

Stock Code: 603799

Stock Name: Huayou Cobalt

2023 Annual General Meeting

Meeting Materials



浙江华友钴业股份有限公司
ZHEJIANG HUAYOU COBALT COMPANY LIMITED

May 10, 2024

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Agenda of the Annual General Meeting in 2023

Time: 13:30 on May 10, 2023

Venue: Conference Room 1, 1/F, R&D Building of Zhejiang
Huayou Cobalt Company Ltd, No. 79 Wuzhen East Road,
Tongxiang Economic Development Zone, Zhejiang

1. Declare the beginning of the meeting
2. Announce the number of shareholders attending the on-site meeting
and the number of their shares
3. Elect a vote counter and a scrutineer
4. Examine the proposals
5. Vote by ballot
6. Shareholders ask questions, and directors, supervisors and senior
officers answer shareholders' questions
7. Adjourn the meeting (wait for the online voting results; the staff
tally the vote)
8. Announce the voting results
9. Lawyers issue legal opinions
10. Declare the end of the meeting

Details of the Annual General Meeting in 2023

In accordance with the *Company Law*, the *Notice on Promulgating the Normative Opinions of Shareholders' Meetings of Listed Companies* issued by the China Securities Regulatory Commission and other relevant laws and regulations, the spirit of documents, and the provisions of the *Articles of Association*, these Details are hereby formulated in order to safeguard the legitimate rights and interests of all investors and ensure the normal order and efficiency of deliberation at the annual meeting in 2023.

1. The Board of Directors shall, on the principle of safeguarding the legitimate rights and interests of shareholders and ensuring the normal order and efficiency deliberation at the general meeting, conscientiously perform the duties stipulated in the *Articles of Association*. The general meeting shall have a conference team to be responsible for the procedures and services related to the meeting.

2. In order to timely and accurately count the total number of shares represented by shareholders or shareholders' representatives attending the meeting, all shareholders and agents registered to attend the general meeting shall arrive at the venue on time to sign in and confirm their eligibility for participation. Shareholders or shareholders' representatives who fail to register by telephone, fax or email on the registration day, fail to register on the registration form, or are not involved in the shares announced at the meeting after the formal start of the meeting shall not vote and speak.

3. Shareholders (or shareholders' representatives) attending the general meeting shall enjoy the right to speak, question, vote and other rights according to law, but shall be uniformly arranged by the Company to speak and answer. During the general meeting, shareholders (or shareholders' representatives) who prepare speeches in advance shall first register with the conference team, shareholders (or shareholders' representatives) who temporarily request to speak or raise questions on relevant issues shall first apply to the conference team and then do so with the permission of the moderator.

4. Each shareholder or shareholder's representative shall not speak more than twice at the general meeting. The time of the first speech shall not exceed five minutes, and the time of the second speech shall not exceed three minutes.

5. The moderator can arrange the Company's directors, supervisors and other senior officers to answer the shareholders' questions. If a question has nothing to do with the topic of the general meeting or will reveal the Company's trade secrets or may harm the common interests of the Company and shareholders, the moderator or the relevant designated personnel shall have the right to refuse to answer it.

6. At the general meeting, the method of combining on-site voting and online voting shall be adopted, and the announcement on the resolution of the general meeting shall be released by combining the results of on-site voting and online voting. On-site voting shall be by open ballot, and the elected representatives of shareholders and supervisors and lawyers shall participate in counting and scrutinizing. The Company will provide the Company's shareholders with an online voting platform through the Shanghai Stock Exchange online voting system, and shareholders can exercise their voting rights through the said system during the online voting hours.

7. When voting, the on-site shareholders or shareholders' representatives shall choose one of the three: "For", "Against" and "Abstain", stated below in each proposal in the ballot, and mark "√". In case of multiple choices or no choice, the relevant vote shall be deemed invalid and the relevant shareholder shall be deemed to have abstained from voting.

8. A total of 17 proposals will be deliberated and voted one by one at the general meeting. The proposals 11, 12 and 16 shall be adopted only when they are voted for by more than two-thirds of the valid voting rights held by the shareholders or their proxies present at the meeting, while the other proposals shall be adopted only when they are voted for a half of valid voting rights held by the shareholders or their proxies present at the meeting

9. The lawyer to witness the general meeting shall be a lawyer of Grandall Law

Firm (Hangzhou).

10. In order to ensure the seriousness and normal order of the general meeting and effectively safeguard the legitimate rights and interests of the shareholders or shareholders' representatives present at the meeting, the Company shall have the right to refuse entry to other persons except the shareholders or shareholders' representatives present at the meeting, directors, supervisors, board secretary, senior officers, appointed lawyers and persons invited by the Board of Directors.

11. The Board of Directors of the Company will take necessary measures to ensure the normal order of the general meeting. To ensure the order at the venue, turn off the mobile phone or set it to vibration after entering the venue, and do not make loud noises. Personal recording, photography and video recording are not allowed. For interfering with the general meeting, picking quarrels and provoking troubles and infringing on the legitimate rights and interests of shareholders, measures will be taken to stop and timely report to the relevant departments for investigation and punishment.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 1

2023 Annual Work Report of the Board of Directors

To all shareholders,

The 2023 Annual Work Report of the Board of Directors of the Company has been deliberated and approved at the 19th meeting of the 6th Board of Directors, and is now submitted to the shareholders' meeting for deliberation. Please refer to the website of the Shanghai Stock Exchange at www.sse.com.cn for details.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 2

2023 Annual Work Report of the Board of Supervisors

To all shareholders,

The 2023 Annual Work Report of the Board of Supervisors of the Company has been deliberated and approved at the 12th meeting of the 6th Board of Supervisors, and is now submitted to the shareholders' meeting for deliberation. Please refer to the website of the Shanghai Stock Exchange at www.sse.com.cn for details.

Board of Supervisors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 3

Proposal on the 2023 Annual Report and Its Summary

To all shareholders,

The 2023 Annual Report and Its Summary of the Company has been deliberated and approved at the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors, and is now submitted to the shareholders' meeting for deliberation. Please refer to the website of the Shanghai Stock Exchange at www.sse.com.cn for details.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 4

Proposal on the 2023 Final Account Report

To all shareholders,

In order to enable shareholders to understand the operating results and financial situation of the Company in the year 2023, the Company prepared the *2023 Final Account Report* based on the *2023 Auditors' Report* issued by Pan-China Certified Public Accountants.

The proposal has been deliberated and approved at the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors, and is now submitted to the shareholders' meeting for deliberation. Please refer to the Annual Report in the Financial Reporting section on the official website of the Company at <https://www.huayou.com/en/investor/financial-statements> for details.

Board of Supervisors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 5

Proposal on the Review of Related-party Transactions in 2023

To all shareholders,

The review of related-party transactions of the Company in 2023 has been deliberated and approved at the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors, and is now submitted to the shareholders' meeting for deliberation. For details, please refer to the *Announcement of Huayou Cobalt on the Review of Daily Related-party Transactions in 2023 and the Estimate of Daily Related-party Transactions in 2024* (Announcement No.: 2024-040) disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on April 20, 2024.

Please refer to the website of the Shanghai Stock Exchange at www.sse.com.cn for details.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 6

Proposal on the Estimate of Daily Related-party Transactions in 2024

To all shareholders,

The estimate of daily related-party transactions of the Company in 2024 has been deliberated and approved at the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors, and is now submitted to the shareholders' meeting for deliberation. For details, please refer to the *Announcement of Huayou Cobalt on the Review of Daily Related-party Transactions in 2023 and the Estimate of Daily Related-party Transactions in 2024* (Announcement No.: 2024-040) disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on April 20, 2024.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 7

Proposal on Profit Distribution for 2023

To all shareholders,

The Proposal on Profit Distribution for 2023 has been deliberated and approved at the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors, and is now submitted to the shareholders' meeting for deliberation. Please refer to the Announcement of the Proposal on Profit Distribution for 2023 in the General Announcements section on the official website of the Company at <https://www.huayou.com/en/investor/general-announcements> for details.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 8

Proposal on the 2023 Remuneration Appraisal and 2024 Remuneration Plan for Directors, Supervisors and Senior Officers

To all shareholders,

Based on the operation status of the Company in year 2023 and taking into consideration the work situation of the Company's directors, supervisors and senior officers in the year, the remuneration situation of the directors, supervisors and senior officers in 2023 is as follows:

Name	Position	Salary (RMB)	Remark
Chen Xuehua	Chairman	8,029,392	
Chen Hongliang	Director & CEO	6,608,390	
Fang Qixue	Vice Chairman & Vice President	4,937,729	
Wang Jun	Director & Vice President & CFO	3,449,960	Appointed as Vice General Manager of the 5th Board of Directors in February 2023, and as a director of the 6th Board of Directors & Vice President & CFO as of May 2023
Zhu Guang	Independent Director	180,000	
Dong Xiuliang	Independent Director	180,000	
Chan Bolin	Independent Director	180,000	
Zhang Jiangbo	Chairman of the Board of Supervisors	756,340	Election in May 2023
Xi Hong	Supervisor	564,800	Election in May 2023

Tao Yiwen	Supervisor	670,197	
Chen Yaozhong	Vice President	4,037,170	
Xu Wei	Vice President	3,806,498	
Gao Baojun	Vice President	6,660,693	
Qian Xiaoping	Vice President	2,541,200	He/she left the position of director in May 2023 due to the expiration of the term
Fang Yuan	Vice President	2,858,996	
Wu Mengtao	Vice President	3,198,823	
Lu Feng	Vice President	2,181,826	
Li Rui	Secretary of the Board of Directors	1,197,568	
Yuan Zhong	Former Chairman of the Board of Supervisors	773,907	He/she left the position in May 2023 due to the expiration of the term
Shen Jianrong	Former Supervisor	562,725	He/she left the position in May 2023 due to the expiration of the term
Zhang Binghai	Former Deputy General Manager	1,373,366	He/she left the position in May 2023 due to the expiration of the term
Zhou Qifa	Former Deputy General Manager	1,353,475	He/she left the position in May 2023 due to the expiration of the term
Hu Yanhui	Former Deputy General Manager & CFO	471,082	He/she left the position in May 2023 due to the expiration of the term

The remuneration plan for directors and supervisors in 2024 is as follows: The allowance for independent directors in 2024 is RMB 180,000 (pre-tax). The final remuneration for non-independent directors, supervisors and senior officers of the Company shall be determined based on their work performance in 2024.

This proposal has been deliberated and approved at the 19th meeting of the 6th Board of Directors of the Company, and is now submitted to the shareholders' meeting

for deliberation.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 9

Proposal on the Renewal of the Audit Agency for 2024

To all shareholders,

According to relevant provisions of the *Company Law* and the *Articles of Association*, as well as the service quality of Pan-China Certified Public Accountants, the Company plans to renew the appointment of Pan-China Certified Public Accountants as its audit agency to provide financial report audit, internal control audit and other related consulting services for the Company in the year 2024, with a term of one year.

This proposal has been deliberated and approved by the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors of the Company, and is now submitted to the shareholders' meeting for deliberation.

Appendix: Evaluation Report of Zhejiang Huayou Cobalt Company Limited on the Performance of the Accounting Firm in Year 2023 (Refer to the website of Shanghai Stock Exchange at www.sse.com.cn for details)

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 10

Proposal on the Total Financing Credit Limit Authorized to the Company and Its Subsidiaries for 2024

To all shareholders,

In order to ensure the normal operation of the Company and its subsidiaries and improve the efficiency of financing, it is planned to estimate and authorize the total amount of financing credit limit and financing leasing limit to be applied for by the Company and its subsidiaries during the period from the date of the 2023 shareholders' meeting to the date of the 2024 shareholders' meeting ("Period").

After taking a comprehensive consideration of the financing needs of the Company and its subsidiaries, it is estimated and authorized that the amount of financing credit limit to be applied for by the Company and its subsidiaries during the Period will be RMB 120 billion (or equivalent foreign currency), and the amount of financing lease limit to be applied for during the Period will be RMB 15 billion.

The said authorization is valid from the date of approval of this proposal by the shareholders' meeting to the date of the 2024 annual shareholders' meeting.

Within the said amount of limit and the validity period of the authorization, the Chairman is authorized to decide to each single financing credit and lease transaction, which shall no longer be submitted to the Board of Directors and the shareholders' meeting for deliberation and approval, and the legal representatives of the Company and its subsidiaries are authorized to sign relevant documents and agreements (including affixing the corporate seal thereon).

This proposal has been deliberated and approved at the 19th meeting of the 6th Board of Directors of the Company, and is now submitted to the shareholders' meeting

for deliberation.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 11

Proposal on the Estimated Guarantee Amount Provided by the Company and Its Subsidiaries for Year 2024

To all shareholders,

In order to ensure the normal operation of the Company and its subsidiaries and improve the efficiency of financing guarantees, it is proposed to estimate and authorize the total amount of guarantees to be provided by the Company and its subsidiaries during the period from the date of the 2023 shareholders' meeting to the date of the 2024 shareholders' meeting ("Period").

After taking a comprehensive consideration of the financing needs of the Company and its subsidiaries, it is estimated that the total amount of guarantees to be provided during the Period will be RMB 225 billion (or equivalent foreign currency). Among them, the limit of guarantee to be provided by the Company for its controlling subsidiaries is RMB 120 billion (or equivalent foreign currency), the limit of guarantee to be provided by its controlling subsidiaries for the Company is RMB 20 billion (or equivalent foreign currency), the limit of guarantee to be provided by its controlling subsidiaries for its controlling subsidiaries is RMB 30 billion (or equivalent foreign currency), the limit of guarantee to be provided by the Company and its controlling subsidiaries for the purpose of its own financing is RMB 50 billion (or equivalent foreign currency), and the limit of guarantee to be provided by the Company and its controlling subsidiaries for its participating companies is RMB 5 billion (or equivalent foreign currency). The said guarantees can be manifested in forms such as assurance, mortgages and pledges.

The said authorization is valid from the date of approval of this proposal by the shareholders' meeting to the date of the 2024 annual shareholders' meeting.

Within the said total limit and the validity period of the authorization, the Chairman is authorized to decide to each single guarantee to be provide by the Company and its subsidiaries, which shall no longer be submitted to the Board of Directors and the shareholders' meeting for deliberation and approval, and the legal representatives of the Company and its subsidiaries are authorized to sign relevant documents and agreements (including affixing the corporate seal thereon).

In case of any guarantee beyond the expected total limit, it shall be reported to the Board of Directors and shareholders' meeting for further deliberation in accordance with relevant regulatory documents and the *Articles of Association* of the Company.

This proposal has been deliberated and approved at the 19th meeting of the 6th Board of Directors of the Company, and is now submitted to the shareholders' meeting for deliberation.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 12

Proposal on the Issuance of Non-financial Corporate Debt Financing Instruments by the Company and Its Subsidiaries in 2024

To all shareholders,

In order to meet funding needs, expand financing channels, reduce financing costs, optimize debt structure and fully utilize the financing function of the bond market to resist interest rate risk and based on the actual situation of the Company, the Company and its subsidiaries plan to issue non-financial corporate debt financing instruments in 2024. For details, please refer to the *Announcement of Huayou Cobalt on the Issuance of Non-financial Corporate Debt Financing Instruments by the Company and Its Subsidiaries in 2024* (Announcement No.: 2024-044) disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on April 20, 2024.

This proposal has been deliberated and approved by the 19th meeting of the 6th Board of Directors and is now submitted to the shareholders' meeting for deliberation.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 13

Proposal on Carrying out Foreign Exchange Derivatives Transactions by the Company and its Subsidiaries in Year 2024

To all shareholders,

Based on its business needs, the Company and its subsidiaries plan to carry out foreign exchange and interest rate derivatives transactions, such as future foreign exchange settlement, currency swap, interest rate swap and interest rate derivatives transactions. In 2024, the total amount of future foreign exchange settlement, currency swap, foreign exchange options and interest rate swap transaction to be carried out by the Company and its subsidiaries is USD 3 billion. For transactions within the said limit, the Chairman is authorized to decide to each single transaction to be carried out by the Company and its subsidiaries, which shall no longer be submitted to the Board of Directors and the shareholders' meeting for deliberation and approval, and the legal representatives of the Company and its subsidiaries are authorized to sign relevant documents and agreements (including affixing the corporate seal thereon). The said authorization is valid from the date of approval of this proposal by the shareholders' meeting to the date of the 2024 annual shareholders' meeting. For details, please refer to the *Feasibility Analysis Report of Huayou Cobalt on Carrying out Hedging Business by the Company and its Subsidiaries in 2024* disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on April 20, 2024.

This proposal has been deliberated and approved by the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors of the Company, and is now submitted to the shareholders' meeting for deliberation.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 14

Proposal on Carrying out Hedging Transactions by the Company and Its Subsidiaries in Year 2024

To all shareholders,

In order to reasonably avoid the risk of prices fluctuation of raw materials such as nickel, cobalt, copper and lithium required for the primary business of the Company, maintain the product costs of the Company, effectively prevent market risks caused by changes in raw material prices, and reduce the impact of raw material price fluctuations on the normal operations of the Company, the Company and its subsidiaries plan to make use of the hedging function of the financial market to carry out hedging transaction for the trade of raw materials such as nickel, cobalt, copper, lithium, and bulk commodities required for the primary business, and have prepared the *Feasibility Analysis Report of Huayou Cobalt on Carrying out Hedging Transactions by the Company and Its Subsidiaries in Year 2024*.

This proposal has been deliberated and approved by the 19th meeting of the 6th Board of Directors and the 12th meeting of the 6th Board of Supervisors of the Company, and is now submitted to the shareholders' meeting for deliberation.

Appendix: *Feasibility Analysis Report of Zhejiang Huayou Cobalt Company Limited on Carrying out Hedging Transactions by the Company and Its Subsidiaries in Year 2024* (see the website of Shanghai Stock Exchange at www.sse.com.cn for details)

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 15

2023 Annual Work Report of Independent Directors

To all shareholders,

The 2023 Annual Work Report of Independent Directors has been deliberated and approved at the 19th meeting of the 6th Board of Directors and is now submitted to the shareholders' meeting for deliberation. For details, please refer to the *2023 Annual Work Report of Independent Directors of Huayou Cobalt* disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on April 20, 2024.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 16

Proposal on Amending the Articles of Association of the Company

To all shareholders

According to the *Company Law* and relevant laws and regulations and based on the actual situation of the Company, some provisions of the *Articles of Association* of the Company are hereby amended as follows:

Before the amendment	After the amendment
Article 1 For the purposes of safeguarding the legitimate rights and interests of the Company, shareholders and creditors, and regulating the organization and conduct of the Company, the Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law") and other relevant regulations.	Article 1 For the purposes of safeguarding the legitimate rights and interests of the Company, shareholders, employees and creditors, and regulating the organization and conduct of the Company, the Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law") and other relevant regulations.
Article 8 The chairperson of the Company is the legal representative of the Company.	Article 8 The chairperson of the Company is the legal representative of the Company. If the chairperson resigns, it shall be deemed that he/she resigns as the legal representative as well.
Article 33 The acts listed below shall not be regarded as acts prohibited under Article 31 of the Articles of Association:	Article 33 The acts listed below shall not be regarded as acts prohibited under Article 31 of the Articles of Association:

<p>.....</p> <p>(VI) the provision of money by the Company for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance is paid out of the Company's distributable profit; and provision of money for an employee shareholding scheme shall not be made under the circumstances expressly prohibited by law or regulations).</p>	<p>.....</p> <p>(VI) the provision of money by the Company for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Company or that if the same constitutes a reduction, the financial assistance is paid out of the Company's distributable profit; and provision of money for an employee shareholding scheme shall not be made under the circumstances expressly prohibited by law or regulations).</p> <p>(VII) for the benefit of the Company and by a resolution of the shareholders' meeting or a resolution made by the Board of Directors under the authorization of the shareholders' meeting, the Company may provide financial assistance to others for their purchase of shares of the Company, but the cumulative amount of the financial assistance shall not exceed 10% of the total issued share capital. The said resolution made by the Board of Directors shall be subject to the approval of more than two-thirds of all directors.</p>
<p>Article 47 The shareholders of the Company shall have the following rights:</p> <p>(I) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>.....</p> <p>(VIII) for shareholders dissenting to a</p>	<p>Article 47 The shareholders of the Company shall have the following rights:</p> <p>(I) to receive dividends and profit distributions in any other form in proportion to the shares they hold;</p> <p>.....</p> <p>(VIII) for shareholders dissenting to a</p>

<p>resolution for the merger or division of the Company at the shareholders' general meeting, to demand the Company to acquire their shares;</p> <p>(IX) other rights stipulated by the laws, administrative regulations, departmental rules or the Articles of Association.</p>	<p>resolution for the merger or division of the Company at the shareholders' general meeting, to demand the Company to acquire their shares;</p> <p>(IX) Shareholder(s) who individually or collectively hold(s) more than 3% of the Company's shares for more than 180 consecutive days may request access to the Company's accounting books and vouchers. If the shareholder(s) request(s) access to the Company's accounting books and vouchers, they shall submit a written request to the Company stating the purpose thereof. If the Company reasonably believes that the shareholder(s)' request for accessing the accounting books and vouchers is just for improper purposes or may harm the legitimate interests of the Company, it may refuse to provide access and respond in writing to the shareholder(s) and explain its reason of refusal within 15 days from the date of the shareholder's written request. Shareholders who consult or copy relevant materials shall comply with the Securities Law and other related laws and administrative regulations;</p> <p>(X) other rights stipulated by the laws, administrative regulations, departmental rules or the Articles of Association.</p>
<p>Article 49 If any resolution of the shareholders' general meeting or the Board of the Company violates the laws or administrative</p>	<p>Article 49 If any resolution of the shareholders' general meeting or the Board of the Company violates the laws or administrative</p>

<p>regulations, the shareholders shall have the right to request the people's court to invalidate the resolution.</p> <p>If the convening procedure or voting method of the shareholders' general meetings or Board meetings violates the laws, administrative regulations or the Articles of Association or the content of a resolution runs counter to the Articles of Association, the shareholders shall have the right to request the people's court to cancel such resolution within 60 days after passing the resolution.</p>	<p>regulations, the shareholders shall have the right to request the people's court to invalidate the resolution.</p> <p>If the convening procedure or voting method of the shareholders' general meetings or Board meetings violates the laws, administrative regulations or the Articles of Association or the content of a resolution runs counter to the Articles of Association, the shareholders shall have the right to request the people's court to cancel such resolution within 60 days after passing the resolution, except for minor flaws in the convening procedures or voting methods of shareholder meetings and Board meetings that do not have a material impact on the resolutions adopted thereat.</p>
<p>Article 56 The shareholders' general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to the laws:</p> <p>(I) to decide on the Company's business policy and investment plans;</p> <p>(II) to elect and replace directors and supervisors who are not employee representatives, and determine the remunerations of directors and supervisors;</p> <p>(III) to consider and approve the reports of the Board;</p> <p>(IV) to consider and approve the reports of the Supervisory Committee;</p> <p>(V) to consider and approve the Company's annual financial budgets, final accounts;</p> <p>(VI) to consider and approve the Company's profit distribution plan and loss recovery plan;</p>	<p>Article 56 The shareholders' general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers according to the laws:</p> <p>(I) to elect and replace directors and supervisors who are not employee representatives, and determine the remunerations of directors and supervisors;</p> <p>(II) to consider and approve the reports of the Board;</p> <p>(III) to consider and approve the reports of the Supervisory Committee;</p> <p>(IV) to consider and approve the Company's profit distribution plan and loss recovery plan;</p> <p>(V) to resolve on increase or decrease of the registered capital of the Company;</p> <p>(VI) to resolve on issuance of corporate bonds;</p> <p>(VII) to resolve on the merger, division,</p>

<p>(VII) to resolve on increase or decrease of the registered capital of the Company;</p> <p>(VIII) to resolve on issuance of corporate bonds;</p> <p>(IX) to resolve on the merger, division, dissolution, liquidation or transformation of corporate form of the Company;</p> <p>(X) to amend the Articles of Association;</p> <p>(XI) to resolve on the appointment, dismissal or non-renewal of the Company's accounting firm;</p> <p>(XII) to consider and approve the guarantees stipulated in Article 57;</p> <p>(XIII) to consider the Company's purchase or sale of major assets or guarantees within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(XIV) to consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(XV) to consider equity incentive plans and employee stock ownership plan;</p> <p>(XVI) to consider other matters which, in accordance with the laws, administrative regulations, departmental rules or the Articles of Association, shall be approved at the shareholders' general meeting.</p> <p>The functions and powers of the shareholders' general meeting mentioned above shall not be delegated to the Board of Directors or any other body or individual.</p>	<p>dissolution, liquidation or transformation of corporate form of the Company;</p> <p>(VIII) to amend the Articles of Association;</p> <p>(IX) to resolve on the appointment, dismissal or non-renewal of the Company's accounting firm;</p> <p>(X) to consider and approve the guarantees stipulated in Article 57;</p> <p>(XI) to consider the Company's purchase or sale of major assets or provision of guarantees for others within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company;</p> <p>(XII) to consider and approve matters relating to the changes in the use of proceeds from share offerings;</p> <p>(XIII) to consider equity incentive plans and employee stock ownership plan;</p> <p>(XIV) to consider other matters which, in accordance with the laws, administrative regulations, departmental rules or the Articles of Association, shall be approved at the shareholders' general meeting.</p> <p>The functions and powers of the shareholders' general meeting mentioned above shall not be delegated to the Board of Directors or any other body or individual, but the shareholders' general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.</p>
<p>Article 69 Where the Company convenes a shareholders' general meeting, the Board, Supervisory Committee, and shareholder(s) severally or jointly holding more than 3% shares of the Company shall have the right to make proposals to the Company.</p>	<p>Article 69 Where the Company convenes a shareholders' general meeting, the Board, Supervisory Committee, and shareholder(s) severally or jointly holding more than 1% shares of the Company shall have the right to make proposals to the Company.</p>

<p>Shareholder(s) severally or jointly holding more than 3% shares of the Company may submit written provisional proposals to the convener 10 working days before a shareholders' general meeting is convened. The convener shall serve a supplementary notice of shareholders' general meeting within two days after receipt of the proposals and announce the contents of the provisional proposals.</p> <p>Save as specified in the preceding paragraph, the convener shall not change the proposals set out in the notice of shareholders' general meeting or add any new proposal after the said notice is served.</p> <p>Proposals not set out in the notice of shareholders' general meeting or not complying with Article 68 of the Articles of Association shall not be voted or resolved at the shareholders' general meeting.</p>	<p>Shareholder(s) severally or jointly holding more than 1% shares of the Company may submit written provisional proposals to the convener 10 working days before a shareholders' general meeting is convened. The convener shall serve a supplementary notice of shareholders' general meeting within two days after receipt of the proposals and announce the contents of the provisional proposals, unless the provisional proposals violate laws, administrative regulations or the provisions of this Articles of Association, or are not within the scope of the powers of the shareholders' meeting.</p> <p>Save as specified in the preceding paragraph, the convener shall not change the proposals set out in the notice of shareholders' general meeting or add any new proposal after the said notice is served.</p> <p>Proposals not set out in the notice of shareholders' general meeting or not complying with Article 68 of the Articles of Association shall not be voted or resolved at the shareholders' general meeting.</p>
<p>Article 94 The following matters shall be approved by ordinary resolutions at a shareholders' general meeting:</p> <p>(I) the Company's business policy and investment plans;</p> <p>(II) work reports of the Board and the Supervisory Committee;</p>	<p>Article 94 The following matters shall be approved by ordinary resolutions at a shareholders' general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(I) the profit distribution plan and loss recovery plan proposed by the Board;</p>

<p>(III) the profit distribution plan and loss recovery plan proposed by the Board;</p> <p>(IV) appointment and dismissal of the members of the Board and the Supervisory Committee, their remunerations and the method of payment thereof;</p> <p>(V) the Company's annual budgets and final accounts, balance sheets, income statements and other financial statements;</p> <p>(VI) the Company's annual reports;</p> <p>(VII) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations or the Articles of Association.</p>	<p>(III) appointment and dismissal of the members of the Board and the Supervisory Committee, their remunerations and the method of payment thereof;</p> <p>(IV) the Company's balance sheets, income statements and other financial statements;</p> <p>(V) the Company's annual reports;</p> <p>(VI) other matters than those that should be passed by special resolutions pursuant to laws, administrative regulations or the Articles of Association.</p>
<p>Article 114 Where a director is a natural person, he/she shall not act as a director of the Company in one of the following circumstances:</p> <p>(I) a person without legal capacity or with restricted legal capacity;</p> <p>(II) a person who has been punished for committing an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging socialist economic order or who has been deprived of his/her political rights due to any crime, in each case where less than five years have elapsed since the date of the end of such punishment or deprivation;</p> <p>(III) a person who is a former director, factory manager or manager of a company or enterprise, which has entered into insolvent liquidation as a</p>	<p>Article 114 Where a director is a natural person, he/she shall not act as a director of the Company in one of the following circumstances:</p> <p>(I) a person without legal capacity or with restricted legal capacity;</p> <p>(II) a person who has been punished for committing an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging socialist economic order or who has been deprived of his/her political rights due to any crime, in each case where less than five years have elapsed since the date of the end of such punishment or deprivation, or a person who has been imposed a probation, where less than 2 years have elapsed since the expiration of the probation period;</p>

<p>result of mismanagement and he/she is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(IV) a person who is a former legal representative of a company or enterprise, which had its business license revoked and was ordered to close down due to a violation of laws and who incurred personal liability, where less than three years have elapsed since the date of the revocation of the business license;</p> <p>(V) a person who has a substantial amount of debts due and outstanding;</p> <p>(VI) a person who was investigated by judicial offices for violation of criminal law and the lawsuit is not settled yet;</p> <p>.....</p>	<p>(III) a person who is a former director, factory manager or manager of a company or enterprise, which has entered into insolvent liquidation as a result of mismanagement and he/she is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(IV) a person who is a former legal representative of a company or enterprise, which had its business license revoked and was ordered to close down due to a violation of laws and who incurred personal liability, where less than three years have elapsed since the date of the revocation of the business license or the order to close down;</p> <p>(V) a person who has a substantial amount of debts due and outstanding and is listed as dishonest persons subject to enforcement by the people's court;</p> <p>(VI) a person who was investigated by judicial offices for violation of criminal law and the lawsuit is not settled yet;</p> <p>.....</p>
<p>Article 126 The Board shall exercise the following functions and powers:</p> <p>(I) to convene general meetings and to report on its work at the general meetings;</p> <p>(II) to implement resolutions of the general meetings;</p> <p>(III) to decide on the business plans and investment proposals of the Company;</p>	<p>Article 126 The Board shall exercise the following functions and powers:</p> <p>(I) to convene general meetings and to report on its work at the general meetings;</p> <p>(II) to implement resolutions of the general meetings;</p> <p>(III) to decide on the business plans and investment proposals of the Company;</p>

<p>(IV) to prepare the annual budget and final accounts of the Company;</p> <p>(V) to prepare proposals for profit distribution and for making up accrued losses of the Company;</p> <p>(VI) to prepare proposals for the increase or reduction of share capital, the issue of bonds or other securities and listing;</p> <p>(VII) to draft proposals for major acquisitions, purchase of the Company's shares, merger, demerger, dissolution, or change in the form of the Company;</p> <p>(VIII) within the scope of authorization by the general meeting, to make decisions on external investments, assets purchase or sales, assets pledges, external guarantees, entrusted wealth management, related party transactions, donations etc.;</p> <p>(IX) to decide on the establishment of internal management organization of the Company;</p> <p>(X) to decide on the appointment or dismissal of the president, the secretary to the Board and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties, and at the recommendation of the president, to decide on the appointment or dismissal of a vice president, finance director and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties;</p> <p>(XI) to formulate the basic management regulations of the Company;</p> <p>(XII) to prepare proposals for the amendment to the Articles of Association;</p> <p>(XIII) to manage disclosure of information concerning the Company;</p> <p>(XIV) to propose to the general meeting for the engagement or change of auditors of the Company;</p> <p>(XV) to receive reports and examine the work of the president of the Company;</p>	<p>(IV) to prepare proposals for profit distribution and for making up accrued losses of the Company;</p> <p>(V) to prepare proposals for the increase or reduction of share capital, the issue of bonds or other securities and listing;</p> <p>(VI) to draft proposals for major acquisitions, purchase of the Company's shares, merger, demerger, dissolution, or change in the form of the Company;</p> <p>(VII) within the scope of authorization by the general meeting, to make decisions on external investments, assets purchase or sales, assets pledges, external guarantees, entrusted wealth management, related party transactions, donations etc.;</p> <p>(VIII) to decide on the establishment of internal management organization of the Company;</p> <p>(IX) to decide on the appointment or dismissal of the president, the secretary to the Board and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties, and at the recommendation of the president, to decide on the appointment or dismissal of a vice president, finance director and other senior management of the Company and to determine matters relating to their remuneration, rewards and penalties;</p> <p>(X) to formulate the basic management regulations of the Company;</p> <p>(XI) to prepare proposals for the amendment to the Articles of Association;</p> <p>(XII) to manage disclosure of information concerning the Company;</p> <p>(XIII) to propose to the general meeting for the engagement or change of auditors of the Company;</p> <p>(XIV) to receive reports and examine the work of the president of the Company;</p> <p>(XV) such other duties and functions as authorized by the laws, administrative regulations,</p>
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<p>(XVI) such other duties and functions as authorized by the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>Resolutions of the Board referred to in the preceding paragraph, with the exception of items (VI), (VII) and (XII) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.</p> <p>.....</p>	<p>departmental rules or the Articles of Association.</p> <p>Resolutions of the Board referred to in the preceding paragraph, with the exception of items (V), (VI) and (XI) above which shall be approved by more than two thirds of the directors, shall be approved by more than half of the directors.</p> <p>.....</p>
<p>Article 141 The voting method for the resolutions of the Board shall be by show of hands.</p> <p>Provided that the directors can fully express their opinions at the extraordinary Board meetings, such meetings can be held by means of fax and resolutions could be passed thereof which shall be signed by the directors who attended the meeting.</p>	<p>Article 141 The voting method for the resolutions of the Board shall be by show of hands.</p> <p>Provided that the directors can fully express their opinions at the extraordinary Board meetings, such meetings can be held by electronic forms of communication and resolutions could be passed thereof which shall be signed by the directors who attended the meeting.</p>
<p>Article 146 The secretary to the Company's Board shall have the requisite professional knowledge in terms of finance, management and law, possess good professional ethics and personal quality. Any of the following persons shall not serve as a secretary to the Board:</p> <p>(I) any circumstance as provided in article 146 of the Company Law;</p> <p>(II) having been subject to the administrative punishment of China Securities Regulatory Commission in the recent year years;</p> <p>(III) Having been publicly censured or criticized by circulating a notice of criticism for more than three (3) times by a stock exchange in the recent three years;</p> <p>(IV) Currently serving as supervisor of the Company;</p> <p>(V) was banned from market entry by the China Securities Regulatory Committee and still in</p>	<p>Article 146 The secretary to the Company's Board shall have the requisite professional knowledge in terms of finance, management and law, possess good professional ethics and personal quality. Any of the following persons shall not serve as a secretary to the Board:</p> <p>(I) Not meeting the qualifications required by the Company Law;</p> <p>(II) having been subject to the administrative punishment of China Securities Regulatory Commission in the recent year years;</p> <p>(III) Having been publicly censured or criticized by circulating a notice of criticism for more than three (3) times by a stock exchange in the recent three years;</p> <p>(IV) Currently serving as supervisor of the Company;</p> <p>(V) was banned from market entry by the China Securities Regulatory Committee and still in</p>

<p>the period of banning;</p> <p>(VI) has been publicly declared by any stock exchange to be unsuitable for serving as the secretary to the Board of any listed company;</p> <p>(VII) Other circumstances that are inappropriate to take the post of secretary to the Board as stipulated by laws, regulations or the Articles of Association.</p>	<p>the period of banning;</p> <p>(VI) has been publicly declared by any stock exchange to be unsuitable for serving as the secretary to the Board of any listed company;</p> <p>(VII) Other circumstances that are inappropriate to take the post of secretary to the Board as stipulated by laws, regulations or the Articles of Association.</p>
<p>CHAPTER X FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT</p> <p>Section 1 Financial and Accounting System</p>	<p>CHAPTER X FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT</p> <p>Section 1 Financial and Accounting System and Profit Distribution</p>
<p>Article 198 The reserve of the Company shall be used to recover the losses, enhance the operating scale or increase the capital of the Company, but the capital reserve shall not be used to recover the losses of the Company. The capital reserve shall include the following funds:</p> <p>(I) the premiums obtained from the issue of shares above par;</p> <p>(II) other revenue required by the State Council's finance authority to be included in the capital reserve.</p> <p>When statutory reserve is converted into capital, the remainder of the reserve shall not be less than 25% of the registered capital of the Company before such conversion.</p>	<p>Article 198 The reserve of the Company shall be used to recover the losses, enhance the operating scale or increase the capital of the Company. To recover the Company's losses, the discretionary reserve and the statutory reserve should be used first, and then the capital reserve can be used in accordance with the rules if the discretionary reserve and the statutory reserve are not insufficient. The capital reserve shall include the following funds:</p> <p>(I) the premiums obtained from the issue of shares above par;</p> <p>(II) other revenue required by the State Council's finance authority to be included in the capital reserve.</p> <p>When statutory reserve is converted into capital, the remainder of the reserve shall not be less than 25% of the registered capital of the Company</p>

	before such conversion.
<p>Article 199 After a resolution on the profit distribution plan is adopted at the shareholders' general meeting of the Company, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within 2 months after the shareholders' general meeting.</p>	<p>Article 199 After a resolution on the profit distribution plan is adopted at the shareholders' general meeting of the Company, or the Board of Directors of the Company develops a specific plan based on the mid-term dividend conditions and upper limit for the following year approved by the annual shareholders' meeting, the Board of Directors of the Company shall complete the distribution of dividends (or shares) within 2 months after the shareholders' general meeting.</p>
<p>Article 201 The profit distribution policy of the Company is as follows:</p> <p>(I) Principles of profit distribution</p> <p>The Company adopts the dividend distribution policy under the principle of equal shares entitling to equal profits, under which dividends and other forms of benefits are distributed to shareholders in proportion to the number of shares they hold. The profit distribution policy of the Company shall be continuous and stable. The distribution of profit shall not exceed the scope of accumulated distributable profits and shall be in consideration of the long-term interests of the Company, the overall interests of all shareholders as a whole and the sustainable development of the Company.</p> <p>(II) Means of profit distribution</p> <p>The Company may distribute profits in the form of cash, stock, a combination both or any other forms permitted by law. The Company shall, in priority, distribute dividends in cash.</p> <p>(III) Conditions for profit distribution</p> <p>1. Conditions for cash dividends</p> <p>(1) The Company's distributable profits, i.e. the Company's after-tax profits after making up for</p>	<p>Article 201 The profit distribution policy of the Company is as follows:</p> <p>(I) Principles of profit distribution</p> <p>The Company adopts the dividend distribution policy under the principle of equal shares entitling to equal profits, under which dividends and other forms of benefits are distributed to shareholders in proportion to the number of shares they hold. The profit distribution policy of the Company shall be continuous and stable. The distribution of profit shall not exceed the scope of accumulated distributable profits and shall be in consideration of the long-term interests of the Company, the overall interests of all shareholders as a whole and the sustainable development of the Company. Among them, the cash dividend policy is targeted at a differentiated cash dividend policy based on a fixed dividend payout rate.</p> <p>(II) Means of profit distribution</p> <p>The Company may distribute profits in the form of cash, stock, a combination both or any other forms permitted by law. The Company shall, in priority, distribute dividends in cash.</p> <p>(III) Conditions for profit distribution</p>

<p>losses and appropriating capital reserves, for that year or half-year are positive and the Company has sufficient cash so that the distribution of cash dividends will not affect the Company's subsequent continuing operations;</p> <p>(2) The Company's accumulated distributable profits are positive;</p> <p>(3) The accounting firm has issued an unqualified audit report on the Company's annual financial report for that year;</p> <p>.....</p> <p>(V) Decision-making mechanism and modification procedures of the Company's profit distribution</p> <p>1. The formulation of and amendment to the Company's profit distribution policy shall be proposed by the Board at a shareholders' general meeting. The profit distribution policy shall be formulated based on the Board's adequate discussion with independent directors in respect thereof after due consideration on stable, sustainable and scientific returns to shareholders.</p> <p>.....</p> <p>4. The formulation of and any amendment to the profit distribution policy by the Board shall be passed by more than half of the Board and more than two-thirds of the independent directors. The independent directors shall express independent opinions on the formulation of and the amendment to the profit distribution policy.</p> <p>5. The formulation and any amendment the profit distribution policy of the Company shall be submitted at a shareholders' general meeting for shareholders' consideration and passed by the shareholders with more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>	<p>1. Conditions for cash dividends</p> <p>(1) The Company's distributable profits, i.e. the Company's after-tax profits after making up for losses and appropriating capital reserves, for that year or half-year are positive and the Company has sufficient cash so that the distribution of cash dividends will not affect the Company's subsequent continuing operations;</p> <p>(2) The Company's accumulated distributable profits are positive;</p> <p>(3) The accounting firm has issued an unqualified audit report on the Company's annual financial report for that year (mid-term cash dividends are not subject to the requirement of audit);</p> <p>.....</p> <p>(V) Decision-making mechanism and modification procedures of the Company's profit distribution</p> <p>1. The formulation of and amendment to the Company's profit distribution policy shall be proposed by the Board at a shareholders' general meeting. The profit distribution policy shall be formulated after due consideration on stable, sustainable and scientific returns to shareholders.</p> <p>.....</p> <p>4. The formulation of and any amendment to the profit distribution policy by the Board shall be passed by more than half of the Board and more than two-thirds of the independent directors.</p> <p>5. The formulation and any amendment the profit distribution policy of the Company shall be submitted at a shareholders' general meeting for shareholders' consideration and passed by the shareholders with more than two-thirds of the voting rights held by the shareholders present at the meeting.</p>
<p>Article 228 In the circumstance set out in</p>	<p>Article 228 In the circumstance set out in</p>

<p>clause (I) of Article 227, the Company may continue to subsist by amending the Articles of Association.</p> <p>Amendments to the Articles of Association pursuant to the preceding paragraph shall be subject to the approval of more than two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting.</p>	<p>clause (I) and (II) of Article 227 and if the Company has not yet distributed its assets to shareholders, the Company may continue to subsist by amending the Articles of Association.</p> <p>Amendments to the Articles of Association pursuant to the preceding paragraph or the resolution of the shareholders' meeting shall be subject to the approval of more than two-thirds of the voting rights held by the shareholders present at the shareholders' general meeting.</p>
<p>Article 229 Where the Company is dissolved in accordance with clauses (I), (II) and (V) of Article 227 hereof, a liquidation committee shall be established to effect liquidation within 15 days from the date of occurrence of the cause of liquidation. The members of the liquidation committee shall be determined at the shareholders' general meeting through ordinary resolution. If a liquidation committee is not set up for liquidation before the deadline, the creditors may apply to the people's court to appoint the relevant persons to form a liquidation committee for liquidation.</p> <p>In the case of dissolution of the Company under item (IV) of Article 227 hereof, the competent authority shall organize the shareholders, relevant authorities and professionals to establish a liquidation committee to carry out liquidation.</p> <p>In the case of dissolution of the Company under item (VI) of Article 227 hereof, the people's</p>	<p>Article 229 Where the Company is dissolved in accordance with clauses (I), (II), (IV) and (V) of Article 227 hereof, a liquidation committee shall be established to effect liquidation within 15 days from the date of occurrence of the cause of liquidation. The liquidation committee shall be composed of directors, unless it is otherwise provided in the Articles of Association or decided by the shareholders' meeting. If a liquidation committee is not set up for liquidation before the deadline, or if the liquidation committee does not commence the liquidation after its setup, interested parties may apply to the people's court to appoint the relevant persons to form a liquidation committee for liquidation.</p> <p>In the case of dissolution of the Company under item (IV) of Article 227 hereof, the competent authority shall organize the shareholders, relevant authorities and professionals to establish a</p>

<p>court shall, according to relevant laws, organize the shareholders, relevant authorities and professionals to establish a liquidation committee to carry out liquidation.</p>	<p>liquidation committee to carry out liquidation.</p> <p>In the case of dissolution of the Company under item (VI) of Article 227 hereof, the people's court shall, according to relevant laws, organize the shareholders, relevant authorities and professionals to establish a liquidation committee to carry out liquidation.</p>
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Except for the said provisions, other provisions of the *Articles of Association* remain unchanged, but the final provisions shall be subject to the approval of the market regulation administration. Besides, the said amendment shall be submitted to the shareholders' meeting for approval, and it is required that shareholders' meeting authorizes the chairman or other authorized persons to handle relevant procedures for the registration or filing of change.

This proposal has been deliberated and approved by the 19th meeting of the 6th Board of Directors and is now submitted to the shareholders' meeting for deliberation.

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024

Proposal 17

Proposal on Revising Some Corporate Governance Rules of the Company

To all shareholders,

For the purpose of implementing the latest regulatory rules and requirements of CSRC and SSE for listed companies and based on the actual situation of the Company, the Company intends to revise the *Rules of Procedure for Shareholders' Meetings*, the *Detailed Working Rules for Independent Directors*, and the *Working Rules for the Special Committees under the Board of Directors* in accordance with the latest laws, regulations normative documents of the state such as the *Company Law*, the *Measures for the Administration of Independent Directors of Listed Companies* as well as relevant provisions of the *Articles of Association* of the Company. See the appendixes for the specific content of the rules.

This proposal has been deliberated and approved by the 19th meeting of the 6th Board of Directors and is now submitted to the shareholders' meeting for deliberation.

Appendix 1: *Rules of Procedure for the Shareholders' Meeting of Zhejiang Huayou Cobalt Company Limited* (see the website of Shanghai Stock Exchange at www.sse.com.cn for details)

Appendix 2: *Detailed Working Rules for Independent Directors of Zhejiang Huayou Cobalt Company Limited* (see the website of Shanghai Stock Exchange at www.sse.com.cn for details)

Appendix 3: *Working Rules for the Special Committees under the Board of Directors of Zhejiang Huayou Cobalt Company Limited* (see the website of Shanghai Stock Exchange at www.sse.com.cn for details)

Board of Directors of Zhejiang Huayou Cobalt Company Ltd

May 10, 2024