation or interests of any member of the Group;
- (c) the Grantee has been convicted of any criminal offense involving his/her integrity or honesty, whether or not in connection with his/her relationship with the Group; or
- (d) the grantee has caused a material misstatement in the Group's financial statements.

Set out below is a summary of the principal terms and conditions of the 2024 Share Incentive Scheme to provide sufficient information to Shareholders for their consideration of the 2024 Share Incentive Scheme proposed to be adopted at the AGM.

1. PURPOSE, DURATION AND ADMINISTRATION

- 1.1 The purpose of the 2024 Share Incentive Scheme is to provide incentive or reward to Eligible Participants for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the Board may approve from time to time.
- 1.2 The 2024 Share Incentive Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Performance Shares shall be granted.
- 1.3 The 2024 Share Incentive Scheme shall be subject to the administration of the Board, whose decision (save as otherwise provided herein) shall be final and binding on all parties, or the Committee or the Trustee (if the Trustee is appointed by the Company) in accordance with the rules of the 2024 Share Incentive Scheme or the terms of the Trust Deed (in case where the Trustee is appointed) respectively.

2. DETERMINATION OF ELIGIBILITY

- 2.1 The Board may, at its absolute discretion, invite any person belonging to any of the following classes of persons of any member of the Group, to be an Eligible Participant of the 2024 Share Incentive Scheme:
 - 2.1.1 Directors, including executive Directors and non-executive Directors but excluding independent non-executive Directors, of any member of the Group; and
 - 2.1.2 employees of the Group who are considered key talents, as defined and explained by each member of the Group, which typically refer to employees who make significant contributions to the Group or possess scarce skills that are essential to the industry.
- 2.2 In assessing the eligibility of any Eligible Participant, the Board will consider, among others:
 - 2.2.1 his/her skills, knowledge, experience, expertise and other relevant personal qualities;

- 2.2.2 his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- 2.2.3 his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development;
- 2.2.4 his/her educational and professional qualifications, and knowledge in the industry; and
- 2.2.5 whether granting Performance Shares to him/her is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group.

3. GRANT OF PERFORMANCE SHARES

- 3.1 Subject to the terms of the 2024 Share Incentive Scheme, the Board shall be entitled but shall not be bound at any time within the period of 10 years after the Adoption Date to make an Offer to any Eligible Participant (other than any Excluded Person), taking into account such factors as set out in the paragraph headed "Determination of Eligibility" and other factors as the Board may at its discretion consider appropriate. The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to an Eligible Participant (including, without limitation, as to performance criteria which must be satisfied by the Eligible Participant and/or the Company and/or its Subsidiaries, before the Awarded Shares may be vested), provided that such conditions shall not be inconsistent with any other terms and conditions of the 2024 Share Incentive Scheme and the Listing Rules.
- 3.2 The Board is of the view that it is impracticable to set out a generic set of performance targets that apply to all Eligible Participants in the terms of the 2024 Share Incentive Scheme, as each Eligible Participant contributes to the Group in different ways and thus his/her performance will be measured with different parameters, having considered their roles in the Group. When setting specific performance targets for each Eligible Participant, the Board will have regard to the purpose of the 2024 Share Incentive Scheme and various other factors including but not limited to, and where appropriate, (i) individual performance (e.g. time commitment, work performance and length of service); (ii) performance of the Group (e.g. sales performance, production yield and profit); and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Eligible Participant (e.g. operation efficiency, cost control and business growth). A description of the relevant performance targets will be included in the offer letter (if any), in accordance with the Listing Rules.

- 3.3 The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Performance Shares on a case-by-case basis. The Company will evaluate the actual performance and contribution of an Eligible Participant for the past financial year against the performance targets set and form a view as to whether the relevant performance targets have been fulfilled. The assessment will be based on the individual's overall performance, performance of the team or department that the Eligible Participant belongs to and the performance of the Group as a whole. The finance department of the Company shall be responsible for compiling a performance appraisal report on data relating to Group-level performance targets and the human resources department shall be responsible for compiling a performance appraisal report based on the Group's performance results and the individual performance results, which will be submitted to the Remuneration and Nomination Committee for consideration and approval. The Board or the Committee shall have the sole discretion in determining whether the relevant performance targets for the Eligible Participants have been met.
- 3.4 The Board may select the Eligible Participants(s) and determine the number of the Awarded Shares to be offered to each of them and notify the Remuneration and Nomination Committee and (if applicable) the Trustee. In determining the number of Awarded Shares for an Eligible Participant, the Board may take into consideration matters including (without limitation) the general financial condition of the Company or any subsidiary and the rank, skills, performance and contributions or potential contributions of the relevant Eligible Participants.
- 3.5 The Board is entitled to impose any conditions for the Offer or vesting of the Awarded Shares or otherwise (including a period of continued service within the Group after the Offer Date, individual and company performance requirements) as it deems appropriate at its discretion with respect to the entitlement of the Eligible Participant to the Awarded Shares and the Remuneration and Nomination Committee or the Trustee shall inform such Eligible Participant. The minimum vesting period for all Awarded Shares is 12 months.
- 3.6 In respect of an Awarded Share, if the Offer of which is accepted, the Offer Date shall be deemed as the date of grant such Share. The Awarded Shares shall be granted to the Eligible Participants at nil consideration unless otherwise decided by the Board. The purchase price of the Awarded Shares (if any) shall be such price which shall be determined by the Board from time to time based on considerations such as the prevailing closing price of the Shares, the purpose of the grant of the Awarded Shares and the characteristics and profile of the Eligible Participants.

- 3.7 No Offer shall be made after inside information has come to the knowledge of the Company, until such inside information has been published pursuant to the requirement of the Listing Rules and the SFO. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company to the Stock Exchange) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date actual publication of the results announcement, no Performance Share may be granted. The period during which no Performance Share may be granted will cover any period of delay in the publication of results announcements.
- 3.8 No Performance Share shall be granted to any Eligible Participant (the "**Relevant Eligible Participant**") if, at the relevant time of grant, the aggregate of the number of relevant Shares granted to the Relevant Eligible Participant in any 12-month period would exceed 1% of the total number of Shares in issue at such time, unless:
- 3.8.1 Such grant has been duly approved, by ordinary resolution of the Shareholders in general meeting, at which the Relevant Eligible Participant and his close associates (or associates if the Relevant Eligible Participant is a connected person) abstained from voting;
- 3.8.2 A circular regarding the grant has been despatched to the Shareholder which must disclose the identity of the Relevant Eligible Participant, the number and terms of the Performance Shares to be granted and Shares previously granted to such participants, the purpose of granting Performance Shares to such participants and an explanation as to how the terms of the Performance Shares serve such purpose; and
- 3.8.3 The number and terms of such Performance Shares are fixed before the general meeting of the Company at which the same are approved.
- 3.9 Where a Performance Share is to be granted to a connected person of the Company, the grant shall not be valid unless it has been approved by the independent non-executive Directors.

3.10 For grants to Eligible Participants who are not connected persons of the Company, subject to the terms of the 2024 Share Incentive Scheme, the Trustee or the Remuneration and Nomination Committee shall, on behalf of the Eligible Participants, subscribe for new Shares from the Company and/or the Trustee shall purchase existing Shares from the secondary market to satisfy the relevant number of Awarded Shares. For grants to Eligible Participants who are connected persons of the Company, the Trustee shall purchase, on behalf of the Eligible Participants, existing Shares from the secondary market to satisfy the relevant number of Awarded Shares. The Trustee holding unvested Shares of the 2024 Share Incentive Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owners' direction and such a direction is given.

3.11 Where:

- a. the grant of Performance Shares to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted to him/her in the 12-month period immediately preceding the Offer Date to exceed 0.1% of the number of Shares in issue as at the Offer Date; or
- b. the grant of Performance Shares to a substantial shareholder of the Company or any of its associates would result in the relevant Shares granted to him/her in the 12-month period immediately preceding the Offer Date to exceed 0.1% of the number of Shares in issue as at the Offer Date,

a circular containing the details of the grant shall be despatched to the Shareholders in a manner complying with, and containing the information as required under the Listing Rules (including in particular a recommendation from the independent non-executive Directors to the independent Shareholders as to voting at general meeting of the Company). Also, an approval by ordinary resolution of Shareholders must be obtained in general meeting of the Company with such Eligible Participants, his/her associates and all core connected persons of the Company abstaining from voting. The Company shall comply with the requirements under Rule 13.40, 13.41 and 13.42 of the Listing Rules.

3.12 Any change in the terms of any Performance Shares granted to a connected person of the Company must be approved by the Shareholders in accordance with the Listing Rules if the initial grant of the Performance Shares requires such approval (except where the changes take place automatically under the terms of the 2024 Share Incentive Scheme).

4. OPERATION OF SCHEME

- 4.1 The Board shall, in respect of each Eligible Participant and subject to restrictions pursuant to the terms of the 2024 Share Incentive Scheme, cause to be paid the reference amount (the “**Reference Amount**”) from the Company’s resources into the bank account opened in the name of the Company to be operated solely for the purposes of operating the 2024 Share Incentive Scheme (the “**Account**”) or to the Trustee to be held on trust for the relevant Eligible Participant for the purchase and/or subscription of the vested Shares as soon as practicable after the vesting date. The Reference Amount (as restated, supplemented and amended from time to time) is the sum of (i) the amount equals to the closing price of the Shares as quoted on the Stock Exchange as at the Offer Date multiplied by the number of the Awarded Shares in the Offer; and (ii) the related purchase expenses (including for the time being, the brokerage fee, stamp duty, transaction levy payable to Securities and Futures Commission and Accounting and Financial Reporting Council, Stock Exchange trading fee) and such other necessary expenses required for the completion of the purchase or subscription of all the vested Shares.
- 4.2 In the event that prior to or on the vesting date in respect of an Eligible Participant, (i) the relevant Eligible Participant’s employment is terminated by reason of resignation or dismissal for disciplinary reasons, or any reason other than death, retirement, ill health, disability and retrenchment by agreement with a member of the Group, (ii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company), or (iii) the Eligible Participant is found to be an Excluded Person (each of these, an event of “**Lapse**”), the Offer shall automatically lapse forthwith and the Awarded Shares shall not vest on the relevant vesting date and the relevant Reference Amount so paid by the Company shall be taken out of the Account or the trust fund managed by the Trustee and returned to the Company immediately. In such case, where the Reference Amount is returned to the Company, the relevant Shares granted shall not be counted for the purpose of the scheme limit.
- 4.3 In respect of an Eligible Participant whose employment is terminated by reason of death, retirement, ill health, disability and retrenchment by agreement with a member of the Group at any time prior to or on the vesting date, all the Awarded Shares of the relevant Eligible Participants shall be deemed to be early vested on the date of termination with the relevant member of the Group, if performance conditions are achieved. The number of vested shares shall equal to the number of Awarded Shares multiplied by extent to which performance conditions were achieved from the Offer Date to date of termination of employment.

- 4.4 Vesting procedure of the 2024 Share Incentive Scheme
- 4.4.1 Barring any unforeseen circumstances, unless otherwise agreed between the Board and the Remuneration and Nomination Committee or the Trustee, seven (7) business days prior to the vesting date, the Remuneration and Nomination Committee or the Trustee shall send to the relevant Eligible Participants (with a copy to the Company) a vesting notice together with such prescribed transfer documents which require the Eligible Participants to execute to effect the vesting and transfer of the vested shares.
- 4.4.2 Subject to the receipt by the Remuneration and Nomination Committee or the Trustee of (a) transfer documents prescribed by the Remuneration and Nomination Committee or the Trustee and duly signed by the Eligible Participants within the period stipulated in the vesting notice, and (b) a confirmation from the Company that all vesting conditions having been fulfilled, the Remuneration and Nomination Committee or the Trustee (as the case may be) shall transfer and/or issue the vested shares, in relation to the relevant Eligible Participants as soon as practicable after the vesting date and in any event not later than 14 business days after the vesting date.
- 4.5 Any Offer made hereunder shall be personal to the Eligible Participant to whom it is made and shall not be assignable and no Eligible Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares referable to him pursuant to such Offer.
- 4.6 For the avoidance of doubt,
- 4.6.1. an Eligible Participant shall not have any interest or rights (including the right to receive dividends) in the Awarded Shares prior to the vesting date;
- 4.6.2. no instructions may be given by an Eligible Participant to the Remuneration and Nomination Committee or the Trustee in respect of Awarded Shares that have not vested and such other properties of the Account or the trust fund managed by the Trustee;
- 4.6.3. the Remuneration and Nomination Committee or the Trustee (as the case may be) shall not exercise the voting rights in respect of any Shares held by it as nominee or under the Trust (if any); and

4.6.4. the Awarded Shares allotted and issued shall be subject to all the provisions of the articles of association of the Company and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully paid Shares in issue on the date of allotment and rights in respect of any dividend or other distributions paid or made on or after the date on which the Eligible Participant is registered as a member.

4.7 No Offer shall be made by the Board and no instructions to acquire Shares and allot and issue new Shares shall be given by the Remuneration and Nomination Committee or the Trustee under the 2024 Share Incentive Scheme where any Director is in possession of unpublished inside information in relation to the Group or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

5. MAXIMUM NUMBER OF SHARES

5.1 The maximum aggregate number of Shares which may be issued upon the vesting of the Awarded Shares granted under the 2024 Share Incentive Scheme and yet to be vested in relation to Shares or options granted under other incentive schemes of the Company (including the existing share option scheme of the Company), must not, in aggregate, exceed 10% of the total number of Shares in issue as at the Adoption Date, being 1,250,208,205 Shares. No Shares may be granted under the 2024 Share Incentive Scheme if this will result in such limit being exceeded.

5.2 At the time of approval by the Shareholders of the 2024 Share Incentive Scheme, the aggregate number of Performance Shares which may be allotted and issued and/or purchased upon vesting of all Awarded Shares under the 2024 Share Incentive Scheme must not in aggregate exceed 10% of total number of Shares in issue as the Adoption Date.

5.3 The Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders in general meeting after three (3) years from the date of Shareholders' approval for the last refreshment or the Adoption Date, or within three (3) year period but subject to additional requirements under the Listing Rules, provided that:

5.3.1 The Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of Shareholders' approval of the refreshing of the Scheme Mandate Limit;

- 5.3.2 Performance Shares previously granted under the 2024 Share Incentive Scheme (including Performance Shares outstanding, cancelled or lapsed in accordance with the 2024 Share Incentive Scheme) shall not be counted for the purpose of calculating the limit as refreshed; and
- 5.3.3 A circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders.
- 5.4 The Company may seek separate approval from the Shareholders in the general meeting for granting Performance Shares which will result in Scheme Mandate Limit being exceeded, provided that:
- 5.4.1. The grant is to Eligible Participants specifically identified by the Company before the approval is sought; and
- 5.4.2. A circular regarding the grant has been despatched to the Shareholders, which must contain the name of each specified participant who may be granted such Performance Shares, the number and the terms of the Performance Shares to be granted, and the purpose of granting Performance Shares to the specified participants with an explanation as to how the terms of the Performance Shares serve such purpose.

6. TAKEOVER

- 6.1. If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares shall immediately vest on the date when such change of control event becomes or is declared unconditional and such date shall be deemed to be the vesting date. Subject to the receipt by the Board or the Trustee of duly executed prescribed transfer documents within seven (7) business days from the deemed vesting date, the Board or the Trustee shall transfer the vested shares to the Eligible Participants by way of acquisition. For the purpose of this paragraph, “control” shall have the meaning as specified in the Code on Takeovers and Mergers from time to time.
- 6.2. If the Company conducts any capitalisation issue, rights issue, share consolidation, share sub-division or capital reduction, the maximum number of Shares that may be issued by the Company pursuant to the 2024 Share Incentive Scheme and all other share schemes of the Company under the Scheme Mandate Limit shall be adjusted accordingly, with reference to the total number of issued Shares at the date immediately before and after such event and rounded to the nearest whole Share, such that the Eligible Participants will be entitled to the same proportion of the Company’s equity capital as to which such Eligible Participants were previously entitled to.

7. ALTERATION OF THE 2024 SHARE INCENTIVE SCHEME

The terms and conditions of the 2024 Share Incentive Scheme may be altered by resolution of the Board except that:

- (a) any alteration to the terms and conditions of the 2024 Share Incentive Scheme which are of a material nature or any alteration to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees or the participants must be approved by the Shareholders in general meeting;
- (b) any alteration to the terms of the Awarded Shares granted to a Grantee must be approved by the Board, the Remuneration and Nomination Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awarded Shares was approved by the Board, the Remuneration and Nomination Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where such alteration takes effect automatically under the existing terms of the 2024 Share Incentive Scheme; and
- (c) any change to the authority of the Board to alter the terms of the 2024 Share Incentive Scheme must be approved by the Shareholders in general meeting,

provided that (i) the amended terms of the 2024 Share Incentive Scheme or the awards must still comply with the requirements of the Listing Rules; and (ii) if such alteration shall operate to affect adversely the terms of award granted or agreed to be granted prior to such alteration, such alteration will be further subject to the Grantee's approval in accordance with the terms of the 2024 Share Incentive Scheme.

8. CANCELLATION OF PERFORMANCE SHARES GRANTED

- 8.1. The Board may cancel a Performance Share granted with the approval of the Grantee of such Performance Share.
- 8.2. No Performance Shares may be granted to an Eligible Participant in place of his cancelled Performance Shares unless there are available unissued Performance Share (excluding the cancelled Performance Shares) within the Scheme Mandate Limit from time to time.

9. TERMINATION

9.1 The 2024 Share Incentive Scheme shall terminate on the earlier of:

9.1.1 on the tenth anniversary date of the Adoption Date; and

9.1.2 such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Eligible Participant hereunder,

provided that for any Performance Shares granted under the 2024 Share Incentive Scheme prior to such termination date, the vesting of or otherwise the treatment, dealing and handling of such Performance Shares and the rights and obligations of the Grantee and the Company in relation to such Performance Shares shall continue to be governed by the terms of the 2024 Share Incentive Scheme until such Performance Shares are vested, lapsed, issued, purchased or transferred pursuant to the 2024 Share Incentive Scheme or otherwise such rights and obligations cease to be applicable or have been fully performed.

9.2 Upon all the Performance Shares of the Eligible Participants granted under the 2024 Share Incentive Scheme have vested, the residual cash for the Eligible Participants and such other funds remaining in the Account or the trust fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith.

10. CLAWBACK MECHANISM

10.1 In any of the following circumstance, the Board may, at its sole and absolute discretion, require the Grantees to return the gains from the vested Awarded Shares:

10.1.1 the Grantee has committed any act of fraud or dishonesty or serious misconduct during the period of his/her employment or engagement by any member of the Group;

10.1.2 the Grantee has engaged in any act or omission to perform any of his/her duties that has or will have a material adverse effect on the reputation or interests of any member of the Group;

10.1.3 the Grantee has been convicted of any criminal offense involving his/her integrity or honesty, whether or not in connection with his/her relationship with the Group; or

10.1.4 the Grantee has caused a material misstatement in the Group's financial statements.

NOTICE OF THE AGM



JINCHUAN 金川

JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD

金川集團國際資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2362)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of Jinchuan Group International Resources Co. Ltd (the “**Company**”) will be held at 3:00 p.m. on Wednesday, 26 June 2024 at United Conference Centre, 10/F, United Centre, 95 Queensway, Hong Kong for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Director(s)**”) and auditor for the year ended 31 December 2023.
2.
 - (a) To re-elect Mr. Gao Tianpeng as an executive Director.
 - (b) To re-elect Mr. Wang Qiangzhong as a non-executive Director.
 - (c) To re-elect Mr. Poon Chiu Kwok as an independent non-executive Director.
 - (d) To authorize the board of Directors (the “**Board**”) to fix the remuneration of all Directors.
3. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorize the Board to fix their remuneration.
4. To approve the payment of a final dividend of HK0.2 cent per share for year ended 31 December 2023.

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5. As special business to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued shares of the Company (the “**Shares**”), to allot, issue or grant securities convertible or exchangeable into Shares, or options, warrants or similar rights to subscribe for or acquire Shares or such convertible or exchangeable securities, and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the mandate referred to in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted or issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the mandate referred to in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of the subscription rights under options granted under any share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries or any eligible participants of Shares or rights to acquire Shares;
 - (iii) any scrip dividend or similar arrangement providing for the allotment and issue of Shares or other securities of the Company in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; or
 - (iv) any issue of Shares pursuant to the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes and other securities of the Company which carry rights to subscribe for or are convertible into Shares;

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shall not exceed 20% of the total number of issued Shares as at the date of passing this resolution and the said approval in paragraph (a) shall be limited accordingly; and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws or by the Company’s articles of association to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of Shares or an offer of warrants, options or other securities of the Company giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

6. As special business to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own Shares on the Stock Exchange or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws, rules, regulations and the requirements of the Listing Rules or of any other stock exchange (as amended from time to time), be and is hereby generally and unconditionally approved;

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(b) the total number of Shares to be repurchased by the Company pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued Shares as at the date of passing this resolution, and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

(c) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws or by the Company’s articles of association to be held; or

(iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

7. As special business to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of Ordinary Resolution Nos. 5 and 6 set out in this notice convening the Meeting of which this resolution forms part, the total number of Shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to and in accordance with the mandate granted under Ordinary Resolution No. 5 be and is hereby increased and extended by the addition thereto of the total number of Shares repurchased by the Company pursuant to and in accordance with the mandate granted under Ordinary Resolution No. 6, provided that such amount shall not exceed 10% of the total number of issued Shares as at the date of passing this resolution.”

NOTICE OF THE AGM

8. As special business to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

the share option scheme (the **“2024 Share Option Scheme”**), a copy of which is tabled at the Meeting and marked “A” and initialed by the chairman of the Meeting for identification purpose, be and is hereby approved and adopted; and the Directors be and are hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Option Scheme, including but without limitation to the following:

- (i) to administer the 2024 Share Option Scheme, including but not limited to determining and granting the options in accordance with the terms of the 2024 Share Option Scheme;
- (ii) to modify and/or amend the 2024 Share Option Scheme from time to time provided that such modification and/or amendments is effected in accordance with the terms of the 2024 Share Option Scheme relating to the modification and/or amendment;
- (iii) to grant the options and to allot and issue from time to time such number of Shares in the share capital of the Company as may be required to be allotted and issued pursuant to the exercise of the options from time to time under the 2024 Share Option Scheme;
- (iv) to make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any new Shares that may be allotted and issued pursuant to the vesting of the options granted or to be granted under the 2024 Share Option Scheme; and
- (v) to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Option Scheme.

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9. As special business to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

the share incentive scheme (the “**2024 Share Incentive Scheme**”), a copy of which is tabled at the Meeting and marked “B” and initialed by the chairman of the Meeting for identification purpose, be and is hereby approved and adopted; and the Directors be and are hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Incentive Scheme, including but without limitation to the following:

- (i) to administer the 2024 Share Incentive Scheme, including but not limited to determining and granting the performance Shares in accordance with the terms of the 2024 Share Incentive Scheme;
- (ii) to modify and/or amend the 2024 Share Incentive Scheme from time to time provided that such modification and/or amendment is effected in accordance with the terms of the 2024 Share Incentive Scheme relating to the modification and/or amendment;
- (iii) to grant the Shares and to allot and issue and/or purchase from time to time such number of Shares in the share capital of the Company as may be required to be allotted and issued and/or purchased pursuant to the grant of the Shares in the Company from time to time under the 2024 Share Incentive Scheme;
- (iv) to make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any new Shares that may be allotted and issued pursuant to the vesting of the Shares granted or to be granted under the 2024 Share Incentive Scheme; and

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- (v) to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Incentive Scheme.

For and on behalf of the Board
Jinchuan Group International Resources Co. Ltd
Wong Tak Chuen
Company Secretary

Hong Kong, 4 June 2024

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit 3101, 31/F
United Centre
95 Queensway
Hong Kong

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and, on poll, vote on his behalf. A proxy need not be a member of the Company.
2. Closure of Register of Members for the Meeting

The register of members of the Company will be closed from Thursday, 20 June 2024 to Wednesday, 26 June 2024 (both days inclusive) for the purpose of determining the entitlement of the shareholders of the Company to attend and vote at the Meeting. No transfer of shares may be registered during the said period. In order to qualify to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on Wednesday, 19 June 2024.

Closure of Register of Members for payment of final dividend of 2023

The register of members of the Company will be closed from Thursday, 4 July 2024 to Sunday, 7 July 2024 (both days inclusive) for the purpose of determining the entitlement of the shareholders of the Company to receive the final dividend for the year ended 31 December 2023. No transfer of shares may be registered during the said period. In order to qualify to receive the final dividend for the year ended 31 December 2023, all transfer documents accompanied by the relevant share certificates must be lodged with the Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong no later than 4:30 p.m. on Wednesday, 3 July 2024.

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3. A form of proxy for use at the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Meeting or any adjourned meeting thereof if you so wish. In the event that you attend the Meeting after having returned the completed form of proxy, your form of proxy will be deemed to have been revoked.
4. To be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney, must be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, not less than 48 hours before the time appointed for holding the Meeting (i.e. before 3:00 p.m. on Monday, 24 June 2024) or any adjournment thereof.
5. In the case of joint registered holders of any Shares, any one of such joint registered holders may vote at the Meeting, either in person or by proxy, in respect of such shares as if he/she/it were solely entitled thereto; but if more than one of such joint registered holders be present at the Meeting, either in person or by proxy, the vote of that one of them so present, either in person or by proxy, whose name stands first on the register of members in respect of such Shares shall be accepted to the exclusion of the votes of the other joint registered holder(s).
6. Time and dates in this notice are Hong Kong time and dates.

As at the date of this notice, the Board consists of two executive Directors, namely Mr. Gao Tianpeng and Mr. Cheng Yonghong; two non-executive Directors, Mr. Liu Jian and Mr. Wang Qiangzhong; and four independent non-executive Directors, namely Mr. Yen Yuen Ho, Tony, Mr. Poon Chiu Kwok, Mr. Yu Chi Kit and Ms. Han Ruixia.