THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Zhengzhou Coal Mining Machinery Group Company Limited**, you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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ZMJ

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

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

(Stock Code: 00564)

PREVIOUS CONTINUING CONNECTED TRANSACTIONS
THE ENTERING INTO OF THE COMMODITIES AND SERVICES FRAMEWORK AGREEMENT WITH ANSTEEL GROUP
CHANGE OF THE COMPANY NAME, STOCK SHORT NAME, ABOLITION OF THE BOARD OF SUPERVISORS AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AMENDMENTS TO THE RELEVANT MANAGEMENT SYSTEMS OF THE COMPANY
AND
NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025

Independent Financial Adviser to
Independent Board Committee and Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

The Company will convene the EGM at the Convention Centre of Zhengzhou Coal Mining Machinery Group Company Limited, No. 167, 9th Street, Zhengzhou Section (Econ-Tech Development Zone) of China (He'nan) Pilot Free Trade Zone, the PRC at 2:00 p.m. on Tuesday, 17 June 2025. The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is enclosed to this circular and published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.zmj.com). Shareholders who intend to appoint a proxy to attend the EGM shall complete the form of proxy in accordance with the instructions printed thereon and return the same not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending the EGM and voting in person if you so wish.

29 May 2025

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Notice of the Second Extraordinary General Meeting of 2025 . . . . . EGM-1

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

"Articles of Association"	the Articles of Association of Zhengzhou Coal Mining Machinery Group Company Limited
"Company Law"	the Company Law of the People's Republic of China
"EGM"	the extraordinary general meeting of the Company to be convened at the Convention Centre of Zhengzhou Coal Mining Machinery Group Company Limited, No. 167, 9th Street, Zhengzhou Section (Econ-Tech Development Zone) of China (He'nan) Pilot Free Trade Zone, the PRC at 2:00 p.m. on Tuesday, 17 June 2025 or any adjournment thereof
"H Shareholder(s)"	holder(s) of H Share
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Ansteel Group"	Anyang Iron & Steel Group Co., Ltd.
"Board"	the board of Directors of the Company
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it in the Listing Rules
"continuing connected transaction(s)"	has the meaning ascribed to it in the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries

"Gram Capital" or "Independent Financial Advisor"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in respect of the proposed annual caps for the transactions in respect of the purchase of goods and receipt of services by the Group from Ansteel Group under the Previous Continuing Connected Transactions and the Commodities and Services Framework Agreement
"H Share(s)"	overseas listed foreign Shares of RMB1.00 each in the ordinary Shares of the Company, which were subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
"Henan Capital Group"	Henan State-owned Capital Operation Group Co., Ltd.* (河南國有資本運營集團有限公司), wholly owned by the State-owned Assets Supervision and Administration Commission of the Henan Provincial People's Government (河南省人民政府國有資產監督管理委員會)
"Henan Steel Group"	Henan Iron and Steel Group Co. Ltd.* (河南鋼鐵集團有限公司)
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent committee of the Board comprising all of the independent non-executive Directors, namely Mr. CHENG Jinglei, Mr. JI Feng, Mr. FANG Yuan and Ms. YAO Yanqiu, established to advise the independent Shareholders in respect of the proposed annual caps for the transactions in respect of the purchase of goods and receipt of services by the Group from Ansteel Group under the Previous Continuing Connected Transactions and the Commodities and Services Framework Agreement

"Latest Practicable Date"	26 May 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"PRC"	the People's Republic of China, for the purpose of this circular, excluding Hong Kong, Macau and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of RMB1.00 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"subsidiary(ies)"	has the meaning ascribed to it in the Listing Rules
"the Company"	Zhengzhou Coal Mining Machinery Group Company Limited (鄭州煤礦機械集團股份有限公司), a company incorporated in the PRC with limited liability, the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange (stock codes: 0564.HK and 601717.SH)
"%"	Per cent

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

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

(Stock Code: 00564)

Members of the Board
Executive Directors:
Mr. JIAO Chengyao
Mr. JIA Hao
Mr. MENG Hechao
Mr. LI Kaishun

Non-executive Director:
Mr. CUI Kai

Independent Non-executive Directors:
Mr. CHENG Jinglei
Mr. JI Feng
Mr. FANG Yuan
Ms. YAO Yanqiu

Registered Office
No. 167, 9th Street,
Zhengzhou Section
(Econ-Tech Development Zone)
of China (He'nan)
Pilot Free Trade Zone, the PRC

Principal Place of Business in Hong Kong
40/F, Dah Sing Financial Centre,
No. 248 Queen's Road East,
Wanchai, Hong Kong

29 May 2025

To the Shareholders

Dear Sir or Madam,

PREVIOUS CONTINUING CONNECTED TRANSACTIONS
THE ENTERING INTO OF THE COMMODITIES AND SERVICES FRAMEWORK AGREEMENT WITH ANSTEEL GROUP
CHANGE OF THE COMPANY NAME, STOCK SHORT NAME, ABOLITION OF THE BOARD OF SUPERVISORS AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AMENDMENTS TO THE RELEVANT MANAGEMENT SYSTEMS OF THE COMPANY
AND
NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025

INTRODUCTION

The purpose of this circular is to provide you with the Notice of EGM and, among others, other information, so as to enable you to make an informed decision as to whether to vote for or against the following resolutions to be proposed at the EGM:

1. Resolutions on the Continuing Connected Transactions

   1.01 Resolution on the Previous Continuing Connected Transactions

   1.02 Resolution on Entering into the Commodities and Services Framework Agreement with Ansteel Group

2. Resolution on Change of the Company Name, Stock Short Name, Abolition of the Board of Supervisors and Amendments to the Articles of Association

3. Resolution on the Amendments to the Relevant Management Systems of the Company

Reference is made to the announcement of the Company dated 21 March 2025 in relation to the previous continuing connected transactions of the Company and the entering into of the commodities and services framework agreement with Ansteel Group.

I. PREVIOUS CONTINUING CONNECTED TRANSACTIONS

(I) Details of the Previous Continuing Connected Transactions

Parties:	The Company Ansteel Group
Transaction details:	The Group purchased steel products (including steel plates, coils, etc., primarily used for the Group's machinery manufacturing, automobile production, and external sales) and industrial gases (such as liquid oxygen, liquid argon, etc.) and received steel transportation services from Ansteel Group; Ansteel Group purchased steel products (mainly continuous casting billets, which are semi-finished products obtained by casting molten steel through a continuous casting machine and serve as the base material for manufacturing steel plates and other steel products) from the Group.

Pricing basis: The purchase prices of the Group's purchase of steel products such as steel plates and coils and industrial gases such as liquid oxygen and liquid argon from Ansteel Group, and Ansteel Group's purchase of continuous casting billets and other steel products from the Group were determined through open tenders, price comparison and arm's length negotiations between the parties and on normal commercial terms. The price at which steel products such as steel plates and coils and industrial gases such as liquid oxygen and liquid argon were sold to the Group by Ansteel Group did not exceed the price at which such commodities were supplied to the Group by an independent third party. The price at which the Group sold steel products to Ansteel Group was not lower than the price at which the Group sold such commodities to independent third parties.

Transaction amount: The actual transaction amounts of the goods purchased by and the services received by the Group from Ansteel Group for the years ended 31 December 2022, 2023 and 2024, respectively, are set out below:

	For the years ended 31 December		
	2022	**2023**	**2024**
	(RMB'000)		
Total amount for the purchase of commodities and receipt of services	2,551,947.5	2,641,595.2	2,053,879.0

For the years ended 31 December 2022 and 2023, Ansteel Group did not purchase any commodities from the Group. For the year ended 31 December 2024, the actual transaction amount for the purchase of commodities by Ansteel Group from the Group was RMB89,042,800.

Reasons for and Benefits of the Entering into the Previous Continuing Connected Transactions

Ansteel Group is under the direct administration of Henan Provincial Government and is an important production base for high quality building materials in Henan Province. The supply of steel materials to the Group by Ansteel Group can ensure the stable and continuous production of the Group. The sale of products by the Group to Ansteel Group can further expand the Company's sales channels for such products. The Directors (including the independent non-executive Directors) consider that the previous continuing connected transactions were entered into in the ordinary and usual course of business of the Company and on normal commercial terms, which are fair and reasonable and in the interests of the Company and all Shareholders of the Company.

(II) Implications Under the Listing Rules

Under the shareholding structure of Ansteel Group, Ansteel Group is a subsidiary of Henan Capital Group, a substantial Shareholder of the Company, and therefore, according to Chapter 14A of the Listing Rules, constitutes a connected person of the Company, and the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group and the transactions of purchase of commodities from the Group by Ansteel Group constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since the percentage ratios for the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group for each of the years from 2022 to 2024 as calculated under the Listing Rules are more than 5%, the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group for the years from 2022 to 2024 are subject to the independent Shareholders' approval, reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules. Since the percentage ratios for the transactions of purchase of commodities from the Group by Ansteel Group in 2024 are more than 0.1% but less than 5%, the transactions of purchase of commodities from the Group by Ansteel Group in 2024 are subject to the reporting, annual review and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Ansteel Group is an important iron and steel base for Henan Province. In order to promote high-quality development of the iron and steel industry in Henan Province, prior to February 2022, the Henan Provincial Government directly held 100% equity interest in Ansteel Group, and Ansteel Group was an independent third party of the Company. In February 2022, the Henan Provincial SASAC implemented a mixed ownership reform on Ansteel Group by transferring 100% equity interest of Ansteel Group to Henan Machinery Group, and Ansteel Group remained under direct administration of the Henan Provincial Government. In January 2023, the Henan Provincial SASAC transferred 100% equity interest of Henan Machinery Group to Henan Capital Group. In March 2023, the Henan Provincial Government formed Henan Iron and Steel Group to hold 100% equity interest of Ansteel Group, and 100% equity interest of Henan Iron and Steel Group is held by Henan Capital Group. Ansteel Group remains under the direct administration of the Henan Provincial Government. As such, the Company had previously failed in the strict compliance with the independent Shareholders' approval, reporting, annual review and announcement requirements under the Listing Rules due to the inadvertent mistake of believing that Ansteel Group is not a subsidiary of the Henan Capital Group, and thus is not a connected person of the Company in nature. The Company has always respected and endeavoured to comply with the Listing Rules. The Company deeply regrets that the previous continuing connected transactions between the Company and Ansteel Group were not announced in a timely manner in accordance with the requirements of the Listing Rules and hereby sets out the details of the previous transactions. A general meeting of the Company will be convened in due course to ratify the previous transactions of purchase of commodities and receipt of services from Ansteel Group.

(III) Opinions of the Board

The Board has considered and approved the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group for the years ending 31 December 2022, 2023 and 2024, at the Board meetings held on 28 March 2022, 29 March 2023 and 28 March 2024, respectively. None of the Directors has any material interest in the transactions and accordingly, none of the Directors is required to abstain from voting on the Board resolutions considering and approving those transactions.

The Directors (including the independent non-executive Directors) consider that the previous continuing connected transactions were entered into in the ordinary and usual course of business of the Company and on normal commercial terms, which are fair and reasonable and in the interests of the Company and all Shareholders of the Company.

(IV) General

1. Information on the Company

The Company is a leading comprehensive coal mining and excavating equipment manufacturer in the PRC. The principal businesses of the Company's coal mining machinery segment are sets of equipment for integrated coal mining, the R&D, design, production, sales and services of intelligent control system, with products used by the major coal industry groups throughout the country and successively exported to various countries. The coal mine hydraulic support with the highest supporting height and the highest resistance globally, the domestically first whole set and intelligent equipment for integrated mining supplied by a single factory and the domestically first exported whole set equipment for integrated mining are researched and developed and manufactured by the Company. There are two brands under the auto parts segment of the Company, being SEG and ASIMCO. SEG is a world-leading technology and service provider for motor starter motors and generators, which constantly drives auto energy conservation and emission reduction and technological innovation, leading the developments of green travel technology. Also, its technology of 48V low-voltage hybrid motors and market shares are world-leading. Relying on its high-end R&D advantages, worldwide sales network and quickly responding locally, high-voltage drive motor for new energy vehicles progresses quickly. The principal products of ASIMCO include parts using materials application technology as their core such as engine cylinder blocks and heads, camshaft and powder metallurgy products, noise and vibration absorber and brake seal, piston ring and valve seat ring. Also, ASIMCO is committed to researching and developing high-efficient and intelligent air suspension system, and strives to march into new energy automobile chassis sector, to provide high quality parts products for PRC and global auto markets.

2. Information on Ansteel Group

Ansteel Group is a wholly-owned subsidiary of Henan Capital Group, and its scope of business includes: export of self-produced products and related technologies of the Company; import of raw and auxiliary materials, machinery and equipment, instruments and meters, spare parts and related technologies required for production and scientific research of the Company itself; processing of imported materials and "Three Import and One Compensation Trading" business of the Company itself. Production and sales of beverage, purified water, frozen beverage and house leasing (operation of the above shall be limited to branches with a valid license). Operation of state-owned assets authorized by the government, production and operation of metallurgical products and by-products, steel extension products, chemical products (excluding flammable, explosive and dangerous goods), metallurgical auxiliary materials, machining products, agricultural and sideline products (excluding cotton, tobacco, cocoon and grain); design, manufacture and operation of metallurgical electromechanical equipment, technical services, collaboration and consulting services; leveraging its own television stations, publication of domestic television advertisements and undertaking classified television advertising business. Sales of home appliances and accessories, cultural and sports goods, broadcasting and television equipment; accommodation, catering, tourism management, software and information technology services; bidding agent.

(V) Remedial Measures

The Company has always respected the Listing Rules and made every effort to comply with them. The Company deeply regrets that the previous continuing connected transactions between the Company and Ansteel Group were not announced in a timely manner in accordance with the requirements of the Listing Rules. The Company will hereby ratify the previous transactions of purchase of commodities and receipt of services from Ansteel Group at the EGM. At the same time, the Company will actively take remedial measures to strengthen the internal control procedures to ensure compliance with the requirements of the Listing Rules in a timely manner and to prevent such incidents from occurring again. Such remedial measures include:

(1) Enhancing internal training for all relevant staff of the Company to improve their understanding of the Listing Rules, in particular the applicability of Chapter 14A of the Listing Rules and the issues that may arise at an early stage, so as to avoid delays in the disclosure of future transactions. Clifford Chance, the Company's Hong Kong legal adviser, has circulated training materials to the Company's Board of Directors and employees from the Company's Securities Department, Business Department, Finance Department and Compliance Management Department at the end of March 2025, and has provided training to the aforesaid personnel on 9 April 2025 relating to the interpretation of Chapter 14A of the Listing Rules, including the concept of connected transactions, definition and scope of connected persons, procedures for handling connected transactions, the corporate governance procedures and information disclosure requirements that they need to observe, and cases of non-compliance with penalties;

(2) Circulating internal guidelines in relation to connected transactions to alert the staff from the Company's Securities Department, Business Department, Finance Department and Compliance Management Department responsible for identifying and overseeing connected transactions, as well as senior management and Directors. The internal guides include a list of the Company's connected persons (Ansteel Group has been added to the list), how to identify potential connected persons, and how to monitor the actual amounts of connected transactions incurred to enhance their understanding in order to identify situations that are expected to trigger compliance with the announcement and other reporting requirements under the Listing Rules;

(3) The Company has established internal arrangements whereby, in addition to confirming the identity of the counterparties prior to each transaction, the Business Department also regularly collects and sorts out detailed data on transactions conducted by the Group quarterly based on their full understanding of the requirements of Chapter 14A of the Listing Rules. If the counterparty or the target company of a transaction may have any relationship with a substantial Shareholder, Director or chief executive of the Company and its subsidiaries, the Business Department of the Company must promptly report such possible transaction to the management of the Company (including the general manager, deputy general manager and chief financial officer of the Company, etc.) or the Board (if necessary) to confirm the applicability of the Listing Rules; and

(4) The Company will, on an ongoing basis, strengthen its collaboration with external advisers (financial and legal) prior to entering into any potential notifiable or connected transaction. Where necessary, the Company may also consult the Stock Exchange on the appropriate treatment of proposed transactions.

Considering that the reason for the failure in strict compliance with the independent shareholders' approval, reporting, annual review and announcement requirements under the Listing Rules in respect of the previous continuing connected transactions was that the Company had inadvertently believed that Ansteel Group was not a connected person of the Company, and that the remedial measures as described above have already covered the enhancement of understanding of Chapter 14A of the Listing Rules, statistics of the transactions and communication with the external advisers, etc., the Board is of the opinion that such remedial measures are adequate and sufficient to identify and address the deficiencies in the internal control system and to effectively prevent similar non-compliance in the future.

II. THE ENTERING INTO THE COMMODITIES AND SERVICES FRAMEWORK AGREEMENT WITH ANSTEEL GROUP

(I) Commodities and Services Framework Agreement

Parties:	The Company Ansteel Group
Term of agreement:	From 1 January 2025 until 31 December 2027
Transaction details:	The Group purchases steel products (including steel plates, coils, etc., primarily used for the Group's machinery manufacturing, automobile production, and external sales) and industrial gases (such as liquid oxygen, liquid argon, etc.) and receives steel transportation services from Ansteel Group; Ansteel Group purchases steel products (mainly continuous casting billets, which are semi-finished products obtained by casting molten steel through a continuous casting machine and serve as the base material for manufacturing steel plates and other steel products) from the Group.
Pricing policy:	The purchase prices of the Group's purchase of steel products such as steel plates and coils and industrial gases such as liquid oxygen and liquid argon from Ansteel Group, and Ansteel Group's purchase of continuous casting billets and other steel products from the Group will be determined through open tenders, price comparison and arm's length negotiations between the parties and on normal commercial terms. For the steel products and industrial gases to be procured by the Group from Ansteel Group, the Company will conduct quotations and price comparisons on monthly basis with not less than three independent third-party suppliers who provide similar products. The price at which steel products such as steel plates and coils and industrial gases such as liquid oxygen and liquid argon are sold to the Group by Ansteel Group will not exceed the price at which such commodities are supplied to the Group by an independent third party. The price at which the Group sells steel products to Ansteel Group will not be lower than the price at which the Group sells such commodities to independent third parties.

Proposed annual caps and basis of determination: The proposed annual caps for the goods and services transactions between the Group and Ansteel Group for the three years ending 31 December 2027 are set out below:

	For the year ending 31 December		
	2025	**2026**	**2027**
		(RMB'000)	
Total amount for the purchase of commodities and receipt of services by the Group from Ansteel Group	2,400,000	3,000,000	3,000,000
Total amount for the purchase of commodities by Ansteel Group from the Group	270,000	500,000	500,000

In determining the proposed annual caps for the three financial years ending 31 December 2027, the Board has taken into account (i) the historical transaction amounts of the commodities and services transactions between the Group and Ansteel Group; and (ii) the expected demand for the commodities and services transactions between the Group and Ansteel Group.

Reasons for and Benefits of the Entering into the Commodities and Services Framework Agreement

Ansteel Group is under the direct administration of Henan Provincial Government and is an important production base for high quality building materials in Henan Province. The supply of steel materials to the Group by Ansteel Group can ensure the stable and continuous production of the Group. The sale of products by the Group to Ansteel Group can further expand the Company's sales channels for such products. The Directors (including the independent non-executive Directors) consider that the terms of the transactions carried out under the Commodities and Services Framework Agreement and the annual caps thereunder are entered into in the ordinary and usual course of business of the Company and on normal commercial terms, which are fair and reasonable and in the interests of the Company and all Shareholders of the Company.

(II) Implications under the Listing Rules

As Ansteel Group is a subsidiary of Henan Capital Group, a substantial Shareholder of the Company, accordingly, pursuant to Chapter 14A of the Listing Rules, Ansteel Group is a connected person of the Company, the entering into of the Commodities and Services Framework Agreement and the transactions thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the proposed annual caps for the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group under the Commodities and Services Framework Agreement is higher than 5%, accordingly, the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group under the Commodities and Services Framework Agreement are subject to the independent Shareholders' approval, reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio of the proposed annual cap for the transactions of purchase of commodities by Ansteel Group from the Group under the Commodities and Services Framework Agreement is higher than 0.1% but less than 5%, accordingly, the transactions of purchase of commodities by Ansteel Group from the Group under the Commodities and Services Framework Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

(III) Internal Control Procedures and Corporate Governance Measures

To ensure that the Company's continuing connected transactions are in compliance with the pricing policy, the Company has adopted and will continue to enhance a number of internal control policies in relation to its daily operation, including:

(a) The Company's business department is responsible for collecting detailed data on a regular basis in respect of continuing connected transactions, including but not limited to the pricing terms, payment arrangements and actual transaction amounts of each specific contract under the Commodities and Services Framework Agreement; the Company's finance department assists in reviewing and controlling the specific terms and conditions of, and the actual amounts incurred in respect of, such continuing connected transactions;

(b) The senior management of the Company and each of its subsidiaries is responsible for monitoring whether the transaction terms and pricing and other terms under each specific service contract are following the principles established under the Commodities and Services Framework Agreement, assessing the fairness of the transaction terms and pricing terms and reporting the relevant information to the Board in a timely manner. If government pricing, government-guided pricing or bidding prices are applicable to the relevant transactions, whether the relevant pricing requirements are complied with; if the pricing of the relevant transactions is determined on the basis of the prevailing market prices for similar transactions, whether such pricing is in line with the prevailing market price ranges for the provision of the same type of services in the market at that time;

(c) The Board is responsible for examining and monitoring the control of the Company's connected transactions; and

(d) In addition, the independent non-executive Directors will review the continuing connected transactions under the Commodities and Services Framework Agreement to ensure that they have been entered into on normal commercial terms, are fair and reasonable and in accordance with the terms of such agreements. The Auditor of the Company will also conduct an annual review of the pricing terms and annual caps of such continuing connected transactions.

(IV) Opinions of the Board

None of the Directors has any material interest in the Commodities and Services Framework Agreement and accordingly, none of the Directors is required to abstain from voting on the Board resolutions considering and approving those transactions.

The Directors (including the independent non-executive Directors) consider that the Commodities and Services Framework Agreement is entered into in the ordinary and usual course of business of the Company and on normal commercial terms, which are fair and reasonable and in the interests of the Company and all Shareholders of the Company.

(V) General

1. Information on the Company

The Company is a leading comprehensive coal mining and excavating equipment manufacturer in the PRC. The principal businesses of the Company's coal mining machinery segment are sets of equipment for integrated coal mining, the R&D, design, production, sales and services of intelligent control system, with products used by the major coal industry groups throughout the country and successively exported to various countries. The coal mine hydraulic support with the highest supporting height and the highest resistance globally, the domestically first whole set and intelligent equipment for integrated mining supplied by a single factory and the domestically first exported whole set equipment for integrated mining are researched and developed and manufactured by the Company. There are two brands under the auto parts segment of the Company, being SEG and ASIMCO. SEG is a world-leading technology and service provider for motor starter motors and generators, which constantly drives auto energy conservation and emission reduction and technological innovation, leading the developments of green travel technology. Also, its technology of 48V low-voltage hybrid motors and market shares are world-leading. Relying on its high-end R&D advantages, worldwide sales network and quickly responding locally, high-voltage drive motor for new energy vehicles progresses quickly. The principal products of ASIMCO include parts using materials application technology as their core such as engine cylinder blocks and heads, camshaft and powder metallurgy products, noise and vibration absorber and brake seal, piston ring and valve seat ring. Also, ASIMCO is committed to researching and developing high-efficient and intelligent air suspension system, and strives to march into new energy automobile chassis sector, to provide high quality parts products for PRC and global auto markets.

2. Information on Ansteel Group

Ansteel Group is a wholly-owned subsidiary of Henan Capital Group, and its scope of business includes: export of self-produced products and related technologies of the Company; import of raw and auxiliary materials, machinery and equipment, instruments and meters, spare parts and related technologies required for production and scientific research of the Company itself; processing of imported materials and "Three Import and One Compensation Trading" business of the Company itself. Production and sales of beverage, purified water, frozen beverage and house leasing (operation of the above shall be limited to branches with a valid license). Operation of state-owned assets authorized by the government, production and operation of metallurgical products and by-products, steel extension products, chemical products (excluding flammable, explosive and dangerous goods), metallurgical auxiliary materials, machining products, agricultural and sideline products (excluding cotton, tobacco, cocoon and grain); design, manufacture and operation of metallurgical electromechanical equipment, technical services, collaboration and consulting services; leveraging its own television stations, publication of domestic television advertisements and undertaking classified television advertising business. Sales of home appliances and accessories, cultural and sports goods, broadcasting and television equipment; accommodation, catering, tourism management, software and information technology services; bidding agent.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An independent Board committee comprising Mr. CHENG Jinglei, Mr. JI Feng, Mr. FANG Yuan and Ms. YAO Yanqiu (all being independent non-executive Directors) has been formed by the Company to advise the independent Shareholders on the proposed annual caps for the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group under the previous continuing connected transactions and the Commodities and Services Framework Agreement.

The Company has appointed Gram Capital as the independent financial adviser to advise the independent Board committee and the independent Shareholders on the proposed annual caps for the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group under the previous continuing connected transactions and the Commodities and Services Framework Agreement.

III. CHANGE OF THE COMPANY NAME, STOCK SHORT NAME, ABOLITION OF THE BOARD OF SUPERVISORS AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the provisions of relevant laws, regulations and normative documents such as the Company Law of the People's Republic of China (2023 revision) (the "**Company Law**"), the Transitional Arrangement for the Implementation of the Supporting Systems and Rules of the New Company Law (the "**Transitional Arrangement**") issued by the China Securities Regulatory Commission, and the Guidelines for the Articles of Association of Listed Companies (2025 revision) (the "**Guidelines on the Articles of Association**"), and in light of the actual situation of the Company the Company proposes to change the company name and stock short name, abolish the Board of Supervisors and amend the relevant provisions of the Company's Articles of Association. The specific contents are reported as follows:

(I) Change of the Company Name and Stock Short Name

1. Change of company name and stock short name

In order for the Company's name to more accurately reflect the strategic development direction of the Company and to better enhance the corporate image, the Company intends to change the Company's English and Chinese names and stock short name as follows:

Items	Before the change	After the change
Chinese name	鄭州煤礦機械集團股份有限公司	中創智領(鄭州)工業技術集團股份有限公司
English name	Zhengzhou Coal Mining Machinery Group Company Limited	ZMJ Group Company Limited
A-share stock short name	鄭煤機	中創智領
H-share stock short name (in Chinese)	鄭煤機	中創智領
H-share stock short name (in English)	ZMJ (remains unchanged)	
A-share stock code	601717 (remains unchanged)	
H-share stock code	00564 (remains unchanged)	

2. Reasons for change of the company name

Since the listing of the Company, there have been significant changes in the business structure of the Company along with its strategic transformation and continuous development. The Company currently has diverse businesses such as coal mining machinery, auto parts, industrial intelligence, and investment. Among them, auto parts, industrial intelligence, investment and other businesses account

for more than 50% of the revenue. Meanwhile, the Company has many brands in various fields, such as ZMJ, SEG, ASIMCO, Hengda Intelligent Control, Shuyun, etc. The Company's products are turning smart totally. In the field of coal mining machinery business, the Company's leading product hydraulic support has been fully transformed from manual control and electro- hydraulic control to intelligent control, by expanding from a single equipment product to one-stop solutions for complete sets of intelligent coal mining such as hydraulic support, scraper conveyor, coal miner, control system, and from integrated coal mining workface to the tunneling workface, liquid supply system and belt transportation centralized control system, to further improve the system map of the intelligent mining business. In the field of automotive parts business, the Company has expanded around the trend of electrification and intelligent development from fuel automotive parts business to smart Internet new energy automotive parts business, including new energy vehicle noise reduction and vibration damping products, intelligent air suspension systems, power battery cooling plates, high-voltage intelligent drive motors, braking system motors and other key parts, and continues to explore other electric motor-related businesses such as drive, braking, steering and suspension of the smart electric vehicle. The revenue from the new energy business is increasing rapidly. In the field of industrial intelligence, the Company's Intelligent Park has been evaluated as the first lighthouse factory in the coal mining machinery industry by the World Economic Forum, and a number of its subsidiaries have been listed by the Ministry of Industry and Information Technology (MIIT) as 5G factories, Industrial Internet Pilot Factories, and Intelligent Manufacturing Demonstration Enterprises, etc. Meanwhile, the Company has integrated and replicated the experience of the construction of intelligent coal mining and the lighthouse factories, to promote the application of "Artificial Intelligence + Manufacturing", and to provide intelligent industrial solutions for various discrete manufacturing scenarios, from coal mines to shipyards, steel mills, and harbors and airports, helping the traditional industries to transform and upgrade, and to form a new competitive edge.

Meanwhile, in accordance with the future development strategy of the Company, in 2024, the Company set a brand new corporate mission, vision and values, i.e. "Smart drive future, creates and leads to a better life" as the mission, "becoming a globally leading and sustainable provider of intelligent industrial solutions" as the vision, and "future-oriented, change and innovation, open and collaborative, pursuit of excellence" as the values. The Company adheres to the transformation direction and development ideas of electrification, intelligence, digitalization and globalization, embraces artificial intelligence, strengthens the innovation iteration of green and sustainability-related technologies, and continues to accelerate the pace of transformation and upgrading.

In view of the fact that the original company name (i.e. "Zhengzhou Coal Mining Machinery Group Company Limited") and the stock short name (i.e. "鄭煤機") could no longer fully reflect the main business of the Company nowadays and in the future, the Company intends to change the company name and the stock short name to more fully reflect the Company's core business and industrial layout, accurately reflect the future strategic development direction of the Company, and further enhance the corporate image.

The new name "中創智領" mainly means "created in China, led by intelligence". Proactively responding to the national strategy, the Company adheres to independent innovation, develops intelligent products and intelligent manufacturing, and leads the way in the industrial technology of the subsector, to provide first-class products and services to customers globally.

3. Explanation of change of the company name and the stock short name

The change of the company name and the stock short name is in line with the actual situation and future strategic development needs of the Company. While there are no circumstances of utilizing the change of the company name and the stock short name to affect the share price of the Company or mislead investors, it is in compliance with the Company Law, the Securities Law of the People's Republic of China and other relevant laws and regulations and the relevant provisions of the Articles of Association. There is no case of damaging the interests of the Company and the small and medium-sized shareholders. The change of company name is subject to the approval of the general meeting of the Company. The change of the stock short name is subject to the approval of the Shanghai Stock Exchange and the Hong Kong Stock Exchange after the change of the company name is approved by the general meeting of the Company.

The change of company name does not change the validity of the original signed legal documents and contracts related to the Company. The debts and liabilities of the Company before the name change shall be inherited by the Company after the name change.

(II) Abolition of the Board of Supervisors

In accordance with the Company Law, the Transitional Arrangement and the Guidelines on the Articles of Association and other relevant laws, regulations and regulatory documents, in order to further improve the corporate governance structure and enhance the standardized operation and scientific decision-making level of the Company, the Company intends to cease to set up the Board of Supervisors, and the powers and functions of the Board of Supervisors shall be exercised by the Audit and Risk Management Committee of the Board. The Rules of Procedure of the Board of Supervisors of Zhengzhou Coal Mining Machinery Group Company Limited ("**Rules of Procedure of the Board of Supervisors**") and other relevant systems of the Board of Supervisors shall be repealed accordingly, and the Articles of Association shall be amended accordingly.

(III) Proposed Amendments to the Articles of Association

In accordance with the provisions of the Company Law, the Transitional Arrangement and the Guidelines on the Articles of Association and other relevant laws, regulations and regulatory documents, and in light of the proposed change of company name and proposed abolition of the Board of Supervisors, the Company intends to amend the relevant articles of the Articles of Association.

The proposed amendments to the Articles of Association are mainly related to the following aspects:

1. Revision of the Chinese and English names of the Company;

2. Deletion of provisions relating to the Board of Supervisors and Supervisors, with the Audit and Risk Management Committee of the Board exercising the powers and functions of the Board of Supervisors, the abolition of the Company's Board of Supervisors and the repeal of the Rules of Procedure of the Board of Supervisors;

3. Adjusting some of the powers and functions of the Shareholders' Meeting and the Board;

4. Adding new contents on the obligations of legal representatives, controlling shareholders and actual controllers, and Directors, which shall clearly stipulate the obligations of legal representatives, controlling shareholders, actual controllers, and directors to the listed company;

5. Adding a new section dedicated to independent Directors;

6. Reducing the percentage of shareholding required for the right of shareholders to make proposals at shareholders' meetings from "3%" to "1%";

7. Adding content about the convening and voting of the Audit and Risk Management Committee of the Board;

8. Clarifying the responsibilities of the internal audit organization in terms of supervision and inspection, etc.; and

9. Unifying and revising the relevant expressions, and amending "general meeting" to "shareholders' meeting".

For details of the amendments to the Articles of Association, please see Appendix II.

Among them, the non-substantial adjustments to the revised Articles of Association are not listed. The non-substantial adjustments include the adjustment of the article numbers and punctuation, the adjustment of "general meeting" to "shareholders' meeting" according to the Company Law, and other amendments that do not affect the meaning of the articles. Since they do not involve substantive changes and the scope of the amendments is relatively wide, such amendments are not listed one by one. The above-mentioned amendments shall be subject to the content filed with the registration authority.

(IV) Matters proposed to be authorized

The Board of the Company requests the shareholders meeting to authorize the Board of the Company, and the Board would delegate the Company's management to apply to the registration authority for industrial and commercial change registration, filing of articles of association and other related procedures for the changes, and to make adjustments to the text of the revision (if necessary) based on the opinions of the registration authority. The revised Articles of Association shall be subject to the final approval and registration of the market supervision and management department. After completion of the changes, the Company will make corresponding modifications to the relevant rules and regulations and documents related to the company name, such as certificates, qualifications, etc. The authorization is valid from the date of approval by the general meeting until the completion of the aforementioned authorization matters.

4. AMENDMENTS TO THE RELEVANT MANAGEMENT SYSTEMS OF THE COMPANY

In accordance with the provisions of the Company Law, the Transitional Arrangement and the Guidelines on the Articles of Association and other relevant laws, regulations and regulatory documents, and in light of the proposed change of company name and proposed abolition of the Board of Supervisors, in order to further improve the Company's level of standardized operation, it is proposed to revise the Company's relevant internal management systems. The specific situation is reported as follows:

1. List of systems proposed to be revised

No.	Original name of the system	Changes
1	Rules of Procedure for General Meetings of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
2	Rules of Procedure for Board Meetings of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
3	Working System of Independent Directors of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
4	Proceeds Management System of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
5	Detailed Rules for Implementation of the Cumulative Voting System of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
6	Detailed Rules for Management of External Guarantees of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
7	Related Party Transaction Decision-making System of Zhengzhou Coal Mining Machinery Group Company Limited	Revision
8	Management Measures of Major Investment and Financing of Zhengzhou Coal Mining Machinery Group Company Limited	Revision

Note: The above amendments to the systems shall be approved by the general meeting. Amendments to the systems within the authority of the Board will be submitted to the Board meeting for review and approval after the amendments to the Articles of Association take effect.

(II) Principal contents of the proposed revision

The revision of the company's relevant management system mainly involves the following aspects:

1. Revise the company name and abbreviation in various management systems/rules/detailed rules/measures;

2. Deletion of provisions relating to the Board of Supervisors and Supervisors, with the Audit and Risk Management Committee of the Board exercising the powers and functions of the Board of Supervisors, the abolition of the Company's Board of Supervisors and the repeal of the Rules of Procedure of the Board of Supervisors;

3. Adjusting some of the powers and functions of the General Meeting and the Board;

4. Unifying and revising the relevant expressions, and amending "general meeting" to "shareholders' meeting";

5. Reducing the percentage of shareholding required for the right of shareholders to make proposals at shareholders' meetings from "3%" to "1%";

For details of the specific revisions to the above management systems, please see Appendix III. Among them, the non-substantial adjustments of the revision are not listed. The non-substantial adjustments include the adjustment of the article numbers and punctuation, the adjustment of "general meeting" to "shareholders' meeting" according to the Company Law, and other amendments that do not affect the meaning of the articles. Since they do not involve substantive changes and the scope of the amendments is relatively wide, such amendments are not listed one by one.

V. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 12 June 2025 to Tuesday, 17 June 2025 (both days inclusive), during which period no transfer of Shares will be registered. H Shareholders whose names appear on the register of members of the Company on Tuesday, 17 June 2025 are entitled to attend the EGM. H Shareholders of the Company who intend to attend the EGM but have not yet registered are required to deposit the transfer documents together with relevant share certificates at the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:30 p.m. on Wednesday, 11 June 2025.

VI. VOTING AT THE EGM

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the general meeting of the Company shall be taken by poll except where the chairman, acting in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, the chairman of the EGM will, pursuant to Article 121 of the Articles of Association, demand vote by poll for each resolution proposed at the EGM.

In view of the material interest of Ansteel Group in the Resolution on the Previous Continuing Connected Transactions and the Resolution on Entering into the Commodities and Services Framework Agreement With Ansteel Group, and that Ansteel Group is a subsidiary of Henan Capital Group, a substantial shareholder of the Company, Henan Capital Group will abstain from voting on the aforesaid resolutions at the EGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other shareholders are required to abstain from voting on the resolutions to be proposed at the EGM.

During a poll vote, any Shareholder present in person or by proxy (in the case of a Shareholder being a corporation, by its duly authorised representative) shall have one vote for each Share registered in the Shareholder's name in the register of members. According to Article 123 of the Articles of Association, a Shareholder (including proxy) entitled to two or more votes is under no obligation to cast all his/her votes for or against any resolution.

VII. RECOMMENDATIONS

The Board is of the view that the resolutions mentioned above are in the best interests of the Company and its Shareholders. Therefore, the Board recommends the Shareholders to vote for the relevant resolutions to be proposed at the EGM as set out in the notice of the EGM.

By Order of the Board
Zhengzhou Coal Mining Machinery Group Company Limited
JIAO Chengyao
Chairman

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00564)

29 May 2025

To the Independent Shareholders

Dear Sir or Madam,

PREVIOUS CONTINUING CONNECTED TRANSACTIONS AND THE ENTERING INTO OF THE COMMODITIES AND SERVICES FRAMEWORK AGREEMENT WITH ANSTEEL GROUP

This letter has been prepared in connection with the circular of the Company dated 29 May 2025 (this "**Circular**") of which this letter forms part. Unless the context requires otherwise, terms and expressions defined in this letter shall have the same meanings in this Circular.

We have been appointed by the Board as members of the independent Board committee to advise the independent Shareholders as to whether (i) the Previous Continuing Connected Transactions, and (ii) the transactions contemplated under the Commodities and Service Framework Agreement entered into with Ansteel Group and the proposed annual caps thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to make recommendation on how the Independent Shareholders should vote at the EGM. Gram Capital has been appointed as the independent financial adviser to advise the independent Board committee and the independent Shareholders on the same matters.

We wish to draw your attention to the letter from the Board as set out on pages 4 to 23 of this Circular and the letter from Gram Capital as set out on pages 26 to 35 of this Circular.

Having considered the letter from the Board contained in the Circular and the advice of the independent financial adviser, we are of the opinion that (i) the Previous Continuing Connected Transactions, and (ii) the transactions contemplated under the Commodities and Services Framework Agreement entered into with Ansteel Group and the proposed annual caps thereof are conducted in the ordinary and usual course of business of the Company, on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM to approve (i) the Previous Continuing Connected Transactions, and (ii) the transactions contemplated under the Commodities and Services Framework Agreement entered into with Ansteel Group and the proposed annual caps thereof.

Yours faithfully,
For and on behalf of the Independent Board Committee of
Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

CHENG Jinglei
Independent Non-executive Director

JI Feng
Independent Non-executive Director

FANG Yuan
Independent Non-executive Director

YAO Yanqiu
Independent Non-executive Director

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2022-24 Actual Purchase Amounts and the 2025-27 Purchase Transactions for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

29 May 2025

To: The independent board committee and the independent shareholders of Zhengzhou Coal Mining Machinery Group Company Limited

Dear Sirs,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the proposed annual caps for the transactions of purchase of commodities and receipt of services by the Group from Ansteel Group (the "**Purchase Transactions**") under the previous continuing connected transactions (the "**2022-24 Actual Purchase Amounts**"); and (ii) the Purchase Transactions under the Commodities and Services Framework Agreement (the "**2025-27 Purchase Transactions**") and the proposed annual caps for the three years ending 31 December 2027 (the "**2025-27 Purchase Caps**") (transactions contemplated under (i) and (ii), the "**Transactions**"), details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 29 May 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Given the previous changes of owners of Ansteel Group (being an important iron and steel base for Henan Province), the Company had previously failed in the strict compliance with the independent Shareholders' approval, reporting, annual review and announcement requirements under the Listing Rules due to the inadvertent mistake of believing that Ansteel Group is not a subsidiary of Henan Capital Group, and thus is not a connected person of the Company in nature.

Furthermore, as the Company expects that the transaction of commodities and services between the Group and Ansteel Group will be continued in the ordinary and usual course of business of the Group, the Company entered into the Commodities and Services Framework Agreement with Ansteel Group on 21 March 2025. Pursuant to the Commodities and Services Framework Agreement, the Group will purchase steel products

(including steel plates, coils, etc., primarily used for the Group's machinery manufacturing, automobile production, and external sales) and industrial gases (such as liquid oxygen, liquid argon, etc.) and receive steel transportation services from Ansteel Group.

With reference to the Board Letter, the Transactions are subject to the ratification of the independent shareholder and/or the independent Shareholders' approval, reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. CHENG Jinglei, Mr. JI Feng, Mr. FANG Yuan and Ms. YAO Yanqiu (all being independent non-executive Directors) has been formed by the Company to advise the Independent Shareholders on (i) whether the terms of Transactions are on normal commercial terms and are fair and reasonable; (ii) whether Transactions are in the interests of the Company and the Shareholders as a whole and conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve Transactions at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

Besides, apart from the advisory fee and expenses payable to us in connection with this engagement as the Independent Financial Adviser, there is no arrangement whereby we shall be entitled to receive any other fees or benefits from the Company, their subsidiaries and/or associates. Accordingly, we are of the view that we are independent in accordance with Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the

Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The 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 the 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 therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, Ansteel Group or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transactions, we have taken into consideration the following principal factors and reasons:

1. Background and reasons

Information on the Company

With reference to the Board Letter, the Company is a leading comprehensive coal mining and excavating equipment manufacturer in the PRC. The principal businesses of the Company's coal mining machinery segment are sets of equipment for integrated coal mining, the research and development ("**R&D**"), design, production, sales and services of intelligent control system, with products used by the major coal industry groups throughout the country and successively exported to various countries. The coal mine hydraulic support with the highest supporting height and the highest resistance globally, the domestically first whole set and intelligent equipment for integrated mining supplied by a single factory and the domestically first exported whole set equipment for integrated mining are researched and developed and manufactured by the Company. There are two brands under the auto parts segment of the Company, being SEG and ASIMCO. SEG is a world-leading technology and service provider for motor starter motors and generators, which constantly drives auto energy conservation and emission reduction and technological innovation, leading the developments of green travel technology. Also, its technology of 48V low-voltage hybrid motors and market shares are world-leading. Relying on its high-end R&D advantages, worldwide sales network and quickly responding locally, high-voltage drive motor for new energy vehicles progresses quickly. The principal products of ASIMCO include parts using materials application technology as their core such as engine cylinder blocks and heads, camshaft and powder metallurgy products, noise and vibration absorber and brake seal, piston ring and valve seat ring. Also, ASIMCO is committed to researching and developing high-efficient and intelligent air suspension system, and strives to march into new energy automobile chassis sector, to provide high quality parts products for PRC and global auto markets.

Information on Ansteel Group

With reference to the Board Letter, Ansteel Group is a wholly-owned subsidiary of Henan Capital Group, and its scope of business includes: export of self-produced products and related technologies of the Company; import of raw and auxiliary materials, machinery and equipment, instruments and meters, spare parts and related technologies required for production and scientific research of the Company itself; processing of imported materials and "Three Import and One Compensation Trading" business of the Company itself. Production and sales of beverage, purified water, frozen beverage and house leasing (operation of the above shall be limited to branches with a valid license). Operation of state-owned assets authorized by the government, production and operation of metallurgical products and by-products, steel extension products, chemical products (excluding

flammable, explosive and dangerous goods), metallurgical auxiliary materials, machining products, agricultural and sideline products (excluding cotton, tobacco, cocoon and grain); design, manufacture and operation of metallurgical electromechanical equipment, technical services, collaboration and consulting services; leveraging its own television stations, publication of domestic television advertisements and undertook classified television advertising business. Sales of home appliances and accessories, cultural and sports goods, broadcasting and television equipment; accommodation, catering, tourism management, software and information technology services; bidding agent.

Reasons for and benefits of the Transactions

With reference to the Board Letter, Ansteel Group is under the direct administration of Henan Provincial Government and is an important production base for high quality building materials in Henan Province. The supply of steel materials to the Group by Ansteel Group can ensure the stable and continuous production of the Group.

With reference to the previous announcements as published by the Company and as confirmed by the Directors, the Group started business relationship with the Ansteel Group for more than 15 years, the services mutually provided between the Group and the Ansteel Group (including the Purchase Transactions) have reached satisfactory results and provided overall business and operational convenience to the Group. As further advised by the Directors, through business cooperation (including the Purchase Transactions), the Company and the Ansteel Group can make full use of the industrial foundation and advantages of both parties, and further enhance the strength of both parties.

As also advised by the Directors, the steel products under the Purchase Transactions are mainly applied for the manufacturing products, which will be further sold to the Group's end-customers. Accordingly, the Purchase Transactions are part of, or in connection with, the Company's principal business activities and are expected to grow the Company's revenue and/or provide the Company with overall business and operational convenience and synergistic benefits, which are favourable for the Company to increase its business volume in the market, stabilize its customer base, enhance its overall business strategic development, and strengthen its competitiveness in the market.

Having considered the above factors, we concur with the Directors that the Purchase Transactions are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

2. Principal terms of the Transactions

Set out below are the principal terms of the Transactions, details of which are set out under the section headed "II. The entering into the Commodities and Services Framework Agreement with Ansteel Group" of the Board Letter.

Date

21 March 2025

Parties

The Company

Ansteel Group

Term of agreement

From 1 January 2025 until 31 December 2027

Transaction details

The Group purchases steel products (including steel plates, coils, etc., primarily used for the Group's machinery manufacturing, automobile production, and external sales) and industrial gases (such as liquid oxygen, liquid argon, etc.) and receives steel transportation services from Ansteel Group (i.e. the Purchase Transactions).

Pricing policy

The purchase prices of the Group's purchase of steel products such as steel plates and coils and industrial gases such as liquid oxygen and liquid argon from Ansteel Group will be determined through open tenders, price comparison and arm's length negotiations between the parties and on normal commercial terms.

For the steel products and industrial gases to be procured by the Group from Ansteel Group, the Company will conduct quotations and price comparisons on monthly basis with not less than three independent third-party suppliers who provide similar products. The price at which steel products such as steel plates and coils and industrial gases such as liquid oxygen and liquid argon are sold to the Group by Ansteel Group will not exceed the price at which such commodities are supplied to the Group by an independent third party.

Given that the price of products under the Purchase Transactions will be determined through open tenders/price comparison or by referencing the quotations from independent third-party suppliers, we are of the view that the pricing policy of the Purchase Transactions is fair and reasonable.

Internal control policies and remedial actions

We noted that, to ensure that the Company's continuing connected transactions are in compliance with the pricing policy, the Company has adopted and will continue to enhance a number of internal control policies in relation to its daily operation (the "**Internal Control Policies**"). Details of the Internal Control Policies are set out under the section headed "(III) Internal Control Procedures and Corporate Governance Measures" of the Board Letter. Having taken into account that the Internal Control Policies include detailed data (including pricing terms, payment arrangements) collection procedures, we consider that implementation of the Internal Control Policies would ensure fair pricing of the Purchase Transactions.

As mentioned above, the Company had previously failed in the strict compliance with the independent Shareholders' approval, reporting, annual review and announcement requirements under the Listing Rules due to the inadvertent mistake of believing that Ansteel Group is not a subsidiary of the Henan Capital Group, and thus is not a connected person of the Company in nature. With reference to the Board Letter, the Company has taken a series of remedial measures (the "**Remedial Measures**") to strengthen the internal control procedures to ensure compliance with the requirements of the Listing Rules in a timely manner and to prevent such incidents from occurring again. Details of the Remedial Measures are set out under the section headed "(V) Remedial Measures" of the Board Letter. Having taken into account that (i) there will be enhance internal training for all relevant staff of the Company to improve their understanding of the Listing Rules, in particular the applicability of Chapter 14A of the Listing Rules and the issues that may arise at an early stage, so as to avoid delays in the disclosure of future transactions; (ii) Clifford Chance, the Company's Hong Kong legal adviser, had circulated training materials to the Board and employees from the Company's securities department, business department, finance department and compliance management department at the end of March 2025, and had provided training to the aforesaid personnel on 9 April 2025 relating to the interpretation of Chapter 14A of the Listing Rules, including the concept of connected transactions, definition and scope of connected persons, procedures for handling connected transactions, the corporate governance procedures and information disclosure requirements that they need to observe, and cases of non-compliance with penalties; (iii) internal guidelines in relation to connected transactions will be circulated to alert staff from the Company's securities department, business department, finance department and compliance management department responsible for identifying and overseeing connected transactions, as well as senior management and Directors; (iv) the Company had established internal arrangements whereby, in addition to confirming the identity of the counterparties prior to each transaction, the business department also regularly collects and sorts out detailed data on transactions conducted by the Group quarterly based on their full understanding of the

requirements of Chapter 14A of the Listing Rules; and (v) the Company will, on an ongoing basis, strengthen its collaboration with external advisers (financial and legal) prior to entering into any potential notifiable or connected transaction. Where necessary, the Company may also consult the Stock Exchange on the appropriate treatment of proposed transactions, we consider that the implementation of the Remedial Measures would help to ensure that the continuing connected transactions under the Commodities and Services Framework Agreement (including the Purchase Transactions) are in compliance with relevant requirements under the Listing Rules.

The 2022-24 Actual Purchase Amounts and 2025-27 Purchase Caps

Set out below are the summary of (i) the 2022-24 Actual Purchase Amounts; and (ii) the 2025-27 Purchase Caps.

	For the year ended 31 December 2022	**For the year ended 31 December 2023**	**For the year ended 31 December 2024**
	RMB'000	*RMB'000*	*RMB'000*
Historical transaction amounts for the Purchase Transactions	2,551,947.5	2,641,595.2	2,053,879.0

	For the year ending 31 December 2025 ("FY2025")	**For the year ending 31 December 2026 ("FY2026")**	**For the year ending 31 December 2027 ("FY2027")**
	RMB'000	*RMB'000*	*RMB'000*
The 2025-27 Purchase Caps	2,400,000	3,000,000	3,000,000

As advised by the Directors, in determining the 2025-27 Purchase Caps, the Board has taken into account (i) the 2022-24 Actual Purchase Amounts; and (ii) the expected demand for the Purchase Transactions.

For our due diligence purpose, we have obtained a calculation (the "**Calculation**") from the Company, showing the calculation of the 2025-27 Purchase Caps. Based on the Calculation, we noted that (i) the proposed annual cap for the Purchase Transactions for FY2025 (the "**2025 Purchase Cap**") was calculated with the consideration of the 2022-24 Actual Purchase Amounts; (ii) the 2025 Purchase Cap represents an increase of approximately 17% as compared to the historical transaction amount for the Purchase Transactions for FY2024 (the "**2024/25 Increase**"); and (iii) the proposed annual cap for the Purchase Transactions for FY2026 (the "**2026 Purchase Cap**") represents an increase of approximately 25% as compared to 2025 Purchase Cap and is equal to that for FY2027 (the "**2027 Purchase Cap**").

2025 Purchase Cap

According to the table above, we noted that the average transaction amount per year of the 2022-24 Actual Purchase Amounts was approximately RMB2.42 billion, which is close to the 2025 Purchase Cap (difference of less than 1%). Hence, we consider that the 2025 Purchase Cap to be fair and reasonable.

2026 Purchase Cap & 2027 Purchase Cap

As aforementioned, the 2026 Purchase Cap is equal to the 2027 Purchase Cap and represents an increase of 25% as compared to the 2025 Purchase Cap.

The growth rate of 2026 Purchase Cap (which is the same as 2027 Purchase Cap) is eight percentage points higher than the 2024/25 Increase (i.e. 17%). We discussed with the Directors and understood that a higher growth rate was adopted mainly due to the anticipated increase in demand of products under the Purchase Transactions as a result of potential increase in production capacity of Ansteel Group.

As advised by the Directors, a newly established steel plate production line of Ansteel Group in Henan Province, the PRC, (the "**New Production Line**") is expected to reach full operational capacity by May 2025. With the cost-efficient raw materials and geographical location of the New Production Line, the steel plates (being included in the products under the Purchase Transactions) produced under such line will have significant price advantage. Hence, the Group expects to increase the supply proportion of steel plates from Ansteel Group in 2026 and 2027, thereby raising the demand of products under the Purchase Transaction for FY2026 and FY2027.

In light of the above, we consider the 2026 Purchase Cap is fair and reasonable.

In addition, as advised by the Directors, given the New Production Line is expected to reach full operation capacity by May 2025 as aforementioned, the supply of the steel plates from the New Production Line is expected to reach saturation by 2026. Therefore, the Company anticipated that the amount of the Purchase Transactions for FY2027 remains at the same level as that for FY2026 for prudent purpose. Hence, we consider the 2027 Purchase Cap, which is equal to the 2026 Purchase Cap, is fair and reasonable.

Shareholders should note that as the 2025-27 Purchase Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2027, and they do not represent forecasts of costs to be incurred from the 2025-27 Purchase Transactions. Consequently, we express no opinion as to how closely the actual costs to be incurred from the 2025-27 Purchase Transactions will correspond with the 2025-27 Purchase Caps.

3. Listing Rules implication

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the values of the 2025-27 Purchase Transactions must be restricted by the 2025-27 Purchase Caps under the Commodities and Services Framework Agreement; (ii) the terms of the 2025-27 Purchase Transactions (including the 2025-27 Purchase Caps) must be reviewed by the independent non-executive Directors annually; and (iii) details of the independent non-executive Directors' annual review on the terms of the 2025-27 Purchase Transactions must be included in the Company's subsequent published annual reports.

Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the 2025-27 Purchase Transactions (i) have not been approved by the Board; (ii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iii) have exceeded the 2025-27 Purchase Caps.

In the event that the total amounts of the 2025-27 Purchase Transactions are anticipated to exceed the 2025-27 Purchase Caps, or that there is any proposed material amendment to the terms of the Commodities and Services Framework Agreement, as confirmed by the Directors, the Company shall re-comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transaction pursuant to the Listing Rules by the Company, the Internal Control Policies and the Remedial Measures, we are of the view that there are adequate measures in place to monitor the 2025-27 Purchase Transactions (together with the 2025-27 Purchase Caps) and hence the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transactions are on normal and commercial terms and are fair and reasonable; and (ii) the Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to (i) ratify and approve the 2022-24 Actual Purchase Amounts; and (ii) approve the 2025-27 Purchase Transactions (including the 2025-27 Purchase Caps), and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has around 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes the 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 herein or this circular misleading.

2. INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the Latest Practicable Date, so far as the Directors are aware, the interests and short positions of the Directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Hong Kong Securities and Futures Ordinance (the "**SFO**")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies under the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name	Director/ Supervisor/ Chief executive	Capacity/ Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of capital %	Approximate percentage of the total number of shares %	Long position/ Short position/ Lending pool
JIAO Chengyao	Director	Beneficial owner	A Share	4,226,964	0.274	0.237	Long position
JIA Hao	Director, Chief executive	Beneficial owner	A Share	2,442,300	0.158	0.137	Long position
MENG Hechao	Director	Beneficial owner	A Share	231,000	0.015	0.013	Long position
LI Kaishun	Director	Beneficial owner	A Share	201,000	0.013	0.011	Long position
LIU Qiang	Supervisor	Beneficial owner	A Share	11,500	0.001	0.001	Long position

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, supervisors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies under the Listing Rules of the Stock Exchange. No Director or proposed Director of the Company is a director or employee of any company which has an interest or short position in the shares and underlying shares of the Company, which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, so far as the Directors are aware, the following Shareholders (other than the Directors, supervisors or chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and were recorded in the register kept by the Company pursuant to section 336 of the SFO:

Name	Capacity/Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of shares %	Approximate percentage of the total number of shares %	Long position/ Short position/ Lending pool
Henan Asset Management Co., Ltd.	Interest of beneficial owner	A Share	333,194,876	21.61	18.66	Long position
	and party acting in concert	H Share	8,645,200	3.55	0.48	Long position

Name	Capacity/Nature of interest	Class of shares	Number of shares	Approximate percentage of the relevant class of shares %	Approximate percentage of the total number of shares %	Long position/ Short position/ Lending pool
Hong Yi Investment Management (Henan) Partnership (Limited Partnership)(1)	Beneficial owner	A Share	263,985,719	17.12	14.79	Long position
State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government(2)	Interest in a controlled corporation	A Share	243,892,381	15.81	13.66	Long position
Henan State-owned Capital Operation Group Co., Ltd.(2)	Beneficial owner/Interest in a controlled corporation	A Share	243,892,381	15.81	13.66	Long position
Henan State-owned Capital Operation Group Investment Co., Ltd.(2)	Beneficial owner	A Share	34,159,479	2.22	1.91	Long position
Henan Zhongyu Green New Energy Co., Ltd.(2)	Beneficial owner	A Share	31,508,305	2.04	1.76	Long position
UBS Group AG(3)	Interest in a controlled corporation	H Share	13,533,461	5.56	0.76	Long position

Notes:

(1) Henan Asset Management Co., Ltd. directly holds 69,209,157 A Shares and 8,645,200 H Shares of the Company. Pursuant to Article 317(1)(a) of the SFO, Henan Asset Management Co., Ltd. is deemed a party acting in concert with Hong Yi Investment Management (Henan) Partnership (Limited Partnership). Hence, Henan Asset Management Co., Ltd. is deemed to own the same batch of 263,985,719 A Shares of the Company directly held by Hong Yi Investment Management (Henan) Partnership (Limited Partnership). Henan Asset Management Co., Ltd. directly owns and is deemed to own an aggregate of 333,194,876 A Shares and 8,645,200 H Shares of the Company.

(2) Henan State-owned Capital Operation Group Investment Co., Ltd. directly holds 34,159,479 A Shares of the Company, and Henan Zhongyu Green New Energy Co., Ltd. directly holds 31,508,305 A Shares of the Company. Henan State-owned Capital Operation Group Co., Ltd. directly holds 178,224,597 A Shares of the Company. Henan State-owned Capital Operation Group Investment Co., Ltd. and Henan Zhongyu Green New Energy Co., Ltd. are wholly owned subsidiaries of Henan State-owned Capital Operation Group Co., Ltd. Henan State-owned Capital Operation Group Co., Ltd. is a wholly owned subsidiary of the State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government.

Pursuant to the SFO, the State-owned Assets Supervision and Administration Commission of Henan Provincial People's Government is deemed to own the same batch of 243,892,381 A Shares of the Company directly held by Henan State-owned Capital Operation Group Co., Ltd.

(3) UBS Group AG is interested in a total of 13,533,461 (long position) H Shares held in the Company. 3,561,400 (long position) H Shares are held by non-listed derivative instrument through cash settlement. As disclosed in the notice of interest submitted by UBS Group AG (with the relevant event dated 10 December 2024), UBS Group AG is interested in the following H Shares:

Name of controlled Corporation	**Name of controlling person**	**% control**	**Direct interest (Yes/No)**		**Number of shares**
UBS Asset Management (Americas) LLC	UBS Group AG	100.00	Yes	Long position	10,302,400
UBS Asset Management (Hong Kong) Ltd	UBS Group AG	100.00	Yes	Long position	949,200
UBS O'Connor LLC	UBS Group AG	100.00	Yes	Long position	2,281,861

Save as disclosed above, as at the Latest Practicable Date, so far as the Directors, supervisors and chief executives of the Company are aware, no substantial Shareholder of the Company or other person held any interest or short position in the Shares or underlying Shares (as the case may be) which was required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has or is proposed to have a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without the payment of compensation (other than statutory compensation).

5. RIGHTS AND INTEREST OF DIRECTORS IN COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors or their associates has any competing interests in the businesses which compete or are likely to compete, directly or indirectly, with the Group's business or would otherwise require disclosure under Rule 8.10 of the Listing Rules.

6. DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No Director or entity connected with such Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, any of its subsidiaries or fellow subsidiaries was a party.

None of the Directors, directly or indirectly, has had any interest in any assets which had since 31 December 2024 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. MATERIAL ADVERSE CHANGE

The Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024 (being the date to which the latest published audited financial statements of the Company were made up) and up to the Latest Practicable Date.

8. QUALIFICATION AND CONSENT OF EXPERT

The following sets out the qualification of the expert (as defined under the Listing Rules) which has given its opinion or advice as contained in this circular:

Name	Qualification
Gram Capital Limited	A licensed corporation to carry on Type 6 (advising on corporate finance) regulated activities under the SFO

Gram Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears herein.

As at the Latest Practicable Date, Gram Capital:

(a) neither had any shareholding in any member of the Group nor had any right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of the Group; and

(b) did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Company were made up.

9. LITIGATION

As at the Latest Practicable Date, none of the members of the Group were engaged in any litigation or arbitration of material importance, and as far as the Directors are aware, there was no litigation or claim of material importance pending or threatened by or against any members of the Group.

10. DOCUMENT ON DISPLAY

The Commodities and Services Framework Agreement can be inspected on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.zmj.com) within 14 days from the date of this circular.

Original	Proposed amend to
Article 1 To safeguard the legitimate rights and interests of Zhengzhou Coal Mining Machinery (Group) Co., Ltd. (the "Company"), its shareholders and creditors, and to regulate the organization and activities of the Company, and for the Party organization of the Company to play a core role in leadership and politics, the Company formulated this Articles of Association of the Company, in accordance with the *Company Law of the People's Republic of China* (the "*Company Law*"), the *Securities Law of the People's Republic of China* (the "*Securities Law*"), the Constitution of the Communist Party of China (the "Party Constitution"), ~~**the *State Council's Special Regulations on Overseas Offering and Listing of Joint Stock Limited Company* (the "*Special Regulations*"), the *Articles of Association of Companies Seeking a Listing Outside the PRC Prerequisite Clauses* (the "*Prerequisite Clauses*"),**~~ the *Guidelines for the Articles of Association of Listed Companies* (the "*Guidelines*"), the *Letter of Opinion on Supplemental Amendment to Articles of Association of Companies Listing in Hong Kong*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the "*HK Listing Rules*") and other relevant provisions of the People's Republic of China (hereinafter referred to as "China", excluding Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan).	**Article 1** To safeguard the legitimate rights and interests of **ZMJ Group Company Limited** (the "Company"), its shareholders**, employees** and creditors, and to regulate the organization and activities of the Company, and for the Party organization of the Company to play a core role in leadership and politics, the Company formulated this Articles of Association of the Company, in accordance with the *Company Law of the People's Republic of China* (the "*Company Law*"), the *Securities Law of the People's Republic of China* (the "*Securities Law*"), the Constitution of the Communist Party of China (the "Party Constitution"), **the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies* (the "*Overseas Listing Administrative Measures*"),** the *Guidelines for the Articles of Association of Listed Companies* (the "*Guidelines*"), the *Letter of Opinion on Supplemental Amendment to Articles of Association of Companies Listing in Hong Kong*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the "*HK Listing Rules*") and other relevant provisions of the People's Republic of China (hereinafter referred to as "China", excluding Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan).

Original	Proposed amend to
Article 2 The Company is a joint-stock limited company incorporated pursuant to the "*Company Law*", ~~**the "*Special Regulations*"**~~ and other relevant requirements under the laws, administrative rules and regulations of China. ……	**Article 2** The Company is a joint-stock limited company incorporated pursuant to the *Company Law*, **the *Overseas Listing Administrative Measures*** and other relevant requirements under the laws, administrative rules and regulations of China. ……
Article 4 Registered name of the Company: The Chinese name of the Company is: Zhengzhou Coal Mining Machinery (Group) Co., Ltd. The English name of the Company is: ZHENG ZHOU COAL MINING MACHINERY GROUP Co., Ltd.	**Article 4** Registered name of the Company: The Chinese name of the Company is: **ZMJ Group Company Limited** The English name of the Company is: **ZMJ Group Company Limited**

Original	Proposed amend to
Article 8 The Chairman of the Board of Directors of the Company is the Company's legal representative.	**Article 8** The Chairman of the Board of Directors of the Company is the Company's legal representative. **Where the director serving as the legal representative resigns, the director is deemed to have concurrently resigned from the office of the legal representative. Where the legal representative resigns, the Company shall determine a new legal representative within 30 days of resignation of the legal representative.** **The legal consequences of civil activities performed by the legal representative of the Company in the name of the Company shall be assumed by the Company. Any restriction on the power of the legal representative imposed by this Articles of Association or the shareholders' general meeting shall not be set up against a bona fide opposite party.** **Where the legal representative causes any harm to any other person for execution of his functions, the Company shall assume civil liability for such harm. The Company may, after assuming civil liability, recover loss from the legal representative at fault in accordance with laws or this Articles of Association.**

Original	Proposed amend to
Article 10 The Articles of Association become effective by way of resolutions at the general meeting, ~~**from the date of trading of non-public H shares (H shares) on the Stock Exchange of Hong Kong (the "HKEX");**~~ from the date of the Article of Association becoming effective, the original Articles of Association of the Company automatically become invalid. From the date of the Articles of Association becoming effective, the Articles of Association constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders, and are binding on the Company and its shareholders, Directors~~,~~ ~~**supervisors**~~ and other senior management; all of whom are entitled to claim rights regarding the Company's affairs in accordance with the Articles of Association. In accordance with the Articles of Association, shareholders may sue other shareholders; shareholders may sue Directors, ~~**supervisors,**~~ president and other senior management of the Company; shareholders may sue the Company; the Company may sue shareholders, Directors, ~~**supervisors,**~~ president and other senior management of the Company. The term "sue" in the preceding Article shall refer to and include commencing court proceedings and applying for arbitration proceedings.	**Article 10** The Articles of Association become effective by way of resolutions at the general meeting; from the date of the Articles of Association becoming effective, the original Articles of Association of the Company automatically become invalid. From the date of the Articles of Association becoming effective, the Articles of Association constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and each shareholder and among the shareholders, and are binding on the Company and its shareholders, Directors and other senior management; all of whom are entitled to claim rights regarding the Company's affairs in accordance with the Articles of Association. In accordance with the Articles of Association, shareholders may sue other shareholders; shareholders may sue Directors, president and other senior management of the Company; shareholders may sue the Company; the Company may sue shareholders, Directors, president and other senior management of the Company. The term "sue" in the preceding Article shall refer to and include commencing court proceedings and applying for arbitration proceedings.

Original	Proposed amend to
Article 27 The Company and its branches (including any subsidiary of the Company) shall not provide any assistance, by way of donation, advanced payment, guarantee~~, compensation~~ or loan, etc., to a person who is acquiring or is proposing to acquire shares of the Company.	**Article 27** The Company **or its subsidiaries (including any enterprise affiliated to it)** shall not provide any **financial** assistance, by way of donation, advanced payment, guarantee or loan, etc., **for others to acquire shares of the Company or its parent company, except when the Company implements an employee shareholding schemes.** **The Company may, in the interest of the Company, provide financial assistance for others to acquire shares of the Company or the parent company of the Company by a resolution of the shareholders' general meeting or a resolution of the board of directors adopted as authorized by this Articles of Association or the shareholders' general meeting, but the cumulative total of financial assistance shall not exceed 10% of the total issued share capital. The resolution of the board of directors shall be adopted by two-thirds or more of all the directors.**

Original	Proposed amend to
Article 28 The Company may, based on its operational and development needs and in accordance with the relevant provisions of laws and regulations, approve an increase of capital in the following manners upon respective resolutions at general meetings: (1) ~~**by public**~~ issuance of shares; (2) ~~**by non-public**~~ issuance of shares; (3) by allotting bonus shares to its existing shareholders; (4) by capitalizing its capital reserve; (5) by any other means which is permitted by laws, administrative regulations and ~~**authorized by**~~ the China Securities Regulatory Commission. The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated by relevant laws, administrative regulations of the State and the securities regulatory authority where the Company is listed.	**Article 28** The Company may, based on its operational and development needs and in accordance with the relevant provisions of laws and regulations, approve an increase of capital in the following manners upon respective resolutions at general meetings: (1) issuance of shares **to unspecified objects**; (2) issuance of shares **to unspecific objects**; (3) by allotting bonus shares to its existing shareholders; (4) by capitalizing its capital reserve; (5) by any other means which is permitted by laws, administrative regulations and the China Securities Regulatory Commission. The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated by relevant laws, administrative regulations of the State and the securities regulatory authority where the Company is listed.

Original	Proposed amend to
Article 39 Shares of the Company held by the promoters shall not be transferred within one (1) year from the date of the establishment of the Company. The shares of the Company prior to the Company's public issuance shall not be transferred within 1 year from the date the shares of the Company being listed and traded on the stock exchange(s). The Directors~~**, supervisors**~~ and senior management of the Company shall report to the Company their shareholdings held by them and changes therein and shall not transfer more than 25% per year of the total number of shares of the Company held by them during their tenure. The shares of the Company held by them shall not be transferred within one (1) year from the date the shares of the Company being listed and traded on the stock exchange(s). The aforesaid person(s) shall not transfer the shares of the Company held by them within six (6) months commencing from the termination of their service.	**Article 39** Shares of the Company held by the promoters shall not be transferred within one (1) year from the date of the establishment of the Company. The shares of the Company prior to the Company's public issuance shall not be transferred within 1 year from the date the shares of the Company being listed and traded on the stock exchange(s). The Directors and senior management of the Company shall report to the Company their shareholdings held by them and changes therein and shall not transfer more than 25% per year of the total number of shares of the Company held by them during their tenure **as determined at the time of taking the office**. The shares of the Company held by them shall not be transferred within one (1) year from the date the shares of the Company being listed and traded on the stock exchange(s). The aforesaid person(s) shall not transfer the shares of the Company held by them within six (6) months commencing from the termination of their service.

Original	Proposed amend to
Article 40 ~~**Any gains from sale of shares or other equity securities of the Company by**~~ any shareholders holding 5% or more of the shares of the Company, Directors, ~~**supervisors,**~~ or senior management within six (6) months after their purchase of the same, ~~**and any gains from**~~ purchase ~~**of**~~ shares or other equity securities of the Company ~~**by any of the aforesaid parties**~~ within six (6) months after sale of the same ~~**shall be disgorged and paid to the Company, and**~~ the Board of the Company shall forfeit such gains from the abovementioned parties, except where a securities company holds 5% or more shares by taking up the remaining shares not subscribed pursuant to an underwriting arrangement, and other circumstance specified by the China Securities Regulatory Commission. The shares or other equity securities held by Directors, ~~**supervisors,**~~ senior management or natural person shareholders referred to in the preceding paragraph include shares or other equity securities held by their spouses, parents or children and those held by them in the accounts of others. ……	**Article 40** **Where** any shareholders holding 5% or more of the shares of the Company, Directors, or senior management **sell shares or other equity securities of the Company** within six (6) months after their purchase of the same, **or** purchase shares or other equity securities of the Company by any of the aforesaid parties within six (6) months after sale of the same, the Board of the Company shall **take measures in a timely manner to verify the relevant personnel's non-compliance trading, the amount of gains and other information, and take** forfeit such gains from the abovementioned parties, except where a securities company holds 5% or more shares by taking up the remaining shares not subscribed pursuant to an underwriting arrangement, and other circumstance specified by the China Securities Regulatory Commission. The shares or other equity securities held by Directors, senior management or natural person shareholders referred to in the preceding paragraph include shares or other equity securities held by their spouses, parents or children and those held by them in the accounts of others. ……

Original	Proposed amend to
Article 58 The ordinary shareholders of the Company shall be entitled to the following rights:	**Article 58** The ordinary shareholders of the Company shall be entitled to the following rights:
(1) the right to dividends and other forms of distribution in proportion to the number of shares held;	(1) the right to dividends and other forms of distribution in proportion to the number of shares held;
(2) the right to propose, convene and preside over, to attend or appoint a proxy to attend shareholders' general meetings and to exercise the corresponding voting right in accordance with laws;	(2) the right to propose, convene and preside over, to attend or appoint a proxy to attend shareholders' general meetings and to exercise the corresponding voting right in accordance with laws;
(3) the right to supervise the business activities of the Company and to put forward proposals and raise inquiries;	(3) the right to supervise the business activities of the Company and to put forward proposals and raise inquiries;
(4) the right to transfer, donate, or pledge shares held by them in accordance with the laws, administrative regulations, regulatory documents, provisions of securities regulatory authority where the Company is listed and provisions of the Articles of Association;	(4) the right to transfer, donate, or pledge shares held by them in accordance with the laws, administrative regulations, regulatory documents, provisions of securities regulatory authority where the Company is listed and provisions of the Articles of Association;

Original	Proposed amend to
(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including: i. to obtain a copy of the Articles of Association, subject to payment of the cost of such copy; ii. to inspect and copy, subject to payment of a reasonable charge: (i) all parts of the register of shareholders; (ii) personal particulars of each of the Company's Directors, ~~supervisors,~~ general manager and other senior management including: (a) present name and alias and any former name and alias; (b) principal address (domicile); (c) nationality; (d) primary and all other part-time occupations; and (e) identification document and its number; (iii) report on the state of the Company's share capital; (iv) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate costs paid by the Company for this purpose;	(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including: i. to obtain a copy of the Articles of Association, subject to payment of the cost of such copy; ii. to inspect and copy, subject to payment of a reasonable charge: (i) all parts of the register of shareholders; (ii) personal particulars of each of the Company's Directors, general manager and other senior management including: (a) present name and alias and any former name and alias; (b) principal address (domicile); (c) nationality; (d) primary and all other part-time occupations; and (e) identification document and its number; (iii) report on the state of the Company's share capital; (iv) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate costs paid by the Company for this purpose;

Original	Proposed amend to
~~(v) counterfoils of company debt securities;~~ (vi) financial reports; and (vii) minutes of shareholders' general meetings, resolutions of Boarding meetings~~, resolutions of Board of Supervisors meetings~~; (6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held; (7) with respect to shareholders who vote against any resolution adopted at the shareholders' ~~general~~ meeting on the merger or division of the Company, the right to demand the Company to acquire the shares held by them; (8) other rights conferred by laws, administrative regulations, departmental rules or the Articles of Association.	(v) financial reports; and (vi) minutes of shareholders' general meetings, resolutions of Boarding meetings; (6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held; (7) with respect to shareholders who vote against any resolution adopted at the shareholders' ~~general~~ meeting on the merger or division of the Company, the right to demand the Company to acquire the shares held by them; (8) other rights conferred by laws, administrative regulations, departmental rules or the Articles of Association.

Original	Proposed amend to
Article 59 ~~Shareholders demanding inspection of the relevant information or copies of the materials mentioned in the preceding provision shall provide to the Company written documents evidencing the class and number of shares of the Company they hold. Upon verification of the shareholder's identity, the Company shall provide such information at the shareholder's request.~~ **~~The Company may not exercise any power to freeze or infringe in any other way the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he has not disclosed his interests to the Company.~~**	**Article 59 Where shareholders request to consult or copy relevant materials of the Company, they shall abide by the provisions of the *Company Law*, the Securities Law and other laws and administrative regulations.**

Original	Proposed amend to
Article 60 If a resolution passed at the Company's ~~**general**~~**shareholders'** meeting or Board meeting violates the laws or administrative regulations, the shareholders shall have the right to initiate proceeding to the People's Court to render the same invalid. If the procedures for convening, or the method of voting at, a shareholders' ~~**general**~~ meeting or Board meeting violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall be entitled to initiate proceeding to the People's Court to rescind such resolutions within sixty (60) days from the date on which such resolution is adopted.	**Article 60** If a resolution passed at the Company's ~~**general**~~**shareholders'** meeting or Board meeting violates the laws or administrative regulations, the shareholders shall have the right to initiate proceeding to the People's Court to render the same invalid. If the procedures for convening, or the method of voting at, a shareholders' ~~**general**~~ meeting or Board meeting violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall be entitled to initiate proceeding to the People's Court to rescind such resolutions within sixty (60) days from the date on which such resolution is adopted**, provided however, under the circumstances that the convening procedures or voting methods of the shareholders' general meeting or the meeting of the board of directors only have minor flaws, without causing a substantive impact on the resolution.**

Original	Proposed amend to
	Where the board of directors, shareholders and other relevant parties have disputes over the validity of the resolutions of the shareholders' general meeting, they shall institute an action with the people's court in a timely manner. Before the people's court renders a judgment or ruling such as cancellation resolution, the relevant party shall implement the resolution of the shareholders' general meeting. The Company, its directors and senior executives shall diligently perform their duties to ensure the normal operation of the Company. **Where the people's court renders a judgment or ruling on relevant matters, the Company shall fulfill the obligation of information disclosure in accordance with laws, administrative regulations, and the rules of the China Securities Regulatory Commission and the stock exchange, fully explain the impact, and actively cooperate with the execution after the judgment or ruling takes effect. Where the correction of previous matters is involved, the corresponding information disclosure obligations shall be handled and fulfilled in a timely manner.**

Original	Proposed amend to
	Under any of the following circumstances, a resolution of the shareholders' general meeting or the board of directors of the Company shall not be formed: **(1) A resolution is adopted without holding a shareholders' general meeting or a meeting of the board of directors;** **(2) The matters to be resolved are not voted on at a shareholders' general meeting or a meeting of the board of directors;** **(3) The number of persons present at a meeting or the number of voting rights held by them is less than the number of persons or the number of voting rights held as prescribed in the Company Law or this Articles of Association;** **(4) The number of persons voting for the matters to be resolved or the number of voting rights held by them is less than the number of persons or the number of voting rights held as prescribed in the Company Law or this Articles of Association;**

Original	Proposed amend to
Article 61 Where the Company incurs losses as a result of Directors' and senior management's violation of the laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, shareholders individually or jointly holding 1% or more of the Company's shares for more than 180 consecutive days shall be entitled to request in writing the ~~**Board of Supervisors**~~ to initiate proceedings in the People's Court. Where the Company incurs losses as a result of the ~~**Board of Supervisors's**~~ violation of any provision of laws, administrative regulations or the Articles of Association in the course of performing its duties with the Company, the shareholders shall be entitled to make a request in writing to the Board to initiate proceedings in the People's Court. In the event that the ~~**Board of Supervisors**~~ or the Board refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within thirty (30) days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the People's Court directly in their own names in the interest of the Company.	**Article 61** Where the Company incurs losses as a result of Directors' and senior management's **(other than members of audit and risk management committee)** violation of the laws, administrative regulations or the Articles of Association in the course of performing their duties with the Company, shareholders individually or jointly holding 1% or more of the Company's shares for more than 180 consecutive days shall be entitled to request in writing the **audit and risk management committee** to initiate proceedings in the People's Court. Where the Company incurs losses as a result of the **audit and risk management committee's** violation of any provision of laws, administrative regulations or the Articles of Association in the course of performing its duties with the Company, the shareholders shall be entitled to make a request in writing to the Board to initiate proceedings in the People's Court. In the event that the **audit and risk management committee** or the Board refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within thirty (30) days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the People's Court directly in their own names in the interest of the Company.

Original	Proposed amend to
Shareholders described in the first item of this Article may also initiate proceedings in accordance with the preceding two paragraphs in the event that the Company incurs losses as a result of the lawful interests of the Company being infringed upon by any third parties.	Shareholders described in the first item of this Article may also initiate proceedings in accordance with the preceding two paragraphs in the event that the Company incurs losses as a result of the lawful interests of the Company being infringed upon by any third parties. **Where a director, supervisor, or senior executive of a wholly-owned subsidiary of the Company violates laws, administrative regulations or the provisions of this Articles of Association in execution of his functions, causing losses to the Company, or where any other person infringes upon the lawful rights and interests of the wholly-owned subsidiary of the Company, causing losses, a shareholder holding alone or shareholders holding in aggregate 1% or more of the shares of the Company for more than 180 consecutive days may, in accordance with the first three paragraphs of Article 189 of the Company Law, request in writing the board of supervisors or the board of directors of a wholly-owned subsidiary to institute an action in a people's court, or directly institute an action in a people's court in the name of the shareholder or shareholders.**

Original	Proposed amend to
Article 63 The ordinary shareholders of the Company shall assume the following obligations: (1) To abide by laws, administrative regulations and the Articles of Association; (2) To pay subscription monies according to the number of shares subscribed and the method of subscription. (3) Not to ~~**surrender the shares**~~ unless required by the laws and regulations. (4) Not to abuse their shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company. Shareholders of the Company who abuse their shareholders' rights and thereby causing loss on the Company or other shareholders shall be liable for indemnity according to the law.	**Article 63** The ordinary shareholders of the Company shall assume the following obligations: (1) To abide by laws, administrative regulations and the Articles of Association; (2) To pay subscription monies according to the number of shares subscribed and the method of subscription. (3) Not to **withdraw contributions for shares** unless required by the laws and regulations. (4) Not to abuse their shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company. **(5) Other obligations imposed by laws, administrative regulations and the Articles of Association.** Shareholders of the Company who abuse their shareholders' rights and thereby causing loss on the Company or other shareholders shall be liable for indemnity according to the law.

Original	Proposed amend to
Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company. ~~**(5) other obligations imposed by laws, administrative regulations and the Articles of Association.**~~ Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.	Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company. Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.
~~**Article 64 Where a shareholder holding 5% or more voting shares of the Company pledges any shares in his possession, he shall report the same to the Company in writing on the day on which he pledges his shares.**~~	**Delete**

Original	Proposed amend to
Article 65 The controlling shareholder and the de facto controller of the Company ~~**shall not use their connected relationship to act in detriment to the interests of the Company. If they have violated the provision and caused damage to the Company, they shall be liable for such damages. The controlling shareholders of the Company shall be separated with staff, assets and finance of the Company, for the purpose of independence in organization, business and personnel, independent accounting, independent bearing of liability and risks.**~~ The controlling shareholder of the Company shall take effective measures to avoid horizontal competition. ~~**The controlling shareholder and the de facto controller of the Company shall have fiduciary duties towards the Company and its public shareholders. The controlling shareholder shall exercise its rights as a contributor in strict compliance with the law. The controlling shareholder shall not do harm to the lawful interests of the Company and its public shareholders through profit distribution, asset restructuring, foreign investment, appropriation of capital, offering loan guarantees and shall not make use of its controlling status against the interests of the Company and public shareholders.**~~	**Article 64** The controlling shareholder and the de facto controller of the Company **exercise their rights and fulfill their obligations in accordance with laws, administrative regulations, and the rules of the China Securities Regulatory Commission and the stock exchange, and safeguard the interests of the listed company.** **Article 65 The controlling shareholder and de facto controller of the Company shall abide by the following provisions:** **(1) They shall exercise shareholders' rights in accordance with the law, without abusing control rights or using affiliation to damage the lawful rights and interests of the Company or other shareholders;** **(2) They shall strictly fulfill the public statements and all commitments made, without making any unauthorized change or exemption;** **(3) They shall strictly fulfill the obligation of information disclosure in accordance with relevant regulations, actively and proactively cooperate with the Company in effectively completing the information disclosure work, and notify the Company of major events that have occurred or will occur in a timely manner;** **(4) They shall not occupy company funds in any way;** **(5) They shall not force, instruct or require the Company and relevant personnel to provide guarantee in violation of laws and regulations.**

Original	Proposed amend to
The Directors~~, supervisors~~ and senior management shall maintain the safety of the funds of the Company. If the Directors and senior management of the Company help or indulge the controlling shareholders and their affiliated companies in appropriating the assets of the Company, the Board of Directors of the Company shall punish the directly responsible individuals according to the seriousness of the case and dismiss the Directors with serious responsibility. ……	**(6) They shall not seek personal gain by taking advantage of the Company's undisclosed major information, disclose any undisclosed major information related to the Company in any way, or carry out activities in violation of laws and regulations such as insider trading, short-term trading, and market manipulation;** **(7) They shall not infringe upon the lawful rights and interests of the Company and other shareholders by any means such as non-fair affiliated transactions, profit distribution, asset reorganization, and external investment;** **(8) They shall guarantee the Company's integrity of assets, and independence of personnel, finance, institutions and business, without affecting the Company's independence in any way;** **(9) Laws, administrative regulations, rules of the China Securities Regulatory Commission, business rules of the stock exchanges and other provisions of this Articles of Association;** **(10) Where the controlling shareholder or de facto controller of the Company does not serve as a director of the Company but actually handles the Company's affairs, the provisions of this Articles of Association regarding the duty of loyalty and diligence of directors shall apply.**

Original	Proposed amend to
	Where the controlling shareholder or de facto controller of the Company instructs directors or senior executives to conduct acts that harm interests of the Company or shareholders, they shall assume joint and several liability with such directors or senior executives. **A controlling shareholder or de facto controller pledging the Company's stocks held or actually controlled by him or her shall maintain control over the Company and the stability of the Company's production and operation.** **Where a controlling shareholder or de facto controller transfers the Company's shares held by him or her, it shall abide by the restrictive provisions on share transfer as stipulated by laws, administrative regulations, the China Securities Regulatory Commission and the stock exchange, as well as the commitments made regarding the restricted share transfer.** The controlling shareholder of the Company shall take effective measures to avoid horizontal competition. The Directors and senior management shall maintain the safety of the funds of the Company. If the Directors and senior management of the Company help or indulge the controlling shareholders and their affiliated companies in appropriating the assets of the Company, the Board of Directors of the Company shall punish the directly responsible individuals according to the seriousness of the case and dismiss the Directors with serious responsibility. ……

Original	Proposed amend to
Article 67 The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law: ~~**(1) to decide on the operating policies and investment plans of the Company;**~~ (2) to elect and replace the Directors ~~**and supervisors**~~ that are not representatives of the staff, and decide on matters relating to the remuneration of Directors~~ **and supervisors**~~; (3) to examine and approve reports of the Board; ~~**(4) to examine and approve reports of the Board of Supervisors;**~~ ~~**(5) to examine and approve the Company's proposed annual preliminary financial budgets and final accounts;**~~ (6) to examine and approve the Company's profit distribution plans and plans for making up losses; (7) to decide on increases or reductions in the Company's registered capital; (8) to decide on the issue of bonds by the Company; (9) to decide on matters such as merger, division, dissolution and liquidation of the Company or alteration of corporate form;	**Article 67 The shareholders' ~~general~~ meeting of the Company shall be composed of all shareholders.** The shareholders' general meeting is the organ of authority of the Company and shall exercise the following functions and powers in accordance with the law: (1) to elect and replace the Directors that are not representatives of the staff, and decide on matters relating to the remuneration of Directors; (2) to examine and approve reports of the Board; (3) to examine and approve the Company's profit distribution plans and plans for making up losses; (4) to decide on increases or reductions in the Company's registered capital; (5) to decide on the issue of bonds by the Company; (6) to decide on matters such as merger, division, dissolution and liquidation of the Company or alteration of corporate form; (7) to amend the Articles of Association; (8) to adopt resolutions on the Company's appointments, dismissals or non-reappointments of accounting firms **undertaking the Company's audit business**; (9) to examine and approve the provision of guarantees under the Article 68;

Original	Proposed amend to
(10) to amend the Articles of Association; (11) to adopt resolutions on the Company's appointments, dismissals or non-reappointments of accounting firms; (12) to examine and approve the provision of guarantees under the Article 68; (13) to examine matters relating to the purchases, disposals of the Company's material assets, asset pledges and entrusted financial management within one year, which exceed 30% of the Company's latest audited total assets; (14) to examine and approve matters relating to changes in the use of funds raised; (15) to examine the Company's share incentive schemes and employee shareholding schemes; (16) to examine connection transactions which shall be decided at the ~~general~~**shareholders'** meeting; (17) to examine the proposals submitted by shareholders holding not less than **3**% (inclusive) of the Company's voting shares; (18) to examine other matters required by laws, administrative regulations, regulatory documents, the Articles of Association or the security regulatory authority where the Company is listed, to be resolved by general meeting of shareholders.	(10) to examine matters relating to the purchases, disposals of the Company's material assets, asset pledges and entrusted financial management within one year, which exceed 30% of the Company's latest audited total assets; (11) to examine and approve matters relating to changes in the use of funds raised; (12) to examine the Company's share incentive schemes and employee shareholding schemes; (13) to examine connection transactions which shall be decided at the general meeting; (14) to examine the proposals submitted by shareholders holding not less than **1**% (inclusive) of the Company's voting shares; (15) to examine other matters required by laws, administrative regulations, regulatory documents, the Articles of Association or the security regulatory authority where the Company is listed, to be resolved by general meeting of shareholders.

Original	Proposed amend to
Article 70 The Company shall hold an extraordinary ~~**general**~~ meeting of shareholders within two (2) months upon the occurrence of one of the following circumstances: (1) the number of Directors is less than the number required by the Company Law or less than two-thirds of the number stipulated in the Articles of Association; (2) the uncovered losses are in excess of one-third of the Company's total share capital; (3) shareholders individually or jointly holding not less than 10% (exclusive proxy) of the Company's issued shares request to hold an extraordinary general meeting; (4) the Board considers it necessary to hold such a meeting; (5) the Board of Supervisors proposes to hold such a meeting; (6) such other circumstances as provided for by laws and regulations, departmental rules or the Articles of Association.	**Article 70** The Company shall hold an extraordinary ~~**general**~~ meeting of shareholders within two (2) months upon the occurrence of one of the following circumstances: (1) the number of Directors is less than the number required by the Company Law or less than two-thirds of the number stipulated in the Articles of Association; (2) the uncovered losses are in excess of one-third of the Company's total share capital; (3) shareholders individually or jointly holding not less than 10% (exclusive proxy) of the Company's issued shares request to hold an extraordinary general meeting; (4) the Board considers it necessary to hold such a meeting; (5) the **audit and risk management committee** proposes to hold such a meeting; (6) such other circumstances as provided for by laws and regulations, departmental rules or the Articles of Association.

Original	Proposed amend to
Article 71 The Company shall hold the general meeting at the conference room of the Company or such revenue as specified in the notice. The general meeting shall have a venue and be held on-site. The Company may provide the internet voting platform, for the purpose of providing convenience to shareholders attending the shareholders' general meeting. A shareholder who participates in a general meeting in the aforesaid manner shall be deemed to have been present at the meeting. ……	**Article 71** The Company shall hold the general meeting at the conference room of the Company or such revenue as specified in the notice. The general meeting shall have a venue and be held on-site. The Company may provide the internet voting platform, for the purpose of providing convenience to shareholders attending the shareholders' general meeting**, therefore enabling the shareholders to attend virtually with the use of technology and cast votes by electronic means**. A shareholder who participates in a general meeting in the aforesaid manner shall be deemed to have been present at the meeting. ……

Original	Proposed amend to
Article 73 Independent Directors have the right to propose the Board to convene extraordinary ~~**general**~~ meetings and such proposal shall be made by way of written request(s). The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary ~~**general**~~ meeting within ten (10) days upon receiving the request in accordance with the requirements of the laws, administrative regulations and the Articles of Association. If the Board agrees to convene extraordinary ~~**general**~~ meeting, notice convening the meeting shall be issued within five (5) days after the Board resolved to do so. If the Board does not agree to convene the extraordinary ~~**general**~~ meeting requested by Independent Director, reasons shall be explained and announced.	**Article 73 The board of directors shall convene shareholders' general meetings on time within the prescribed time limit. With the consent of more than half of all independent directors,** independent Directors have the right to propose the Board to convene extraordinary ~~**general**~~ meetings and such proposal shall be made by way of written request(s). The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary ~~**general**~~ meeting within ten (10) days upon receiving the request in accordance with the requirements of the laws, administrative regulations and the Articles of Association. If the Board agrees to convene extraordinary ~~**general**~~ meeting, notice convening the meeting shall be issued within five (5) days after the Board resolved to do so. If the Board does not agree to convene the extraordinary ~~**general**~~ meeting requested by Independent Director, reasons shall be explained and announced.

Original	Proposed amend to
Article 81 When the Company convenes the shareholders' ~~**general**~~ meeting, the Board of Directors, ~~**the Board of Supervisors**~~ or shareholders, individually or in aggregate, holding 3% of the total voting shares of the Company shall have the right to propose motions. Shareholders individually or jointly holding not less than 3% of the Company's shares may submit an extempore proposal to the convener in writing ten (10) days prior to date of the meeting. The convener shall dispatch a supplementary notice of the ~~**general**~~**shareholder'** meeting and announce the contents of such extempore proposal within two (2) days upon receipt of the proposal, which shall be submitted to the shareholders' ~~**general**~~ meeting for consideration and approval; only operation of the above-mentioned Article shall comply with the provisions and time requirement upon relevant matters under laws, regulations and the *HK Listing Rules*. Unless otherwise required by the preceding paragraph, the convener shall not amend the proposals listed in the aforesaid notice or add any new proposals subsequent to the dispatch of a notice of the ~~**general**~~**shareholder'** meeting. The ~~**general**~~**shareholder'** meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of the shareholders' ~~**general**~~ meeting or that is inconsistent with Article 80 of the Articles of Association.	**Article 81** When the Company convenes the shareholders' general meeting, the Board of Directors, **the audit and risk management committee** or shareholders, individually or in aggregate, holding **1%** of the total voting shares of the Company shall have the right to propose motions. Shareholders individually or jointly holding not less than **1%** of the Company's shares may submit an extempore proposal to the convener in writing ten (10) days prior to date of the meeting. The convener shall dispatch a supplementary notice of the ~~**general**~~**shareholder'** meeting and announce the contents of such extempore proposal within two (2) days upon receipt of the proposal, which shall be submitted to the shareholders' general meeting for consideration and approval; only operation of the above-mentioned Article shall comply with the provisions and time requirement upon relevant matters under laws, regulations and the *HK Listing Rules*. Unless otherwise required by the preceding paragraph, the convener shall not amend the proposals listed in the aforesaid notice or add any new proposals subsequent to the dispatch of a notice of the ~~**general**~~**shareholder'** meeting. The ~~**general**~~**shareholder'** meeting shall not vote and adopt a resolution on any proposal that is not listed in the notice of the shareholders' ~~**general**~~ meeting or that is inconsistent with Article 80 of the Articles of Association.

Original	Proposed amend to
Article 82 Notice of an annual general meeting by the Company shall be dispatched twenty (20) ~~**business**~~ days prior to the date of the meeting and notice of an extraordinary general meeting by the Company shall be dispatched ~~**ten (10) business days or**~~ fifteen (15) days ~~**(whichever is longer)**~~ prior to the date of the meeting to all shareholders of such class whose names appear on the register of members, specifying the matters to be considered and the date and place of the meeting. ~~**When the Company calculates the period of the meeting, the date of the meeting shall not be included. A business day in the Articles of Association shall mean a day on which the Hong Kong Stock Exchange is open for business for dealing in securities.**~~	**Article 82** Notice of an annual general meeting by the Company shall be dispatched twenty (20) days prior to the date of the meeting and notice of an extraordinary general meeting by the Company shall be dispatched fifteen (15) days prior to the date of the meeting to all shareholders of such class whose names appear on the register of members, specifying the matters to be considered and the date and place of the meeting.
Article 84 The notice of the general meeting shall meet the following requirements: …… (5) contain a disclosure of the nature and extent, if any, of the material interests of any Director, ~~**supervisor,**~~ general manager and other senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class; ……	**Article 84** The notice of the general meeting shall meet the following requirements: …… (5) contain a disclosure of the nature and extent, if any, of the material interests of any Director, general manager and other senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class; ……

Original	Proposed amend to
All details of all proposals shall be disclosed in the Notice of General Meeting of Stockholders and the Supplementary Notice fully and completely. ~~**If the independent Directors are required to express opinions on the matters to be discussed, their opinions and reasons shall be disclosed while the Notice of General Meeting of Stockholders and the Supplementary Notice are issued.**~~ The starting time of internet voting or otherwise of the ~~**General**~~ Meeting of Stockholders should not be earlier than 3:00pm on the day before the convening date of the on-site ~~**General**~~ Meeting of Stockholders as well as not be later than 9:30am on the same day of convening the on-site General Meeting of Stockholders, and its ending time should not be earlier than 3:00pm on the same day of ending the on-site ~~**General**~~ Meeting of Stockholders. The interval between the date of equity registration and the date of meeting shall not be more than seven (7) workdays. Once being confirmed, the date of equity registration could not be changed.	All details of all proposals shall be disclosed in the Notice of General Meeting of Stockholders and the Supplementary Notice fully and completely. The starting time of internet voting or otherwise of the ~~**General**~~ Meeting of Stockholders should not be earlier than 3:00pm on the day before the convening date of the on-site ~~**General**~~ Meeting of Stockholders as well as not be later than 9:30am on the same day of convening the on-site General Meeting of Stockholders, and its ending time should not be earlier than 3:00pm on the same day of ending the on-site ~~**General**~~ Meeting of Stockholders. The interval between the date of equity registration and the date of meeting shall not be more than seven (7) workdays. Once being confirmed, the date of equity registration could not be changed.

Original	Proposed amend to
Article 91 If shareholder shall appoint his proxy in writing, such instrument appointing the proxy shall be signed by the appointing shareholder or a person who is authorized in writing, or if the appointing shareholder is a legal entity, either affixed with legal person seal or signed by a Director, an executive officer or a duly authorized person. Individual shareholders attending the meeting in person shall present their personal identity cards or other valid documents ~~**or stock account card for identification**~~. Proxies attending the meeting shall present their personal identity cards and the authorization letters from the shareholder. Corporate shareholders shall be represented by its legal representative or proxies authorized by the legal representative. Legal representatives attending the meeting shall present their personal identity cards or valid documents that can prove its identity as the legal representative. Proxies authorized to attend the meeting shall present their personal identity cards or the authorization letter legally issued by the corporate shareholder.	**Article 91** If shareholder shall appoint his proxy in writing, such instrument appointing the proxy shall be signed by the appointing shareholder or a person who is authorized in writing, or if the appointing shareholder is a legal entity, either affixed with legal person seal or signed by a Director, an executive officer or a duly authorized person. Individual shareholders attending the meeting in person shall present their personal identity cards or other valid documents. Proxies attending the meeting shall present their personal identity cards and the authorization letters from the shareholder. Corporate shareholders shall be represented by its legal representative or proxies authorized by the legal representative. Legal representatives attending the meeting shall present their personal identity cards or valid documents that can prove its identity as the legal representative. Proxies authorized to attend the meeting shall present their personal identity cards or the authorization letter legally issued by the corporate shareholder.

Original	Proposed amend to
Article 93 The authorization letter issued by shareholders to authorize other persons to attend the ~~**general**~~**shareholders'** meeting shall clearly state the followings: (1) the name of the proxies; ~~**(2) whether the proxies have the right to vote;**~~ (3) instructions to vote for, against or abstain from voting on each of the items in the agenda of the meeting; (4) the signing date and the effective period of the authorization letter; (5) signature (or seal) of the appointing shareholders~~ **or the proxies appointed in writing**~~. If the appointing shareholder is a legal entity, such instrument appointing the proxy shall be affixed with legal person seal~~ **or signed by a Director, an executive officer or a duly authorized person**~~.	**Article 93** The authorization letter issued by shareholders to authorize other persons to attend the general meeting shall clearly state the followings: **(1) the name of the appointing shareholders, and the category and quantity of the Company's shares held;** **(2)** the name of the proxies; (3) **the specific** instructions **of shareholders, including instructions** to vote for, against or abstain from voting on each of the items in the agenda of the meeting, etc.; (4) the signing date and the effective period of the authorization letter; (5) signature (or seal) of the appointing shareholders. If the appointing shareholder is a legal entity, such instrument appointing the proxy shall be affixed with legal person seal.
Article 94 Any form issued to a shareholder by the Board of Directors for use by him for appointing a proxy shall allow the shareholder to freely instruct the proxy to cast vote in favor of or against each resolution dealing with the businesses to be transacted at the meeting. ~~**Such letter of authorization shall contain a statement that in absence of instructions by the shareholders, his proxy may vote as he thinks fit.**~~	**Article 94** Any form issued to a shareholder by the Board of Directors for use by him for appointing a proxy shall allow the shareholder to freely instruct the proxy to cast vote in favor of or against each resolution dealing with the businesses to be transacted at the meeting.

Original	Proposed amend to
Article 95 Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy from, or 24 hours before the designated time of voting. Where the proxy form is sighed by a person under a power of attorney on behalf of the appointer, the power of attorney or other authorization documents authorized to be signed shall be notarized. A notarially certified copy of that power of attorney or other authorization documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting. ~~**where the appointer is a legal person, its legal representative or such person as is authorized by resolution of its Board of Directors or other governing body may attend general meetings of the shareholders of the Company as a representative of the appointer.**~~	**Article 95** Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy from, or 24 hours before the designated time of voting. Where the proxy form is sighed by a person under a power of attorney on behalf of the appointer, the power of attorney or other authorization documents authorized to be signed shall be notarized. A notarially certified copy of that power of attorney or other authorization documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.
Article 99 All Directors, supervisors and the secretary to the Board shall be present at the general meeting, and the general manager and other senior managers shall be in attendance at the meeting.	**Article 99 Where the shareholders' general meeting requires the Directors and senior managers to be present, the Directors, and senior managers shall be in attendance at the meeting and answer questions from the shareholders.**

Original	Proposed amend to
Article 100 The Board of Directors shall convene and the Chairman of the Board of Directors shall chair the shareholders' ~~**general**~~ meetings. If the Chairman is unable to attend the meeting for any reason, the vice-chairman of the Board of Directors (if appointed by the Company) shall chair the meeting. If the vice-chairman of the board of Directors is not appointed by the Company or is unable or fails to perform his duties, the shareholders' general meeting shall be presided over by a Director nominated by more than half of the Directors. The shareholders' ~~**general**~~ meeting convened by the **Board of Supervisors** on its own initiative shall be presided over ~~**and chaired**~~ by the **chairman of the Board of Supervisors**. If the **chairman of the Board of Supervisors** is unable or fails to perform his duties, the shareholders' general meeting **shall be presided over by a supervisor nominated by more than half of the supervisors**. The shareholders' general meeting convened by shareholders on their own initiative shall be presided over by the representative nominated by the convener. If the chairperson of the shareholders' general meeting breaches the procedural rules, which makes it unable to proceed the shareholders' general meeting, subject to consents of more than half of shareholders with voting rights attending the shareholders' general meeting, the shareholders' general meeting may nominate a person to act as the chairperson of the meeting and such meeting may continue.	**Article 100** The Board of Directors shall convene and the Chairman of the Board of Directors shall chair the shareholders' ~~**general**~~ meetings. If the Chairman is unable to attend the meeting for any reason, the vice-chairman of the Board of Directors (if appointed by the Company) shall chair the meeting. If the vice-chairman of the board of Directors is not appointed by the Company or is unable or fails to perform his duties, the shareholders' general meeting shall be presided over by a Director nominated by more than half of the Directors. The shareholders' ~~**general**~~ meeting convened by the **audit and risk management committee** on its own initiative shall be presided over by the **convener of the audit and risk management committee**. If the **convener of the audit and risk management committee** is unable or fails to perform his duties, **an audit and risk management committee member jointly elected by half or more of all members of the audit and risk management committee shall preside over** the shareholders' general meeting. The shareholders' general meeting convened by shareholders on their own initiative shall be presided over by **the convener or** the representative nominated by the convener. If the chairperson of the shareholders' general meeting breaches the procedural rules, which makes it unable to proceed the shareholders' general meeting, subject to consents of more than half of shareholders with voting rights attending the shareholders' general meeting, the shareholders' general meeting may nominate a person to act as the chairperson of the meeting and such meeting may continue.

Original	Proposed amend to
Article 109 The following matters shall be resolved by an ordinary resolution at a shareholders' ~~**general**~~ meeting: (1) work reports of the Board of Directors ~~**and the Board of Supervisors**~~; (2) profit distribution plans and loss recovery plans formulated by the Board of Directors; (3) appointment and dismissal of members of the Board of Directors ~~**and members of the Board of Supervisors**~~, their remuneration and manner of payment; ~~**(4) preliminary and final annual budgets, balance sheets, profit accounts, and other financial statements of the Company;**~~ ~~**(5) annual report of the Company;**~~ (6) matters other than those which are required by law, administrative regulation, the Company's Articles of Association or the stock exchange(s) where shares of the Company are listed to be adopted by special resolution.	**Article 109** The following matters shall be resolved by an ordinary resolution at a shareholders' ~~**general**~~ meeting: (1) work reports of the Board of Directors; (2) profit distribution plans and loss recovery plans formulated by the Board of Directors; (3) appointment and dismissal of members of the Board of Directors, their remuneration and manner of payment; (4) matters other than those which are required by law, administrative regulation, the Company's Articles of Association or the stock exchange(s) where shares of the Company are listed to be adopted by special resolution.

Original	Proposed amend to
Article 116 The list of candidates for Directors ~~**or supervisors**~~ shall be proposed to the shareholders' general meeting for votes. Save for the elections of Directors ~~**and supervisors**~~ held by adopting cumulative voting system, each candidate for a Director ~~**or supervisor**~~ shall be proposed by way of single proposal. The Board of Directors shall announce the resumes and basic information of these candidates for Directors ~~**or supervisors**~~. The means and procedure of nomination for Directors ~~**and Supervisors**~~ shall be: (1) The Board and shareholders individually or jointly holding not less than 3% of the Company's shares shall have the right to submit nomination of candidates for independent Directors to the Board. The Board shall submit proposal to the shareholders' general meeting after asking the proxy's opinion and examine their qualifications. ~~**(2) The Board of Supervisors and shareholders individually or jointly holding not less than 3% of the Company's shares shall have the right to submit nomination of shareholder-representative-candidates for Supervisors. The Board of Supervisors shall submit proposal to the shareholders' general meeting after asking the proxy's opinion and examine their qualifications.**~~ (3) The means and procedure of nomination for Independent Director shall be in compliance with relevant provisions of laws, administrative regulations and department rules.	**Article 116** The list of candidates for Directors shall be proposed to the shareholders' general meeting for votes. Save for the elections of Directors held by adopting cumulative voting system, each candidate for a Director shall be proposed by way of single proposal. The Board of Directors shall announce the resumes and basic information of these candidates for Directors. The means and procedure of nomination for Directors shall be: (1) The Board and shareholders individually or jointly holding not less than **1%** of the Company's shares shall have the right to submit nomination of candidates for independent Directors to the Board. The Board shall submit proposal to the shareholders' general meeting after asking the proxy's opinion and examine their qualifications. (2) The means and procedure of nomination for Independent Director shall be in compliance with relevant provisions of laws, administrative regulations and department rules.

Original	Proposed amend to
Article 117 The cumulative voting system may be used in the voting for the election of Directors ~~**and Supervisors**~~ in shareholders' ~~**general**~~ meeting in accordance with provisions of the Company's Articles of Association, that is, in the election of Directors ~~**or Supervisors**~~ at the shareholders' ~~**general**~~ meeting, the voting right each share has equals the number of candidates for Directors ~~**and Supervisors**~~. Shareholders may use their voting right collectively. Where a single shareholder and the persons acting in concert have interest in over 30% of the total shares, or there are more than two (2) independent Directors ~~**or Supervisors**~~ to be elected, cumulative voting system should be adopted. The cumulative voting system shall be operated as: (1) separate election and voting for Independent Director, non-independent Directors ~~**and Supervisors**~~. (2) During the election of independent Directors, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the independent Directors to be elected by him, he could only vote for the candidates of the Directors of the Company by such votes, and the ones who got more votes shall be elected.	**Article 117** The cumulative voting system may be used in the voting for the election of Directors and in shareholders' ~~**general**~~ meeting in accordance with provisions of the Company's Articles of Association, that is, in the election of Directors at the shareholders' ~~**general**~~ meeting, the voting right each share has equals the number of candidates for Directors. Shareholders may use their voting right collectively. Where a single shareholder and the persons acting in concert have interest in over 30% of the total shares, or there are more than two (2) independent Directors to be elected, cumulative voting system should be adopted. The cumulative voting system shall be operated as: (1) separate election and voting for Independent Director, non-independent Directors. (2) During the election of independent Directors, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the independent Directors to be elected by him, he could only vote for the candidates of the Directors of the Company by such votes, and the ones who got more votes shall be elected.

Original	Proposed amend to
(3) During the election of non-independent Directors ~~and supervisors~~, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the non-independent Directors ~~and supervisors~~ to be elected by him, he could only vote for the candidates of the non-independent Directors ~~and supervisors~~ of the Company by such votes, and the ones who got more votes shall be elected.	(3) During the election of non-independent Directors, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the non-independent Directors to be elected by him, he could only vote for the candidates of the non-independent Directors of the Company by such votes, and the ones who got more votes shall be elected.
(4) where candidates exceed such numbers prescribed in the Company's Articles of Association, the numbers of independent Director, non-independent Directors ~~and Supervisors~~ each shareholder vote for shall not exceed such numbers prescribe in the Company's Articles of Association, and the total votes shall not exceed such number of votes ought to be cast by the shareholders. Otherwise, the voting shall be invalid.	(4) where candidates exceed such numbers prescribed in the Company's Articles of Association, the numbers of independent Director, non-independent Directors each shareholder vote for shall not exceed such numbers prescribe in the Company's Articles of Association, and the total votes shall not exceed such number of votes ought to be cast by the shareholders. Otherwise, the voting shall be invalid.
(5) counting officers and scrutinizers of the shareholders' ~~general~~ meeting shall carefully check the aforesaid circumstances to guarantee fair and effective accumulative voting	(5) counting officers and scrutinizers of the shareholders' ~~general~~ meeting shall carefully check the aforesaid circumstances to guarantee fair and effective accumulative voting

Original	Proposed amend to
Article 140 Notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders twenty (20) ~~**business**~~ days prior to the date of the annual general meeting and ~~**ten (10) business days or**~~ fifteen (15) days ~~**(whichever is longer)**~~ prior to the date of the extraordinary general meeting. Such notice shall give such shareholders notice of the matters to be considered at such meeting and the date and place of the class meeting.	**Article 140** Notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders twenty (20) days prior to the date of the annual general meeting and fifteen (15) days prior to the date of the extraordinary general meeting. Such notice shall give such shareholders notice of the matters to be considered at such meeting and the date and place of the class meeting.
Article 143 In accordance with the Party Constitution, the Company set up a committee of Zhengzhou Coal Mining Machinery (Group) Co., Ltd. under the Communist Party of China (the "Party Committee") to engage in activities of the Party. The Party Committee shall play a core role in leadership and politics, and shall carry out the works by providing direction, managing the overall situation and ensuring implementation.	**Article 143** In accordance with the *Party Constitution*, the Company set up a committee of **ZMJ Group Company Limited** under the Communist Party of China (the "Party Committee") to engage in activities of the Party. The Party Committee shall play a core role in leadership and politics, and shall carry out the works by providing direction, managing the overall situation and ensuring implementation. **The Party Committee of the Company shall have one secretary and other members of the Party Committee shall be appointed in accordance with the rules and regulations. The secretary to the Party Committee shall be elected or appointed in accordance with relevant requirements including the *Party Constitution*.**

Original	Proposed amend to
Article 144 In accordance with the *Trade Union Law of the People's Republic of China*, the employees of the Company form a trade union for organization of union activities and protection of the legitimate rights of the employees. The person(s) in charge of the trade union organization shall be recommended by a superior Party organization and be elected and appointed in accordance with relevant requirements including the *Trade Union Law of the People's Republic of China*. The Company shall provide necessary convenience for the trade union to organize activities.	**Article 145** In accordance with the *Trade Union Law of the People's Republic of China*, the employees of the Company form a trade union for organization of union activities and protection of the legitimate rights of the employees. The person(s) in charge of the trade union organization shall be recommended by **the Party Committee of the Company** and be elected and appointed in accordance with relevant requirements including the *Trade Union Law of the People's Republic of China*. The Company shall provide necessary convenience for the trade union to organize activities.
Article 145 ~~**The Party Committee of the Company shall have one secretary. Other members of the Party Committee shall be appointed upon approval by a superior Party organization. Meanwhile,**~~ in accordance with relevant requirements, the Company shall establish a disciplinary inspection committee of Zhengzhou Coal Mining Machinery (Group) Co., Ltd. under the Communist Party of China (the "Disciplinary Committee"). ~~**The respective secretaries to the Party Committee and**~~ the Disciplinary Committee shall be elected or appointed in accordance with relevant requirements including the *Party Constitution*.	**Article 144** In accordance with relevant requirements, the Company shall establish a disciplinary inspection committee of **ZMJ Group Company Limited** under the Communist Party of China (the "Disciplinary Committee"). **The Disciplinary Committee shall have one secretary and the secretary to** the Disciplinary Committee shall be elected or appointed in accordance with relevant requirements including the *Party Constitution*.

Original	Proposed amend to
~~Article 149 The Party Committee of the Company shall, in advance, consider major matters such as those classified as "Three Importance and One Greatness" to be decided upon by the Board of Directors and the management. After discussion and approval by the Party Committee, such matters can be considered and decided upon by the Board of Directors or the management.~~	Delete
~~Article 151 The "Dual Duties" of anti-corruption and clean-handedness shall be strictly performed. The Party Committee shall perform its principle responsibilities while the Disciplinary Committee shall perform its duties of supervision. Education on Party regulations, education on rule of law and cautionary education shall be strengthened to guide leaders of the Company at all levels in their adherence and faithfulness to the ideals, in their implementation of the "Three Strictness plus Honesty, Practicality and Pragmatism", and in their rightful discharge of duties and exercise of power.~~	Delete

Original	Proposed amend to
Article 153 Directors shall be elected or replaced at the shareholders' ~~**general**~~ meeting and can be removed from their office prior to the expiry of their term by the general meeting, with a term of three (3) years. At the expiry of such term of office, the term is renewable upon re-election. Written notice to nominate a person as Director and a written notice by that person of his willingness to be nominated shall be delivered to the Company after delivery of related notice of a shareholders' ~~**general**~~ meeting and seven (7) days prior to the convocation of the shareholders' ~~**general**~~ meeting. A Director's term of office shall commence from the date when he takes office and end upon expiry of the term of current session of the Board of Directors. After expiry of a Director's term of office but before a new Director is elected and takes office, the retiring Director shall continue to perform his duty as a Director pursuant to laws, administrative regulations, department rules and the Company's Articles of Association. The general manager or other senior management members may concurrently serve as Directors, provided that the total number of Directors who concurrently serve as the general manager or other senior management members and the total number of Directors who are served by employee representatives shall not exceed half of the total Directors of the Company. ……	**Article 151** Directors **who are not employees' representatives** shall be elected or replaced at the shareholders' ~~**general**~~ meeting and can be removed from their office prior to the expiry of their term by the general meeting, with a term of three (3) years. At the expiry of such term of office, the term is renewable upon re-election. Written notice to nominate a person as Director and a written notice by that person of his willingness to be nominated shall be delivered to the Company after delivery of related notice of a shareholders' ~~**general**~~ meeting and seven (7) days prior to the convocation of the shareholders' ~~**general**~~ meeting. **Article 152** A Director's term of office shall commence from the date when he takes office and end upon expiry of the term of current session of the Board of Directors. After expiry of a Director's term of office but before a new Director is elected and takes office, the retiring Director shall continue to perform his duty as a Director pursuant to laws, administrative regulations, department rules and the Company's Articles of Association. **Article 153** The general manager or other senior management members may concurrently serve as Directors, provided that the total number of Directors who concurrently serve as the general manager or other senior management members and the total number of Directors who are served by employee representatives shall not exceed half of the total Directors of the Company. ……

Original	Proposed amend to
Article 154 Directors shall observe laws, administrative regulations and the Company's Articles of Association and shall assume the following duties of loyalty to the Company: (1) not to ~~**accept any bribery or other illegal income by using his powers and position, nor**~~ seize the assets of the Company ~~**in any manner**~~; ~~**(2) not to misappropriate the funds of the Company;**~~ (3) not to open accounts in his own or another individual's name for deposit of the Company's ~~**assets or**~~ funds; ~~**(4) not to violate the Company's Articles of Association, or loan the funds of the Company to others or use Company's assets as security for the debts of others without approval of the shareholders' general meeting or the Board of Directors;**~~ (5) not to ~~**violate the Company's Articles of Association or**~~ enter into contracts or conduct transactions with the Company without ~~**approval of the shareholders' general meeting**~~; (6) not to~~**, without approval of the shareholders' general meeting,**~~ seek business opportunities ~~**which should have belonged**~~ to the Company for himself or others by using his powers and position, ~~**or run the same businesses as those of the Company for himself or for others**~~;	**Article 154** Directors shall observe laws, administrative regulations and the Company's Articles of Association, **assume duties of loyalty to the Company, adopt measures to avoid conflicts between their own interests and the interests of the Company, and shall not take advantage of their powers to seek any improper interests.** **Directors** shall assume the following duties of loyalty to the Company: (1) not to seize the assets of the Company **or misappropriate the funds of the Company**; (2) not to open accounts in his own or another individual's name for deposit of the Company's funds; **(3) not to accept any bribery or other illegal income by using his powers and position;** **(4)** not to **directly or indirectly** enter into contracts or conduct transactions with the Company without **reporting to the board of directors or the shareholders' general meeting and adoption by the resolution of the board of directors or the shareholders' general meeting in accordance with the provisions of this Articles of Association**;

Original	Proposed amend to
(7) not to accept commissions relating to the transactions of the Company and appropriate to himself; (8) not to disclose secrets of the Company without permission; (9) not to take advantage of his connection with the Company to harm interests of the Company; and (10) Other duties of loyalty as prescribed by laws, administrative regulations, department rules and the Company's Articles of Association. The proceeds obtained by a Director in violation of this article shall belong to the Company. Where the Company suffers any losses thereby, the said Director shall be obliged to make compensations therefor.	**(5)** not to seek business opportunities **belonging** to the Company for himself or others by using his powers and position, **except if the situation is reported to the board of directors or the shareholders' general meeting and adopted by the resolution of the shareholders' general meeting, or if the Company is unable to take advantage of such business opportunities in accordance with the laws, administrative regulations or the provisions of this Articles of Association**; **(6) not to run the same businesses as those of the Company for himself or for others without reporting to the board of directors or the shareholders' general meeting and adoption by the resolution of the shareholders' general meeting;** (7) not to accept commissions relating to the transactions of the Company and appropriate to himself; (8) not to disclose secrets of the Company without permission; (9) not to take advantage of his connection with the Company to harm interests of the Company; and (10) Other duties of loyalty as prescribed by laws, administrative regulations, department rules and the Company's Articles of Association.

Original	Proposed amend to
	The proceeds obtained by a Director in violation of this article shall belong to the Company. Where the Company suffers any losses thereby, the said Director shall be obliged to make compensations therefor. **Where a close relative of a director or senior executive, an enterprise directly or indirectly controlled by a director, supervisor, or senior executive of the Company or a close relative of him or her, or an affiliated party that is otherwise affiliated to a director or senior executive enters into a contract or conducts a transaction with the Company, the provision of subparagraph (4) of paragraph 2 of this article shall apply.**
Article 155 Directors shall observe laws, administrative regulations and the Company's Articles of Association and shall assume the following duties of due diligence to the Company: …… (5) to faithfully furnish related information and materials to the Board of Supervisors, and not to interfere with the Board of Supervisors or the supervisors in exercising its/their powers; and ……	**Article 155** Directors shall observe laws, administrative regulations and the Company's Articles of Association**, shall assume duties of due diligence to the Company and shall perform their duties with reasonable care that is normally due to managers in the best interest of the Company.** **Directors** shall assume the following duties of due diligence to the Company: …… (5) to faithfully furnish related information and materials to **the audit and risk management committee**, and not to interfere with **the audit and risk management committee** in exercising its/their powers; and ……

Original	Proposed amend to
Article 157 ~~A Director may resign before expiry of his term of office, subject to submission of a written resignation report to the Board of Directors.~~ **~~If the number of the Company's Directors is less than the quorum as required by law due to a Director's resignation~~**, such resigning Director shall continue to perform his duty as a Director pursuant to laws, administrative regulations, department rules and the Company's Articles of Association until a new Director is elected and takes office. **~~Except for the case mentioned in the preceding paragraph, resignation of Directors shall take effect immediately upon the Board of Directors' receipt of the written resignation report.~~** As to any person being elected to be a Director to fill a casual vacancy on the Board or as an addition to the existing Board, the term of office of such new Director or additional Director being elected for increasing the number of Directors on the Board shall commence from the date of validity of such election and end upon the next annual general meeting, and the said Director shall be qualified for reelection and renewal thereat.	**Article 157 Before the expiry of his term of office, a director may resign. A director who resigns shall submit a written resignation report to the Company. The resignation takes effect on the date when the Company receives the resignation report, and the Company shall disclose the relevant information within two trading days. The responsibilities that a director shall assume in the performance of duties during his term of office shall not be relieved or terminated upon leaving office.** **Unless otherwise provided for in the Articles of Association, if any of the following occurs**, such resigning Director shall continue to perform his duty as a Director pursuant to laws, administrative regulations, department rules and the Company's Articles of Association until a new Director is elected and takes office: **(1) failure to effect re-election upon the expiration of term of office of the Directors, or the number of the Company's Directors is less than the quorum as required by law due to a Director's resignation;** **(2) the resignation of an audit and risk management committee member results in the number of audit and risk management committee members is less than the quorum as required by law, or the lack of accounting professional;**

Original	Proposed amend to
	(3) the resignation of an independent director results in the proportion of independent directors in the Board of Directors of the Company or its special committees to fail to comply with the requirements prescribed by laws, regulations, or the Articles of Association, or results in the absence of an accounting professional among the independent directors. As to any person being elected to be a Director to fill a casual vacancy on the Board or as an addition to the existing Board, the term of office of such new Director or additional Director being elected for increasing the number of Directors on the Board shall commence from the date of validity of such election and end upon the next annual general meeting, and the said Director shall be qualified for reelection and renewal thereat.

Original	Proposed amend to
Article 158 A Director whose resignation takes effect or whose term of office expires shall complete all handover procedures to the Board of Director, but his duties of loyalty to the Company and shareholders may not be certainly discharged upon expiry of his term and shall remain effective within a reasonable time limit prescribed in the Company's Association.	**Article 158 The Company shall establish a management system for the departure of directors, clearly defining the guarantee measures for holding liable and recovering compensation for unfulfilled public commitments and other outstanding matters. The liability incurred by Directors in the performance of their duties during their term of office shall not be exempted or terminated due to their resignation. If there exist violations of relevant commitments or other acts detrimental to the company's interests, the Board of Directors shall take necessary measures to pursue the liability of the relevant individuals, thereby effectively safeguarding the lawful rights and interests of the Company and minority investors.** A Director whose resignation takes effect or whose term of office expires shall complete all handover procedures to the Board of Director, but his duties of loyalty to the Company and shareholders may not be certainly discharged upon expiry of his term and shall remain effective within a reasonable time limit prescribed in the Company's Association. **The shareholders' general meeting may adopt a resolution to remove a director who is not an employees' representative, the employees' representative congress may adopt a resolution to remove a director who is an employees' representative, and the resolution takes effect on the date of resolution. Where a director is removed before expiry of his term of office without justified reasons, the director may require the Company to pay compensation.**

Original	Proposed amend to
Article 162 The Company shall have a Board of Directors~~, which is accountable to the shareholders in general meeting~~.	**Article 162** The Company shall have a Board of Directors.
Article 164 The Board of Directors exercises the following functions and powers: (1) to convene the shareholders' ~~general~~ meeting and to report on its work to the shareholders in ~~general~~ meetings; (2) to implement the resolutions adopted by the shareholders in ~~general~~ meetings; (3) to determine the Company's business plans and investment proposals; ~~(4) to formulate the Company's preliminary and final annual financial budgets;~~ (5) to formulate the Company's profit distribution proposal and loss recovery proposal; ……	**Article 164** The Board of Directors exercises the following functions and powers: (1) to convene the shareholders' ~~general~~ meeting and to report on its work to the shareholders in ~~general~~ meetings; (2) to implement the resolutions adopted by the shareholders in ~~general~~ meetings; (3) to determine the Company's business plans and investment proposals; (4) to formulate the Company's profit distribution proposal and loss recovery proposal; ……

Original	Proposed amend to
Article 177 The Director of the Company affiliated with the enterprise involved in the matters discussed by the Board of Directors shall not exercise his own, or represent other Directors to exercise voting right for such matters. The meeting of the Board of Directors may be held once more than half of the unaffiliated Directors will be present. The resolution made by the meeting of the board shall be adopted by more than half of all such Directors. Where there are not more than three (3) unaffiliated Directors present, the relevant matters shall be forwarded to the shareholders' ~~**general**~~ meeting for deliberation. The definition and scope of affiliated Director shall be determined subject to pertinent provisions of the securities regulatory institution and the stock exchange in the place where the Company goes public.	**Article 177** The Director of the Company affiliated with the enterprise involved in the matters discussed by the Board of Directors shall not exercise his own, or represent other Directors to exercise voting right for such matters, **and their voting rights shall not be counted toward the total number of voting rights**. The meeting of the Board of Directors may be held once more than half of the unaffiliated Directors will be present. The resolution made by the meeting of the board shall be adopted by more than half of all such Directors. Where there are not more than three (3) unaffiliated Directors present, the relevant matters shall be forwarded to the shareholders' ~~**general**~~ meeting for deliberation. The definition and scope of affiliated Director shall be determined subject to pertinent provisions of the securities regulatory institution and the stock exchange in the place where the Company goes public.

Original	Proposed amend to
Article 192 The Board of Directors shall, during the vacancy of the secretary to the Board of Directors, appoint a Director or senior officer to perform duties of the secretary to the Board of Directors on his behalf. **~~The Company must formally appoint a new secretary to the Board of Directors within three (3) months upon removal of the former secretary.~~**	**Article 192** The Board of Directors shall, during the vacancy of the secretary to the Board of Directors, **promptly** appoint a Director or senior officer to perform duties of the secretary to the Board of Directors on his behalf **and issue an announcement, and determine the candidate of the secretary to the Board of Directors as soon as possible. Prior to such designation, the Chairman of the Board shall act as the interim secretary to the Board of Directors. If the vacancy persists for more than three (3) months, the Chairman shall assume the duties of the secretary to the Board of Directors and complete the formal appointment of a new secretary to the Board of Directors within six (6) months thereafter.** **The Company shall appoint a securities affairs representative to assist the secretary to the Board of Directors in the performance of his duties. In the event that the secretary to the Board of Directors is unable to fulfill his responsibilities, the securities affairs representative shall act on behalf of the secretary to the Board of Directors. During such period, the secretary to the Board of Directors shall not be automatically relieved of his responsibilities for information disclosure of the Company and other responsibilities. The qualifications for the securities affairs representative shall comply with the requirements set forth in Article 185 of this Articles of Association.**

Original	Proposed amend to
Add "Section 4 Independent Directors"	**Section 4 Independent Directors** **Article 194** Independent directors shall, in accordance with the laws, administrative regulations, and rules of the China Securities Regulatory Commission and the stock exchange, and this Articles of Association, diligently perform their duties, maximize the role of participating in decision-making, supervision and balancing, and professional consultation in the board of directors, safeguard the overall interests of the Company and protect the lawful rights and interests of minority shareholders. **Article 195** Independent directors must maintain their independence. The following personnel shall not serve as independent directors: (1) Personnel employed by the Company or its affiliated enterprises, as well as their spouses, parents, children and major social relations therewith. (2) Natural person shareholders who directly or indirectly hold more than 1% of the shares issued by the Company or are among the top ten shareholders of the Company, as well as their spouses, parents and children. (3) Shareholders who directly or indirectly hold more than 5% of the shares issued by the Company, or hold positions among in the top five shareholders of the Company, as well as their spouses, parents and children.

Original	Proposed amend to
	(4) Personnel employed in the affiliated enterprises of the Company's controlling shareholder or actual controller, as well as their spouses, parents and children. (5) Personnel who have significant business transactions with the Company and its controlling shareholder, actual controller or their respective affiliated enterprises, or who hold positions in entities with significant business transactions and their controlling shareholder or actual controller. (6) Personnel providing financial, legal, consulting, sponsorship and other services to the Company and its controlling shareholders, actual controllers or their respective affiliated enterprises, including but not limited to all members of the project team of the intermediary institutions providing services, review personnel at all levels, personnel affixing signatures to the reports, partners, directors, senior executives and main responsible persons. (7) Personnel who fall under any of the circumstances listed in subparagraphs (1) to (6) within the most recent twelve months. (8) Other personnel who do not have independence as stipulated by laws, administrative regulations, the China Securities Regulatory Commission, the business rules of the stock exchange and this Articles of Association.

Original	Proposed amend to
	The affiliated enterprises of the Company's controlling shareholder or actual controller as mentioned in subparagraphs (4) to (6) of the preceding paragraph do not include enterprises that are controlled by the same state-owned asset management institution as the Company and have not formed an affiliated relationship with the Company in accordance with the relevant regulations. **Article 196** Independent directors shall conduct self-examination of their independence every year and submit the self-examination results to the board of directors. The board of directors shall assess the independence of incumbent independent directors every year and issue special opinions, which shall be disclosed concurrently with the annual report. **Article 197** Anyone who serves as an independent director of the Company shall meet the following conditions: (1) In accordance with laws, administrative regulations and other relevant provisions, he is qualified to serve as a director of a listed company. (2) He complies with the requirements for independence as stipulated in this Articles of Association. (3) He possesses basic knowledge on operation of listed companies and is familiar with relevant laws, regulations and rules. (4) He has more than five years of working experience in law, accounting or economics, etc. necessary to perform the duties of an independent director.

Original	Proposed amend to
	(5) He has sound personal character and no major records of bad faith or other bad records. (6) Other conditions as stipulated by laws, administrative regulations, the rules of the China Securities Regulatory Commission, the business rules of the stock exchange and this Articles of Association. **Article 198** As members of the board of directors, independent directors shall be loyal and diligent to the Company and all shareholders, and shall perform the following duties prudently: (1) Participating in the decision-making of the board of directors and expressing clear opinions on the matters deliberated. (2) Supervising potential major conflicts of interest between the Company and its controlling shareholder, actual controller, directors and senior executives, and protecting the lawful rights and interests of minority shareholders. (3) Providing professional and objective suggestions for the Company's operation and development to promote the improvement of the decision-making level of the board of directors. (4) Other duties as prescribed by laws, administrative regulations, the China Securities Regulatory Commission and this Articles of Association.

Original	Proposed amend to
	Article 199 Independent directors shall exercise the following special powers: (1) Independently engaging intermediary institutions to audit, consult or verify specific matters of the Company. (2) Putting forward a proposal to the board of directors to convene an interim shareholders' meeting. (3) Putting forward a proposal to convene a meeting of the board of directors. (4) Publicly soliciting shareholders' rights from shareholders in accordance with the law. (5) Expressing independent opinions on matters that may harm the rights and interests of the Company or minority shareholders. (6) Other powers as prescribed by laws, administrative regulations, the China Securities Regulatory Commission and this Articles of Association. Independent directors exercising the powers listed from subparagraphs (1) to (3) of the preceding paragraph shall obtain the consent of more than half of all independent directors. If an independent director exercises the powers listed in paragraph 1, the Company shall disclose it in a timely manner. If the aforesaid powers cannot be exercised normally, the Company shall disclose the specific circumstances and reasons.

Original	Proposed amend to
	Article 200 The following matters shall be submitted to the board of directors for deliberation after being approved by more than half of all independent directors of the Company: (1) Affiliated transactions that shall be disclosed. (2) Plans for the Company and affiliated parties to change or waive their commitments. (3) The decisions made and measures adopted by the board of directors of the acquired listed company regarding the acquisition. (4) Other matters as stipulated by laws, administrative regulations, the China Securities Regulatory Commission and this Articles of Association. **Article 201** The Company shall establish a special meeting mechanism attended entirely by independent directors. When the board of directors deliberates matters such as affiliated transactions, they shall be approved in advance by a special meeting of independent directors. The Company shall hold special meetings for independent directors on a regular or irregular basis. The matters listed from subparagraphs (1) to (3) of paragraph 1 of Article 199 and Article 200 of this Articles of Association shall be deliberated by a special meeting of independent directors. The special meetings of independent directors may study and discuss other matters of the Company as needed.

Original	Proposed amend to
	Article 202 A special meeting of independent directors shall be convened and presided over by an independent director jointly elected by more than half of independent directors. When the convener fails to or is unable to perform his duties, two or more independent directors may convene a meeting and elect one representative to preside over the meeting on their own initiative. **Article 203** Meeting minutes shall be prepared for a special meeting of independent directors as prescribed, and the opinions of independent directors shall be stated in the meeting minutes. Independent directors shall affix signatures to the meeting minutes for confirmation. **Article 204** The Company shall provide convenience and support for the convening of special meetings of independent directors.

Original	Proposed amend to
Article 194 The Company's Board of Directors shall have special committees, namely, the strategy and sustainable development committee, the audit and risk management committee, the nomination committee, the remuneration committee and the assessment committee. The special committees are fully composed of Directors, and in the audit and risk management committee, the nomination committee, the remuneration committee and the assessment committee the independent Directors shall be in the majority and shall act as the convener. The convener of the audit and risk management committee shall be an accounting professional. The Board is responsible for formulating working rules, to standardize the operation of the special committees.	**Article 205** The Company's Board of Directors shall have special committees, namely, the strategy and sustainable development committee, the audit and risk management committee, the nomination committee, the remuneration committee and the assessment committee. The special committees are fully composed of Directors, and in the audit and risk management committee, the nomination committee, the remuneration committee and the assessment committee the independent Directors shall be in the majority and shall act as the convener. **The members audit and risk management committee shall consist of three directors who do not serve as senior executives in the Company, no less than two of which shall be independent Directors.** The convener of the audit and risk management committee shall be an accounting professional **among the independent Directors**. The Board is responsible for formulating working rules, to standardize the operation of the special committees.
Article 196 The primary responsibilities of the audit and risk management committee are to: …… (6) audit the internal control system of the Company; ~~and~~ (7) perform other matters authorized by the Board of Directors.	**Article 207** The primary responsibilities of the audit and risk management committee are to: …… (6) audit the internal control system of the Company; **(7) exercise the powers of the board of supervisors as prescribed by the *Company Law*; and** **(8)** perform other matters authorized by the Board of Directors.

Original	Proposed amend to
Add	**Article 208** The audit and risk management committee shall be responsible for reviewing the Company's financial information and its disclosure, and supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the board of directors for deliberation after being approved by more than half of all members of the audit and risk management committee: (1) Disclosing financial information in financial accounting reports and periodical reports, as well as internal control evaluation reports. (2) Engaging or dismissing accounting firms that undertake the auditing business of listed companies. (3) Appointing or dismissing the financial officer of a listed company. (4) Making changes in accounting policies, accounting estimates or corrections of major accounting errors for reasons other than changes in accounting standards. (5) Other matters as stipulated by laws, administrative regulations, the China Securities Regulatory Commission and this Articles of Association.

Original	Proposed amend to
	Article 209 The audit and risk management committee shall hold at least one meeting every quarter. An interim meeting may be convened upon proposal of two or more members or when the convener deems it necessary. The meeting of the audit and risk management committee must be held only when more than two-thirds of the members are present. **Article 210** A resolution of the audit and risk management committee shall be adopted by more than half of the members of the audit and risk management committee. In voting on a resolution of the audit and risk management committee, each member shall have one vote. **Article 211** The resolutions of the audit and risk management committee shall be recorded in meeting minutes as required, and the members of the audit and risk management committee attending the meeting shall affix signatures to the meeting minutes. **Article 212** The working procedures of the audit and risk management committee shall be developed by the board of directors.

Original	Proposed amend to
Article 206 The managers of the Company, in performing their functions and powers, shall act honestly and diligently and in accordance with law, administrative regulation and the Company's Articles of Association. The provisions ~~**of Article 154**~~ hereof regarding the duty of loyalty ~~**of Directors**~~ and ~~**Article 155(4), (5) and (6) hereof regarding**~~ the duty of diligence of Directors shall also apply to senior management. Senior management of the Company shall faithfully perform their duties in the best interests of the Company and all shareholders. A senior management member of the Company shall be liable for indemnification in accordance with the law if he/she fails to faithfully perform his/her duties or breach the duty of good faith and therefore causes damage to the interests of the Company and the shareholders of public float.	**Article 222** The managers of the Company, in performing their functions and powers, shall act honestly and diligently and in accordance with law, administrative regulation and the Company's Articles of Association. The provisions hereof regarding the duty of loyalty and the duty of diligence of Directors shall also apply to senior management. Senior management of the Company shall faithfully perform their duties in the best interests of the Company and all shareholders. A senior management member of the Company shall be liable for indemnification in accordance with the law if he/she fails to faithfully perform his/her duties or breach the duty of good faith and therefore causes damage to the interests of the Company and the shareholders of public float.

Original	Proposed amend to
Chapter 10 Board of Supervisors	**Delete the Chapter**
Article 225 No one shall be a Director, ~~**supervisor,**~~ general manager or other senior officer of the Company if subject to any of the following circumstances: (1) being without civil capacity or having limited civil capacity; (2) having been penalized or sentenced due to an offence of corruption, bribery, encroachment on property, misappropriation of property or disruption of the socialist market economy, or having been deprived of political rights due to the committing of any crime, and in each case, five (5) years not having elapsed since the completion of the relevant penalty, sentence or deprivation; ……	**Article 225** No one shall be a Director, general manager or other senior officer of the Company if subject to any of the following circumstances: (1) being without civil capacity or having limited civil capacity; (2) having been penalized or sentenced due to an offence of corruption, bribery, encroachment on property, misappropriation of property or disruption of the socialist market economy, or having been deprived of political rights due to the committing of any crime, and in each case, five (5) years not having elapsed since the completion of the relevant penalty, sentence or deprivation**, or two (2) years since the date on which the probation period expires, if a probation is announced**; ……

Original	Proposed amend to
Article 253 When a resolution with respect of profit distribution is passed at the shareholders' general meeting of the Company pursuant to pertinent laws and regulations of the Company, ~~**the Board of Directors of**~~ the Company shall complete such profit distribution within two (2) months upon adoption of such resolution.	**Article 253** When a resolution with respect of profit distribution is passed at the shareholders' general meeting of the Company pursuant to pertinent laws and regulations of the Company, the Company shall complete such profit distribution **and capitalization of capital reserves into share capital** within two (2) months upon adoption of such resolution **in the shareholders' general meeting, or within two (2) months after the Board of Directors formulates a specific plan based on the interim cash dividend conditions and ceilings approved by the annual shareholders' general meeting**.
Article 257 The Company shall implement an internal audit system and appoint full time auditors to carry out internal auditing and supervision of the Company's income and expenses and economic activities.	**Article 257** The Company shall implement an internal audit system, **clearly defining the leadership structure, responsibilities and authorities, personnel allocation, financial guarantee, application of audit results and accountability for the internal audit work. The Company shall** appoint full time auditors to carry out internal auditing and supervision of the Company's income and expenses and economic activities.

Original	Proposed amend to
Add	**Article 259** The internal audit institution of the Company shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters. **Article 260** The internal audit institution shall be responsible to the board of directors. During the process of supervising and inspecting the Company's business activities, risk management, internal control and financial information, the internal audit institution shall accept the supervision and guidance of the audit and risk management committee. When the internal audit institution discovers any major problem or lead, it shall immediately report directly to the audit and risk management committee. **Article 261** The specific organization and implementation of the internal control evaluation of the Company shall be in the charge of the internal audit institution. The Company shall issue annual internal control evaluation reports based on the evaluation report issued by the internal audit institution and deliberated by the audit and risk management committee, as well as the relevant materials. **Article 262** When the audit and risk management committee communicates with external audit entities such as accounting firms and national audit institutions, the internal audit institutions shall actively cooperate with them and provide necessary support and collaboration. **Article 263** The audit and risk management committee shall participate in the evaluation of the person in charge of internal audit.

Original	Proposed amend to
Article 262 The Company's engagement, removal or discontinuance of engagement of an accountancy firm shall be resolved by the shareholders in a general meeting. ~~**Such resolution shall be filed with the securities authority of the State Council.**~~	**Article 267** The Company's engagement, removal or discontinuance of engagement of an accountancy firm shall be resolved by the shareholders in a general meeting.
Add	**Article 290** Where the Company offers new shares to increase its registered capital, the shareholders do not have the preemptive rights to subscribe for new shares, except as otherwise prescribed in this Articles of Association or unless the shareholders' general meeting adopts a resolution to decide that the shareholders have the preemptive rights to subscribe for new shares.

Comparison Table on the Amendments to the Shareholders Meeting Rules

Original rules	Amended rules
Article 1 In order to regulate the conduct of the Company and to ensure that the shareholders' general meeting legitimately exercises its powers and functions, these Rules of Procedures are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China (the "Securities Law"), ~~**the State Council Special Provisions on the Overseas Offering and Listing of Shares of Companies Limited by Shares, the Mandatory Provisions of the Articles of Association of Companies Listed Overseas, the Letter of Opinions on Additional Amendments to the Articles of Association of Companies Listed in Hong Kong,**~~ the Rules for the Shareholders' General Meeting of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules") and other relevant laws, regulations and regulatory documents and the relevant provisions of the Articles of Association of Zhengzhou Coal Mining Machinery Group Co., Ltd. (the "Articles of Association").	**Article 1** In order to regulate the conduct of the Company and to ensure that the shareholders' general meeting legitimately exercises its powers and functions, these Rules of Procedures are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China (the "Securities Law"), **the Code of Corporate Governance for Listed Companies, the Rules of Shanghai Stock Exchange on Listing Stocks,** the Rules for the Shareholders' General Meeting of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules") and other relevant laws, regulations and regulatory documents and the relevant provisions of the Articles of Association of **ZMJ Group Company Limited** (the "Articles of Association").
Add	**Article 2** These Rules shall apply to matters such as the convening, submission of proposals, notification, and holding of shareholders' general meetings of the Companies.

Original rules	Amended rules
Article 4 Shareholders' ~~**general**~~ meetings are divided into annual general meetings and extraordinary ~~**general**~~ meetings. Annual ~~**general**~~ meetings are held once every year and within 6 months from the end of the preceding financial year, while the extraordinary ~~**general**~~ meetings are held irregularly. In any of the following circumstances, an extraordinary general meeting shall be convened within 2 months: (1) where the number of directors is less than the number required by the Company Law or less than two-thirds of the number stipulated in the Articles of Association; (2) where the unrecovered losses of the Company amount to one third of the total amount of its ~~**paid-up**~~ share capital; (3) where shareholder(s) singly or jointly holding 10% or more of the Company's shares (excluding voting proxy) request(s) for convening an extraordinary general meeting; (4) where the Board of Directors deems necessary;	**Article 5** Shareholders' ~~**general**~~ meetings are divided into annual ~~**general**~~ meetings and extraordinary ~~**general**~~ meetings. Annual general meetings are held once every year and within 6 months from the end of the preceding financial year, while the extraordinary ~~**general**~~ meetings are held irregularly. In any of the following circumstances, an extraordinary general meeting shall be convened within 2 months: (1) where the number of directors is less than the number required by the Company Law or less than two-thirds of the number stipulated in the Articles of Association; (2) where the unrecovered losses of the Company amount to one third of the total amount of its share capital; (3) where shareholder(s) singly or jointly holding 10% or more of the Company's shares (excluding voting proxy) request(s) for convening an extraordinary general meeting; (4) where the Board of Directors deems necessary;

Original rules	Amended rules
(5) where the Board of Supervisors proposes to convene such a meeting; (6) other circumstances stipulated by the laws, administrative regulations, departmental rules and regulations, or the Articles of Association. If the Company fails to convene shareholders' ~~**general**~~ meetings for any reason during the above-mentioned period, the Company shall report to the local securities regulator where the Company locates, and the stock exchanges where its stocks are listed, explaining the reasons and shall publish public announcement.	(5) where **the audit and risk management committee** proposes to convene such a meeting; (6) other circumstances stipulated by the laws, administrative regulations, departmental rules and regulations, or the Articles of Association. If the Company fails to convene shareholders' ~~**general**~~ meetings for any reason during the above-mentioned period, the Company shall report to the local securities regulator where the Company locates, and the stock exchanges where its stocks are listed, explaining the reasons and shall publish public announcement.
Article 7 Independent directors shall have the right to request the Board of Directors to convene an extraordinary ~~**general**~~ meeting. Whenever any independent director raises such a request, the Board of Directors shall, in accordance with the laws, administrative regulations, the Company's Articles of Association, and these Rules, reply in writing stating whether such request is consented or not within 10 days after receipt of the request. If the Board of Directors consents to the request, a notice of convening the shareholders' ~~**general**~~ meeting shall be issued within 5 days after the resolution has been made by the Board of Directors; if the Board of Directors refuses the request, the Board of Directors shall explain and publish public announcements.	**Article 8 With the consent of more than half of all independent directors,** independent directors shall have the right to request the Board of Directors to convene an extraordinary ~~**general**~~ meeting. Whenever any independent director raises such a request, the Board of Directors shall, in accordance with the laws, administrative regulations, the Company's Articles of Association, and these Rules, reply in writing stating whether such request is consented or not within 10 days after receipt of the request. If the Board of Directors consents to the request, a notice of convening the shareholders' ~~**general**~~ meeting shall be issued within 5 days after the resolution has been made by the Board of Directors; if the Board of Directors refuses the request, the Board of Directors shall explain and publish public announcements.

Original rules	Amended rules
Article 8 The Board of Supervisors may request the Board of Directors to convene an extraordinary ~~**general**~~ meeting in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the Company's Articles of Association, and these Rules, reply in writing stating whether such request is consented or not within 10 days after receipt of the request. If the Board of Directors consents to the request, a notice of convening the shareholders' ~~**general**~~ meeting shall be issued within 5 days after the resolution has been adopted by the Board of Directors. In cases where the agenda proposed by the Board of Supervisors has been changed in such notice, consent from the Board of Supervisors shall be obtained. If the Board of Directors refuses the request, or the Board of Directors has not replied in writing stating whether such request is consented to or not within 10 days after receipt of the request, the Board of Directors shall be deemed as unable to convene or not convening such shareholders' ~~**general**~~ meeting. The Board of Supervisors can then convene and preside at a ~~**general**~~**shareholders'** meeting by itself.	**Article 9 The audit and risk management committee** may request the Board of Directors to convene an extraordinary ~~**general**~~ meeting in writing. The Board of Directors shall, in accordance with the laws, administrative regulations, the Company's Articles of Association, and these Rules, reply in writing stating whether such request is consented or not within 10 days after receipt of the request. If the Board of Directors consents to the request, a notice of convening the shareholders' ~~**general**~~ meeting shall be issued within 5 days after the resolution has been adopted by the Board of Directors. In cases where the agenda proposed by **the audit and risk management committee** has been changed in such notice, consent from **the audit and risk management committee** shall be obtained. If the Board of Directors refuses the request, or the Board of Directors has not replied in writing stating whether such request is consented to or not within 10 days after receipt of the request, the Board of Directors shall be deemed as unable to convene or not convening such shareholders' ~~**general**~~ meeting. **The audit and risk management committee** can then convene and preside at a ~~**general**~~ **shareholders'** meeting by itself.

Original rules	Amended rules
Article 9 …… If the Board of Directors refuses the request, or the Board of Directors has not replied in writing stating whether such request is consented to or not within 10 days after receipt of the request, the shareholder(s) singly or jointly holding 10% or more of the Company's shares have the right to request the Board of Supervisors to convene an extraordinary ~~**general**~~ meeting in writing. If the Board of Supervisors consents to the request, a notice of convening the shareholders' ~~**general**~~ meeting shall be issued within 5 days after receipt of the request. In cases where the agenda proposed by the shareholder(s) has been changed in such notice, consent from relevant shareholder(s) shall be obtained. If the Board of Supervisors has not issued any notice of convening the shareholders' ~~**general**~~ meeting within the specified period, the Board of Supervisors shall be deemed as not convening and chairing such shareholders' general meeting. In case such circumstance lasts for over 90 consecutive days, the shareholders(s) singly or jointly holding 10% or more of the Company's shares can then convene and preside at a general meeting by itself (themselves). All reasonable expenses incurred for such meeting convened by the shareholder(s) as a result of the failure of the Board of Directors and the Board of Supervisors to convene a meeting as required by the above request(s) shall be borne by the Company and deducted from the payment due to the negligent director(s) from the Company.	**Article 10** …… If the Board of Directors refuses the request, or the Board of Directors has not replied in writing stating whether such request is consented to or not within 10 days after receipt of the request, the shareholder(s) singly or jointly holding 10% or more of the Company's shares shall have the right to request **the audit and risk management committee** to convene an extraordinary ~~**general**~~ meeting in writing. If **the audit and risk management committee** consents to the request, a notice of convening the shareholders' ~~**general**~~ meeting shall be issued within 5 days after receipt of the request. In cases where the agenda proposed by the shareholder(s) has been changed in such notice, consent from relevant shareholder(s) shall be obtained. If **the audit and risk management committee** has not issued any notice of convening the shareholders' ~~**general**~~ meeting within the specified period, **the audit and risk management committee** shall be deemed as not convening and chairing such shareholders' general meeting. In case such circumstance lasts for over 90 consecutive days, the shareholders(s) singly or jointly holding 10% or more of the Company's shares can then convene and preside at a general meeting by itself (themselves). All reasonable expenses incurred for such meeting convened by the shareholder(s) as a result of the failure of the Board of Directors and **the audit and risk management committee** to convene a meeting as required by the above request(s) shall be borne by the Company and deducted from the payment due to the negligent director(s) from the Company.

Original rules	Amended rules
Article 10 If the Board of Supervisors or shareholders decide to convene the shareholders' ~~**general**~~ meeting on their own initiative, they shall notify the Board in writing and file the notice of meeting with the stock exchanges at the place where the Company is listed for records. The shareholder(s) entitled to convening the shareholders' ~~**general**~~ meeting must hold no less than ten percent (10%) of shares in the Company immediately before the resolution of such meeting is announced. The Board of Supervisors or the shareholders convening the shareholders' ~~**general**~~ meeting (depending on the specific circumstances) shall at the time when a notice of the shareholders' general meeting is sent and the resolution of the shareholders' ~~**general**~~ meeting is announced, submit relevant supporting documents to the stock exchanges at the place where the Company is listed.	**Article 11 If the audit and risk management committee** or shareholders decide to convene the shareholders' ~~**general**~~ meeting on their own initiative, they shall notify the Board in writing and file the notice of meeting with the stock exchanges at the place where the Company is listed for records. The shareholder(s) entitled to convening the shareholders' ~~**general**~~ meeting must hold no less than ten percent (10%) of shares in the Company immediately before the resolution of such meeting is announced. **The audit and risk management committee** or the shareholders convening the shareholders' ~~**general**~~ meeting (depending on the specific circumstances) shall at the time when a notice of the shareholders' ~~**general**~~ meeting is sent and the resolution of the shareholders' general meeting is announced, submit relevant supporting documents to the stock exchanges at the place where the Company is listed.

Original rules	Amended rules
Article 11 The Board of Directors and its secretary shall act cooperatively in relation to the extraordinary shareholders' general meeting convened by the Board of Supervisors or the requesting shareholders. The Board of Directors shall provide the shareholder register on the closing date of registration, failing of which shall entitle the convener to apply for such shareholder register from the securities registrar and settlement institute and/or overseas agency by producing the relevant announcement convening the extraordinary shareholders' ~~**general**~~ meeting. The convener shall not use such shareholder register so obtained for any purposes other than convening the shareholders' general meeting.	**Article 12** The Board of Directors and its secretary shall act cooperatively in relation to the extraordinary shareholders' general meeting convened by **the audit and risk management committee** or the requesting shareholders. The Board of Directors shall provide the shareholder register on the closing date of registration, failing of which shall entitle the convener to apply for such shareholder register from the securities registrar and settlement institute and/or overseas agency by producing the relevant announcement convening the extraordinary shareholders' ~~**general**~~ meeting. The convener shall not use such shareholder register so obtained for any purposes other than convening the shareholders' general meeting.
Article 12 All necessary expenses incurred for such shareholders' ~~**general**~~ meeting convened by the Board of Supervisors or shareholders shall be borne by the Company.	**Article 13** All necessary expenses incurred for such shareholders' ~~**general**~~ meeting convened by **the audit and risk management committee** or shareholders shall be borne by the Company.

Original rules	Amended rules
Article 14 A shareholder singly or shareholders jointly holding more than 3% of the shares of the Company may propose new motions to the convener in writing 10 days before the shareholders' ~~**general**~~ meeting. The convener shall issue supplementary notice of the shareholders' ~~**general**~~ meeting within 2 days after receipt of the new motion, indicating the content of the new motion, and submit the new motion to the shareholders' ~~**general**~~ meeting for discussion. Except as mentioned above, the convener shall not amend any motion or newly added motion as specified in the notice of the shareholders' ~~**general**~~ meeting after making announcement of the shareholders' general meeting. Motion(s) not specified in the notice of shareholders' ~~**general**~~ meeting or inconsistent with the requirements stipulated in Article 13 of these Rules shall not be voted or resolved at the shareholders' ~~**general**~~ meeting.	**Article 15** A shareholder singly or shareholders jointly holding more than **1%** of the shares of the Company may propose new motions to the convener in writing 10 days before the shareholders' ~~**general**~~ meeting. The convener shall issue supplementary notice of the shareholders' ~~**general**~~ meeting within 2 days after receipt of the new motion, indicating the content of the new motion, and submit the new motion to the shareholders' ~~**general**~~ meeting for discussion**, except for a motion that violates any law, administrative regulation, or Company's Articles of Association or does not fall within the scope of powers of the shareholders' general meeting. The Company shall not raise the shareholding ratio of a shareholder or shareholders submitting a new motion**. Except as mentioned above, the convener shall not amend any motion or newly added motion as specified in the notice of the shareholders' ~~**general**~~ meeting after making announcement of the shareholders' general meeting. Motion(s) not specified in the notice of shareholders' ~~**general**~~ meeting or inconsistent with the requirements stipulated in **Article 14** of these Rules shall not be voted or resolved at the shareholders' ~~**general**~~ meeting.

Original rules	Amended rules
Article 15 Notice by the Company shall be dispatched twenty (20) ~~**business**~~ days prior to the date of the meeting and notice of an extraordinary ~~**general**~~ meeting by the Company shall be dispatched ~~**ten (10) business days or**~~ fifteen (15) days ~~**(whichever is longer)**~~ prior to the date of the meeting to all shareholders of such class whose names appeared on the register of members, specifying the matters to be considered and the date and place of the meeting. ~~**When the Company calculates the period of the meeting, the date of the meeting shall not be included. A business day in the Articles of Association shall mean a day on which the Hong Kong Stock Exchange is open for business for dealing in securities.**~~	**Article 16** Notice by the Company shall be dispatched twenty (20) days prior to the date of the meeting and notice of an extraordinary ~~**general**~~ meeting by the Company shall be dispatched fifteen (15) days prior to the date of the meeting to all shareholders of such class whose names appeared on the register of members, specifying the matters to be considered and the date and place of the meeting.

Original rules	Amended rules
Article 17 The notice and supplementary notice of the shareholders' ~~**general**~~ meeting shall meet the following requirements: …… (5) contain a disclosure of the nature and extent of the material interests of any director,~~ **supervisor,**~~ manager and senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders insofar as it is different from the effect on interests of shareholders of the same class; …… The notice convening shareholders' ~~**general**~~ meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions, and provide all data or explanation necessary for the shareholders to make reasonable judgment towards the matters to be discussed. ~~**In the event that opinion of independent directors is required for the issues to be discussed, such opinion and the reasons for such opinion shall be disclosed in the notice or supplementary notice of the general meeting being issued.**~~ The interval between the deadline for registration of shareholding and the date of the meeting shall not be over 7 working days. Once such deadline is confirmed, it shall not be changed.	**Article 18** The notice and supplementary notice of the shareholders' ~~**general**~~ meeting shall meet the following requirements: …… (5) contain a disclosure of the nature and extent of the material interests of any director, manager and senior management in the proposed transaction and the effect which the proposed transaction will have on them in their capacity as shareholders insofar as it is different from the effect on interests of shareholders of the same class; …… The notice convening shareholders' ~~**general**~~ meeting and its supplementary notice shall fully and completely disclose the specific contents of all motions, and provide all data or explanation necessary for the shareholders to make reasonable judgment towards the matters to be discussed. The interval between the deadline for registration of shareholding and the date of the meeting shall not be over 7 working days. Once such deadline is confirmed, it shall not be changed.

Original rules	Amended rules
Article 18 As for election of directors ~~**and supervisors**~~ to be discussed at the shareholders' ~~**general**~~ meeting, the notice of the shareholders' general meeting shall fully disclose the detailed information of the candidates for directors ~~**and supervisors**~~, and include the following minimum information: (1) Personal background, such as education, work experience, and part-time jobs; (2) If any, his/her associate relationship with the Company, the controlling shareholder of the Company or the actual controller of the Company; (3) Amount of shareholdings held in the Company; (4) (If any) his/her penalties received from China's securities regulator and other relevant departments, and warnings from the Stock Exchanges. Except for cumulative voting system adopted for election of directors ~~**and supervisors**~~, each candidate for directors ~~**and supervisors**~~ shall be proposed by single motions.	**Article 19** As for election of directors to be discussed at the shareholders' ~~**general**~~ meeting, the notice of the shareholders' general meeting shall fully disclose the detailed information of the candidates for directors, and include the following minimum information: (1) Personal background, such as education, work experience, and part-time jobs; (2) If any, his/her associate relationship with the Company, the controlling shareholder of the Company or the actual controller of the Company; (3) Amount of shareholdings held in the Company; (4) (If any) his/her penalties received from China's securities regulator and other relevant departments, and warnings from the Stock Exchanges. Except for cumulative voting system adopted for election of directors, each candidate for directors shall be proposed by single motions.

Original rules	Amended rules
Article 22 The Company shall hold the shareholders' general meeting at its address or the place as required by the Articles of Association. The shareholders' general meeting shall have a venue and be held on-site. The Company should make it convenient for shareholders to attend such meetings by using secure, economic and convenient network or other methods according to laws, administrative regulations and regulations of the CSRC or the Articles of Association. ~~**A shareholder who participates in a shareholders' meeting in the aforesaid manner shall be deemed to have been present at the meeting.**~~ ……	**Article 23** The Company shall hold the shareholders' general meeting at its address or the place as required by the Articles of Association. The shareholders' general meeting shall have a venue and be held on-site. The Company should make it convenient for shareholders to attend such meetings by using secure, economic and convenient network or other methods according to laws, administrative regulations and regulations of the CSRC or the Articles of Association. **In addition to setting a venue and being held on-site, the shareholders' general meeting may also be conducted simultaneously through electronic communication methods.** ……
Article 25 All shareholders or their proxies who are on the register on the closing date of registration shall be entitled to attend the shareholders' general meeting, and neither the Company nor the convener may refuse for any reason.	**Article 26** All shareholders or their proxies who are on the register on the closing date of registration shall be entitled to attend the shareholders' general meeting, and neither the Company nor the convener may refuse for any reason. **A shareholder present at a shareholders' general meeting has one voting right per share, except for class shareholders. The shares held by the Company do not carry voting rights.**

Original rules	Amended rules
Article 27 The convener and the lawyers shall together verify the validity of the shareholders' qualification in accordance with the shareholder register, and register the names of the shareholders and their amount of voting shared held. And the meeting attendance registration shall end before the person chairing the meeting announcing the number of shareholders and proxies present and the total amount of voting shares held.	**Article 28** The convener and the lawyers shall together verify the validity of the shareholders' qualification in accordance with the shareholder register **provided by the securities registration and settlement company and the foreign agency,** and register the names of the shareholders and their amount of voting shares held. And the meeting attendance registration shall end before the person chairing the meeting announcing the number of shareholders and proxies present and the total amount of voting shares held.
Article 28 ~~When convening a shareholders' general meeting, all directors, supervisors and secretary of the Board shall attend the meeting, and the general manager and other senior management shall be present at the meeting.~~ ……	**Article 29 Where the shareholders' general meeting requires a director or senior management to observe a meeting, the director or senior management shall observe the meeting and accept inquiries from shareholders.** ……

Original rules	Amended rules
Article 29 ..... The ~~**Chairman of the Board of Supervisors shall act as the chairman of the**~~ shareholders' general meeting convened by ~~**the Board of Supervisors itself**~~. If ~~**the Chairman of the Board of Supervisors**~~ is unable to or does not perform his obligation, then a supervisor elected by more than half of the supervisors shall preside at the meeting. The convener shall nominate a representative to preside at the shareholders' ~~**general**~~ meeting convened by the shareholders themselves.	**Article 30** ..... The shareholders' general meeting convened by **the audit and risk management committee on its own initiative shall be presided over by the convener of the audit and risk management committee. If the convener of the audit and risk management committee is unable or fails to perform his duties, an audit and risk management committee member jointly elected by half or more of all members of the audit and risk management committee shall preside over the shareholders' general meeting.** The shareholders' ~~**general**~~ meeting convened by shareholders on their own initiative shall be presided over by the convener **or the representative nominated by the convener.** .....
Article 30 The Board of Directors ~~**and the Board of Supervisors**~~ shall present their working reports of the preceding year at the shareholders' annual general meeting. All independent directors shall also make reports on their work.	**Article 31** The Board of Directors shall present their working reports of the preceding year at the shareholders' annual general meeting. All independent directors shall also make reports on their work.
Article 31 The directors~~**, supervisors**~~ and senior management shall make explanation and statement to the shareholders' queries at the meeting.	**Article 32** The directors and senior management shall make explanation and statement to the shareholders' queries at the meeting.

Original rules	Amended rules
Article 34 The cumulative voting system may be used in the voting for the election of Directors ~~**and Supervisors**~~ in shareholders' ~~**general**~~ meeting in accordance with provisions of the Company's Articles of Association, that is, in the election of Directors ~~**or Supervisors**~~ at the shareholders' ~~**general**~~ meeting, the voting right each share has equals the number of candidates for Directors ~~**and Supervisors**~~. Shareholders may use their voting right collectively. The cumulative voting system shall be operated as: (1) Separate election and voting for Independent Director, non-independent Directors ~~**and Supervisors**~~; (2) During the election of independent Directors, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the independent Directors to be elected by him, he could only vote for the candidates of the Directors of the Company by such votes, and the ones who got more votes shall be elected; (3) During the election of non-independent Directors ~~**and supervisors**~~, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the non-independent Directors ~~**and supervisors**~~ to be elected by him, he could only vote for the candidates of the non-independent Directors ~~**and supervisors**~~ of the Company by such votes, and the ones who got more votes shall be elected;	**Article 35** The cumulative voting system may be used in the voting for the election of Directors in shareholders' ~~**general**~~ meeting in accordance with provisions of the Company's Articles of Association, that is, in the election of Directors at the shareholders' ~~**general**~~ meeting, the voting right each share has equals the number of candidates for Directors. Shareholders may use their voting right collectively. The cumulative voting system shall be operated as: (1) Separate election and voting for Independent Director, non-independent Directors; (2) During the election of independent Directors, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the independent Directors to be elected by him, he could only vote for the candidates of the Directors of the Company by such votes, and the ones who got more votes shall be elected; (3) During the election of non-independent Directors, the number of votes for each shareholder shall be the number of shares held by him multiplied by the number of the non-independent Directors to be elected by him, he could only vote for the candidates of the non-independent Directors of the Company by such votes, and the ones who got more votes shall be elected;

Original rules	Amended rules
(4) Where candidates exceed such numbers prescribed in the Company's Articles of Association, the numbers of independent Director, non-independent Directors ~~and Supervisors~~ each shareholder vote for shall not exceed such numbers prescribe in the Company's Articles of Association, and the total votes shall not exceed such number of votes ought to be cast by the shareholders. Otherwise, the voting shall be invalid; (5) Counting officers and scrutinizers of the shareholders' general meeting shall carefully check the aforesaid circumstances to guarantee fair and effective accumulative voting. Where a single shareholder and the persons acting in concert have interest in over 30% of the total shares, or there are more than two (2) Directors ~~or Supervisors~~ to be elected, cumulative voting system should be adopted.	(4) Where candidates exceed such numbers prescribed in the Company's Articles of Association, the numbers of independent Director and non-independent Directors each shareholder vote for shall not exceed such numbers prescribe in the Company's Articles of Association, and the total votes shall not exceed such number of votes ought to be cast by the shareholders. Otherwise, the voting shall be invalid; (5) Counting officers and scrutinizers of the shareholders' general meeting shall carefully check the aforesaid circumstances to guarantee fair and effective accumulative voting. Where a single shareholder and the persons acting in concert have interest in over 30% of the total shares, or there are more than two (2) **independent** Directors to be elected, cumulative voting system should be adopted.
Article 35 Except in accumulative voting, the shareholders' general meetings shall vote on all motions proposed one by one, and examine and approve different motions related to the same matter in the time sequence as submitted. Unless the shareholders' general meeting is adjourned or rendered unable to make resolution by force majeure or other exceptional reasons, the general meeting shall not leave the motion(s) proposed unconsidered or fail to vote on it.	**Article 36** Except in accumulative voting, the shareholders' general meetings shall vote on all motions proposed one by one, and examine and approve different motions related to the same matter in the time sequence as submitted. Unless the shareholders' general meeting is adjourned or rendered unable to make resolution by force majeure or other exceptional reasons, the general meeting shall not leave the motion(s) proposed unconsidered or fail to vote on it.

Original rules	Amended rules
Article 39 Before voting on the motions proposed, the shareholders' general meeting shall nominate two representatives of shareholders to participate in counting the votes and scrutineering. If the shareholder has associate relationship with the matters to be examined and resolved, the relevant shareholders or proxies shall not participate in counting or scrutineering the voting of the resolution. When the shareholders' general meeting is voting on the motion(s) proposed, the lawyer(s), the representative(s) of shareholders ~~**and the representative(s) of supervisors**~~ shall be responsible for counting and scrutineering the votes of resolutions together. The shareholder or his proxy voting through network or other means is entitled to verify their votes of resolution through the corresponding voting system.	**Article 40** Before voting on the motions proposed, the shareholders' general meeting shall nominate two representatives of shareholders to participate in counting the votes and scrutineering. If the shareholder has associate relationship with the matters to be examined and resolved, the relevant shareholders or proxies shall not participate in counting or scrutineering the voting of the resolution. When the shareholders' general meeting is voting on the motion(s) proposed, the lawyer(s) **and** the representative(s) of shareholders shall be responsible for counting and scrutineering the votes of resolutions together **and announce voting results on the spot. The voting results shall be contained in the minutes of meeting.** The shareholder or his proxy voting through network or other means is entitled to verify their votes of resolution through the corresponding voting system.

Original rules	Amended rules
Article 43 The secretary of the Board of Directors shall be responsible for the minutes of the meeting, which shall include the following contents: …… (2) name of the person presiding at the meeting, the directors~~, the directors, the secretary of the Board of Directors, general manager,~~ and ~~other~~ senior management attending the meeting as non-voting delegates or otherwise; …… The directors, the secretary of the Board of Directors, the convener or his representative, and the person presiding at the meeting shall sign on the minutes, and ensure the truthfulness, accuracy and completeness of the contents of the minutes. The minutes shall be filed as records together with the signature book signed by shareholders attending the meeting, the proxies' power of attorney, and other effective voting data by way of network or other means, and be kept for 10 years.	**Article 44** The secretary of the Board of Directors shall be responsible for the minutes of the meeting, which shall include the following contents: …… (2) name of the person presiding at the meeting, the directors and senior management attending the meeting as non-voting delegates or otherwise; …… The directors, the secretary of the Board of Directors, the convener or his representative, and the person **attending or observing** at the meeting shall sign on the minutes, and ensure the truthfulness, accuracy and completeness of the contents of the minutes. The minutes shall be filed as records together with the signature book signed by shareholders attending the meeting, the proxies' power of attorney, and other effective voting data by way of network or other means, and be kept for **no less than** 10 years.
Article 45 Where a motion for election of a director ~~**or supervisor**~~ is passed at shareholders' ~~**general**~~ meeting, the new director ~~**or supervisor**~~ shall assume the office as stipulated by the Company's Articles of Association.	**Article 46** Where a motion for election of a director is passed at shareholders' ~~**general**~~ meeting, the new director shall assume the office as stipulated by the Company's Articles of Association.

Original rules	Amended rules
Article 47 …… Where the procedures of convening and holding or the means of votes of the shareholders' general meeting violates against the laws, administrative regulations or the Company's Articles of Association, or the resolution includes any content in confliction with the Company's Articles of Association, a shareholder may request the people's court to cancel the resolution within 60 days from the date on which the resolution is made.	**Article 48** …… Where the procedures of convening and holding or the means of votes of the shareholders' general meeting violates against the laws, administrative regulations or the Company's Articles of Association, or the resolution includes any content in confliction with the Company's Articles of Association, a shareholder may request the people's court to cancel the resolution within 60 days from the date on which the resolution is made**, provided however, under the circumstances that the convening procedures or voting methods of the shareholders' general meeting or the meeting of the board of directors only have minor flaws, without causing a substantive impact on the resolution**. **The Board of Directors, shareholders, or other related parties that have disputes over the qualification of the convener, procedures of convening, the legality of the content of the motion, the validity of the resolution of the shareholders' general meeting, or other matters shall file a lawsuit with the people's court in a timely manner. The relevant party shall execute the resolution of the shareholders' general meeting before the people's court makes a judgment or ruling such as revoking the resolution. The Company and its directors and senior management shall effectively perform their duties and execute the resolutions of the shareholders' general meeting in a timely manner, so as to guarantee the normal operation of the Company.**

Original rules	Amended rules
	If the people's court renders a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with laws, administrative regulations, and rules of the CSRC and the stock exchange, fully explain the impact, and actively cooperate in the execution of the judgment or ruling after it takes effect. If it involves the correction of previous matters, it shall be handled in a timely manner and the corresponding information disclosure obligations shall be fulfilled.
Article 53 Notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders twenty (20) ~~**business**~~ days prior to the date of the annual ~~**general**~~ meeting and ~~**ten (10) business days or**~~ fifteen (15) days ~~**(whichever is longer)**~~ prior to the date of the extraordinary ~~**general**~~ meeting. Such notice shall give such shareholders notice of the matters to be considered at such meeting and the date and place of the class meeting.	**Article 54** Notice of a class meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders twenty (20) days prior to the date of the annual ~~**general**~~ meeting and fifteen (15) days prior to the date of the extraordinary ~~**general**~~ meeting. Such notice shall give such shareholders notice of the matters to be considered at such meeting and the date and place of the class meeting.
Article 57 ~~**These Rules shall be interpreted by the Board of Directors of the Company.**~~ In cases that these Rules is in contradiction with or different from the provisions of the *Hong Kong Listing Rules* becoming effective from time to time, in practical operation, such provisions shall prevail and compliance therewith shall be deemed as a precondition. In case Chinese laws and regulations, the *Hong Kong Listing Rules*, and other related laws, regulations, and rules are in contradiction with these Rules, the stricter shall prevail.	**Article 58** In cases that these Rules is in contradiction with or different from the provisions of the *Hong Kong Listing Rules* becoming effective from time to time, in practical operation, such provisions shall prevail and compliance therewith shall be deemed as a precondition. In case Chinese laws and regulations, the *Hong Kong Listing Rules*, and other related laws, regulations, and rules are in contradiction with these Rules, the stricter shall prevail.

Original rules	Amended rules
Article 58 These Rules ~~**have been submitted to the shareholders' general meeting of the Company for approval and adopting, and shall become effective on the date when the overseas-listed foreign-invested shares (H) are issued and listed together with the Company's Articles of Association as an appendix thereto.**~~ These Rules shall publicize the requirements of the applicable listing rules on the Company's website and the website of relevant stock exchanges.	**Article 59** These Rules**, as an annex to the Articles of Association of the Company, shall come into force upon approved by the shareholders' general meeting and shall be interpreted by the Board of Directors.** These Rules shall publicize the requirements of the applicable listing rules on the Company's website and the website of relevant stock exchanges.

Comparison Table on the Rules of Procedure of the Board

Original rules	Amended rules
Article 1 Tenet These rules are hereby formulated in accordance with pertinent laws, regulations and normative documents including 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*, the *Code of Corporate Governance for Listed Companies*, the *Rules of Shanghai Stock Exchange on Listing Stocks*, the ~~***Special Provisions of the State Council Concerning the Floatation and Listing Abroad of Stocks by Limited Stock Companies, Mandatory Provisions of Articles of Association of Companies Listed Overseas,* the *Letter Concerning the Suggestions on the Supplements and Amendments of the Articles of Association of Companies Listed in HK,***~~ Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "*HK Listing Rules*") and other relative provisions of the *Articles of Association of Zhengzhou Coal Mining Machinery Group Co., Ltd. (*~~**2011 Revision,**~~ hereinafter referred to as the "Articles of Association"), with the purposes of further standardizing the discussing and voting procedures of the Board of Directors of Zhengzhou Coal Mining Machinery Group Co., Ltd. ("the Company"), promoting the directors and the Board of Directors to effectively fulfill their responsibilities and improving the standard operation and scientific decision-making ability of the Board of Directors.	**Article 1 Tenet** These rules are hereby formulated in accordance with pertinent laws, regulations and normative documents including 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*, the *Code of Corporate Governance for Listed Companies*, the *Rules of Shanghai Stock Exchange on Listing Stocks*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "*HK Listing Rules*") and other relative provisions of the *Articles of Association of* ***ZMJ Group Company Limited*** (hereinafter referred to as the "Articles of Association"), with the purposes of further standardizing the discussing and voting procedures of the Board of Directors of **ZMJ Group Company Limited** ("the Company"), promoting the directors and the Board of Directors to effectively fulfill their responsibilities and improving the standard operation and scientific decision-making ability of the Board of Directors.

Original rules	Amended rules
Add	**Article 3 The special committees of the Board of Directors** The Company's Board of Directors shall have special committees, namely, the strategy and sustainable development committee, the audit and risk management committee, the nomination committee, the remuneration committee and the assessment committee. The special committees are fully composed of Directors, and in the audit and risk management committee, the nomination committee, the remuneration committee and the assessment committee the independent Directors shall be in the majority and shall act as the convener. The convener of the audit and risk management committee shall be an accounting professional. The Board is responsible for formulating working rules, to standardize the operation of the special committees.
Article 3 Regular Meeting …… All directors ~~**and supervisors**~~ shall be notified in writing 14 days prior to the date of holding the regular board meetings.	**Article 4 Regular Meeting** …… All directors shall be notified in writing 14 days prior to the date of holding the regular board meetings.
Article 5 Interim Meeting **In case of one of the following circumstances, the Board of Directors shall convene the interim meeting:** …… (3) the Board of Supervisors proposes for such a meeting; ……	**Article 6 Interim Meeting** **In case of one of the following circumstances, the Board of Directors shall convene the interim meeting:** …… (3) **the audit and risk management committee** proposes for such a meeting; ……

Original rules	Amended rules
Article 7 Authorization to the Board of Directors The ~~**Shareholders' General Meeting shall authorize the**~~ Board of Directors of the Company to review and approve the following transactions during the operation of the Company, except the transactions to be approved by the shareholders (including the independent shareholders and/or uninterested shareholders) according to the *Hong Kong Listing Rules*, and shall be operate in accordance with the *Hong Kong Listing Rules:* (1) the involved total assets of the transactions account for more than 10% but less than 50% of the recent audited total assets of the Company. If there are both the book value and the assessed value of the involved total assets, it shall take the higher as the calculating data; (2) the consideration of a transaction (including the assumption of liability to debts and expenses) accounts for more than 10% but less than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB10 million; (3) the related revenue of the transaction subject (for example, equity interests) of the latest accounting year accounts for more than 10% but less than 50% of the audited revenue of Company for the latest accounting year, and the absolute amount exceeds RMB10 million;	**Article 8 Authorization to the Board of Directors** The Board of Directors of the Company shall review and approve the following transactions during the operation of the Company, except the transactions to be approved by the shareholders (including the independent shareholders and/or uninterested shareholders) according to the *Hong Kong Listing Rules*, and shall be operated in accordance with the *Hong Kong Listing Rules:* (1) the involved total assets of the transactions account for more than 10% but less than 50% of the recent audited total assets of the Company. If there are both the book value and the assessed value of the involved total assets, it shall take the higher as the calculating data; **(2) the net assets involved in the transaction subject (e.g., equity) accounts for more than 10% but less than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB10 million. If there are both the book value and the assessed value of the involved net assets, the higher shall be taken as the calculating data;** **(3)** the consideration of a transaction (including the assumption of liability to debts and expenses) accounts for more than 10% but less than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB10 million;

Original rules	Amended rules
(4) the related net profit of the transaction subject (for example, equity interests) of the latest accounting year accounts for more than 10% but less than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1,000,000; and (5) the profit generated from the transactions accounts for more than 10% but less than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1,000,000. Unless other applicable Hong Kong laws, regulations and rules stipulate otherwise, it shall carry out the requirements of those laws, regulations and rules. If the above index relates the datum of negative value, it shall take its absolute value for calculating.	**(4)** the related revenue of the transaction subject (for example, equity interests) of the latest accounting year accounts for more than 10% but less than 50% of the audited revenue of Company for the latest accounting year, and the absolute amount exceeds RMB10 million; **(5)** the related net profit of the transaction subject (for example, equity interests) of the latest accounting year accounts for more than 10% but less than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1,000,000; and **(6)** the profit generated from the transactions accounts for more than 10% but less than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB1,000,000. Unless other applicable Hong Kong laws, regulations and rules stipulate otherwise, it shall carry out the requirements of those laws, regulations and rules. If the above index relates the datum of negative value, it shall take its absolute value for calculating.

Original rules	Amended rules
If the above transactions are purchasing or selling assets, it shall not include ~~**purchasing raw materials, fuels and motive powers and selling the assets related with the day to day operation such as products, commodities and the like, but if the replacement of assets relates to the purchase and sale of such assets, they shall still be included**~~.	If the above transactions are purchasing or selling assets, it shall not include **transactions related to daily operations such as purchasing raw materials, fuels and motive powers, receiving labor services, selling products and commodities, providing labor services, engineering contracting, etc., but if the replacement of assets relates to the aforementioned transactions, the provision of the first clause of this article shall apply**.
If the above transactions ~~**belong to the Limited Liability Company or the Limited Company established by the Company's investment, which can pay the investment amount in full**~~ by installments ~~**according to the provisions of article 26 or article 81 o***f the Company Law***~~, the provision of the first clause of this article shall apply, with the total amount specified in the Agreement as the standard.	If **the Company implements** the above transactions by installments, the provision of the first clause of this article shall apply, with the total amount specified in the Agreement as the standard.
~~**When any of the above transactions belongs to the matters of providing financial aid, entrusting investments and the like, the incurred amount shall be considered as the basis of calculation, it shall calculate accumulatively within 12 consecutive months according to the types of the transaction matters, and the provision of the first clause of this article shall apply. The relevant duties which have been fulfilled according to the provision of the first clause of this article shall apply shall not be brought into the range of related accumulative calculation any longer.**~~	When any of the above transactions belongs to the matters other than providing guarantees, financial aid, entrusting investments and the like, the transactions related to the subject matter under the same type of transactions shall be calculated accumulatively within 12 consecutive months, and the provision of the first clause of this article shall apply. The relevant duties which have been fulfilled according to the provision of the first clause of this article shall no longer be brought into the scope of related accumulative calculation.

Original rules	Amended rules
When any of the above transactions belongs to the matters other than providing guarantees, financial aid, entrusting investments and the like, the transactions related to the subject matter under the same type of transactions shall be calculated accumulatively within 12 consecutive months, and the provision of the first clause of this article shall apply. The relevant duties which have been fulfilled according to the provision of the first clause of this article shall no longer be brought into the scope of related accumulative calculation. Save as specified in the preceding clause, where the Company conducts transactions of "purchase or sales of assets", whether or not the subject matter of the transactions are related, the total assets or transaction volume involved in twelve consecutive months shall not exceed 30% of the latest audited total assets of the Company. Under the precondition of being limited to the *Hong Kong Listing Rules* and the provisions of all applicable Hong Kong laws, regulations and rules, the Board of Directors of the Company shall have the right to review and approve the ~~**external**~~ guarantee matters except ~~**those specified in article 68 of**~~ the Articles of Association. Besides being passed by the majority of all directors, the guarantee matters within the terms of references of the Board of Directors shall also be agreed by more than two-thirds of the directors attending the meeting of the Board of Directors.	Save as specified in the preceding clause, where the Company conducts transactions of "purchase or sales of assets", whether or not the subject matter of the transactions are related, the total assets or transaction volume involved in twelve consecutive months shall not exceed 30% of the latest audited total assets of the Company. Under the precondition of being limited to the *Hong Kong Listing Rules* and the provisions of all applicable Hong Kong laws, regulations and rules, the Board of Directors of the Company shall have the right to review and approve the **financial assistance or** guarantee matters except **where such matters are expressly reserved for Shareholders' General Meeting under** the Articles of Association. Besides being passed by the majority of all directors, the **financial assistance or** guarantee matters within the terms of references of the Board of Directors shall also be agreed by more than two-thirds of the directors attending the meeting of the Board of Directors.

Original rules	Amended rules
Under the precondition of being limited to the *Hong Kong Listing Rules* and the provisions of all applicable Hong Kong laws, regulations and rules, ~~**if the amount of the transaction between the Company and the connected person (except the transactions that the Company provides guarantee or donated cash assets) is less than RMB30 million Yuan, or takes less than 5% of the absolute value of the recent audited net assets, the connected transaction shall be reviewed and approved by the Board of Directors.**~~	Under the precondition of being limited to the *Hong Kong Listing Rules* and the provisions of all applicable Hong Kong laws, regulations and rules, **the Company shall, after performing relevant decision-making procedures, disclose in a timely manner a transaction with any of its related parties which meets any of the following standards:** **(1) the amount of the transaction is more than 300,000 yuan including debts and expenses incurred, in the case of a transaction with a related natural person; or** **(2) the amount of the transaction is more than 3 million yuan including debts and expenses incurred and accounts for more than 0.5 percent of the absolute value of the latest audited net assets of the Company, in the case of a transaction with a related legal person or other organization.**

Original rules	Amended rules
Article 11 Meeting Notifications For convening the regular meetings and interim meetings of the Board of Directors, the Office of the Board of Directors shall send the written meeting notices stamped with the seal of the Board of Directors to all directors, ~~**supervisors,**~~ the General Manager and the Secretary of the Board of Directors by hand, post, fax, email or by other means stipulated in the *Articles of Association* 14 and 5 days in advance respectively. The meeting notices which are not delivered by hand shall also be confirmed via telephone and recorded correspondingly. In case of urgent situation that the interim meeting of the Board of Directors shall be convened as soon as possible, the meeting notice may be sent via telephone or in other oral forms, but the convener shall explain at the meeting.	**Article 13 Meeting Notifications** For convening the regular meetings and interim meetings of the Board of Directors, the Office of the Board of Directors shall send the written meeting notices stamped with the seal of the Board of Directors to all directors, the General Manager and the Secretary of the Board of Directors by hand, post, fax, email or by other means stipulated in the *Articles of Association* 14 and 5 days in advance respectively. The meeting notices which are not delivered by hand shall also be confirmed via telephone and recorded correspondingly. In case of urgent situation that the interim meeting of the Board of Directors shall be convened as soon as possible, the meeting notice may be sent via telephone or in other oral forms, but the convener shall explain at the meeting.

Original rules	Amended rules
Article 14 Convening of Meetings The meetings of the Board of Directors may be held only if the majority of the directors attend, (including the directors who entrust, in writing, other directors to attend the meetings of the Board of Directors as their representatives in accordance with the Articles of Association). In case that the minimum quorum is not satisfied because the relevant directors are refused to attend or are negligent in attending the meeting, the Chairman of the Board of Directors and the Secretary of the Board of Directors shall report to the regulatory agencies promptly. The ~~**supervisors may attend the meetings of the Board of Directors as non-voting participants, and the**~~ General Manager and the Secretary of the Board of Directors who do not hold the concurrent post of the direction shall attend the meetings of the Board of Directors as non-voting participants. When the Chairman of the Board of Directors deems necessary, other relevant persons may be notified to attend the meetings of the Board of Directors as non-voting participants.	**Article 16 Convening of Meetings** The meetings of the Board of Directors may be held only if the majority of the directors attend, (including the directors who entrust, in writing, other directors to attend the meetings of the Board of Directors as their representatives in accordance with the Articles of Association). In case that the minimum quorum is not satisfied because the relevant directors are refused to attend or are negligent in attending the meeting, the Chairman of the Board of Directors and the Secretary of the Board of Directors shall report to the regulatory agencies promptly. The General Manager and the Secretary of the Board of Directors who do not hold the concurrent post of the direction shall attend the meetings of the Board of Directors as non-voting participants. When the Chairman of the Board of Directors deems necessary, other relevant persons may be notified to attend the meetings of the Board of Directors as non-voting participants.
Article 21 Statistic of Vote Result After the participating directors voted, the Securities Affairs Representative and relevant personnel of the Office of the Board of Directors shall collect the vote tickets of the directors timely and submit them to the Secretary of the Board of Directors for the statistic under the supervision by one ~~**supervisor or independent non-executive**~~ director. ……	**Article 23 Statistics of Vote Result** After the participating directors voted, the Securities Affairs Representative and relevant personnel of the Office of the Board of Directors shall collect the vote tickets of the directors timely and submit them to the Secretary of the Board of Directors for the statistic under the supervision by one director. ……

Original rules	Amended rules
Article 22 Formation of Resolution Except ~~**the circumstances stipulated in article 23 of those Rules**~~, the proposal reviewed and passed by the Board of Directors must get the affirmative votes of more than the half of all directors of the Company and then may become a resolution. It shall be subject to the provisions, if the laws, administrative laws and regulations, and the Articles of Association specify that the resolution of the Board of Directors shall get the agreement of more directors. ~~**Besides the agreement of the majority of all directors of the Company, the Board of Directors must get the agreement of more than two-thirds of the participating directors further, and then the Board of Directors may make resolutions for the guarantee matters within its terms of references in accordance with the provisions of the Articles of Association,**~~ The contradictory contents and meanings of different resolutions shall be subject to the ones formed later.	**Article 24 Formation of Resolution** Except **as otherwise provided in these Rules**, the proposal reviewed and passed by the Board of Directors must get the affirmative votes of more than the half of all directors of the Company and then may become a resolution. It shall be subject to the provisions, if the laws, administrative laws and regulations, and the Articles of Association specify that the resolution of the Board of Directors shall get the agreement of more directors. The contradictory contents and meanings of different resolutions shall be subject to the ones formed later.

Original rules	Amended rules
~~Article 25 Special Provisions for Profit Distribution~~ ~~If the matters concerning the profit distribution of the Company should be resolved on the meetings of the Board of Directors, the Certified Public Accountant may be informed of the distribution plan to be submitted to the Board of Directors for reviewing, and the Certified Public Accountant shall be required to issue a draft audit report accordingly (except those concerning the profit distribution, all the other financial data have been confirmed). After the Board of Directors made the resolution of distribution, the Certified Public Accountant shall be required to issue a formal audit report, and the Board of Directors shall make resolutions for other related matters according to the formal audit report issued by the Certified Public Accountant.~~	Delete

Original rules	Amended rules
Article 35 Supplementary Provisions The phrase of "more than" in these Rules of Procedure shall include the number or amount itself. ~~**These Rules have been passed on the General Meeting of Stockholders and, as an attachment of the Articles of Association of the Company, shall come into force along with the Articles of Association from the date, on which the overseas listed foreign shares (H-share) of the Company are issued and listed.**~~ These Rules shall be disclosed on the Company's web sites and relevant web sites of Stock Exchange according to the applicable requirements of Listing Rules. These Rules shall be interpreted by the Board of Directors. In case there is any contradiction or difference between these Rules and the provisions of *Hong Kong Listing Rules* that come into force from time to time, the practical operation shall be subject to the latter under the precondition of meeting such provisions. In case there is any difference between these Rules and the laws and regulations of the People's Republic of China, *Hong Kong Listing Rules* and other relative laws, regulations and rules, it shall be subject to the stricter one.	**Article 36 Supplementary Provisions** The phrase of "more than" in these Rules of Procedure shall include the number or amount itself. These Rules shall be disclosed on the Company's web sites and relevant web sites of Stock Exchange according to the applicable requirements of Listing Rules. These Rules**, as an annex to the Articles of Association of the Company, shall come into force upon approved by the Shareholders' General Meeting and** shall be interpreted by the Board of Directors. In case there is any contradiction or difference between these Rules and the provisions of *Hong Kong Listing Rules* that come into force from time to time, the practical operation shall be subject to the latter under the precondition of meeting such provisions. In case there is any difference between these Rules and the laws and regulations of the People's Republic of China, *Hong Kong Listing Rules* and other relative laws, regulations and rules, it shall be subject to the stricter one.

Comparison table of revisions to the Working System of Independent Directors

Original	Revisions
Article 1 This working system is formulated in accordance with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Rules Governing Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》), the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (《上海證券交易所股票上市規則》) (hereinafter as the "Listing Rules of the SSE"), Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardised Operation (《上海證券交易所上市公司自律監管指引第1號－規範運作》) (hereinafter as "Supervision Guidelines No. 1"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter as the "Listing Rules of the Stock Exchange") and its Appendix 14 "Corporate Governance Code" and other relevant laws, regulations, departmental rules, normative documents, securities regulatory rules where the Company's shares are listed (hereinafter collectively referred to as the "Relevant Rules") and the Articles of Association of Zhengzhou Coal Mining Machinery Group Company Limited (hereinafter referred to as the "Articles of Association"), in order to further optimize the governance structure of the Company, while facilitating the regulatory operation of the Company, safeguarding the interests of the Company as a whole, and protecting the legitimate rights and interests of all shareholders, especially minority shareholders.	**Article 1** This working system is formulated in accordance with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Rules Governing Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》), the Rules Governing the Listing of Stocks on Shanghai Stock Exchange (《上海證券交易所股票上市規則》) (hereinafter as the "Listing Rules of the SSE"), Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 — Standardised Operation (《上海證券交易所上市公司自律監管指引第1號－規範運作》) (hereinafter as "Supervision Guidelines No. 1"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter as the "Listing Rules of the Stock Exchange") and its Appendix 14 "Corporate Governance Code" and other relevant laws, regulations, departmental rules, normative documents, securities regulatory rules where the Company's shares are listed (hereinafter collectively referred to as the "Relevant Rules") and the Articles of Association of **ZMJ** Group Company Limited (hereinafter referred to as the "Articles of Association"), in order to further optimize the governance structure of **ZMJ Group Company Limited** ("the Company"), while facilitating the regulatory operation of the Company, safeguarding the interests of the Company as a whole, and protecting the legitimate rights and interests of all shareholders, especially minority shareholders.

Original	Revisions
Article 4 Independent Directors appointed by the Company can take their roles as Independent Directors in up to three domestic listed companies (including the Company) concurrently, and shall ensure their effective performance of duties as Independent Directors with sufficient time and efforts devoted.	**Article 4** Independent Directors appointed by the Company **may, in principle,** take their roles as Independent Directors in up to three domestic listed companies (including the Company) concurrently, and shall ensure their effective performance of duties as Independent Directors with sufficient time and efforts devoted.
~~**Article 6 Where an independent director is unqualified for being independent or other circumstances arise making him/her unqualified for performing duties, resulting in the number of independent directors of the Company falling below the minimum number as prescribed by the statutory requirement, the Company shall add additional independent directors to fill up the quorum as required by applicable regulations.**~~	**Deleted**
Article 11 The Board ~~**and the Supervisory Committee**~~ of the Company, and shareholders who severally or jointly hold more than 1% of the issued shares of the Company may nominate candidates for Independent Directors, subject to the determination by election at the general meetings. ……	**Article 10** The Board of the Company, and shareholders who severally or jointly hold more than 1% of the issued shares of the Company may nominate candidates for Independent Directors, subject to the determination by election at the general meetings. ……

Original	Revisions
Article 13 The Nomination Committee of the Company shall examine the qualifications of the nominees for appointment and form a clear opinion on the examination. Prior to the publication of the notice convening a **shareholders'~~general~~** meeting to elect Independent Directors, the Company shall disclose the relevant contents **~~in accordance with the provisions of Article 12 and the preceding paragraph of this System and submit~~** the relevant materials of all candidates **~~(including but not limited to nominators' representations and undertakings, candidates' representations and undertakings, Independent Director's biographies)~~** for appointment of Independent Directors **~~to the Shanghai Stock Exchange. The relevant materials submitted shall be~~** true, accurate and complete. **~~In the event that the board of directors of the Company disagrees with the relevant information of the Independent Director candidates, the Board's written opinion shall be submitted at the same time.~~**	**Article 12** The Nomination Committee of the Company shall examine the qualifications of the nominees for appointment and form a clear opinion on the examination. Prior to the publication of the notice convening a **shareholders'~~general~~** meeting to elect Independent Directors, the Company shall disclose the relevant materials of the independent director candidates, **including the "Declaration and Commitment of Independent Director Candidates," "Declaration and Commitment of Independent Director Nominees," and "Resume of Independent Director Candidates," and disclose the relevant declarations and commitments, as well as the review opinions of the Nomination Committee or the special meeting of independent directors, and ensure the truthfulness, accuracy, and completeness of the content of the announcement.**

Original	Revisions
~~**The Shanghai Stock Exchange shall examine the relevant materials of independent director candidates in accordance with the relevant provisions, and prudently judge whether an independent director candidate has office qualifications and is entitled to**~~ raise objections. The Company shall make timely disclosure in such case. When the general meeting is held to elect independent directors, the Board of the Company shall explain whether the candidate for independent director has been challenged by Shanghai Stock Exchange. If the independent director candidate is challenged by Shanghai Stock Exchange, the Company shall not submit to the general meeting for election as an independent director. Any such resolution so submitted shall be cancelled.	**If an independent director candidate does not meet the eligibility criteria or independence requirements for independent directors, the Shanghai Stock Exchange may** raise objections **to the eligibility criteria or independence of the independent director candidate**. The Company shall make timely disclosure in such case. When the general meeting is held to elect independent directors, the Board of the Company shall explain whether the candidate for independent director has been challenged by Shanghai Stock Exchange. If the independent director candidate is challenged by Shanghai Stock Exchange, the Company shall not submit to the general meeting for election as an independent director. Any such resolution so submitted shall be cancelled.
Article 29 In any of the following circumstances, an Independent Director shall report to the Shanghai Stock Exchange in a timely manner: …… (4) the Board fails to take effective measures after reporting to the Board on the suspected violation of laws and regulations by the Company or its Directors~~, supervisors~~ and senior management; ……	**Article 28** In any of the following circumstances, an Independent Director shall report to the Shanghai Stock Exchange in a timely manner: …… (4) the Board fails to take effective measures after reporting to the Board on the suspected violation of laws and regulations by the Company or its Directors and senior management; ……
Article 40 The following terms used in this System shall have the following meanings: …… (2) Small and Medium Shareholder means a shareholder who individually or collectively holds less than 5% of the shares of a listed company and does not serve as a director~~, supervisor,~~ or senior management of the company; ……	**Article 39** The following terms used in this System shall have the following meanings: …… (2) Small and Medium Shareholder means a shareholder who individually or collectively holds less than 5% of the shares of a listed company and does not serve as a director or senior management of the company; ……

Comparison table of revisions to the System of Managing Proceeds from Fundraising

Original	Revisions
CHAPTER I GENERAL PROVISIONS	**CHAPTER I GENERAL PROVISIONS**
Article 1 This policy is established to strengthen and standardise the Company's management and use of proceeds, ~~**ensuring its proper stewardship and effective deployment to maximise efficiency and**~~ enhance returns. It is formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China, ~~**the Administrative Measures for Initial Public Offerings and Listings,**~~ the Administrative Measures for the Issuance of Securities by Listed Companies, Regulation Guideline for Listed Companies No. 2 — Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies, the Listing Rules of the Shanghai Stock Exchange, ~~**the Measures for the Management of Raised Capital by Listed Companies of the Shanghai Stock Exchange,**~~ and other relevant laws, administrative regulations, regulatory documents, as well as the specific provisions of the Articles of Association of Zhengzhou Coal Mining Machinery Group Company Limited (the "Articles of Association"), and reflects the Company's practical circumstances.	**Article 1** This policy is established to strengthen and standardise the Company's **deposit,** management and use of proceeds, **enhancing the efficiency of the use of proceeds, prevent risks in the use of funds and protect the interests of investorse**. It is formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Securities Law of the People's Republic of China, the Administrative Measures for Initial Public Offerings and Listings, the **Registration and** Administrative Measures for the Issuance of Securities by Listed Companies, Regulation Guideline for Listed Companies No. 2 — Regulatory Requirements for the Management and Use of Funds Raised by Listed Companies, the Listing Rules of the Shanghai Stock Exchange, the **Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 — Regulated Operations**, and other relevant laws, administrative regulations, regulatory documents, as well as the specific provisions of the Articles of Association of **ZMJ** Group Company Limited (the "Articles of Association"), and reflects the Company's practical circumstances.

Original	Revisions
Article 2 The funds raised in this system refer to the funds raised by the Company through ~~**public offerings of securities, including the initial public**~~ offering ~~**(IPO), placing, follow-on issuance, issuance of convertible corporate bonds, issuance of convertible corporate bonds with warrants, corporate bonds, warrants and through non-public offering of securities**~~, however, it does not include funds raised by the Company to implement its equity incentive plan.	**Article 2** The funds raised in this system refer to the funds raised by the Company through **issuance of shares and their derivatives**, however, it does not include funds raised by the Company to implement its equity incentive plan. **For the purpose of this system, excessive proceeds shall refer to the excess of the actual net proceeds raised by the Company over the planned amount of funds to be raised.**
Article 3 ~~**The Board of the Company shall establish an internal control system regarding the deposit, utilization and management of proceeds, while specific provisions shall be established for the deposit, utilization, changes, supervision and accountability as well as other aspects in relation to the proceeds.**~~ The Company shall file ~~**the internal control system for the deposit, use and management of raised funds**~~ with Shanghai Stock Exchange for recording in a timely manner and disclose it on the websites of Shanghai Stock Exchange.	**Article 3** The Company shall file the system with Shanghai Stock Exchange for recording in a timely manner and disclose it on the websites of Shanghai Stock Exchange.
Article 4 The Company's Directors~~**, Supervisors**~~ and senior management shall oversee the compliant use of the funds raised by the Company with due diligence and care and consciously maintain the safety of funds raised by the Company, and may not engage in, assist in or allow any change to the use of the funds raised in an unauthorized or disguised manner.	**Article 4** The Company's Directors and senior management shall oversee the compliant use of the funds raised by the Company with due diligence and care and consciously maintain the safety of funds raised by the Company, and may not engage in, assist in or allow any change to the use of the funds raised in an unauthorized or disguised manner.

Original	Revisions
Article 6 The Company shall engage with the Sponsors to perform sponsor duties and implement management of the Proceeds of the Company and maintain continuous supervision according to Administrative Measures for the Sponsorship Business of the Issuance and Listing of Securities and these rules.	**Article 6** The Company shall **cooperate** with the Sponsors **or the independent financial advisor** to perform sponsor duties and implement management of the Proceeds of the Company and maintain continuous supervision according to Administrative Measures for the Sponsorship Business of the Issuance and Listing of Securities and these rules.
CHAPTER II ~~MANAGEMENT OF~~ FUNDS RAISED STORAGE	**CHAPTER II FUNDS RAISED STORAGE**
~~Article 7 Upon receipt of the proceeds, the Company shall promptly go through the procedures of capital verification, and the relevant capital verification report shall be issued by an accounting firm.~~	**Deleted**
Article 8 ~~The proceeds raised by the Company shall be deposited into~~ the designated account (the "Designated Account for Proceeds") established with approval from the Board for centralised management. The Designated Account for Proceeds shall not be used for the deposit of funds other than the proceeds or for other purposes.	**Article 7 The Company shall carefully select a commercial bank and open a** designated account (the "Designated Account for Proceeds") **for the proceeds, and the proceeds shall be deposited in the Special Account for Proceeds approved by the Board of Directors** for centralised management. The Designated Account for Proceeds shall not be used for the deposit of funds other than the proceeds or for other purposes. **Where there are more than two financings applicable to the Company, the Company shall set up separate designated accounts for proceeds. Oversubscribed funds shall also be deposited and managed in the Designated Account for Proceeds.**

Original	Revisions
Article 9 The Company shall sign the third-party supervision agreement (the "Agreement") for deposit into the special account of proceeds with the sponsors and the commercial bank in which the proceeds are deposited (the "Commercial Bank") within one month after the proceeds are transferred to the account. The agreement shall at least include the following contents: (1) The Company shall deposit all proceeds into the special account; (2) The Commercial Bank shall provide the Company a bank statement of the special account on a monthly basis and make a copy for the sponsors; (3) If the Company withdraws more than RMB50 million at one time or in aggregate within 12 months from the special account for deposit of proceeds, and the amount reaches 20% of net proceeds deducting the issuing expense from the total proceeds (the "Net Proceeds"), the Company shall promptly notify the sponsors; (4) The sponsors may visit the commercial bank for access of the information related to the special account for deposit of proceeds any time; (5) Liability for breach of contract of the Company, the Commercial Bank and the sponsors.	**Article 8** The Company shall sign the third-party supervision agreement (the "Agreement") for deposit into the Designated Account for Proceeds with the sponsors **or the independent financial adviser** and the commercial bank in which the proceeds are deposited (the "Commercial Bank") within one month after the proceeds are transferred to the account. The agreement shall at least include the following contents: (1) The Company shall deposit all proceeds into the Designated Account for Proceeds; **(2) The account number of the Designated Account for Proceeds, the items of proceeds involved in the special account and the amount to be deposited;** **(3)** The Commercial Bank shall provide the Company a bank statement of the Designated Account for Proceeds on a monthly basis and forward the same to the sponsors **or the independent financial adviser**; **(4)** If the Company withdraws more than RMB50 million at one time or in aggregate within 12 months from the Designated Account for Proceeds, and the amount reaches 20% of net proceeds deducting the issuing expense from the total proceeds (the "Net Proceeds"), the Company shall promptly notify the sponsors **or the independent financial adviser**; **(5)** The sponsors **or the independent financial adviser** may visit the commercial bank for access of the information related to the Designated Account for Proceeds of proceeds any time;

Original	Revisions
~~**The Company shall report to the Stock Exchange for filing and announcement within two trading days after the execution of the abovementioned agreement.**~~ If the agreement is terminated before the expiry date ~~**due to changes of the sponsors or the Commercial Bank**~~, the Company shall sign and announce a new agreement with relevant parties within two weeks from the date of termination of the agreement~~**, and report to the Shanghai Stock Exchange for filing and announcement within two trading days after the execution of the new agreement**~~.	**(6) The supervisory duties of the sponsor or the independent financial adviser, the informing and cooperating duties of the Commercial Bank, and the supervisory methods of the sponsor or the independent financial adviser and the commercial bank in respect of the use of proceeds by the Company;** **(7)** Liability for breach of contract of the Company, the Commercial Bank, the sponsors **and the independent financial adviser;**~~.~~ **(8) In the event that the commercial bank fails to issue the bank statement to the sponsor or the independent financial adviser in a timely manner on three occasions and fails to cooperate with the sponsor or the independent financial adviser in the enquiry and investigation of the information of the special account, the Company may terminate the agreement and cancel the corresponding special account for the proceeds.** If the agreement is terminated before the expiry date, the Company shall sign a new agreement with relevant parties within two weeks from the date of termination of the agreement, and **make a timely announcement**.
Article 10 If the sponsors find that the Company and the Commercial Bank have not performed in accordance with the agreement, the sponsors shall promptly report to the Shanghai Stock Exchange in writing upon knowledge of the relevant facts.	**Article 9** If the sponsors **or the independent financial advisor** and the Commercial Bank have not performed in accordance with the agreement, the **Company** shall promptly report to the Shanghai Stock Exchange in writing upon knowledge of the relevant facts.

Original	Revisions
CHAPTER III ~~MANAGEMENT OF THE~~ USE OF FUND RAISING	**CHAPTER III USE OF FUND RAISING**
Article 11 The Company shall abide by the following requirements when using the raised funds: (1) The Company shall clearly stipulate the application for the use of raised funds, the authority of examination and approval at different levels, decision-making procedures, risk control measures and information disclosure procedures; (2) The Company shall use the raised funds in accordance with the plan for the use of the raised funds promised in the application documents for issuance; (3) In the event of a situation seriously affecting the normal operation of the raised funds plan, the Company shall promptly report to the Shanghai Stock Exchange and make a public announcement; (4) Where the following circumstances occur in the project, the Company shall reassess the feasibility and expected income of the project, decide whether to continue the project, and disclose the progress of the project, the reasons for the abnormalities ~~**and**~~ the adjusted ~~**project**~~ in the latest periodic report ~~**(if any)**~~: ……	**Article 10** The Company shall abide by the following requirements when using the raised funds: (1) The Company shall clearly stipulate the application for the use of raised funds, the authority of examination and approval at different levels, decision-making procedures, risk control measures and information disclosure procedures; (2) The Company shall use the raised funds in accordance with the plan for the use of the raised funds promised in the application documents for issuance **and shall not arbitrarily change the investment direction of the proceeds**; (3) In the event of a situation seriously affecting the normal operation of the raised funds plan, the Company shall promptly report to the Shanghai Stock Exchange and make a public announcement; (4) Where the following circumstances occur in the project, the Company shall reassess the feasibility and expected income of the project, decide whether to continue the project, and disclose the progress of the project, the reasons for the abnormalities**, and if it is necessary to adjust the fund-raising investment plan, it shall disclose the adjusted fund-raising investment plan at the same time**: ……

Original	Revisions
Article 12 The fund raised by the Company shall, in principle, be used for its principal business. The Company may not use the raised funds as follows: (1) Except for financial enterprises, investment projects are financial investments such as holding transactional financial assets and ~~**financial assets available for sale**~~, lending to others, entrusting financial management, and direct or indirect investments in companies whose principal business is to buy and sell negotiable securities; (2) To alter the purpose of raising funds in disguised form through pledge, entrusted loan or other means; (3) Providing the raised funds directly or indirectly to the controlling shareholders, the actual controllers related parties for their use, so as to facilitate the related parties to obtain unfair benefits from the project; (4) Other acts in violation of the provisions on the management of raised funds.	**Article 11** The fund raised by the Company shall, in principle, be used for its principal business. The Company may not use the raised funds as follows: (1) Except for financial enterprises, investment projects are financial investments such as holding transactional financial assets and **investment in other equity instruments**, lending to others, entrusting financial management, and direct or indirect investments in companies whose principal business is to buy and sell negotiable securities; (2) To alter the purpose of raising funds in disguised form through pledge, entrusted loan or other means; (3) Providing the raised funds directly or indirectly to the controlling shareholders, the actual controllers **and other** related parties for their use, so as to facilitate the related parties to obtain unfair benefits from the project; (4) Other acts in violation of the provisions on the management of raised funds.

Original	Revisions
Addition	**Article 12** The use of fund raised for the following purposes shall be considered and approved by the Board, and the explicit consent from the Audit and Risk Management Committee and the sponsor or independent financial advisor shall be obtained: (1) Replacing self-raised funds previously invested in fund raised investment projects with the fund raised; (2) Using temporarily idle fund raised for cash management; (3) Temporarily supplementing working capital with temporarily idle fund raised; (4) Changing the intended use of fund raised; (5) Using excess fund raised for ongoing projects and new projects. Any change in the use of fund raised shall also be approved by the shareholders' meeting. Matters involving related-party transactions, asset purchases or external investments, etc. shall also comply with the relevant provisions of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and other applicable rules, and fulfill the approval procedures and disclosure obligations.

Original	Revisions
Article 13 Where the Company invests in a raised funds investment project in advance with self-financing funds, it may replace the self-financing funds with the raised funds within six months after the raised funds have arrived in the accounts~~.~~ ~~**Substitution matters shall be examined and approved by the board of directors**~~. Accounting firms shall issue certification reports~~**, and the independent directors, board of supervisors and sponsors shall express their clear consent. The board of the Company shall report to the Shanghai Stock Exchange and make a public announcement within two trading days after the board meeting**~~.	**Article 13** Where the Company invests in a raised funds investment project in advance with self-financing funds, it may replace the self-financing funds with the raised funds within six months after the raised funds have arrived in the accounts**, and a certification report from an a**ccounting firm shall **be obtained**.
Article 14 The temporary idle fund raised by the Company ~~**may be**~~ managed in cash, but the products invested ~~**shall meet the following conditions:**~~ ~~**(1)**~~ It has high security ~~**and meets the cost-guaranteed requirements, and the principal part of the product issuer can provide the cost-guaranteed commitment;**~~ ~~**(2)**~~ Good liquidity, and shall not affect the normal operation of the raised funds investment plan. Investment products shall not be pledged, and the special settlement account for products (if applicable) shall not store non-raised funds or be used for other purposes. If the special settlement account for products is opened or cancelled, the Company shall ~~**report to the Shanghai Stock Exchange and**~~ make a public announcement ~~**within two trading days**~~.	**Article 14 The Company may** carry out cash management **of** temporarily idle proceeds, and **the duration of** the products invested **shall not be longer than the period of use authorized by internal resolution and shall not exceed 12 months. Only after the maturing funds of the aforesaid investment products have been returned to the Designated Account for Proceeds on schedule and announced, the Company may start cash management again within the authorized period and amount.** **The investment product shall** have high security and good liquidity, and shall not affect the normal operation of the raised funds investment plan. Investment products shall not be pledged, and the special settlement account for products (if applicable) shall not store non-raised funds or be used for other purposes. If the special settlement account for products is opened or cancelled, the Company shall make a **timely** announcement.

Original	Revisions
Article 15 The use of idle raised funds for investment products ~~**shall be examined and approved by the board of directors of the company, and the independent directors, board of supervisors and sponsors shall express their clear consent. The Company**~~ shall make a public announcement for the following contents ~~**within two trading days**~~ after the board meeting: …… (5) Opinions issued by ~~**independent directors, board of supervisors and sponsors**~~.	**Article 15** Where idle proceeds are used to invest in products, the following shall be announced in **a timely manner** after consideration by the board of directors: …… (5) Opinions issued by **the Audit and Risk Management Committee and the sponsor or independent financial adviser**. **The Company shall, in the event that the financial condition of the issuer of the product deteriorates, the invested product faces loss and other significant risks, timely disclose a risk alert announcement and explain the risk control measures taken by the Company to ensure the safety of the funds.**

Original	Revisions
Article 16 Where a company temporarily uses idle raised funds to supplement its current funds, it shall meet the following requirements:	**Article 16** Where a company temporarily uses idle raised funds to supplement its current funds, it shall meet the following requirements:
(1) The purpose of raising funds shall not be altered in disguise, nor shall it affect the normal operation of the investment plan for raising funds;	**(1)** The purpose of raising funds shall not be altered in disguise, nor shall it affect the normal operation of the investment plan for raising funds;
(2) It shall be limited to the production and operation related to the principal business, and shall not be used for new share allotment or purchase through direct or indirect arrangements, or for the trading of stocks and their derivatives, convertible company bonds, etc.;	**(2)** It shall be limited to the production and operation related to the principal business, and shall not be used for new share allotment or purchase through direct or indirect arrangements, or for the trading of stocks and their derivatives, convertible company bonds, etc.;
(3) The time for a single replenishment of liquidity shall not exceed 12 months;	**(3)** The time for a single replenishment of liquidity shall not exceed 12 months;
(4) Funds raised for temporary replenishment of liquidity that have been returned to the previous fund that has expired (if applicable).	**(4)** Funds raised for temporary replenishment of liquidity that have been returned to the previous fund that has expired (if applicable).

Original	Revisions
~~**Where the Company temporarily uses idle raised funds to supplement its liquidity, it shall be examined and approved by the board of directors of the Company, and the independent directors, sponsors and board of supervisors shall express their consent. The Company shall report to the Shanghai Stock Exchange and make a public announcement within two trading days after the board meeting.**~~ Before the expiration date of the supplementary liquidity, the Company shall return this part of the funds to the raised funds special account, ~~**and report it to the Shanghai Stock Exchange**~~ and announce it ~~**within two trading days**~~ after the full return of the funds.	Before the expiration date of the supplementary liquidity, the Company shall return this part of the funds to the raised funds special account, and **timely** announce it after the full return of the funds.
Article 17 Where the actual net Proceeds raised are in excess of the Proceeds planned to be raised (hereinafter referred to as the "Excessive Proceeds"), the Excessive Proceeds may be used for the purpose of permanent replenishment of working capital or repayment of bank loans, the amount used in aggregate over each 12-month period shall not exceed 30% of the Excessive Proceeds and the Company shall undertake not make other highly risky investments or provide financial assistance ~~**to others**~~ or within the 12-month period after such proceeds were used to replenish working capital.	**Article 17** Where the actual net Proceeds raised are in excess of the Proceeds planned to be raised (hereinafter referred to as the "Excessive Proceeds"), the Excessive Proceeds may be used for the purpose of permanent replenishment of working capital or repayment of bank loans, the amount used in aggregate over each 12-month period shall not exceed 30% of the Excessive Proceeds and the Company shall undertake not make other highly risky investments or provide financial assistance to **subjects other than its controlling subsidiaries** or within the 12-month period after such proceeds were used to replenish working capital.

Original	Revisions
Article 18 Where the Excessive Proceeds are used to permanently supplement liquidity and repay bank loans, they shall be examined and approved by the board of directors and the shareholders' general meeting of the Company, and the online voting method shall be provided for shareholders. ~~**Independent directors, supervisors and sponsors**~~ shall express their clear consent. The Company shall report to the Shanghai Stock Exchange within two trading days after the board meeting and publicly announce the following contents: …… (6) Opinions issued by ~~**independent directors, board of supervisors and sponsors**~~.	**Article 18** Where the Excessive Proceeds are used to permanently supplement liquidity and repay bank loans, they shall be examined and approved by the board of directors and the shareholders' general meeting of the Company, and the online voting method shall be provided for shareholders. **The Audit and Risk Management Committee, the** sponsors **or the independent financial adviser** shall express their clear consent. The Company shall report to the Shanghai Stock Exchange within two trading days after the board meeting and publicly announce the following contents: …… (6) Opinions issued by **the Audit and Risk Management Committee, the** sponsors **or the independent financial adviser**.
Article 19 In case the Company invests the Excessive Proceeds in projects under construction and new projects (including acquisition of assets), in principle, such investment shall be limited to its principal business. The Company shall apply the relevant provisions of ~~**Articles 22 to Article 25**~~ of the Measures for Raising Funds to conduct the feasibility analysis of the investment projects in a scientific and prudent manner, and perform the obligation of information disclosure in a timely manner.	**Article 19** In case the Company invests the Excessive Proceeds in projects under construction and new projects (including acquisition of assets), in principle, such investment shall be limited to its principal business. The Company shall apply the relevant provisions of the Measures **regarding changes in the proceeds** to conduct the feasibility analysis of the investment projects in a scientific and prudent manner, and perform the obligation of information disclosure in a timely manner.

Original	Revisions
Article 20 Where an individual Proceeds-financed Project is completed and the Company wishes to invest in other Proceeds-financed Projects with the balance of the Proceeds for the completed project (including interest income), it shall be subject to consideration and approval by the board of directors with ~~**affirmative opinions expressly given by the independent directors, the board of supervisors and the sponsor**~~. The Company shall notify the Shanghai Stock Exchange and make an announcement within two trading days after the meeting of the board of directors. If the balance of the Proceeds (including the interest income) is less than RMB1 million or less than 5% of the committed amount of Proceeds to be invested in such Proceeds-financed Project, the Company may be exempted from the above procedures set out in the preceding paragraph, but shall disclose the status of use in its annual report. If the balance of the Proceeds (including the interest income) of an individual Proceeds-financed Project is used for projects other than Proceeds-financed Projects (including replenishment of working capital), the Company shall comply with relevant procedures and perform disclosure obligations with reference to "Changes in the Proposed Use of Proceeds".	**Article 20** Where an individual Proceeds-financed Project is completed and the Company wishes to invest in other Proceeds-financed Projects with the balance of the Proceeds for the completed project (including interest income), it shall be subject to consideration and approval by the board of directors with affirmative opinions expressly given by the sponsor **and the Audit and Risk Management Committee**. The Company shall notify the Shanghai Stock Exchange and make an announcement ~~**within two trading days**~~ **in a timely manner** after the meeting of the board of directors. If the balance of the Proceeds (including the interest income) is less than RMB1 million or less than 5% of the committed amount of Proceeds to be invested in such Proceeds-financed Project, the Company may be exempted from the above procedures set out in the preceding paragraph, but shall disclose the status of use in its annual report. If the balance of the Proceeds (including the interest income) of an individual Proceeds-financed Project is used for projects other than Proceeds-financed Projects (including replenishment of working capital), the Company shall comply with relevant procedures and perform disclosure obligations with reference to "Changes in the Proposed Use of Proceeds".

Original	Revisions
Article 21 Upon completion of all Proceeds-financed Projects, the balance of the Proceeds (including the interest income) ~~**equivalent to an amount of 10% or above of the Net Proceeds may be used**~~ subject to the consideration and approval of the board of directors ~~**and the general meeting**~~ and ~~**with the affirmative opinions expressly given by the independent directors, the board of supervisors and the sponsor**~~. The Company shall ~~**notify the Shanghai Stock Exchange and**~~ publish an announcement ~~**within two trading days after the meeting of**~~ the board of directors. ~~**The balance of the Proceeds (including the interest income) in an amount of less than 10% of the Net Proceeds may be used subject to the consideration and approval by the board and with the affirmative opinions expressly given by the independent directors, the board of supervisors and the sponsor. The Company shall notify the Shanghai Stock Exchange and publish an announcement within two trading days after the meeting of the board of directors.**~~	**Article 21** Upon completion of all Proceeds-financed Projects, **use of** the balance of the Proceeds (including the interest income) **by the Company shall be** subject to the consideration and approval of the board of directors and with the affirmative opinions expressly given by the sponsor **and the Audit and Risk Management Committee**. The Company shall publish an announcement **in a timely manner after consideration by** the board of directors. **If the balance of the proceeds (including interest income) account for more than 10% of the net proceeds, it shall also be subject to the approval of the shareholders at the shareholders' meeting.**

Original	Revisions
The balance of the Proceeds (including the interest income) in an amount of less than RMB5 million or less than 5% of the Net Proceeds may be exempted from the above procedures in terms of its use, but the Company shall disclose its status of use in the latest periodic report.	The balance of the Proceeds (including the interest income) in an amount of less than RMB5 million or less than 5% of the Net Proceeds may be exempted from the above procedures in terms of its use, but the Company shall disclose its status of use in the latest periodic report.
Addition	**Article 22** If the investment project funded by the raised funds exceeds the original completion deadline and has not been completed, and the Company intends to extend the implementation period, the Company shall promptly disclose the specific reasons for the failure to complete on time, explain the current status of the raised funds, whether there are any circumstances that may affect the normal progress of the raised funds usage plan, the expected completion time, and the relevant measures to ensure completion on time after the extension, and follow the corresponding decision-making procedures for the extension of the raised funds investment project.

Original	Revisions
CHAPTER 4 ~~MANAGEMENT OF THE~~ CHANGES IN THE PROPOSED USE OF PROCEEDS	CHAPTER 4 CHANGES IN THE PROPOSED USE OF PROCEEDS
Article 22 ~~The Company shall use the proceeds strictly in accordance with the purposes specified in the share issuance application documents. Any change to a Proceeds-financed Project must be considered and approved by the board of directors and the general meeting, with the affirmative opinions expressly issued by the independent directors, the board of supervisors and the sponsor.~~ ~~In case the Company merely changes the venue of the Proceeds-financed Projects, such change may be exempted from complying with the procedures set out in the preceding paragraph but shall be subject to the consideration and approval by the board. The Company shall notify the Shanghai Stock Exchange and publish an announcement, setting forth the reasons for such change and the opinion of the sponsor, within two trading days upon approval by the board of directors.~~	Article 23 Where the Company has any of the following circumstances, it shall be deemed as a change in the use of raised funds, and the Company shall promptly announce such change after approval by the Board and fulfill the procedures for review by the shareholders' meeting: (1) Cancellation or termination of the original raised fund project and implementation of a new project; (2) Change in the implementing entity of the raised fund investment project; (3) Change in the implementation method of the raised fund investment project; (4) Other circumstances deemed by the Shanghai Stock Exchange as a change in the use of raised funds. If the implementing entity of a raised funds investment project is changed between the Company and its wholly-owned subsidiaries, or if the change only involves the relocation of the implementation site of the raised funds investment project, such change shall not be deemed as a change in the use of raised funds and may be exempted from the procedure of the shareholders' meeting. However, such change shall still be considered and approved by the Board and promptly announced, along with the reasons for the change in the implementing entity or location and the opinions of the sponsor.

Original	Revisions
Article 24 In case the Company proposes to change a Proceeds-financed Project, the Company shall ~~**notify the Shanghai Stock Exchange**~~ and publish an announcement ~~**within two trading days**~~ upon the submission to the board of directors for consideration: …… (5) the opinions ~~**of the independent directors, the board of supervisors and the sponsor**~~ in respect of the change to the Proceeds-financed Project; (6) the statement that the change to the Proceeds-financed Project needs to be submitted to the general meeting for consideration and approval; ……	**Article 25** In case the Company proposes to change a Proceeds-financed Project, the Company shall **timely** publish an announcement upon the submission to the board of directors for consideration: …… (5) the opinions of the **Audit and Risk Management Committee,** the sponsor **or the independent financial advisor** in respect of the change to the Proceeds-financed Project; (6) the statement that the change to the Proceeds-financed Project needs to be submitted to the general meeting for consideration and approval; ……

Original	Revisions
Article 26 In case the Company proposes to transfer or exchange a Proceeds-financed Project to or with others (except for those that have been entirely transferred or exchanged during any material asset reorganization of the Company), it shall ~~**notify the Shanghai Stock Exchange**~~ and publish an announcement of the following ~~**within two trading days**~~ from the submission to the board of directors for consideration: …… (6) opinions on the transfer or exchange of the Proceeds-financed Project ~~**from the independent directors, the board of supervisors and the sponsor**~~; (7) statement that the transfer or exchange of the Proceeds-financed Project needs to be submitted to the general meeting for consideration and approval~~;~~ ~~**(8) any such other content as required by the Shanghai Stock Exchange.**~~ ~~**The Company shall give due regard to the receipt and use of the consideration of the transfer, the change in ownership of the acquired assets and the on-going operation of the acquired assets, and fulfill necessary information disclosure obligations**~~.	**Article 27** In case the Company proposes to transfer or exchange a Proceeds-financed Project to or with others (except for those that have been entirely transferred or exchanged during any material asset reorganization of the Company), it shall **timely** publish an announcement of the following from the submission to the board of directors for consideration: …… (6) opinions on the transfer or exchange of the Proceeds-financed Project from the **Audit and Risk Management Committee, the** sponsor **or the independent financial advisor**; (7) statement that the transfer or exchange of the Proceeds-financed Project needs to be submitted to the general meeting for consideration and approval~~;~~**.**

Original	Revisions
CHAPTER 5 ADMINISTRATION OF AND SUPERVISION ON USE OF PROCEEDS	**CHAPTER 5 ADMINISTRATION OF AND SUPERVISION ON USE OF PROCEEDS**
Article 28 ……	**Article 29** ……
The Special Report on Proceeds shall be considered and approved by the board of directors and ~~**the board of supervisors**~~, and the Company shall ~~**notify the Shanghai Stock Exchange and publish an announcement thereof within two trading days**~~ upon submission to the board for consideration. In an annual audit, the Company shall engage an accounting firm to issue a verification report on the deposit and use of Proceeds of the Company, which shall be submitted to the Shanghai Stock Exchange at the time when the Company disclose its annual report, and such report shall be disclosed on the website of the Shanghai Stock Exchange, concurrently.	The Special Report on Proceeds shall be considered and approved by the board of directors and the **Audit and Risk Management Committee**, and the Company shall **timely** publish an announcement submission to the board for consideration. In an annual audit, the Company shall engage an accounting firm to issue a verification report on the deposit and use of Proceeds of the Company, which shall be submitted to the Shanghai Stock Exchange at the time when the Company disclose its annual report, and such report shall be disclosed on the website of the Shanghai Stock Exchange, concurrently.

Original	Revisions
Article 29 The sponsor shall conduct at least one on-site inspection on the deposit and use of Proceeds of the Company semi-annually. After the end of every financial year, the sponsor shall issue a special examination report on the deposit and use of Proceeds of the Company for the year, which shall be submitted to the Shanghai Stock Exchange at the time when the Company disclose its annual report. Such report shall contain the following: …… After the end of each financial year, the board of directors of the Company shall disclose in the Special Report on Proceeds the conclusive opinion in the special examination report issued by the sponsor and the verification report issued by the accounting firm.	**Article 30 The sponsor or the independent financial adviser** shall conduct at least one on-site inspection on the deposit and use of Proceeds of the Company semi-annually. After the end of every financial year, the sponsor **or the independent financial adviser** shall issue a special examination report on the deposit and use of Proceeds of the Company for the year, which shall be submitted to the Shanghai Stock Exchange at the time when the Company disclose its annual report **and be disclosed on the website of Shanghai Stock Exchange**. Such report shall contain the following: …… After the end of each financial year, the board of directors of the Company shall disclose in the Special Report on Proceeds the conclusive opinion in the special examination report issued by the sponsor **or the independent financial adviser** and the verification report issued by the accounting firm.

Original	Revisions
Article 30 ~~Independent directors, the Audit Committee of the Board and the board of supervisors shall continuously monitor the actual management and the use of proceeds. The Audit Committee of the Board, board of supervisors or more than one half of the independent directors may employ a certified public accountant to issue an authentication report on the deposit and use of the proceeds. The Board shall actively cooperate while the necessary costs shall be borne by the Company.~~ **~~The Board shall report to Shanghai Stock Exchange and make an announcement within two trading days after receiving the authentication report specified in the clause above. If the authentication report opines that the management and the use of the proceeds involve a violation of the regulations, the Board shall also announce such violation regarding the deposit and use of the proceeds, as well as the actual or potential consequences or measures that have been or will be taken.~~**	**Article 31 The Company's accounting department shall establish ledgers to record the use of raised funds, detailing the expenditure of raised funds and the investment in raised fund projects.** **The internal audit department of the Company shall conduct at least one inspection every six months on the storage and use of raised funds and promptly report the inspection results to the Audit and Risk Management Committee.** **If the Audit and Risk Management Committee of the Company believes that there are violations in the management of raised funds, major risks, or that the internal audit department has not submitted the inspection results report in accordance with the preceding provisions, it shall promptly report to the Board. The Boards shall promptly report to the Shanghai Stock Exchange and make an announcement upon receipt of the report.**
CHAPTER 6 SUPPLEMENTARY PROVISIONS	**CHAPTER 6 SUPPLEMENTARY PROVISIONS**
Article 32 The term "or above" shall include the given figure and "less than" shall not when used herein.	**Article 33** The term "or above" shall include the given figure and **"over" or** "less than" shall not when used herein.

Comparison table of revisions to the Implementation Rules for the Cumulative Voting System

Original	Revisions
Remove all instances of "supervisors", "supervisory committee" and "shareholder-represented supervisors" throughout the text, and replace "shareholders' meeting(s)" with "general meeting(s)".	
Article 1 To further establish and refine the Company's management systems, improve corporate governance, and safeguard shareholders' rights in electing directors ~~**and supervisors**~~, the Company may adopt a ~~**cumulative**~~ voting system for the election of directors ~~**and shareholder-represented supervisors**~~ at general meetings, in accordance with the Company Law of the People's Republic of China. These implementation rules are formulated to ensure the effective operation of this system.	**Article 1** To further establish and refine the Company's management systems, improve corporate governance, and safeguard shareholders' rights in electing directors, the Company may adopt a cumulative voting system for the election of directors at general meetings, in accordance with the Company Law of the People's Republic of China, **the Securities Law of the People's Republic of China, the Guidelines for the Governance of Listed Companies, and other laws, administrative regulations and prescriptive documents, and the Articles of Association of ZMJ Group Company Limited (the "Articles of Association")**. These implementation rules are formulated to ensure the effective operation of this system.
Article 3 ~~**Where the Company's largest shareholder holds 30% or more of the equity and two or more directors or supervisors are to be elected,**~~ the cumulative voting system shall apply.	**Article 3** **Where the proportion of shares held by a single shareholder of the Company and the parties acting in concert with it are interested is more than 30%, or where two or more independent directors are elected at a shareholders' meeting**, the cumulative voting system shall apply.

Original	Revisions
Article 5 After the Company issues the notice convening a general meeting for the election of directors~~ or shareholder-represented supervisors~~, shareholders holding ~~3%~~ or more of the Company's shares (individually or jointly) may propose candidates for directors~~ or shareholder-represented supervisors~~ prior to the meeting. The Board of Directors shall review such proposals in accordance with the procedures for amending general meeting resolutions and submit them to the general meeting for deliberation. The total number of valid voting rights shall be the product of the aggregate number of voting shares represented by shareholders present at the general meeting and the number of directors~~ or supervisors~~ to be elected.	**Article 5** After the Company issues the notice convening a general meeting for the election of directors, shareholders holding **1%** or more of the Company's shares (individually or jointly) may propose candidates for directors prior to the meeting. The Board of Directors shall review such proposals in accordance with the procedures for amending general meeting resolutions and submit them to the general meeting for deliberation. The total number of valid voting rights shall be the product of the aggregate number of voting shares represented by shareholders present at the general meeting and the number of directors to be elected.

Comparison table of revisions to the Management Rules for External Guarantees

Original	Revisions
Article 1 In order to protect the lawful rights and interests of investors, standardize the provision of external guarantees by the Company, avoid risks of external guarantees effectively, and ensure safety of the Company's assets, these policies have been formulated in accordance with the Company Law of the People's Republic of China~~, the Guarantee Law of the People's Republic of China~~ and other laws, regulations and normative documents, and the Articles of Association while taking into account the actual circumstances of the Company.	**Article 1** In order to protect the lawful rights and interests of investors, standardize the provision of external guarantees by the Company, avoid risks of external guarantees effectively, and ensure safety of the Company's assets, these policies have been formulated in accordance with the Company Law of the People's Republic of China, the **Securities Law of the People's Republic of China, the Civil Code of the People's Republic of China, Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, Supervisory Guidelines for Listed Companies No. 8 — Supervisory Requirements on Capital Transactions and External Guarantees of Listed Companies, and Self-Regulatory Guidelines for Listed Companies on the Shanghai Stock Exchange No. 1 -Rules for the Listing of Stocks on the Shanghai Stock Exchange** and other laws, regulations and normative documents, and the Articles of Association while taking into account the actual circumstances of the Company.

Original	Revisions
Article 7 The Company shall take necessary measures such as counter-guarantee for risk prevention upon provision of guarantee to others, and the provider of the counter-guarantee shall have actual guarantee capability.	**Article 7** The Company shall take necessary measures such as counter-guarantee for risk prevention upon provision of guarantee to others, and the provider of the counter-guarantee shall have actual guarantee capability. **Where the Company provides guarantees for controlling shareholders, de facto controllers and their related parties, the controlling shareholders, de facto controllers and their related parties shall provide counter-guarantees.**
Article 8 Independent directors of the Company shall make special introductions in relation to accumulative and current guarantee of the Company in annual report, and shall give independent opinions.	**Deleted**
Article 10 In the event that the conditions in ~~**Article 9**~~ are not met, if the Company thinks there is the need to develop business and cooperation with the applicants and risk of such guarantee is low, with agreement of ~~**two-thirds or above of the Board of the Company**~~ or after deliberation of Shareholders Meeting, the Company could provide such guarantee.	**Article 9** In the event that the conditions in **Article 8** are not met, if the Company thinks there is the need to develop business and cooperation with the applicants and risk of such guarantee is low, with agreement of **two-thirds or above of the Directors present at the Board meeting** or after deliberation of Shareholders Meeting, the Company could provide such guarantee.

Original	Revisions
Article 18 The external guarantee to be considered and approved by the general meeting must be deliberated by the Board of Directors before being submitted to the general meeting for consideration and approval. External guarantees subject to consideration and approval at a general meeting shall include but are not limited to the following: (1) any guarantee provided after the total amount of external guarantee provided by the Company and its controlled subsidiaries has exceeded 50% of the Company's latest audited net assets; (2) any guarantee provided after ~~**the amount of guarantee for 12 consecutive months**~~ has exceeded 30% of the Company's latest audited total assets; (3) a guarantee to be provided to a party which has an asset-liability ratio in excess of 70%; ……	**Article 17** The external guarantee to be considered and approved by the general meeting must be deliberated by the Board of Directors before being submitted to the general meeting for consideration and approval. External guarantees subject to consideration and approval at a general meeting shall include but are not limited to the following: (1) any guarantee provided after the total amount of external guarantee provided by the Company and its controlled subsidiaries **reaches or exceeds** 50% of the Company's latest audited net assets; (2) any guarantee provided after the **total amount of external guarantees of the Company and the Company's controlled subsidiaries reaches or exceeds** 30% of the Company's latest audited total assets; **(3) any guarantee provided by the Company within one year where the amount of guarantee exceeds 30% of the Company's latest audited total assets;** **(4)** a guarantee to be provided to a party which has an asset-liability ratio in excess of 70%; ……

Original	Revisions
Article 21 The Company must enter into a written guarantee contract and a counter-guarantee contract (if needed) when providing an external guarantee. The guarantee contract and the counter-guarantee contract shall have the contents required by laws and regulations ~~**such as the Guarantee Law of the People's Republic of China and Contract Law of the People's Republic of China**~~.	**Article 20** The Company must enter into a written guarantee contract and a counter-guarantee contract (if needed) when providing an external guarantee. The guarantee contract and the counter-guarantee contract shall have the contents required by laws and regulations such as the **Civil Code of the People's Republic of China**.
Article 31 …… In the process of contract management, once an abnormal contract has been found that has not been approved by the Board or a general meeting, it shall be reported to the Board and ~~**the board of supervisors**~~ in a timely manner.	**Article 30** …… In the process of contract management, once an abnormal contract has been found that has not been approved by the Board or a general meeting, it shall be reported to the Board and the **Audit and Risk Management Committee** in a timely manner.
Article 37 In response to other potential risks, the financial department and the legal department shall adopt effective measures and submit the corresponding risk control measures for review by line managers, who shall then submit such measures to the office of the general manager, the Board or ~~**the Supervisory Committee**~~ of the Company, as the case may be.	**Article 36** In response to other potential risks, the financial department and the legal department shall adopt effective measures and submit the corresponding risk control measures for review by line managers, who shall then submit such measures to the office of the general manager, the Board or the **Audit and Risk Management** Committee of the Company, as the case may be.

Comparison table of revisions to the Decision-making System of Related Party Transactions

Original	Revisions
Article 1 In order to strengthen the management of related party transactions of the Company, protect the lawful interests of all shareholders of the Company and guarantee the compliance with the principles of fairness, impartiality and openness of the related party transactions between the Company and the related parties, these policies have been formulated in accordance with the relevant provisions of laws, regulations and the Articles of Association.	**Article 1** In order to strengthen the management of related party transactions of the Company, protect the lawful interests of all shareholders of the Company and guarantee the compliance with the principles of fairness, impartiality and openness of the related party transactions between the Company and the related parties, these policies have been formulated in accordance with the relevant provisions of **the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Guidelines for the Governance of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and other** relevant laws, regulations and the Articles of Association **of ZMJ Group Company Limited** (hereinafter referred to as the "Articles of Association").

Original	Revisions
Article 3 Related parties transactions of the Company refer to the transfer of resources or obligations between the Company or its holding subsidiaries and related persons, including the following: (1) buying or selling assets; (2) making external investment (including entrusted asset management and **entrusted loans**); (3) providing financial assistance; (4) providing guarantee; (5) leas-in or lease-out of assets; (6) ~~**signing management-related contracts (including entrusted operation and being entrusted with operation)**~~; (7) giving assets or being given assets; (8) reorganization of creditor's rights or debts; ~~**(9) transfer of research and development projects;**~~ (10) signing a license agreement; (11) purchasing raw materials, fuel and power; (12) sales of products and commodities; (13) providing or accepting labour services; (14) entrust or contracted sale;	**Article 3** Related party transactions of the Company refer to the transfer of resources or obligations between the Company or its holding subsidiaries **and other entities under its control** and related persons, including the following: (1) buying or selling assets; (2) making external investment (including entrusted **wealth management and investment to subsidiaries**); (3) providing financial assistance **(including interest-bearing or interest-free loans, entrusted loans, etc.)**; (4) providing guarantee **(including guarantees for controlled subsidiaries, etc.)**; (5) leas-in or lease-out of assets; (6) **entrusting or being entrusted for the management of assets and business)**; (7) giving assets or being given assets; (8) reorganization of creditor's rights or debts; **(9)** signing a license agreement; **(10) transfer or assignment of R&D projects;**

Original	Revisions
(15) deposits ~~**with the finance company of the related party**~~;	**(11)** **waiver of rights (including waiver of the right of first refusal, the right of first subscription of capital contribution, etc.);**
(16) joint investment with the related party;	**(12)** purchasing raw materials, fuel and power;
(17) other agreements that may result in the transfer of resources or obligations;	**(13)** sales of products and commodities;
(18) other transactions under the Articles of Association.	**(14)** providing or accepting labour services;
	(15) entrust or contracted sale;
	(16) deposits **and loan business**;
	(17) joint investment with the related party;
	(18) other agreements that may result in the transfer of resources or obligations;
	(19) other transactions **as determined by the Shanghai Stock Exchange**.

Original	Revisions
Article 5 Legal persons that meet any of the following conditions shall be regarded as the related legal persons of the Company:	**Article 5** Legal persons that meet any of the following conditions shall be regarded as the related legal persons of the Company:
(1) the legal person or other organizations that controls the Company directly or indirectly;	(1) the legal person or other organizations that controls the Company directly or indirectly;
(2) the legal person or other organizations under the direct or indirect control of the main body described in the preceding paragraph, except the Company and its holding subsidiaries;	(2) the legal person or other organizations under the direct or indirect control of the main body described in the preceding paragraph, except the Company**,** its holding subsidiaries **and other entities under its control**;
(3) the legal person or other organizations of the Company under the direct or indirect control of the related natural person ~~**stated in these rules**~~, or where the ~~**aforementioned related natural person**~~ act as Director(s) or senior management members, except the Company and its holding subsidiaries;	(3) the legal person or other organizations of the Company under the direct or indirect control of the related natural person, or where the act as Director(s) or senior management members, except the Company**,** its holding subsidiaries **and other entities under its control**;
(4) the legal person or other organizations that hold more than 5% of the Company's shares;	(4) the legal person or other organizations that hold more than 5% of the Company's shares, **and parties acting in concert with them**;
(5) the legal person or other organizations as identified by CSRC, Shanghai Stock Exchange or the Company based on the principle of substance over form, to whom the Company's interest may be in their favour due to their special relationships with the Company;	(5) the legal person or other organizations as identified by CSRC, Shanghai Stock Exchange or the Company based on the principle of substance over form, to whom the Company's interest may be in their favour due to their special relationships with the Company;
(6) other legal person stated in the Articles of Association~~;~~	(6) other legal person stated in the Articles of Association~~;~~

Original	Revisions
~~(7) where the Company and the legal persons as stated in paragraph (2) of this article are subject to the same control of a state-owned assets supervision and administrative agency, no related party relationship is created thereby, except for the circumstances under which the legal representative, general manager or more than half of the Directors of the legal persons concurrently act as the Director, supervisor or senior management of the Company.~~	
Article 6 The natural person that meets any of the following conditions shall be regarded as the related natural person of the Company: (1) the natural person that directly or indirectly holds more than 5% of the Company's shares; (2) the Director~~, supervisor~~ and senior management personnel of the Company; ……	**Article 6** The natural person that meets any of the following conditions shall be regarded as the related natural person of the Company: (1) the natural person that directly or indirectly holds more than 5% of the Company's shares; (2) the Director and senior management personnel of the Company; ……

Original	Revisions
Article 8 Decision-making powers on related party transactions: (1) Related transactions between the Company and related natural persons involving the amount less than RMB300,000 and transactions between the Company and related legal persons involving the amount less than RMB3,000,000 or related transactions representing less than 0.5% of the Company's latest audited absolute value of net asset (other than corporate guarantee) shall be subject to the consideration and approval of the Company's Director upon discussion of General Management Committee and filing with the Board of Directors; (2) Transactions between the Company and related natural persons involving the amount more than RMB300,000 and transactions between the Company and related legal persons involving the amount more than RMB3,000,000 and related transactions representing more than 0.5% of the Company's latest audited absolute value of net asset (other than corporate guarantee) shall be subject to the consideration and approval of the Company's Board of Directors;	**Article 8** Decision-making powers on related party transactions: (1) **Except otherwise provided for in Article 10 of this system,** related transactions between the Company and related natural persons involving the amount less than RMB300,000 and transactions between the Company and related legal persons involving the amount less than RMB3,000,000 or related transactions representing less than 0.5% of the Company's latest audited absolute value of net asset (other than corporate guarantee) shall be subject to the consideration and approval of the Company's Director upon discussion of General Management Committee and filing with the Board of Directors; (2) **Except otherwise provided for in Article 10 of this system,** transactions between the Company and related natural persons involving the amount more than RMB300,000 and transactions between the Company and related legal persons involving the amount more than RMB3,000,000 and related transactions representing more than 0.5% of the Company's latest audited absolute value of net asset (other than corporate guarantee) shall be subject to the consideration and approval of the Company's Board of Directors;

Original	Revisions
(3) Transactions between the Company and related persons involving the amount more than RMB30,000,000 and related transactions representing more than 5% of the Company's latest audited absolute value of net asset shall also be subject to the consideration of the general meeting upon the approval of the Company's Board of Directors. Such related transactions shall be subject to the consideration and approval from the Company's general meeting~~, but cash asset received by the Company, any transaction that simply relieves the Company of obligatory debt and guarantee provided by the Company are excluded~~; ~~(4) Material related transaction (being the related transactions between the Company and related party involving the intended amount more than RMB3,000,000 and over 0.5% of the latest audited net asset of the Company) shall be subject to the Board of Directors for discussion upon independent Directors' prior agreement. Before independent Directors make any judgment, the Company may engage an agency to issue independent financial adviser report. The Board of Directors could also organize specialists and professionals for review and assessment.~~ ~~The Company shall not provide borrowings to Directors, Supervisors, and senior management directly or through subsidiaries.~~	(3) **Except otherwise provided for in Article 10 of this system,** transactions between the Company and related persons involving the amount more than RMB30,000,000 and related transactions representing more than 5% of the Company's latest audited absolute value of net asset shall also be subject to the consideration of the general meeting upon the approval of the Company's Board of Directors. Such related transactions shall be subject to the consideration and approval from the Company's general meeting;

Original	Revisions
	Where the Company and a related party jointly invest in the establishment of a company, the transaction amount shall be the amount of the Company's capital contribution. Where the amount of the Company's capital contribution meets the criteria set forth in paragraph (3) above, and where all of the contributing parties have made their capital contributions entirely in cash, and where the proportion of each party's shareholding in the company established is determined in accordance with the proportion of the amount of the capital contribution, the application of the provisions to be submitted to the shareholders' meeting for consideration may be exempted. **Where the arrangements relating to a transaction between the Company and a related party involve the conditional determination of an amount of money that may be paid or received in consideration in the future, the expected maximum amount shall be the transaction amount, and the aforesaid provisions shall apply.** **For related party transactions that should be disclosed, they shall be submitted to the Board for consideration after being approved by more than half of all independent directors of the Company.**

Original	Revisions
Addition	**Article 9** The Company shall not provide financial assistance to related parties, except where financial assistance is provided to a related equity-participation company that is not controlled by the Company's controlling shareholder or de facto controller, and other shareholders of the equity-participation company would provide financial assistance on the same terms in proportion to their investment.
	If the Company provides financial assistance to a related equity-participation company specified in the preceding paragraph, in addition to being considered and approved by more than half of all non-related directors, the matter must also be considered and approved by more than two-thirds of the non-related Directors presenting at the Board meeting, and submitted to the shareholders' meeting for consideration.

Original	Revisions
Article 9 Any guarantee**, regardless of its amount,** provided by the Company for its shareholders, de facto controllers and **other** related parties **shall be submitted to the general meeting for consideration upon approval of the Board of Directors.** **Where the shareholders consider a resolution at a general meeting regarding the provision of guarantees in favor of shareholders, de facto controllers and their related parties, such shareholders, or shareholders under the control of such de facto controllers shall abstain from voting. Such resolution is subject to the approval of more than a half of the voting rights held by other shareholders present at the general meeting.**	**Article 10 Where the Company provides guarantee for a related party, in addition to being considered and approved by more than half of all non-related directors, the guarantee shall also be considered and approved by more than two-thirds of the non-related directors present at the board meeting and a resolution shall be made and submitted to the shareholders' meeting for consideration. For** any guarantee provided by the Company for its **controlling** shareholders, de facto controllers and their related parties**, the controlling shareholders, de facto controllers and their related parties shall provide counter-guarantees.** **If the Company's transaction or related party transaction rendered the guaranteed party to become a related party of the Company, the Company shall, while implementing the transaction or related transaction, perform the corresponding review procedures and information disclosure obligations for the existing related party guarantee.** **In the event that the Board or the shareholders' meeting did not consider and approve the guarantees provided for in the preceding paragraph, the parties to the transaction shall take effective measures such as early termination of the guarantees.**

Original	Revisions
Article 10 For transactions between the Company and related parties ~~**(other than cash asset received by the Company, any transaction that simply relieves the Company of obligatory debt, and guarantee provided by the Company)**~~ involving the amount more than RMB30,000,000 and related transactions representing over 5% of the latest audited absolute value of net asset of the Company, where the subject matter of the transaction is equity interest of the Company, ~~**the Company shall engage an accounting firm qualified to deal with securities and futures to audit**~~ the financial accounting reports of the latest year and of the last quarter ~~**of the subject matter of the transaction**~~. The cut-off date for the audit shall not be more than six months prior to the date of holding the general meeting for consideration of such transaction; ~~**where**~~ the subject matter of the transaction is ~~**non-cash**~~ assets other than equity interest~~**, the Company shall engage a property assessment firm qualified to deal with securities and futures to carry out valuation.**~~ The base date of the valuation shall not be more than one year from the date of holding the **shareholders'general**~~~~ meeting for consideration of such transaction.	**Article 11** For transactions between the Company and related parties involving the amount more than RMB30,000,000 and related transactions representing over 5% of the latest audited absolute value of net asset of the Company, where the subject matter of the transaction is equity interest of a company, the financial accounting reports of the latest year and of the last period of the subject matter of the transaction **audited by an accounting firm shall be disclosed. The audit opinion issued by the accounting firm shall be a standard unqualified opinion, and** the cut-off date for the audit shall not be more than six months prior to the date of holding the general meeting for consideration of such transaction; where the subject matter of the transaction is assets other than equity interest, **an appraisal report issued by an asset appraisal institution shall be disclosed.** The base date of the valuation shall not be more than one year from the date of holding the **shareholders'general**~~~~ meeting for consideration of such transaction.

Original	Revisions
~~**Subject matters involved**~~ in the related party transaction in the ordinary and usual course of ~~**business of the Company**~~ may be exempted from audit or valuation, ~~**which includes:**~~ ~~**(1) acquiring raw materials, fuels or power;**~~ ~~**(2) selling products or commodities;**~~ ~~**(3) providing or receiving labor services;**~~ ~~**(4) selling by consignment or selling on commission.**~~	**The daily related party transactions as stipulated Article 15 of the system** may be exempted from audit or valuation,
Addition	**Article 14** Where the Company engages in entrusted wealth management with related parties, and it is difficult to fulfill the review procedures and disclosure obligations for each investment transaction due to factors such as transaction frequency and time constraints, the Company may reasonably estimate the investment scope, investment amount, and term, and use the estimated amount as the calculation standard, subject to the provisions of Article 8 of this system. The validity period of such investment limits shall not exceed 12 months, and at any point during the validity period, the total transaction amount (including amounts from re-investment of returns from the aforementioned investments) shall not exceed the investment limit.

Original	Revisions
	Article 15 Where the Company engages in daily related-party transactions listed in Items (12) to (16) of Article 3 of this system with related parties, it shall comply with the following provisions for approval procedures and disclosure: (1) For daily related-party transaction agreements that have been approved by the shareholders' meeting or the Board and are currently in effect, if there are no significant changes to the principal terms during the implementation process, the company shall disclose the actual implementation of each agreement in the annual report and semi-annual report as required, and explain whether it complies with the provisions of the agreement; if there are significant changes to the main terms of the agreement during the execution process or the agreement expires and needs to be renewed, the company shall submit the newly revised or renewed daily related-party transaction agreements to the board of directors or shareholders' meeting for review based on the total transaction amount involved in the agreements; if the agreements do not specify a total transaction amount, they shall be submitted to the shareholders' meeting for review;

Original	Revisions
	(2) For the first occurrence of daily related-party transactions, the Company shall follow the approval procedures and disclose the information in a timely manner based on the total transaction amount specified in the agreement; if the agreement does not specify the total transaction amount, it shall be submitted to the shareholders' meeting for approval. If the principal terms of the agreement undergo significant changes during its implementation or if the agreement expires and needs to be renewed, the provisions of the preceding paragraph shall apply; (3) The Company may reasonably estimate the annual amount of daily related-party transactions by category, fulfill the approval procedures and disclose the information. If the actual amount exceeds the estimated amount, the Company shall fulfill the approval procedures again and disclose the information in accordance with the excess amount; (4) The Company's annual report and interim report shall disclose the actual implementation of daily related-party transactions in a categorized and consolidated manner; (5) If the term of a daily related-party transaction agreement entered into by the Company with a related party exceeds three years, the relevant review procedures and disclosure obligations shall be performed every three years in accordance with the provisions of this system.

Original	Revisions
	Article 16 The following transactions between the Company and related parties may be exempted from review and disclosure as related-party transactions: (1) Transactions where the company unilaterally receives benefits without paying consideration or assuming any obligations, including the receipt of cash assets as gifts, debt relief, or the acceptance of guarantees and financial assistance without consideration; (2) Transactions where related parties provide funds to the Company at interest rates no higher than the loan market quotation rate, and the Company is not required to provide guarantees; (3) One party subscribes for shares, convertible bonds, or other derivative instruments issued by the other party to unspecified parties in cash; (4) One party acts as a member of an underwriting syndicate to underwrite shares, convertible bonds, or other derivative instruments issued by the other party to unspecified parties; (5) One party receives dividends, profits, or remuneration in accordance with the resolution of the shareholders' meeting of the other party;

Original	Revisions
	(6) One party participates in the public bidding, auction, or other similar activities of the other party, except where such bidding, auction, or other activities cannot reasonably determine a fair price; (7) The Company provides products or services to related natural persons specified in Items (2) to (4) of Article 6 of this system under the same transaction conditions as those applicable to non-related parties; (8) The price of related-party transactions has been prescribed by the State; (9) Other transactions recognized by Shanghai Stock Exchange.

Original	Revisions
Article 13 Related Directors include the following Directors or Directors who meet any of the following conditions:	**Article 17** Related Directors include the following Directors or Directors who meet any of the following conditions:
(1) being the counterparty of a transaction;	(1) being the counterparty of a transaction;
(2) holding office in the counterparty, or holding office in a legal person or other organization which is in a position to directly or indirectly control the counterparty or which is under the direct or indirect control of the counterparty;	**(2) having direct or indirect control of the counterparty;**
~~(3) having direct or indirect control of the counterparty;~~	**(3)** holding office in the counterparty, or holding office in a legal person or other organization which is in a position to directly or indirectly control the counterparty or which is under the direct or indirect control of the counterparty;
(4) being a close family member of the counterparty or its direct or indirect controller **~~(referred to item (4) of Article 6 herein for specific scope);~~**	(4) being a close family member of the counterparty or its direct or indirect controller;
(5) being a close family member of a Director, Supervisor or senior management member of the counterparty or its direct or indirect controller **~~(referred to item (4) of Article 6 herein for specific scope)~~**;	(5) being a close family member of a Director, Supervisor or senior management member of the counterparty or its direct or indirect controller;
(6) a Director determined by the CSRC, the Shanghai Stock Exchange or the Company on basis of the principle of substance over form that its independent business judgment may be affected.	(6) a Director determined by the CSRC, the Shanghai Stock Exchange or the Company on basis of the principle of substance over form that its independent business judgment may be affected.

Original	Revisions
Article 16 When the Board of the Company considers a related party transaction, the related directors shall abstain from voting and shall not exercise voting rights on behalf of other directors. A meeting of the Board may be held with the attendance of more than half of the non-related directors and any resolution passed at such meeting shall be subject to approval by more than half of the non-related directors. Where fewer than three non-related directors attend such meeting, the transaction shall be submitted to a general meeting for consideration.	**Article 20** When the Board of the Company considers a related party transaction, the related directors shall abstain from voting and shall not exercise voting rights on behalf of other directors**, and their right to vote shall not be counted in the total number of right to vote**. A meeting of the Board may be held with the attendance of more than half of the non-related directors and any resolution passed at such meeting shall be subject to approval by more than half of the non-related directors. Where fewer than three non-related directors attend such meeting, the transaction shall be submitted to a general meeting for consideration.
Article 17 The ~~**following**~~ related shareholders shall abstain from voting when related party transactions are considered at a **shareholders'**~~**general**~~ meeting: (1) being the counterparty of the transaction; (2) having direct or indirect control over the counterparty; (3) directly or indirectly controlled by the counterparty; (4) directly or indirectly controlled by the same legal person or other organization or natural person as the counterparty; (5) the right to vote is restricted or affected due to the existence of unfinished equity transfer agreement or other agreements with the counterparty or its affiliates;	**Article 21** The related shareholders shall abstain from voting when related party transactions are considered at a **shareholders'**~~**general**~~ meeting, **and nor should they exercise their voting rights on behalf of other shareholders**: **The related shareholders referred to in the preceding paragraph shall include the following shareholders or shareholders with one of the following circumstances:** (1) being the counterparty of the transaction; (2) having direct or indirect control over the counterparty; (3) directly or indirectly controlled by the counterparty; (4) directly or indirectly controlled by the same legal person or other organization or natural person as the counterparty;

Original	Revisions
(6) Shareholders identified by the CSRC or the Shanghai Stock Exchange that may cause the Company's interests to tilt towards them.	**(5) holding position in the counterparty to the transaction, or holding position in a legal person or other organization that could control the counterparty to the transaction, or in a legal person or other organization that are under the control of the counterparty to the transaction, whether directly or indirectly;** **(6) being a close family member of the counterparty to the transaction or the person directly or indirectly controlling the counterparty to the transaction;** **(7)** the right to vote is restricted or affected due to the existence of unfinished equity transfer agreement or other agreements with the counterparty or its affiliates; **(8)** Shareholders identified by the CSRC or the Shanghai Stock Exchange that may cause the Company's interests to tilt towards them.
Article 22 In these policies, the terms "more than"**~~, "over"~~** and "within" shall include the given figure, and the terms "less than", "lower than" and "below" shall not include the given figure.	**Article 26** In these policies, the terms "more than" and "within" shall include the given figure, and the terms **"over",** "less than", "lower than" and "below" shall not include the given figure.

Comparison table of revisions to the Administrative Measures on the Material Investment And Financing Activities

Original	Revisions
Article 1 The measures are formulated in accordance with laws, regulations and regulatory documents such as the Company Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association of the Company (the "Articles") to improve the relationship among the internal organizations within the Company, to ensure scientific operational decision-making of the Company and to safeguard the interests of the Company and shareholders.	**Article 1** The measures are formulated in accordance with laws, regulations and regulatory documents such as the Company Law of the People's Republic of China, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association of **ZMJ Group Company Limited** (the "Articles") to improve the relationship among the internal organizations within the Company, to ensure scientific operational decision-making of the Company and to safeguard the interests of the Company and shareholders.
Article 4 The Board of Directors is entitled to decide the following matters for material investments and financing: (1) the total assets which are the subject of the matters for investments and financing account for more than 10% but less than 50% of the latest audited total assets of the Company. If there are both book value and assessed value for the assets which are the subject of the transaction, the higher figure shall be used as the basis of calculation; (2) the consideration of investment and financing matters (including the assumption of liability to debts and expenses) accounts for more than 10% but less than 50% of the latest audited net assets of the Company, and the absolute amount exceeds RMB10 million;	**Article 4** The Board of Directors is entitled to decide the following matters for material investments and financing: (1) the total assets which are the subject of the matters for investments and financing account for more than 10% but less than 50% of the latest audited total assets of the Company. If there are both book value and assessed value for the assets which are the subject of the transaction, the higher figure shall be used as the basis of calculation; **(2) where the net assets involved in the subject of the matters for investments (such as equity interests) account for more than 10% and less than 50% of the latest audited net assets of the listed company and the absolute amount exceeds RMB10 million, and where both the book value and the appraised value of the net assets involved in the subject of the transaction exist, the higher shall be taken as the figure for calculation;**

Original	Revisions
(3) the revenue of the subject matters for investments and financing (for example, equity interests) in the latest accounting year accounts for more than 10% but less than 50% of the audited revenue for the latest accounting year, and the absolute amount exceeds 10 million; (4) the net profit of the subject matters for investments and financing (for example, equity interests) accounts for more than 10% but less than 50% of the latest audited net profit of the Company, and the absolute amount exceeds 1 million yuan; (5) the profit generated by the matters for investments and financing accounts for more than 10% but less than 50% of the latest audited net profit of the Company in the latest accounting year, and the absolute amount exceeds 1 million yuan. If the data involved in the above indicative calculations is a negative figure, its absolute value shall be used for the purpose of calculation. The aforementioned matters for investments and financing involving purchase or disposal of assets exclude the purchase of raw materials, fuel and power, and disposal of assets related to daily operations (such as products, commodities) but include purchase or disposal of such assets during the asset swaps.	(3) the consideration of investment and financing matters (including the assumption of liability to debts and expenses) accounts for more than 10% but less than 50% of the latest audited net assets of the Company, and the absolute amount exceeds **RMB**10 million; (4) the revenue of the subject matters for investments and financing (for example, equity interests) in the latest accounting year accounts for more than 10% but less than 50% of the audited revenue for the latest accounting year, and the absolute amount exceeds **RMB**10 million; (5) the net profit of the subject matters for investments and financing (for example, equity interests) accounts for more than 10% but less than 50% of the latest audited net profit of the Company, and the absolute amount exceeds **RMB**1 million; (6) the profit generated by the matters for investments and financing accounts for more than 10% but less than 50% of the latest audited net profit of the Company in the latest accounting year, and the absolute amount exceeds **RMB**1 million. If the data involved in the above indicative calculations is a negative figure, its absolute value shall be used for the purpose of calculation. The aforementioned matters for investments and financing involving purchase or disposal of assets exclude the purchase of raw materials, fuel and power, **acceptance of labor, the sale of products and commodities, the provision of labor, the contracting of projects, and other transactions related to daily operations, but those involving the purchase or sale of assets in the context of an asset swap are still included.**

Original	Revisions
~~**If the aforementioned matters for investments and financing are about the investments in the establishment of companies with limited liabilities or companies limited by shares, which can be subscribed**~~ by installment ~~**according to Article 26 or Article 81 of the Company Law**~~, the requirements of the first clause of this article shall be applied on the basis of the ~~**total investment amount**~~ agreed in the Agreement. ~~**Where the aforementioned matters for investments and financing are the transactions of "providing financial support" or "entrusted investment", the accrual amount incurred shall be used as the basis of calculation, and shall be calculated within consecutive twelve months for each category of transactions respectively. For transactions in which relevant obligations have been performed according to the relevant provisions, such transactions shall not be included in the scope of aggregation.**~~ Where the Company conducts other matters for investments and financing other than "providing financial support" or "entrusted investment", the transactions related to the subject matter under the same type of transactions shall be calculated within consecutive twelve months. For transactions in which relevant obligations have been performed according to the relevant provisions, such transactions shall not be included in the scope of aggregation.	**Where the Company implements the above transactions in installments**, the requirements of the first clause of this article shall be applied on the basis of the total investment amount agreed in the Agreement. Where the Company conducts other matters for investments and financing other than "providing financial support" or "entrusted investment", the transactions related to the subject matter under the same type of transactions shall be calculated within consecutive twelve months. For transactions in which relevant obligations have been performed according to the relevant provisions, such transactions shall not be included in the scope of aggregation.

Original	Revisions
Where the aforementioned matters for investments and financing are transactions of "purchase or sales of assets", whether or not the subject matter of the transactions are related, the total assets or transaction volume involved in consecutive twelve months cannot exceed 30% of the latest audited total assets of the Company. For the investment or financing proposals exceeding the amounts as stipulated in the Article, they should be submitted to the shareholders' ~~**general**~~ meeting of the Company for consideration and approval before implementation.	**In addition to the provisions of the preceding paragraph,** where the aforementioned matters for investments and financing are transactions of "purchase or sales of assets", whether or not the subject matter of the transactions are related, the total assets or transaction volume involved in consecutive twelve months cannot exceed 30% of the latest audited total assets of the Company. For the investment or financing proposals exceeding the amounts as stipulated in the Article, they should be submitted to the shareholders' ~~**general**~~ meeting of the Company for consideration and approval before implementation.
Article 5 For material investment and financing matters that fail to meet the criteria set out in Article 4, the Board of Directors shall ~~**authorize**~~ the Management Committee of Zhengzhou Coal Mining Machinery Group Company Limited (the "Management Committee") ~~**within the Board's purview**~~ in accordance with the actual needs of operation and management of the Company, and ~~**the Management Committee**~~ shall conduct decision-making procedures in accordance with relevant requirements and file the same with the Board of Directors of the Company.	**Article 5** For material investment and financing matters that fail to meet the criteria set out in Article 4, the Board of Directors shall **authorize** the Management Committee of **ZMJ** Group Company Limited (the "Management Committee") in accordance with the actual needs of operation and management of the Company **to** conduct decision-making procedures in accordance with relevant requirements and file the same with the Board of Directors of the Company.

Original	Revisions
Article 6 Shareholders' General Meeting, the Board and the management of the Company are the decision-maker for material investment and financing matters, whilst the investment, finance and other departments as well as relevant subsidiaries of the Company are the executer of such matters. ~~**Should investment and financing matters fall within the scope of "Three Importance and One Greatness", opinions should be solicited from the Party Committee in advance and in accordance with the "Three Importance and One Greatness" decision-making procedures of the Company. Upon discussion and approval by the Party Committee, such matters shall be considered and decided upon by the Board of Directors or the management.**~~	**Article 6** Shareholders' General Meeting, the Board and the management of the Company are the decision-maker for material investment and financing matters, whilst the investment, finance and other departments as well as relevant subsidiaries of the Company are the executer of such matters.

Original	Revisions
Article 8 Preliminary work of the project. For investment and financing projects which satisfy the Company's strategic development plan, after the project establishment report is considered and approved by the Management Committee or the Board of Directors of the Company, the operation unit of the project shall commence the following preliminary work: (1) Conduct due diligence on the targeted enterprise, and prepare due diligence reports on legal, financial and operational aspects. (2) Compile project feasibility reports or investment analysis reports. For fixed asset investment projects, feasibility reports should be compiled. ~~**For equity rights, creditor's rights and financial investment projects, investment analysis reports should be compiled. For fixed asset investment projects with investment amount of 30 million yuan or above, engineering design consultation units with relevant qualifications should be entrusted for compiling reports.**~~ (3) Project units should arrange assessment and substantiation of investment projects by experts, forming notes and minutes of meeting regarding appraisal opinions of experts and project appraisal (including records of speeches by experts).	**Article 8** Preliminary work of the project. For investment and financing projects which satisfy the Company's strategic development plan, after the project establishment report is considered and approved by the Management Committee or the Board of Directors of the Company, the operation unit of the project shall commence the following preliminary work: (1) Conduct due diligence on the targeted enterprise, and prepare due diligence reports on legal, financial and operational aspects. (2) Compile project feasibility reports or investment analysis reports. (3) Project units **may, depending on the needs of the project,** arrange assessment and substantiation of investment projects by experts, forming notes and minutes of meeting regarding appraisal opinions of experts and project appraisal (including records of speeches by experts).

Original	Revisions
(4) With regard to ~~**equity investment**~~ projects ~~**(including stock equity, asset transfer and incremental equity and asset acquisition)**~~, audit and assessment work ~~**of assets**~~ should be conducted in accordance with laws and regulations.	(4) With regard to projects **that need audit and assessment, the** audit and assessment work of assets should be conducted in accordance with laws and regulations.
(5) Arrange qualified legal service bodies for providing legal opinions on acquisition projects, equity investment projects (capital increase and share expansion), significant joint investment projects, overseas investment projects, etc.	(5) Arrange qualified legal service bodies for providing legal opinions on acquisition projects, equity investment projects (capital increase and share expansion), significant joint investment projects, overseas investment projects, etc.
(6) On the foundation of preliminary intent discussion and reaching agreement of intent, undertake business negotiations with target companies and their de facto controller; draft and refine relevant drafts of contracts (agreements); and arrange qualified legal service bodies for conducting comprehensive verification with signed opinions. Contracts (agreements) including joint investment agreement and acquisition agreements should not contain contents against laws and regulations and rules regarding securities supervision ~~**and state-owned asset supervision and management**~~.	(6) On the foundation of preliminary intent discussion and reaching agreement of intent, undertake business negotiations with target companies and their de facto controller; draft and refine relevant drafts of contracts (agreements); and arrange qualified legal service bodies for conducting comprehensive verification with signed opinions. Contracts (agreements) including joint investment agreement and acquisition agreements should not contain contents against laws and regulations **and** rules regarding securities supervision.
(7) Other matters involving preliminary work of investment projects.	(7) Other matters involving preliminary work of investment projects.

Original	Revisions
Article 9 ~~For the following investment and financing behaviors, audit and assessment procedures should be conducted in accordance with the laws where laws, administrative rules or other normative documents require to do so.~~ ~~(1) Wholly or partly change into a company with limited liability or a company limited by shares;~~ ~~(2) Undertake external investment with non-monetary assets;~~ ~~(3) Merger, division, bankruptcy, dissolution;~~ ~~(4) Change in state shareholding ratio of company;~~ ~~(5) Property right or equity right acquisition, asset acquisition;~~ ~~(6) Property right transfer, asset transfer and swap;~~ ~~(7) Acceptance of capital contribution of non-state-owned units in non-monetary assets;~~ ~~(8) Other matters where asset appraisal is needed in accordance with laws, administrative rules or other normative documents.~~	Article 9 Where the Company's investment and financing activities meet the criteria specified in Article 4 of these measures and require approval by the Company's shareholders' meeting, and the investment and financing target is a company's equity, the most recent annual (periodical) financial accounting report audited by an accounting firm for the underlying asset shall be disclosed. The audit opinion issued by the accounting firm shall be a standard unqualified opinion, and the audit cutoff date shall not exceed six months prior to the date of the shareholders' meeting reviewing the relevant transaction matters. If the transaction target is other assets other than a company's equity, the Company shall disclose an appraisal report issued by an asset appraisal institution on the underlying assets. The appraisal benchmark date shall not exceed one year prior to the date of the shareholders' meeting reviewing the relevant transaction matters. If the Company's investment and financing activities meet the standards specified in Article 4 of these measures for decisions to be made by the Board, and the transaction counterparty uses non-cash assets as consideration or to offset the Company's debts, the Company shall disclose the audit report or appraisal report on the relevant assets in accordance with the provisions of the first paragraph of this Article.

Original	Revisions
Article 10 Project decision-making. The operation unit of a project submits the above materials to the Management Committee for consideration. After confirmation of feasibility, it will be submitted to companies/ organizations with rights of examination under authorization for further assessment and approval. Project examination procedures of the Management Committee are conducted based on the Working Rules of General Manager. Project examination procedures of the Board are based on the Articles, Rules of Procedure of the Board and Working Rules of Strategic Committee of the Board.	**Article 10** Project decision-making. The operation unit of a project submits the above materials to the Management Committee for consideration. After confirmation of feasibility, it will be submitted to companies/ organizations with rights of examination under authorization for further assessment and approval. Project examination procedures of the Management Committee are conducted based on the Working Rules of General Manager. Project examination procedures of the Board are based on the Articles, Rules of Procedure of the Board and Working Rules of Strategic **and Sustainable Development** Committee.

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

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

(Stock Code: 00564)

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025

NOTICE IS HEREBY GIVEN THAT the second extraordinary general meeting of 2025 (the "**EGM**") of Zhengzhou Coal Mining Machinery Group Company Limited (the "**Company**") will be convened at the Convention Centre of Zhengzhou Coal Mining Machinery Group Company Limited, No. 167, 9th Street, Zhengzhou Section (Econ-Tech Development Zone) of China (He'nan) Pilot Free Trade Zone, the PRC at 2:00 p.m. on Tuesday, 17 June 2025 for the following purposes:

ORDINARY RESOLUTIONS

1. Resolutions on the Continuing Connected Transactions

   1.01 Resolution on the Previous Continuing Connected Transactions

   1.02 Resolution on Entering into the Commodities and Services Framework Agreement with Ansteel Group

SPECIAL RESOLUTIONS

2. Resolution on Change of the Company Name, Stock Short Name, Abolition of the Board of Supervisors and Amendments to the Articles of Association

3. Resolution on the Amendments to the Relevant Management Systems of the Company

CLOSURE OF REGISTER OF MEMBERS

In order to determine the list of Shareholders who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 12 June 2025 to Tuesday, 17 June 2025 (both days inclusive), during which period no transfer of Shares will be registered. H Shareholders whose names appear on the register of members of the Company on Tuesday, 17 June 2025 are entitled to attend the EGM. H Shareholders of the Company who intend to attend the EGM but have not yet registered are required to

deposit the transfer documents together with relevant share certificates at the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:30 p.m. on Wednesday, 11 June 2025.

By Order of the Board
Zhengzhou Coal Mining Machinery Group Company Limited
JIAO Chengyao
Chairman

Zhengzhou, PRC, 29 May 2025

As at the date of this notice, the executive Directors of the Company are Mr. JIAO Chengyao, Mr. JIA Hao, Mr. MENG Hechao and Mr. LI Kaishun, the non-executive Director is Mr. CUI Kai and the independent non-executive Directors are Mr. CHENG Jinglei, Mr. JI Feng, Mr. FANG Yuan and Ms. YAO Yanqiu.

Notes:

(1) All votes of resolutions at the EGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.zmj.com) in accordance with the Listing Rules.

(2) Any Shareholders entitled to attend and vote at the EGM can appoint one or more proxies to attend and vote at the meeting on his/her behalf. A proxy need not be a Shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each proxy is so appointed.

(3) Shareholders shall appoint their proxies in writing. The form of proxy shall be signed by the Shareholder or his/her/its attorney who has been duly authorised in writing. If the Shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its Director, or its attorney duly authorised in writing. If the form of proxy is signed by the attorney of the Shareholder, the power of attorney or other authorisation document shall be notarised. For H Shareholders, the aforementioned documents must be lodged with the H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument for appointing a proxy shall be deemed to be revoked.

(4) Shareholders shall produce their identification documents when attending the EGM.

(5) If a proxy attends the EGM on behalf of a Shareholder, he/she should produce his/her identification document as well as the power of attorney or other documents signed by the appointer or his/her attorney with a specific date of issuance. If a representative of a corporate Shareholder attends the EGM, such representative shall produce his/her identification document and the notarised copy of the resolution passed by the Board or other authority or other notarised copies of any authorization documents issued by such corporate Shareholder.

(6) The EGM is expected to last for half a day. Shareholders who attend the EGM (in person or by proxy) shall bear their own travelling, accommodation and other expenses.

(7) Contact information of the Company:

Address:	Zhengzhou Coal Mining Machinery Group Company Limited, No. 167, 9th Street, Zhengzhou Section (Econ-Tech Development Zone) of China (He'nan) Pilot Free Trade Zone, the PRC
Postal Code:	450016
Telephone:	86-371-67891199
Contact Person:	Mr. XI Zhipeng
Facsimile:	86-371-67891000