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If you are in any doubt as to 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 China Suntien Green Energy Corporation Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was affected for transmission to the purchaser or transferee.

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China Suntien Green Energy Corporation Limited*
新天綠色能源股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

**PROPOSED ADOPTION OF THE RESTRICTED SHARE INCENTIVE SCHEME
ELECTION OF EXECUTIVE DIRECTOR AND INDEPENDENT DIRECTOR
NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING
AND
NOTICE OF 2024 FIRST H SHAREHOLDERS CLASS MEETING**

China Suntien Green Energy Corporation Limited will convene the 2024 first extraordinary general meeting (“**EGM**”) at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC at 9:30 a.m. on Wednesday, 28 February 2024, the 2024 first A share class meeting (“**A Share Class Meeting**”) on the same day at 10:00 a.m. or immediately after the conclusion of the EGM (whichever is later) at the same venue, and the 2024 first H share class meeting (“**H Share Class Meeting**”) on the same day at 10:30 a.m. or immediately after the conclusion of the A Share Class Meeting (whichever is later). The notice of EGM is set out on pages EGM-1 to EGM-2 of this circular, and the notice of H Share Class Meeting is set out on pages CGM-1 to CGM-2 of this circular.

If you intend to appoint a proxy to attend the EGM and/or H Share Class Meeting, you are required to complete and return the accompanying proxy form distributed with notice of EGM and/or H Share Class Meeting in accordance with the instructions printed thereon. For H Shareholders, the proxy form should be returned to Computershare Hong Kong Investor Services Limited in person or by post in any event not less than 24 hours before the time fixed for holding the EGM or H Share Class Meeting or adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM, Class Meeting(s) or at any other adjourned meeting(s) should you so wish.

* *For identification purposes only*

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DEFINITIONS

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

“A Share Class Meeting”	the 2024 first A share class meeting to be held by the Company at 10:00 a.m. or immediately after the conclusion of the EGM (whichever is later) on Wednesday, 28 February 2024 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC
“A Shareholder(s)”	registered holder(s) of A Shares
“A Shares”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each subscribed for and paid up in RMB, which is listed on the Main Board of the SSE and traded in Renminbi
“Administrative Measures”	the Administrative Measures on Share Incentives of Listed Companies (《上市公司股權激勵管理辦法》)
“Articles of Association”	articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it in the Hong Kong Listing Rules
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisor(s)”	the board of supervisor(s) of the Company
“China” or “PRC”	the People’s Republic of China, but for the purposes of this circular only, excluding Hong Kong, Macau Special Administrative Region and Taiwan region
“Class Meetings”	the A Share class meeting and the H Share class meeting convened by the Company in accordance with the then effective Articles of Association in connection with the adoption, amendment and termination of the Restricted Share Incentive Scheme
“Company”	China Suntien Green Energy Corporation Limited* (新天綠色能源股份有限公司), a joint stock company incorporated in the PRC with limited liability on 9 February 2010, the H Shares and A Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and the Main Board of the SSE, respectively

DEFINITIONS

“Company Law”	the Company Law of the People’s Republic of China (《中華人民共和國公司法》)
“controlling shareholder(s)”	has the meaning ascribed to it in the Hong Kong Listing Rules
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“EGM”	the 2024 first extraordinary general meetings to be held by the Company at 9:30 a.m. on Wednesday, 28 February 2024 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC
“Grant Date”	the date on which the Company grants the Restricted Shares to the Participants under the Restricted Share Incentive Scheme, which must be a trading day
“Grant Price”	the price at which each Restricted Share is granted by the Company to the Participants under the Restricted Share Incentive Scheme
“Group”	the Company and its subsidiaries
“Hebei Province SASAC”	the State-owned Assets Supervision and Administration Commission of the People’s Government of Hebei Province
“H Share Class Meeting”	the 2024 first H share class meeting to be held by the Company at 10:30 a.m. or immediately after the conclusion of the A Share Class Meeting (whichever is later) on Wednesday, 28 February 2024 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC
“H Shareholder(s)”	registered holder(s) of H shares
“H Shares”	ordinary share(s) in the overseas listed foreign share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which is/are listed on the Stock Exchange of Hong Kong Limited and traded in Hong Kong dollars
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Director(s)”	independent non-executive directors of the Company
“Latest Practicable Date”	1 February 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Lock-up Period”	the period during which the Restricted Shares are restricted to be transferred or assigned or used as guarantee or for repayment of debts, if the conditions for exercise of entitlements by the Participants as stipulated in the Restricted Share Incentive Scheme are not satisfied
“Notice on Relevant Issues”	the Notice on Issues concerning Regulating the Implementation of the Share Incentive Schemes by State-Owned Listed Companies (Guo Zi Fa Fen Pei [2008] No. 171) (《關於規範國有控股上市公司實施股權激勵制度有關問題的通知》(國資發分配[2008]171號文))
“Participant(s)”	person(s) to whom restricted shares under the Restricted Share Incentive Scheme are granted
“Restricted Share Incentive Scheme” or “Scheme”	the 2023 Restricted A Share Incentive Scheme of China Suntien Green Energy Corporation Limited
“Restricted Share(s)”	a certain number of Shares of the Company to be granted to the Participants according to the conditions and price stipulated under the Restricted Share Incentive Scheme which are subject to the Lock-up Period and can only be sold and benefited from the sale of the restricted shares after the Unlocking Conditions stipulated in the Restricted Share Incentive Scheme are satisfied
“RMB”	Renminbi, the lawful currency of the PRC. Amounts stated in this circular are expressed in RMB unless otherwise specified

DEFINITIONS

“Securities Law”	the Securities Law of the People’s Republic of China (《中華人民共和國證券法》)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the shares in the share capital of the Company at par value of RMB1.00 per share, including A Shares and H Shares
“Shareholder(s)”	holders of the Shares, including A Share(s) and H Share(s)
“SSE”	the Shanghai Stock Exchange
“subsidiary(ies)”	has the meaning ascribed to the term “subsidiary” under the Hong Kong Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“Trial Measures”	the Trial Measures on Implementation of Share Incentive Schemes by State-Owned Listed Companies (Domestic) (Guo Zi Fa Fen Pei [2006] No. 175) (《國有控股上市公司(境內)實施股權激勵試行辦法》(國資發分配[2006]175號文))
“Unlocking Condition(s)”	the conditions under the Scheme which have to be satisfied to unlock the Restricted Shares granted to the Participants
“Unlocking Period”	upon the fulfillment of the conditions for the release of restricted shares under the Scheme, the period during which the Restricted Shares held by the Participants are released from lock-up and tradable
“Validity Period of the Scheme”	the validity period of the Restricted Share Incentive Scheme, which is the period commencing from the date of completion of the registration of the grant of the Restricted Shares to the date when all of the Restricted Shares which have been granted to the Participants are unlocked or repurchased and cancelled

LETTER FROM THE BOARD



China Suntien Green Energy Corporation Limited*
新天綠色能源股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

Board of Directors:

Non-executive Directors:

Dr. Cao Xin (*Chairman*)
Dr. Li Lian Ping
Mr. Qin Gang
Mr. Wang Tao

Executive Directors:

Mr. Mei Chun Xiao
Mr. Wang Hong Jun

Independent Non-executive Directors:

Mr. Guo Ying Jun
Mr. Wan Yim Keung, Daniel
Dr. Lin Tao

Registered Office and Headquarters:

9th Floor, Block A, Yuyuan Plaza
No. 9 Yuhua West Road
Shijiazhuang City, Hebei Province
the PRC

**Principal place of business
in Hong Kong:**

Suite 2103, Prudential Tower
Harbour City
Kowloon
Hong Kong

6 February 2024

To the Shareholders

Dear Sirs and Madams,

**PROPOSED ADOPTION OF THE RESTRICTED SHARE INCENTIVE SCHEME
ELECTION OF EXECUTIVE DIRECTOR AND INDEPENDENT DIRECTOR
NOTICE OF 2024 FIRST EXTRAORDINARY GENERAL MEETING
AND
NOTICE OF 2024 FIRST H SHAREHOLDERS CLASS MEETING**

I. INTRODUCTION

On behalf of the Board of Directors, I invite you to attend the EGM and/or the Class Meetings to be held on Wednesday, 28 February 2024 from 9:30 a.m. onwards at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC.

* *For identification purposes only*

LETTER FROM THE BOARD

The purpose of this circular is to provide you with the notice of EGM and the notice of H Share Class Meeting and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM and/or the Class Meetings.

II. BUSINESS TO BE CONSIDERED AT THE EGM AND THE CLASS MEETINGS

Resolutions will be proposed at the EGM and the Class Meetings as special resolutions to approve the followings:

- (1) Resolution on the Restricted Share Incentive Scheme (Draft) and its summary
- (2) Resolution on the Administrative Measures for the Restricted Share Incentive Scheme
- (3) Resolution on the Administrative Measures for the Appraisal for Implementation of the Restricted Share Incentive Scheme
- (4) Resolution on proposal to the general meeting to authorise the Board and its delegated persons to exercise full power to deal with matters relating to the Restricted Share Incentive Scheme

Resolutions will be proposed at the EGM as ordinary resolutions to approve the followings:

- (5) Resolution on the election of Mr. Tan Jian Xin as an executive director of the fifth session of the Board
- (6) Resolution on the election of Mr. Chan Yik Pun as an Independent Director of the fifth session of the Board

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III. BUSINESS OF THE EGM AND/OR THE CLASS MEETINGS

1. The Restricted Share Incentive Scheme and Relevant Resolutions

(1) The Restricted Share Incentive Scheme

Reference is made to the announcements of the Company dated 28 December 2023 and 31 January 2024 in relation to the proposed adoption of Restricted Share Incentive Scheme, and the approval of Hebei Province SASAC therefor.

In order to further promote the establishment and improvement of the long-term incentive mechanism of the Company, attract and retain talents, fully incentivize the directors, senior management personnel and other core personnel of the Company, and effectively align the interests of the Shareholders and the Company with the personal interests of the operators to focus on and work collectively for the long-term development of the Company, the Company plans to adopt the Restricted Share Incentive Scheme.

A summary of the principal terms of the Restricted Share Incentive Scheme is set out below:

a. Participants

There are 232 Participants under the Scheme in total, including: Directors, senior management of the Company (excluding Independent Directors, external Directors and Supervisors), and key technical and business personnel of the Group.

For the aforementioned Participants, Directors and senior management of the Company shall be appointed by voting in general meeting or appointed by the Board. The Participants involved in the Scheme shall not include Independent Directors, external Directors, Supervisors and any Shareholder or actual controller, whether jointly or individually, holding more than 5% of the shares of the Company, or their respective spouse, parents and children.

All Participants must have an employment relationship or hold a position with the Company or its subsidiary during the appraisal period of the Scheme.

b. Schedule of the Scheme

The Validity Period of the Scheme is from the date of completion of registration of the grant of the Restricted Shares to the date when all the Restricted Shares which have been granted to the Participants are unlocked or repurchased and cancelled and shall not exceed 60 months in any event.

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The Lock-up Periods shall be 24 months, 36 months and 48 months from the date of completion of registration of the grant of the Restricted Shares. The Restricted Shares granted to the Participants under the Scheme shall not be transferred, pledged or used for repayment of debt prior to the release of such shares from lock-up. The Shares and dividends received by the Participants due to the grant of the Restricted Shares not yet unlocked to them arising from conversion of capital reserve into share capital, bonus issue, share split, etc. shall be subject to the lock-up in accordance with the Scheme.

c. Performance targets

The appraisal indicators for the Restricted Share Incentive Scheme are divided into two levels, i.e. performance appraisal at the Company level and performance appraisal at the Participant's individual level.

Performance appraisal indicators at the Company level include the growth rate of revenue from business, earnings per share and the ratio of principal business revenue attributable to operating revenue. The operating revenue growth rate is an important operating indicator that reflects the Company's overall revenue capacity and is directly related to the Company's future growth; earnings per share reflect the profitability and risk profile of each share; and ratio of principal business revenue attributable to operating revenue reflects the Company's ability to focus on its principal business, and the combination of all these three items forms a well-established indicator system. In setting the performance appraisal indicators, the Company has taken into account the development and prospects of the industry in which the Company operates and the Company's strategic development directions, which has set the Company's performance appraisal indicators under the Scheme in a reasonable manner from the perspective of being conducive to the Company's sustainable development while being feasible. The setting of the abovementioned performance indicators of the Company is in line with the Company's current operating conditions and future development plans and is conducive to strengthening the Company's operation and project construction, accelerating the enterprise's development growth momentum and maximizing the interests of all Shareholders.

In addition to performance appraisal at the Company level, the Scheme has established a performance appraisal system for individuals, which evaluates comprehensively the performance of the Participants in an accurate and comprehensive manner. The Company will determine whether the Participants meet the Unlocking Conditions and the specific proportion of Restricted Shares that can be unlocked based on their performance appraisal results for the year.

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d. Basis for determining the Grant Price

The Grant Price of the Restricted Shares granted under the Scheme shall be determined according to the principle of fair market price, and shall not be lower than the higher of the following prices:

- (1) 50% of the average trading price of the Company's underlying shares on the trading day preceding the date of the announcement of the draft Scheme; or
- (2) 50% of one of the average trading prices of the Company's underlying shares in 20 trading days, 60 trading days or 120 trading days prior to the date of the announcement of the draft Scheme.

Based on the above pricing principles, the Grant Price of the Restricted Shares granted under the Scheme of the Company shall be RMB4.10 per share.

e. Clawback mechanism

The Scheme establishes a path for the repurchase and cancellation of Restricted Shares due to change of duties, transfer, removal, retirement, death, loss of civil capacity, resignation, termination of employment for personal reasons, or inability to hold restricted shares of the Company due to changes in personal circumstances and specifies the repurchase price in each case.

f. Procedure for amendments to the Restrictive Share Incentive Scheme

If the Company intends to amend the Scheme after it is considered and approved by Shareholders at a general meeting, it shall seek Shareholders' approval for such amendments, provided that such amendments will not result in any circumstances leading to (1) early release of lock-ups of the Restricted Shares, or (2) reduction of the Grant Price.

For the avoidance of doubt, after the Scheme is considered and approved at the EGM, A Shareholders Class Meeting and H Shareholders Class Meeting, save for the matters disclosed in the sub-section below headed "(4) Proposal to the general meeting to authorise the Board and its delegated persons to exercise full power to deal with matters relating to the Restricted Share Incentive Scheme" (which relates to authorisation for implementation of the Scheme terms), the Board will submit to the Shareholders for consideration and approval at the general meeting and the Class Meetings (if applicable), any proposed alteration to the terms and conditions of the Scheme which are of a material nature, or any alterations to the provisions relating to the matters set out under Rule 17.03 of the Hong Kong Listing Rules to the advantage of Participants.

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- g. *No trustee has been or will be appointed to administer the Restricted Share Incentive Scheme.*

In summary, the performance appraisal system under the Restricted Share Incentive Scheme is comprehensive, integrated and operable, and the setting of performance indicators is scientific and reasonable and at the same time has a binding effect on the Participants, which can achieve the purposes of the Restricted Share Incentive Scheme. In addition, by granting the Restricted Shares to the 232 Participants under the Restricted Share Incentive Scheme, the motivation, initiative and creativity of the Participants can be enhanced, thereby realizing the performance targets under the Restricted Share Incentive Scheme, which is in line with the purposes of the Restricted Share Incentive Scheme and in the interests of the Company and the Shareholders as a whole.

A summary of the Restricted Share Incentive Scheme (Draft) is set out in Appendix I to this circular, which is a summary of the terms of the Restricted Share Incentive Scheme and does not constitute the entire terms of the Restricted Share Incentive Scheme. The full text of the Scheme will be available on the Company's website (www.suntien.com) and will be displayed on the HKExnews website (www.hkexnews.hk) of Hong Kong Exchanges and Clearing Limited for a period of 14 days from the date of this circular.

(2) *Administrative Measures for the Restricted Share Incentive Scheme*

In order to implement the Restricted Share Incentive Scheme and to specify the administrative bodies and their duties, the implementation procedures, the grant and unlocking procedures, the treatment for special occasions, information disclosure, financial accounting and tax treatment, and the supervision and management of the Restricted Share Incentive Scheme, the Company has formulated the Administrative Measures for the Restricted Share Incentive Scheme. The full text of the measures is set out in Appendix II to this circular.

(3) *Administrative Measures for Appraisal for Implementation of the Restricted Share Incentive Scheme*

To ensure the smooth implementation of the Restricted Share Incentive Scheme, further improve the corporate governance structure of the Company, form a sound and balanced value distribution system, motivate Directors, senior management, technical and business personnel of the Company to carry out their work with integrity and diligence, ensure the steady improvement of the Company's performance and realization of the Company's development strategy and business objectives, the Company has formulated the Administrative Measures for Appraisal for Implementation of the Restricted Share Incentive Scheme according to the relevant national regulations and the actual situation of the Company. The full text of the measures is set out in Appendix III to this circular.

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(4) Proposal to the general meeting to authorise the Board and its delegated persons to exercise full power to deal with matters relating to the Restricted Share Incentive Scheme

In order to carry out the timely and effective implementation of the Restricted Share Incentive Scheme, it is proposed to the general meeting of the Company to authorize the Board and its delegated persons to have full authority to deal with matters relating to the Restricted Share Incentive Scheme, which authorisation shall include, but not limited to:

- a. to determine the Grant Date of Restricted Share Incentive Scheme;
- b. to make corresponding adjustments to the number of Restricted Shares, Grant Price, repurchase price in accordance with the method stipulated in the Restricted Share Incentive Scheme in the event of conversion of capital reserve into share capital, bonus issue, share split or share consolidation, rights issue, additional issuance, dividend distribution of the Company;
- c. to grant Restricted Shares to the Participants when the Participants fulfill the conditions and to handle all the matters required for the grant of Restricted Shares, including signing the Agreement on Grant of Restricted Shares with the Participants;
- d. based on the actual grant results of the Restricted Shares Incentive Scheme, to amend the corresponding provisions of the Articles of Association and to process any changes in industrial and commercial registration;
- e. to repurchase the Restricted Shares of the Participants which have not yet been released from lock-up in accordance with the provisions of the Restricted Share Incentive Scheme in the event of repurchase circumstances as stipulated in the Restricted Share Incentive Scheme, and to deal with all the matters relating to the repurchase of such Restricted Shares, including but not limited to, the registration and settlement of such Restricted Shares, amendment to the Articles of Association, and registration of changes in the registered capital of the Company;
- f. to review and confirm the eligibility of the Participants to be released from the restriction and the conditions for the release of the lock-up, and to agree that the Board shall delegate such right to the Remuneration and Appraisal Committee of the Board to exercise;
- g. to decide whether the Participants can be released from lock-up;

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- h. to handle all matters required for the release of the Participants from the lock-up, including but not limited to filing applications for the release of lock-up with the SSE, applying for the relevant registration and settlement business with China Securities Depository and Clearing Corporation Limited, amending the corresponding provisions of the Articles of Association and registering the industrial and commercial changes;
- i. to decide on the changes and termination of the Restricted Share Incentive Scheme, including but not limited to the cancellation of the eligibility of the Participants for the release of lock-up, the repurchase and cancellation of the Restricted Shares of the subject that have not yet been released from lock-up, the handling of the inheritance of the restricted shares of the Participants that have not yet been released from lock-up upon his/her death, and the termination of the Restricted Share Incentive Scheme;
- j. to administer and adjust the Restricted Share Incentive Scheme, and from time to time to formulate or amend the regulations for the administration and implementation of such plan in a manner consistent with the terms of the Restricted Share Incentive Scheme. However, if such modifications are required by laws, regulations and regulatory filings or relevant regulatory authorities to be approved by the general meeting and/or relevant regulatory authorities, such modifications by the Board must be approved accordingly;
- k. in the event of any amendments to the Company Law, Securities Law and Administrative Measures, to adjust the relevant contents of the Restricted Share Incentive Scheme in accordance with the amendments;
- l. to carry out the procedures of examination, registration, filing, approval and consent with the relevant governments and institutions in respect of the Restricted Share Incentive Scheme; to sign, execute, modify, complete and terminate the agreements, contracts and documents submitted to the relevant governments, institutions, organizations and individuals; and to do all acts that it deems necessary, appropriate or desirable in connection with the Restricted Share Incentive Scheme; and
- m. other matters necessary for the implementation of the Restricted Share Incentive Scheme, except for those rights expressly provided for in the relevant documents to be exercised by the general meeting.

The Board proposes to the general meeting to agree that the Board authorize the chairman of the Board, the President of the Company and the Secretary of the Board to be the delegated persons under the Restricted Share Incentive Scheme to specifically deal with the above matters in connection with the Restricted Share Incentive Scheme and to sign the relevant legal documents. The above delegated

LETTER FROM THE BOARD

persons shall have the right to act on behalf of the Company in the course of the Restricted Share Incentive Scheme to handle the abovementioned matters in connection with the Restricted Share Incentive Scheme in accordance with the scope of the authorisation determined by the resolution of the general meeting of the Company and the authorization of the Board.

The Board hereby puts forward this proposal to the EGM and the Class Meetings to approve the term of the above authorisation to coincide with the validity period of the Restricted Share Incentive Scheme.

(5) Hong Kong Listing Rules Implications

The Restricted Share Incentive Scheme involves the issue of new A Shares by the Company and is subject to the announcement and shareholders' approval requirements under Rules 17.02 to 17.11 of Chapter 17 of the Hong Kong Listing Rules.

Pursuant to Rule 17.03(13) of the Hong Kong Listing Rules, in the case of capitalization issue, bonus issue, share split, share consolidation or reduction of capital, the scheme documents shall include provisions for adjustments to be made to the exercise or purchase price and/or the number of shares granted as awards under the Scheme.

In addition to the adjustment to the Grant Price as required under Rule 17.03(13) of the Hong Kong Listing Rules, the Restricted Share Incentive Scheme also provides for an adjustment to the Grant Price upon dividend distribution (the "**Proposed Adjustment**").

The Company has applied for and has been granted by the Hong Kong Stock Exchange a waiver from strict compliance with Rule 17.03(13) of the Hong Kong Listing Rules in relation to the Proposed Adjustment due to the following factors:

- (i) the Restricted Share Incentive Scheme only entitles the Participants to acquire A Shares but not H Shares of the Company. According to the opinion from Jia Yuan Law Offices ("**Jia Yuan**"), the legal advisor to the Company as to the PRC laws, (i) the proposed terms of the Restricted Share Incentive Scheme are prepared in accordance with the related regulations of the PRC laws and the requirements of the relevant regulatory authorities of the PRC (including but not limited to the Hebei Province SASAC, the CSRC and the SSE), including Company Law, Securities Law, Administrative Measures, Trial Measures and Notice on Relevant Issues, and the (ii) Proposed Adjustment shall be included in the provisions of the Restricted Share Incentive Scheme pursuant to the aforesaid applicable PRC regulatory requirements.

LETTER FROM THE BOARD

- (ii) the Proposed Adjustment is in line with the market practice in the PRC.
- (iv) the proposed terms of the Restricted Share Incentive Scheme, including the Proposed Adjustment, have been reviewed by Jia Yuan, and approved by the Independent Directors, the Board of Supervisors and the Board.
- (v) the total number of Restricted Shares proposed to be granted under the Scheme shall not exceed 0.46% of the Company's total number of share in issue as at the Latest Practicable Date, and the Restricted Shares are subject to the Lock-up Period for up to 60 months. The dilution effect on the shareholding interests of the existing Shareholders of the Company will therefore be immaterial. As such, it would not adversely affect the interests of the existing Shareholders.
- (vi) the adjusted grant price will be equal to the Grant Price (i.e. RMB4.10 per Share) minus the dividend paid. For information purposes only, the Company's dividend distributed in the past three financial years ranged from RMB0.136 per Share to RMB0.193 per Share. The Company does not expect that the Proposed Adjustment will have any material adverse impact on the interests of Shareholders.
- (vii) the terms of the Restricted Share Incentive Scheme will be under close scrutiny by the aforesaid regulatory authorities of the PRC, and they are also subject to approval by the Shareholders at the general meeting and the Class Meetings. The Shareholders will be given the opportunity to make an informed decision as to the adoption of the Restricted Share Incentive Scheme at the general meeting and the Class Meetings.

Pursuant to Rule 14A.92(3)(a) of the Hong Kong Listing Rules, the grant of the Restricted Shares to connected persons under the Restricted Share Incentive Scheme shall be fully exempt from shareholders' approval, annual review and all disclosure requirements.

The Directors (including the Independent Directors) consider that the proposed adoption of the Restricted Share Incentive Scheme, the Administrative Measures for the Restricted Share Incentive Scheme, and the Administrative Measures for Appraisal for Implementation of the Restricted Share Incentive Scheme, and the proposed authorization for the Board and its delegated persons to have full authority to deal with the matters in relation to the Restricted Share Incentive Scheme are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

2. Election of Executive Director and Independent Director

Reference is made to the announcement of the Company dated 28 December 2023 in relation to the change of executive director and Independent Director. Mr. Wang Hong Jun recently tendered a written notice of resignation to the Board, applying for his resignation as an executive director of the Company and a member of the Strategy and Investment Committee as he has reached the retirement age. The resignation of Mr. Wang Hong Jun shall become effective upon the formal appointment of a new executive director by the Company to fill his vacancy. Mr. Wan Yim Keung, Daniel recently tendered a written notice of resignation to the Board, applying for the resignation as an Independent Director and a member of the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee of the Company as he would like to devote more time to other commitments. The resignation of Mr. Wan Yim Keung, Daniel, shall become effective upon the formal appointment of a new Independent Director by the Company to fill his vacancy. In order to fill the vacancies resulting from the resignation of the two directors, the Board passed resolutions at the meeting of the Board held on 28 December 2023 to nominate Mr. Tan Jian Xin as an executive Director, and Mr. Chan Yik Pun as an Independent Director.

(1) The Candidate for Executive Director

The biographical details of Mr. Tan Jian Xin are set out below:

Mr. Tan Jian Xin (譚建鑫), aged 44, is currently the secretary of Party Committee and President of the Company. He obtained a master's degree in Mechanical Electronic Engineering from North China Electric Power University and is a principal senior engineer. Mr. Tan also serves as a director of each of HECIC Guo Rong Energy Service Co., Ltd.* (河北建投國融能源服務有限公司) and HECIC AVIC Saihan Green Energy Technology Development Co., Ltd.* (河北建投中航塞罕綠能科技開發有限公司), both of which are subsidiaries of Hebei Construction & Investment Group Co., Ltd.* (河北建設投資集團有限責任公司), the controlling shareholder of the Company, and the secretary of Party Committee and general manager of HECIC New Energy Co., Ltd.* (河北建投新能源有限公司), a subsidiary of the Company. Mr. Tan has more than 17 years of investment management experience in the new energy industry. He joined the Group in October 2006 and has successively served as deputy secretary of Party Committee and Vice President of the Company, deputy general manager, assistant to the general manager and manager of the engineering management department of HECIC New Energy Co., Ltd.*, secretary of the Party general branch of Hebei Suntien Kechuang New Energy Technology Co., Ltd.* (河北新天科創新能源技術有限公司), general manager of HECIC Yuzhou Wind Energy Co., Ltd.* (河北建投蔚州風能有限公司), and general manager of Yu County Suntien Wind Energy Co., Ltd.* (蔚縣新天風能有限公司).

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Subject to the approval by the Shareholders of his appointment, the Company will enter into a service contract with Mr. Tan and his term of office shall be effective from the date of the general meeting approving the election of Mr. Tan as an executive Director and end on the expiry of the term of the fifth session of the Board. Mr. Tan is eligible for re-election upon expiry of his term according to the Articles of Association. Pursuant to the aforesaid service contract, Mr. Tan shall receive director's emoluments on an annual basis, and his remuneration package is determined in accordance with the criteria of the Company in relation to the performance evaluation measures of operators, which includes basic salary, performance bonuses and other benefits.

To the best of knowledge of the Directors and save as disclosed above, Mr. Tan did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; nor does he have any relationship with any director, supervisor, senior management or substantial or controlling Shareholder of the Company or hold other position in the Company or any of its subsidiaries. As of the Latest Practicable Date, Mr. Tan does not have any interest in the shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Tan that needs to be disclosed pursuant to the requirements set out in Rule 13.51(2) of the Hong Kong Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

(2) The Candidate for Independent Director

The biographical details of Mr. Chan Yik Pun are set out below:

Mr. Chan Yik Pun (陳奕斌), aged 42, is currently the chief financial officer (the "CFO") of Tianfang Jincheng (HK) Limited. Mr. Chan obtained a bachelor's degree in commerce from Monash University with a major in accounting and a minor in economics. He is a certified public accountant in Hong Kong and Australia with over 18 years of experience in financial accounting. Mr. Chan successively served as the CFO of Tianfang Hospitality Management Pte. Ltd., company secretary of Natural Food International Holding Limited, the CFO in the hotel division of Sun Hung Kai Real Estate Agency Limited, the CFO and the company secretary of Zall Group Ltd., the senior finance manager of Chaoyue Group Limited, the deputy audit manager of Ernst & Young (Shanghai)/Ernst & Young (Australia), and the senior accountant of Grant Thornton LLP.

Subject to the approval by the Shareholders of his appointment, the Company will enter into a service contract with Mr. Chan and his term of office shall be effective from the date of the general meeting approving the election of Mr. Chan as an Independent Director and end on the expiry of the term of the fifth session of the Board. Mr. Chan is eligible for re-election upon expiry of his term according to the Articles of Association of the Company. As an Independent Director, Mr. Chan will receive a director's fee of HK\$100,000 or RMB

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equivalent per annum (tax inclusive, the director's fee shall be paid quarterly, and individual income tax shall be withheld and paid by the Company). The Company shall be responsible for the travelling and accommodation expenses of Independent Directors for attending Board meetings, general meetings and relevant activities organized by the Board.

To the best of knowledge of the Directors and save as disclosed above, Mr. Chan did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; nor does he have any relationship with any director, supervisor, senior management or substantial or controlling Shareholder of the Company or hold other position in the Company or any of its subsidiaries. As of the Latest Practicable Date, Mr. Chan does not have any interest in the shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

In accordance with Rule 3.13 of the Hong Kong Listing Rules, Mr. Chan has confirmed to the Company that:

- (1) he complies with the independence requirement in relation to each of the factors set out in Rules 3.13 (1) to (8) of the Hong Kong Listing Rules;
- (2) he has no past or present financial and other interests in the business of the Company or its subsidiaries and is not connected with any core connected person of the Company (as defined in the Hong Kong Listing Rules); and
- (3) there are no other factors that may affect his independence as an Independent Director.

Save as disclosed above, there is no other information in relation to the appointment of Mr. Chan that needs to be disclosed pursuant to the requirements set out in Rule 13.51(2) of the Hong Kong Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

(3) Nomination Policies and Procedures

According to the director nomination policy, the Board and its Nomination Committee will take into account the diversity of Board members from multiple aspects when reviewing the structure of the Board, including but not limited to the cultural and educational backgrounds, professional experience, skills and knowledge of the members. The appointment of Board members will be based on meritocracy and candidates will be considered based on the talents, skills and experience as may be necessary for the operation of the Board as a whole, with a view to maintaining a sound balance of the Board composition. When identifying a candidate for the Independent Directors, the Company will first select potential candidates within and beyond the social network of the members of the Board by

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means of referrals by existing directors, recommendations by third parties as well as suggestions by the Shareholders. Then, the suitability of these potential candidates shall be reviewed by the Company through an interview, background investigation, brief introduction statement before the final decision for the Independent Directors is made.

The Nomination Committee believes that Mr. Tan Jian Xin has gained more than 17 years of investment management experience in the new energy industry since he joined the Group, and therefore he is very familiar with the industry and the Group's operation, which is conducive to further enhancing the industry management experience of the Board members; Mr. Chan Yik Pun has over 18 years of experience in financial accounting, including auditing work in accounting firms and serving as the CFO in various enterprises. His professional knowledge and relevant management experience help enhance the performance ability of board members in financial management, internal and external audit, internal control, etc. As such, the Nomination Committee nominated Mr. Tan as an executive director and Mr. Chan as an Independent Director to the Board for their election by Shareholders at the general meeting.

The Board believes that Mr. Tan Jian Xin has gained more than 17 years of investment management experience in the new energy industry since he joined the Group, and therefore he is very familiar with the industry and the Group's operations, which is conducive to further enhancing the industry management experience of the Board members. Mr. Chan Yik Pun has over 18 years of experience in financial accounting, including auditing work in accounting firms and serving as the CFO in various enterprises. His professional knowledge and relevant management experience help enhance the performance ability of Board members in financial management, internal and external audit, internal control, etc. The Board also considers that Mr. Chan meets the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules and is independent in accordance with the terms of the guidelines.

IV. EGM AND H SHARE CLASS MEETING

The Company will convene the EGM at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC at 9:30 a.m. on Wednesday, 28 February 2024, and the A Share Class Meeting on the same day at 10:00 a.m. or immediately after the conclusion of the EGM (whichever is later) at the same venue, and the H Share Class Meeting on the same day at 10:30 a.m. or immediately after the conclusion of the A Share Class Meeting (whichever is later). The notice of EGM is set out on pages EGM-1 to EGM-2 of this circular, and the notice of H Share Class Meeting is set out on pages CGM-1 to CGM-2 of this circular.

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If you intend to appoint a proxy to attend the EGM and the H Share Class Meeting, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For H Shareholders, the proxy form should be returned to Computershare Hong Kong Investor Services Limited in person or by post in any event not less than 24 hours before the time fixed for holding the EGM and the H Share Class Meeting or adjournment thereof (i.e. on or before 9:30 a.m. on Tuesday, 27 February 2024 in respect of the EGM; and on or before 10:30 a.m. on Tuesday, 27 February 2024 in respect of the H Share Class Meeting). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM, H Share Class Meeting or at any other adjourned meeting should you so wish.

The Company will separately announce details of the arrangements for the attendance by holders of the A Shares at the EGM and the A Share Class Meeting on the website of the SSE in due course.

V. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, the Chairman of the EGM, the A Share Class Meeting, and the H Share Class Meeting will exercise his power under the Articles of Association to demand a poll for all resolutions proposed at the EGM, the A Share Class Meeting, and the H Share Class Meeting, respectively.

Shareholders who are Participants or are connected with Participants will abstain from voting at the meeting, which include, among others, as at the Latest Practicable Date, to the best of the Directors' knowledge having made all reasonable enquiries, Mr. Mei Chun Xiao and Mr. Ban Ze Feng, each of whom holds 50,000 H Shares of the Company, representing approximately 0.0013% of all issued share capital of the Company as at the Latest Practicable Date. Save as aforesaid, to the best of the Directors' knowledge, information and belief, no other Shareholder has a material interest in the resolutions approving (i) the proposed adoption of the Restricted Share Incentive Scheme and (ii) the proposed authorisation for the Board to deal with the related matters in relation to the Restricted Share Incentive Scheme and matters related thereto and, accordingly, no other Shareholder is required to abstain from voting in respect of the relevant resolutions.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholders; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby it/he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its/his Shares to a third party, either generally or on a case-by-case basis. Accordingly, to the best knowledge, information and belief of the Directors, there exists no discrepancy between any Shareholder's beneficial shareholding interest in the Company and the number of Shares in the Company in respect of which such Shareholder will control or will be entitled to exercise control over the voting right at the EGM.

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VI. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong 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 this circular or any statement herein misleading.

VII. RECOMMENDATION

The Board considers that each resolution proposed at the EGM and the H Share Class Meeting is in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the EGM and the Class Meetings.

Yours faithfully,
Cao Xin
Chairman

Setting out below is a summary of the Restricted Share Incentive Scheme (Draft). It is prepared in Chinese and translated into English. In the event of discrepancies between the Chinese and English versions, the Chinese version shall prevail.

I. THE PURPOSE OF THE SCHEME

In order to further promote the establishment and improvement of the long-term incentive mechanism of the Company, attract and retain talents, fully incentivize the directors, senior management personnel and other core personnel of the Company, and effectively align the interests of the Shareholders and the Company with the personal interests of the operators to focus on and work collectively for the long-term development of the Company, the Restricted Share Incentive Scheme is formulated in accordance with the relevant requirements under the Securities Law, the Company Law, the Trial Measures, the Notice on Relevant Issues, the Administrative Measures, the Hong Kong Listing Rules and the Articles of Association as well as in conjunction with the current management systems such as the remuneration system and performance appraisal system of the Company.

The Restricted Share Incentive Scheme adheres to the following principles:

- (i) being lawful, open and transparent, and abiding by laws, regulations and the requirements of the Articles of Association;
- (ii) safeguarding the interests of the Shareholders and the Company, improving value preservation and appreciation of state-owned assets, and contributing to the Company's sustainable development;
- (iii) combining incentives with constraints, making risks commensurate with returns and properly strengthening the incentives for the management of the Company;
- (iv) being practicable and standardized, rolling out step by step and improving constantly.

II. SHARE INCENTIVE METHOD AND SOURCE OF UNDERLYING SHARES**(i) Share Incentive Method**

The incentive method adopted in the Scheme is Restricted Share.

(ii) Source of Underlying Shares

The source of the underlying shares is RMB ordinary A shares of the Company to be issued by the Company to the Participants.

III. NUMBER OF RESTRICTED SHARES TO BE GRANTED

The Scheme proposes to grant no more than 19.28 million Restricted Shares to the Participants, representing approximately 0.46% of the total share capital of the Company as at the date of the announcement of the draft Scheme.

The total number of underlying shares involved in all of the Company's share incentive schemes in effective does not exceed 10% of the total share capital of the Company in aggregate as at the date of the submission of the Scheme to the general meeting. The number of Shares of the Company granted to any one Participant under all the share incentive schemes in effective does not exceed 1% of the total share capital of the Company as at the date of submission of the Scheme to the general meeting.

During the period from the date of the announcement of the Scheme to the completion of the registration of the grant of Restricted Shares, in the event that the Company undergoes any capitalization issue, bonus issue, share split, rights issue or share consolidation, etc., the number of Restricted Shares and the total number of the underlying shares involved shall be adjusted accordingly.

**IV. BASIS FOR DETERMINING THE PARTICIPANTS, THE SCOPE AND
VERIFICATION OF THE PARTICIPANTS AND THE ALLOCATION OF
RESTRICTED SHARES****(i) Basis for Determining the Participants*****1. Legal basis for determining the Participants***

The Participants of the Scheme are determined in accordance with the the relevant requirements under Company Law, the Securities Law, the Administrative Measures, the Trial Measures, the Notice on Relevant Issues as well as other relevant laws, regulations, regulatory documents and the Articles of Association and the actual situation of the Company.

2. Positions held by the Participants in the Company

The Participants under the Scheme are Directors, senior management (excluding Independent Directors, external Directors and supervisors) of the Company, key technical and business personnel of the Group.

(ii) Participants to Be Covered by the Scheme

There are 232 Participants under the Scheme in total, including: Directors, senior management (excluding Independent Directors, external Directors and supervisors) of the Company, key technical and business personnel of the Group.

For the aforementioned Participants, directors and senior management of the Company shall be appointed by voting in a general meeting or appointed by the Board. The Participants involved in the Scheme shall not include Independent Directors, external directors, supervisors and any shareholder or actual controller, whether jointly or individually, holding more than 5% of the shares of the Company, or their respective spouse, parents and children.

All Participants must have an employment relationship or hold a position with the Company or a subsidiary controlled by the Company during the appraisal period of the Scheme.

Participants do not have any of the following circumstances disqualifying them as a Participant:

- (1) having been declared an inappropriate candidate by the SSE in the past 12 months;
- (2) having been declared an inappropriate candidate by the CSRC or its local bureaus in the past 12 months;
- (3) having been imposed with administrative penalties or prohibited from market entry by the CSRC or its local bureaus in the past 12 months owing to material violations of laws and regulations;
- (4) being prohibited from acting as a Director or a member of the senior management of the Company under the Company Law;
- (5) being prohibited from participation in the share incentive schemes of listed companies under laws and regulations; and
- (6) other circumstances as determined by the CSRC.

(iii) Verification of the Participants

1. After the Scheme is considered and approved by the Board, the Company shall display the list of the Participants internally for not less than 10 days.
2. The Board of Supervisors shall review the list of the Participants and take sufficient consideration of feedback collected during public display period. The Company shall disclose the explanation of the Board of Supervisors regarding the review of the list of Participants and the status of announcement 5 days prior to the consideration of the Scheme at the general meeting of the Company (including the general meeting and/or Class Meetings required to be convened pursuant to the Articles of Association for the time being in force, same as below). Any adjustments to the list of the Participants made by the Board of Directors shall also be subject to verification by the Board of Supervisors.

(iv) Allocation of the Restricted Shares to the Participants

The allocation of Restricted Shares among the Participants under the Scheme is set out below:

Name	Position	Total number of Restricted Shares to be granted (10,000 shares)	Proportion of the Restricted Shares to be granted to the total number of the Restricted Shares	Proportion of the Restricted Shares to the total share capital
Mei Chun Xiao	Executive Director and President	20	1.04%	0.005%
Li Lian Ping	Director	20	1.04%	0.005%
Lu Yang	Vice President	20	1.04%	0.005%
Tan Jian Xin	Vice President	20	1.04%	0.005%
Lu Sheng Xin	Vice President	20	1.04%	0.005%
Ban Ze Feng	Vice President and Secretary to the Board	20	1.04%	0.005%
Other Participants (226 persons in total)		1,808	93.78%	0.43%
Total		1,928	100.00%	0.46%

Notes:

1. The Participants of the Scheme do not participate in two or more equity incentive schemes of the Company, and do not include any shareholder or *de facto* controller, whether jointly or individually, holding more than 5% of the Shares of the Company, or their respective spouses, parents and children.
2. The number of Shares of the Company granted under all effective share incentive schemes to any one of the above-mentioned Participants does not exceed 1% of the total share capital of the Company at the time the Scheme is submitted to the general meeting. The total number of underlying shares involved in all effective share incentive schemes of the Company does not exceed 10% of the total share capital of the Company at the time the Scheme is submitted to the general meeting.
3. The value of the entitlements granted to Directors and senior management of the Company shall be determined at no more than 40% of the total remuneration (including the value of interests granted) at the time of grant, and the value of the entitlements granted to other Participants such as the key technical and business personnel shall be determined reasonably by the Board.
4. The aggregate number of issued Shares and Shares to be issued for the interests granted to any one Participant in the past 12 months shall not exceed 0.1% of issued A Shares as at the date of approval of the Scheme.
5. Any difference between the figures shown as total and the sum of the corresponding figures above is due to rounding.

V. GRANT PRICE AND BASIS OF DETERMINATION OF RESTRICTED SHARES OF THE SCHEME**(i) Grant Price of the Restricted Shares Under the Scheme**

The Grant Price of the Restricted Shares under the Scheme shall be RMB4.10 per Share. A Participant who has satisfied the conditions of grant may purchase the Restricted Shares to be issued by the Company to the Participant at a price of RMB4.10 per Share.

(ii) Basis for Determining the Grant Price of the Restricted Shares Under the Scheme

The Grant Price of the Restricted Shares under the Scheme shall be determined according to the principle of fair market price, and shall not be lower than the higher of the following prices:

1. 50% of the average trading price of the Company's underlying Shares on the trading day preceding the date of the announcement of the draft Scheme; or

2. 50% of one of the average trading prices of the Company's underlying shares in 20 trading days, 60 trading days or 120 trading days prior to the date of the announcement of the draft Scheme.

Based on the above pricing principles, the Grant Price of the Restricted Shares granted under the Scheme of the Company shall be RMB4.10 per Share.

VI. RELEVANT SCHEDULE OF THE SCHEME

(i) Schedule of the Scheme

1. Validity Period

The Validity Period of the Scheme is from the date of completion of registration of the grant of Restricted Shares to the date when all of the Restricted Shares which have been granted to the Participants are unlocked or repurchased and cancelled and shall not exceed 60 months in any event.

2. Grant Date

The Grant Date shall be determined by the Board of Directors after the Scheme has been filed to the Hebei Province SASAC and considered and approved at the general meeting of the Company. The Grant Date shall be a trading day. Within 60 days from the date of approval at the general meeting, and the fulfillment of the conditions for granting the Restricted Shares, the Company shall grant the Restricted Shares to the Participants and complete the relevant procedures such as announcement and registration formalities. If the Company fails to complete the aforesaid tasks within 60 days, the Scheme will be terminated and the ungranted Restricted Shares shall lapse.

The Grant Date must be a trading day, and the Company shall not grant the Restricted Shares to the Participants during the following periods:

- (1) Restricted Shares may not be granted after the Company becomes aware of inside information until and including the trading day following the announcement of such information; in particular, Restricted Shares may not be granted during the period commencing one month immediately before the earlier of:
 - (a) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange under the Hong Kong Listing Rules) for approving any annual, interim, quarterly or any other interim results of the Company (whether or not required by the Hong Kong Listing Rules); and

- (b) the deadline for the Company to announce annual or interim results under the Hong Kong Listing Rules, or quarterly or any other interim results (whether or not required by the Hong Kong Listing Rules).

The above-mentioned restriction ends on the date of the results announcement. No Restricted Shares may be granted during any period of delay in publishing a results announcement by the Company;

- (2) 10 days prior to the publication of the Company's operating results forecast announcements and preliminary performance results announcements;
- (3) the period from the date of occurrence of any material event which may have a material impact on the trading prices of the Company's shares and their derivatives or the date on which the relevant decision-making procedures begin, to the day when disclosure is made in accordance with laws;
- (4) such other period as stipulated by the CSRC, the SSE and the Hong Kong Stock Exchange.

The above-mentioned periods within which the Company is restricted from granting the Restricted Shares are excluded from the 60-day limit.

The above "material transactions", "material matters" and "material events that may affect the share price" refer to transactions or other material matters that should be disclosed by the Company in accordance with the provisions of the Rules Governing the Listing of Stocks on the SSE.

3. Lock-up Periods

The Lock-up Periods under the Scheme shall be 24 months, 36 months and 48 months from the date of completion of registration of the grant of the Restricted Shares. The Restricted Shares granted to the Participants under the Scheme shall not be transferred, pledged or used for repayment of debt prior to the release of such shares from lock-up. The shares and dividends received by the Participants due to the grant of the Restricted Shares not yet unlocked to them arising from conversion of capital reserve into share capital, bonus issue, share split, etc. shall be subject to the lock-up in accordance with the Scheme.

4. Unlocking Arrangements

The Unlocking Periods of the Restricted Shares under the Scheme and arrangements for each Unlocking Period are set out in the table below:

Unlocking arrangements	Unlocking schedule	Proportion of the Restricted Shares Unlocked
First Unlocking Period	Commencing from the first trading day upon the expiry of 24 months from the date of the completion of registration of the Restricted Shares to the last trading day upon the expiry of 36 months from the date of the completion of registration of the Restricted Shares	33%
Second Unlocking Period	Commencing from the first trading day upon the expiry of 36 months from the date of the completion of registration of the Restricted Shares to the last trading day upon the expiry of 48 months from the date of the completion of registration of the Restricted Shares	33%
Third Unlocking Period	Commencing from the first trading day upon the expiry of 48 months from the date of the completion of registration of the Restricted Shares to the last trading day upon the expiry of 60 months from the date of the completion of registration of the Restricted Shares	34%

5. Selling Restrictions

The selling restrictions under the Scheme shall be implemented in accordance with the Company Law, the Securities Law and the relevant laws, regulations, regulatory documents and the Articles of Association, the details of which are as follows:

- (1) where a Participant is a Director or a member of the senior management of the Company, the number of shares that may be transferred by him/her each year during his/her term of office shall not exceed 25% of the total number of the Shares held by him/her; and no transfer of the Shares shall be made within six months from his/her departure from the Company.

- (2) where a Participant is a Director or a member of the senior management of the Company, if he/she disposes of any shares held by him/her within six months after they were acquired or acquire any shares within six months after they were disposed of, the gains arising from the transactions shall belong to the Company, and the Board shall collect all such gains.
- (3) if, during the Validity Period of the Scheme, there is any amendment to the requirements of the Company Law, the Securities Law and other relevant laws, regulations, regulatory documents and the Articles of Association regarding transfer of shares by a Director and senior management personnel of the Company, such amended requirements under the Company Law, the Securities Law and other relevant laws, regulations, regulatory documents and the Articles of Association shall apply to the Shares of the Company transferred by the corresponding Participants during the relevant times.

VII. CONDITIONS OF GRANT AND UNLOCKING OF THE RESTRICTED SHARES FOR THE SCHEME

(i) Conditions of Grant

The Company shall grant Restricted Shares to the Participants upon satisfaction of all of the following conditions of grant, and no Restricted Shares shall be granted to the Participants if any of the following conditions of grant has not been satisfied.

1. None of the following events with respect to the Company has occurred:

- (1) issue of an auditors' report with adverse opinion or disclaimer opinion by a certified public accountant with respect to the financial and accounting report of the Company for the latest accounting year;
- (2) issue of an auditors' report with adverse opinion or disclaimer opinion by a certified public accountant with respect to the internal control of financial reporting of the Company for the latest accounting year;
- (3) failure to conduct profit distribution in accordance with laws and regulations, the Articles of Association and public undertakings during the latest 36 months after listing;
- (4) prohibition from implementation of a share incentive scheme by laws and regulations; and
- (5) other circumstance as determined by the CSRC.

2. None of the following events with respect to a Participant has occurred:

- (1) he or she has been determined by SSE as an ineligible person in the past 12 months;
- (2) he or she has been determined by the CSRC or any of its delegated agencies as an ineligible person in the past 12 months;
- (3) he or she has been imposed with administrative penalties or measures prohibiting access into the securities market by the CSRC or any of its delegated agencies due to material non-compliance of laws and regulations in the past 12 months;
- (4) he or she is disqualified as a director or senior management of a company under the Company Law;
- (5) he or she is prohibited from participating in any share incentive scheme of listed companies by laws and regulations; and
- (6) he or she falls under any other circumstances as determined by the CSRC.

(ii) Unlocking Conditions

During the Unlocking Period, the Restricted Shares granted to the Participants shall be unlocked upon satisfaction of all of the following conditions:

1. None of the following events with respect to the Company has occurred:

- (1) issue of an auditors' report with adverse opinion or disclaimer opinion by a certified public accountant with respect to the financial and accounting report of the Company for its most recent accounting year;
- (2) issue of an auditors' report with adverse opinion or disclaimer opinion by a certified public accountant with respect to the internal control of financial reporting of the Company for its most recent accounting year;
- (3) failure to conduct profit distribution in accordance with laws and regulations, the Articles of Association and public undertakings within the latest 36 months after listing;
- (4) prohibition from implementation of a share incentive scheme by laws and regulations; and
- (5) other circumstance as determined by the CSRC.

2. *None of the following events with respect to a Participant has occurred:*

- (1) he or she has been determined by SSE as an ineligible person in the past 12 months;
- (2) he or she has been determined by the CSRC or any of its delegated agencies as an ineligible person in the past 12 months;
- (3) he or she has been imposed with administrative penalties or measures prohibiting access into the securities market by the CSRC or any of its delegated agencies due to material non-compliance of laws and regulations in the past 12 months;
- (4) he or she is being disqualified as a director or senior management of a company under the Company Law;
- (5) he or she is prohibited from participating in any share incentive scheme of listed companies by laws and regulations; and
- (6) he or she falls under any other circumstances as determined by the CSRC.

In case of occurrence of any of the circumstances as stipulated in paragraph (1) above to the Company, all the Restricted Shares that have been granted to the Participant but not yet unlocked under the Scheme shall be repurchased by the Company for cancellation at a repurchase price being the lower of the Grant Price or the market price of the Company's A Shares stock at the time of repurchase (the market price being the average price of the underlying shares of the Company on the trading day immediately prior to the day on which the Board considers such repurchase, the same below). In case of occurrence of any of the circumstances as stipulated in paragraph 2 to a Participant, the Restricted Shares that have been granted to such Participant but not yet unlocked under the Scheme shall be repurchased by the Company at a repurchase price being the lower of Grant Price or the market price of the Company's stock at the time of repurchase.

3. Performance appraisal requirements at the Company level

During the three accounting years in period for unlocking the Restricted Shares granted under the Scheme, annual appraisal shall be conducted in each accounting year for the Participants to achieve the Company's performance appraisal targets as the conditions to unlock the Restricted Shares.

Performance conditions for unlocking the Restricted Shares granted under the Scheme are:

Unlocking Period	Performance appraisal conditions
First Unlocking Period	<ol style="list-style-type: none"> 1. The growth rate of operating revenue for 2024 as compared to that for 2022 shall not be lower than 25.44% as well as the industry average level; 2. Earnings per share for 2024 shall be no less than RMB0.60 per Share and no less than the industry average level; 3. Revenue from principal businesses for 2024 shall account for no less than 90% of operating revenue.
Second Unlocking Period	<ol style="list-style-type: none"> 1. The growth rate of operating revenue for 2025 as compared to that for 2022 shall not be lower than 41.12% as well as the industry average level; 2. Earnings per share for 2025 shall be no less than RMB0.66 per Share and no less than the industry average level; 3. Revenue from principal businesses for 2025 shall account for no less than 90% of operating revenue.
Third Unlocking Period	<ol style="list-style-type: none"> 1. The growth rate of operating revenue for 2026 as compared to that for 2022 shall not be lower than 60.17% as well as the industry average level; 2. Earnings per share for 2026 shall be no less than RMB0.72 per Share and no less than the industry average level; 3. Revenue from principal businesses for 2026 shall account for no less than 90% of operating revenue.

Notes:

1. All A-share listed companies in the same industry under the classification of “Electricity” are selected according to the results of SWS Industry Classification. In the annual appraisal process of the sample of peer enterprises, if there is any significant change in the industry in which the main business belongs to or a major asset reorganization resulting in significant changes in operating results that need to be adjusted, it will be removed by the Board of the Company in the year-end appraisal, and the same applies hereinafter.
2. Earnings per share refer to the ratio of the net profits attributable to shareholders of the Company (excluding the effect of share-based payments) to the total share capital of the Company. During the Validity Period, in the event that the Company incurs any matters affecting the number of the Company's total share capital, such as capitalization issue, bonus issue, share placement, conversion of debt to shares, the total number of the Company's share capital involved will not be adjusted, and the total number of the Company's share capital as at the end of 2022 will be used as the basis for calculation, and the same applies hereinafter.

If the Company’s performance appraisal targets for a particular Unlocking Period of the Restricted Shares are not met, all the Restricted Shares of the Participants for that period shall not be unlocked and shall be repurchased by the Company for cancellation at the lower of the Grant Price or the market price of A Shares of the Company at the time of repurchase.

4. Performance appraisal requirements at individual level

Individual appraisal of a Participant is conducted on an annual basis in accordance with the “Administrative Measures for Appraisal for Implementation of the 2023 Restricted A Share Incentive Scheme”, and the appraisal results are determined in accordance with the individual’s performance appraisal indicators. In principle, the performance appraisal results are categorized into four grades, namely Excellent, Good, Pass and Fail. The actual number of Restricted Shares to be unlocked for the Participants will then be determined based on the corresponding individual-level unlocking ratio in the following appraisal and evaluation table.

Appraisal Result	Excellent	Good	Pass	Fail
Unlocking Ratio	1.0		0.7	0

On the premise of meeting the Company’s performance appraisal targets, the actual number of shares that can be unlocked in each year for each Participant = the number of shares that can be unlocked under the Scheme for such Participant in that year × the unlocking ratio corresponding to the individual performance appraisal result.

Restricted Shares that cannot be unlocked in the current period due to the results of the individual’s performance appraisal shall not be deferred to the period that follows and shall be repurchased by the Company for cancellation at the lower of the Grant Price or market price of the A Shares of the Company at the time of repurchase.

5. *Scientific and Reasonable Basis of Appraisal Indicators*

The appraisal indicators for the Restricted Shares of the Company are divided into two levels, i.e. performance appraisal at the Company level and performance appraisal at the Participant's individual level.

Performance appraisal indicators at the Company level include the growth rate of operating revenue from business, earnings per share and the ratio of revenue from principal businesses attributable to operating revenue. The operating revenue growth rate is an important operating indicator that reflects the Company's overall revenue capacity and is directly related to the Company's future growth; earnings per share reflect the profitability and risk profile of each Share; and ratio of revenue from principal businesses attributable to operating revenue reflects the Company's ability to focus on its principal businesses, and the combination of all these three items forms a well-established indicator system. In setting the performance appraisal indicators, the Company has taken into account the development and prospects of the industry in which the Company operates and the Company's strategic development directions, which has set the Company's performance appraisal indicators under the Scheme in a reasonable manner from the perspective of being conducive to the Company's sustainable development while being feasible. The setting of the abovementioned performance indicators of the Company is in line with the Company's current operating conditions and future development plans, and is conducive to strengthening the Company's operation and project construction, accelerating the enterprise's development growth momentum and maximizing the interests of all Shareholders.

In addition to performance appraisal at the Company level, the Scheme has established a structured performance appraisal system for individuals, which evaluates comprehensively the performance of the Participants in an accurate and comprehensive manner. The Company will determine whether the Participants meet the Unlocking Conditions and the specific proportion of Restricted Shares that can be unlocked based on their performance appraisal results for the year.

VIII. METHODS AND PROCEDURES FOR ADJUSTMENT OF THE SCHEME**(i) Method of Adjusting the Number of Restricted Shares**

During the period from the date of the announcement of the draft Scheme to the completion of registration of the grant of Restricted Shares, in case of any capitalization issue, bonus issue, share split, rights issue, or share consolidation, etc. made by the Company, the number of Restricted Shares shall be adjusted accordingly. The adjustment methods are set out below:

1. Capitalization issue, bonus issue and share split

$$Q = Q_0 \times (1 + n)$$

Where: Q_0 represents the number of the Restricted Shares before adjustment; n represents the ratio of capitalization issue, bonus issue or share split per share (i.e. increase in the number of shares for each share held upon capitalization issue, bonus issue or share split); Q represents the number of the Restricted Shares after adjustment.

2. Rights issue

$$Q = Q_0 \times P_1 \times (1 + n) / (P_1 + P_2 \times n)$$

Where: Q_0 represents the number of the Restricted Shares before the adjustment; P_1 represents the closing price on the date of share registration; P_2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e., the ratio of the number of shares issued under the rights issue to the Company's total share capital before the rights issue); Q represents the number of the Restricted Shares after the adjustment.

3. Share consolidation

$$Q = Q_0 \times n$$

Where: Q_0 represents the number of the Restricted Shares before the adjustment; n represents the ratio of consolidation of shares (i.e., one share of the Company to be consolidated into n shares); Q represents the adjusted number of the Restricted Shares.

4. Dividend distribution and placement

Under the circumstances of the dividend distribution and placement of new shares by the Company, no adjustment will be made to the number of the Restricted Shares.

(ii) Method of Adjusting the Grant Price

In the event that, during the period from the date of announcement of the draft Scheme to the completion of registration of the grant of Restricted Shares, any dividend distribution, capitalization issue, bonus issue, share split, rights issue or share consolidation has been made, adjustment to the Grant Price of Restricted Shares shall be made by the Company accordingly. The adjustment methods are set out below:

1. Capitalization issue, bonus issue and share split

$$P = P_0 \div (1 + n)$$

Where: P_0 represents the Grant Price before adjustment; n represents the ratio of increase of shares resulting from the capitalization issue, bonus issue and share split; P represents the adjusted Grant Price.

2. Rights issue

$$P = P_0 \times (P_1 + P_2 \times n) / [P_1 \times (1 + n)]$$

Where: P_0 represents the Grant Price before adjustment; P_1 represents the closing price as at the date of share registration; P_2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e. the ratio of the number of shares to be issued under the rights issue to the total share capital of the Company before the rights issue); P represents the adjusted Grant Price.

3. Share consolidation

$$P = P_0 \div n$$

Where: P_0 represents the Grant Price before adjustment; n represents the ratio of consolidation of shares; P represents the adjusted Grant Price.

4. Dividend distribution

$$P = P_0 - V$$

Where: P_0 represents the Grant Price before adjustment; V represents the dividend per share; P represents the adjusted Grant Price. After adjustment, P shall be more than 1.

5. Placement

Under the circumstance of the placement of new shares, no adjustment will be made on the Grant Price of the Restricted Shares.

(iii) Adjustment Procedures for the Scheme

The Board shall consider and approve the resolution, pursuant to the authorization at the general meeting, in relation to adjustment of the number and Grant Price of the Restricted Shares when the foregoing circumstances occur. The Company shall engage a legal counsel to provide professional advice to the Board as to whether such adjustment is in compliance with the Administrative Measures, the Articles of Association and the Scheme. After consideration and approval of the adjustment resolution by the Board, the Company shall promptly make an announcement on such Board resolution as well as the opinion of the legal counsel. Any adjustment to the number and grant price of the Restricted Shares to be granted or other terms due to other reasons shall be resolved by the Board, and later submitted to the general meeting for review and approval.

IX. PROCEDURES OF IMPLEMENTATION OF THE SCHEME**(i) Procedures for Effectuating the Scheme**

1. The Remuneration and Appraisal Committee of the Board is responsible for formulating the plan for the Restricted Share Incentive Scheme and submitting to the Board for consideration. The Board shall pass a resolution on the Scheme in accordance with the laws. When the Board considers the Scheme, any director who is a Participant or who has connectedness with any Participant shall abstain from voting. The Board shall submit the Scheme to the general meeting for deliberation after reviewing and approving the Scheme and fulfilling the procedures of public display and announcement; and at the same time, propose to the general meeting for granting mandate for the implementation of the grant, unlocking and repurchase of the Restricted Shares.
2. Independent Directors and the Board of Supervisors shall issue opinions in respect of whether the Scheme is beneficial to the Company's sustainable development and whether there is any apparent prejudice to the interests of the Company and all Shareholders. The Company shall engage an independent financial advisor to give its professional opinion on the feasibility of the Scheme, whether it is beneficial to the sustainable development of the Company, whether there is any damage to the interests of the Company and the impact on the interests of Shareholders.

3. Implementation of the Scheme is subject to the verification and approval of the Hebei Province SASAC and consideration and approval at the general meeting of the Company. The Company shall make announcement internally of the list of Participants through the Company's website or other channels for a period of not less than 10 days prior to the convening of the general meeting of the Company and the Class Meetings. The Board of Supervisors shall verify the list of Participants and thoroughly consider opinions from the public. The Company shall disclose the explanation of the Board of Supervisors on the verification and publication in respect of the list of Participants 5 days before the Scheme is considered at the general meeting and the Class Meetings.
4. When voting on the Scheme at the general meeting of the Company, Independent Directors shall solicit proxy from all Shareholders in respect of the Scheme. The contents of the Scheme as stipulated in Article 9 of the Administrative Measures shall be voted at the general meeting of the Company, and shall be approved by more than two-thirds of the voting rights held by the Shareholders present at the meeting. The voting of Shareholders other than the directors, supervisors and senior management of the Company and Shareholders individually or jointly holding more than 5% of the shares of the Company shall be separately counted and disclosed.

When considering the Share Incentive Scheme at the general meeting of the Company, the Shareholders who are Participants or have related relationships with any Participants shall abstain from voting.

5. When the Scheme is considered and approved at the general meeting of the Company and the grant conditions stipulated in the Scheme are satisfied, the Company shall grant the Restricted Shares to the Participants within the prescribed period. The Board shall be responsible for the implementation of the work in relation to the grant, unlocking and repurchase of the Restricted Shares in accordance with the mandate granted at the general meeting.

(ii) Procedures for Grant of the Scheme

1. The Remuneration and Appraisal Committee of the Board of the Company is responsible for formulating the plan for granting Restricted Shares upon the approval of the Scheme by the general meeting. The Board shall consider and approve the plan for granting Restricted Shares.

2. Before the Company grants any entitlements to the Participants, the Board shall consider and announce whether the conditions for the grant of entitlements to the Participants as set out in the Scheme have been fulfilled. The Independent Directors and the Board of Supervisors shall issue explicit opinions simultaneously. The legal counsel shall issue legal opinions on whether the conditions for the grant of entitlements to the Participants have been fulfilled. In addition, the independent non-executive directors are responsible for the prior approval of grants of Restricted Shares to the Company's directors, chief executives or their respective associates (as defined in the Hong Kong Listing Rules).
3. The Board of Supervisors shall verify and issue opinions on the date of granting the Restricted Shares and the list of Participants.
4. In the event of any discrepancy between the grant of entitlements by the Company to the Participants and the arrangements under the Scheme, the Independent Directors, the Board of Supervisors (in case of any change in the Participants), the legal counsel and the independent financial adviser shall issue explicit opinions simultaneously.
5. The Company shall sign agreements on the granting of Restricted Shares with the Participants in order to determine their respective rights and obligations, including the amount and period of payment for such shares by the Participants.
6. Upon consideration and approval of the Share Incentive Scheme at the general meeting, the Company shall grant the Restricted Shares to the Participants and complete the announcement and registration formalities within 60 days. The Board of the Company shall make an announcement on the implementation thereof in a timely manner upon the completion of registration of the Restricted Shares granted. If the Company fails to complete the above work within 60 days, the Scheme shall be terminated, and the Board shall disclose the reason for such failure in a timely manner and shall not consider the Share Incentive Scheme again within three months (the period during which a listed company is prohibited from granting restricted shares under the Administrative Measures shall not be counted within such 60 days).
7. Before the grant of the Restricted Shares, the Company shall make an application to SSE, and the securities depository and clearing authority shall handle the registration and clearing matters upon confirmation by SSE.

(iii) Procedures for Unlocking under the Scheme

1. Prior to the date of unlocking, the Company shall confirm whether the Participants have satisfied the conditions for unlocking. The Board shall consider whether the conditions for unlocking under the Scheme have been fulfilled, and the Independent Directors and the Board of Supervisors shall issue explicit opinions simultaneously. The legal counsel shall issue a legal opinion on whether the conditions for unlocking the Restricted Shares to the Participants have been fulfilled. For the Participants who have fulfilled the conditions for unlocking, the Company shall handle the matters related to the unlocking in a uniform manner; and for the Participants who have not fulfilled the conditions for unlocking, the Company shall repurchase and cancel the Restricted Shares as held by them correspondingly to the unlocking. The Company shall make announcement on the implementation thereof in a timely manner.
2. The Participants may transfer their unlocked Restricted Shares, whereas the transfer of the Restricted Shares held by the Directors and senior management of the Company shall comply with the requirements of the relevant laws, regulations and regulatory documents.
3. The Company shall apply to SSE before unlocking the Restricted Shares held by the Participants. The securities depository and clearing authority shall handle the registration and settlement matters upon the confirmation of SSE.

X. RESPECTIVE RIGHTS AND OBLIGATIONS OF THE COMPANY AND THE PARTICIPANTS**(i) Rights and Obligations of the Company**

1. The Company shall have the right to construe and execute the Scheme and shall appraise the performance of the Participants base on the requirements under the Scheme. If a Participant fails to fulfill the Unlocking Conditions of the Scheme, the Company shall repurchase and cancel the Restricted Shares of the Participant which have not been unlocked in accordance with the principles under the Scheme.
2. The Company undertakes not to provide loans and financial assistance in any other form, including providing guarantee for loans to the Participants for acquiring the Restricted Shares under the Scheme.
3. The Company shall discharge its obligations in a timely manner in relation to reporting and information disclosure of the Scheme in accordance with the relevant requirements.

4. The Company shall actively support the Participants who have fulfilled the Unlocking Conditions to unlock the Restricted Shares in accordance with the relevant requirements of the Scheme, the CSRC, SSE and China Securities Depository and Clearing Corporation Limited. However, the Company disclaims any liability for losses incurred by the Participants who fail to unlock the Restricted Shares at their own will due to reasons caused by the CSRC, SSE and China Securities Depository and Clearing Corporation Limited.
5. The Company's determination of the Participants of the Scheme does not mean that the Participants have the right to continue to serve the Group, nor does it constitute a commitment by the Group on staff employment duration. The employment relationship between the Group and the employees shall be in compliance with the labour contracts signed with the Participants.

(ii) Rights and Obligations of the Participants

1. The Participants shall comply with the requirements of their positions as expected by the Company, and shall work with diligence and responsibility, strictly observe professional conduct, and make contributions to the development of the Company.
2. The Participants shall comply with the selling restrictions under the Scheme in respect of the Restricted Shares being granted. The Restricted Shares granted to the Participants shall not be entitled to the disposal right to be transferred or used as guarantee or for repayment of debt before unlocking.
3. Upon completion of registration of transfer by China Securities Depository and Clearing Corporation Limited, the Restricted Shares granted to the Participants shall enjoy the rights as those conferred on the shares, including but not limited to the rights to dividends and rights issue conferred by such shares. However, if, within the Lock-up Period, the Participants are entitled to shares arising from bonus issue and conversion of capital reserve into share capital in connection with the Restricted Shares which have been granted to the Participants, such shares shall not be disposed of in the secondary market or otherwise transferred and shall be subject to the same expiry date of the Lock-up Periods as that of the Restricted Shares.
4. The funds shall be self-financed by the Participants.
5. Any gains enjoyed by the Participants under the Scheme are subject to individual income tax and other taxes and levies in full and in a timely manner according to the national tax laws.

6. The Participants undertake that: where there are false representations or misleading statements contained in, or material omissions from the information disclosure documents of the Company and as a result of which the conditions of grant or arrangements for exercise of rights are not satisfied, the Participants concerned shall return to the Company all interests obtained from the Scheme from the date when it is confirmed that the relevant information disclosure documents of the Company contain false representations, misleading statements or material omissions.
7. Upon consideration and approval of the Scheme at the general meeting of the Company, the Company will sign an agreement on the grant of Restricted Shares with each Participant setting out the respective rights and obligations as well as other relevant matters.
8. Other relevant rights and obligations as stipulated by laws, regulations, and the Scheme.

XI. HANDLING UNUSUAL CHANGES IN THE COMPANY AND THE PARTICIPANTS

(i) Handling Unusual Changes in the Company

1. The Scheme shall be terminated immediately if any of the following events occurs to the Company, and the granted Restricted Shares not yet unlocked shall cease to be unlocked, and shall be repurchased and cancelled by the Company at the lower of the Grant Price and the market price:
 - (1) issue of an auditors' report with adverse opinion or disclaimer opinion by a certified public accountant with respect to the financial report of the Company for its most recent accounting year;
 - (2) issue of an auditors' report with adverse opinion or disclaimer opinion by a certified public accountant with respect to the internal control of financial reporting of the Company for its most recent accounting year;
 - (3) failure to conduct profit distribution in accordance with laws and regulations, the Articles of Association and public undertakings during the 36 months after listing;
 - (4) prohibition from implementation of a share incentive scheme by laws and regulations; or
 - (5) other circumstances under which the Scheme shall be terminated as determined by the CSRC.

2. The Scheme shall continue to be implemented according to its provisions if any of the followings occurs to the Company:
 - (1) change in control of the Company; or
 - (2) circumstances such as merger, spin-off, etc. of the Company.

3. Where false statements or misleading representations in or material omissions from the information disclosure documents of the Company result in non-compliance with the conditions of grant or arrangements for unlocking, such portion of the Restricted Shares that are not yet unlocked shall be repurchased and cancelled by the Company at the lower of the Grant Price and the market price at the time of repurchase. In respect of the Restricted Shares granted to the Participants which have been unlocked, all Participants shall return to the Company all entitlements granted. If the Participants, who are not liable for the above-mentioned issues, suffer loss as a result of returning the entitlements of Restricted Shares granted, they may claim for damages from the Company or responsible parties in accordance with the relevant arrangements under the Scheme.

The Board shall recover all the profits gained by the Participants in accordance with the preceding provisions and relevant arrangements under the Scheme.

(ii) Handling of Changes in Personal Circumstances of the Participants

1. When a Participant has a change in job positions, but still works in the Company or a branch or a subsidiary of the Company, the Restricted Shares granted to him/her will be fully regulated by the procedures as specified in the Scheme before the change of his/her job positions. In case a Participant becomes an independent director or supervisor who cannot hold Restricted Shares of the Company, the Restricted Shares that have been granted to the Participant under the Scheme but not yet unlocked shall be repurchased by the Company for cancellation at the Grant Price plus interest with reference to the bank deposit rate for the same period.

2. If the Participants cease or terminate their labour relationship with the Company due to objective reasons such as relocation, removal, retirement, death or loss of civil capacity, provided that the exercisable period limits and the performance appraisal conditions of the granted interests have been fulfilled in the year of such termination, the exercisable portion shall be exercised within a half-year period after the date of such termination (or when exercisable), or else the interests will lapse after the half-year period. If the exercisable period limits and the performance appraisal conditions have not been fulfilled in the year of such termination, it shall no longer be exercised. The Restricted Shares that have not been unlocked shall be repurchased by the Company for cancellation at the Grant Price plus interest with reference to the bank deposit rate for the same period.
3. If the Participants cease or terminate their labour relationship with the Company due to personal reasons, the Restricted Shares granted but not yet unlocked shall be repurchased and cancelled by the Company at the lower of the Grant Price and the market price at the time of repurchase.
4. When any of the following events occurs to a Participant, the Company shall have the right to request the Participant to return the gains from the Scheme, whereas the Restricted Shares granted but not yet unlocked shall be repurchased and cancelled by the Company at the lower of the Grant Price and the market price at the time of repurchase:
 - (1) there is such conduct that violates national laws and regulations, occupational ethics, or negligence of duty or professional misconduct, which causes severe damage to the interests or reputation of the Company and causes economic losses to the Company or negative effect in society, whether direct or indirect;
 - (2) where a Participant is dismissed due to violation of the Company's rules and regulation to a severe extent according to relevant provisions of the Company's staff reward and punishment management;
 - (3) where the Company has sufficient evidence to prove a Participant, during his/her terms of office, has taken illegal or unethical actions such as accepting bribes, asking for bribes, corruption, theft and divulging operational and technical secrets, entering into connected transactions which damage the interests and reputation of the Company, have material negative impact on the Company's image and cause losses to the Company or negative effect in society, whether direct or indirect;
 - (4) where the Participant is prosecuted as a result of criminal offence; or
 - (5) where the Participant causes improper losses to the Company as a result of violating relevant laws and regulations or the requirements of the Articles of Association.

5. For other circumstances not stated above, the handling method thereof shall be determined by the Board.

(iii) Dispute Settlement Between the Company and the Participants

Any controversy or dispute between the Company and the Participants arising from the implementation of the Scheme and/or the performance of the Agreement on Grant of Restricted Shares entered into between both parties or in connection with the Scheme and/or the Agreement on Grant of Restricted Shares shall be resolved through negotiation and communication between both parties, or mediation by the Remuneration and Appraisal Committee of the Board. If the parties fail to resolve such controversy or dispute, or such controversy or dispute fails to be resolved, through the above methods within 60 days from the date of occurrence of the controversy or dispute, either party is entitled to file a lawsuit with the People's Court with jurisdiction in the place where the Company is located.

XII. AMENDMENTS AND TERMINATION OF THE SHARE INCENTIVE SCHEME

(i) Procedures for Amendments to the Scheme

1. In the event that the Company intends to amend the Scheme before it is considered and approved at the general meeting, such amendment shall be considered and approved by the Board.
2. If the Company intends to amend the Scheme after it is considered and approved at the general meeting, such amendment shall be considered and approved at the general meeting, and such amendment shall not include the following circumstances:
 - (1) circumstances leading to early release of lock-ups; or
 - (2) reducing the Grant Price.

The Independent Directors and the Board of Supervisors shall express independent opinions on whether the amended Scheme is beneficial to the sustainable development of the Company and whether there is any apparent prejudice to the interests of the Company and all Shareholders. The legal counsel shall issue professional opinion on whether the amended Scheme is in compliance with the requirements of the Administrative Measures and relevant laws and regulations and whether there is any apparent prejudice to the interests of the Company and all Shareholders.

(ii) Procedures for Termination of the Scheme

1. Any proposed termination of the Scheme by the Company prior to consideration of the Scheme at the general meeting of the Company shall be subject to consideration and approval by the Board.
2. Any proposed termination of the Scheme by the Company after consideration and approval of the Scheme at the general meeting of the Company shall be subject to consideration and determination at the general meeting.
3. The legal counsel shall issue professional opinion in respect of whether the termination of the Scheme is in compliance with the provisions of the Administrative Measures, the relevant laws and regulations, and whether there is any apparent prejudice to the interests of the Company and all Shareholders.
4. Upon termination of the Scheme, the Company shall repurchase the Restricted Shares which have not been unlocked and such Restricted Shares shall be dealt with in accordance with the requirements under the Company Law.
5. The Company shall apply to SSE before repurchasing the Restricted Shares. The securities depository and clearing authority shall handle the registration and settlement matters upon the confirmation of SSE.

XIII. ACCOUNTING METHODS AND PERFORMANCE IMPACT MEASUREMENT

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 – Share-Based Payments, at each balance sheet date within the Lock-up Period, the Company shall revise the number of the Restricted Shares which are expected to be unlocked according to the change in the latest available number of persons eligible for unlocking of the Restricted Shares, completion of the performance targets and other subsequent information, and recognize the services acquired during such period in relevant costs or expenses and capital reserve at the fair value of the Restricted Shares on the Grant Date.

(i) Accounting Treatment**1. Grant Date**

The share capital and capital reserve shall be determined according to the issuance of the shares to the Participants directly by the Company.

2. Each balance sheet date within the Lock-up Period

In accordance with the requirements of the accounting standards, at each balance sheet date within the Lock-up Period, the services provided by the staff will be recognized in the costs or expenses, and the owner's equity or liability will be recognized at the same time.

3. Unlocking Date

At the unlocking date, the shares can be unlocked if all conditions of unlocking are satisfied; if all or any part of the shares are not unlocked and thus become invalid or lapsed, they shall be dealt with according to accounting standards and relevant requirements.

(ii) Expected Impact of the Implementation of the Restricted Shares on Operating Results in Each Period

The Company proposes to grant not more than 19.28 million Restricted Shares to the Participants. The Company measures the fair value of the Restricted Shares based on the difference between the closing price on the Grant Date and the Grant Price and estimates the total amortization expenses of the Restricted Shares to be RMB78.4696 million. Such total amortization expenses shall be recognized by installment in proportion to the unlocking percentage during the implementation of the Scheme, and will be recorded as expenses in the recurring profit and loss. Assuming that the Restricted Shares will be granted by the end of January 2024, the impact of the grant of the Restricted Shares under the Scheme on the accounting costs incurred in each period is as follows:

Unit: RMB'0,000

Incentive Cost	2024	2025	2026	2027	2028
7,846.96	2,589.50	2,824.91	1,638.05	738.92	55.58

The above information is the highest cost calculated by the fair value simulation of the number of shares to be granted to all Participants. The final actual accounting cost will be adjusted and confirmed according to the actual situation such as the final Grant Date, Grant Price, the actual number of Participants and the number of shares at the time of unlocking of the Restricted Shares.

The total costs of the Scheme will be recorded in the recurring profit or loss. Based on the current situation of the Company, without taking into account the stimulus effects of the Scheme on the results of the Company, the amortization of the costs of the Scheme shall have impact on the net profit for each year during the Validity Period but would not be material. Taking into consideration the positive effect of the Scheme on the development of the Company, such as motivating the management team, increasing the operational efficiency and reducing the agency costs, the benefits generated from the Scheme in improving the Company's performance shall far exceed the increase in costs.

Setting out below is the full text of the Administrative Measures for the Restricted Share Incentive Scheme. The Measures are prepared in Chinese and translated into English. In the event of discrepancies between the Chinese and English versions, the Chinese version shall prevail.

Chapter I General Provisions

Article 1 In order to implement the 2023 Restricted A Share Incentive Scheme of China Suntien Green Energy Corporation limited (hereinafter referred to as the “**Company**”), and to specify the administrative bodies and their duties, the implementation procedures, the grant and unlocking procedures, the treatment for special occasions, information disclosure, financial accounting and tax treatment, and the supervision and management of the 2023 Restricted A Share Incentive Scheme, these Measures are hereby formulated.

Article 2 These Measures 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 Administrative Measures for Share Incentives of Listed Companies, Trial Measures on Implementation of Share Incentive Schemes by State-Owned Listed Companies (Domestic), the Notice on Issues concerning Regulating the Implementation of the Share Incentive Schemes by State-Owned Listed Companies and other relevant laws, regulations and normative documents in combination with the Articles of Association of China Suntien Green Energy Corporation limited (hereinafter referred to as the “**Articles of Association**”) and the 2023 Restricted A Share Incentive Scheme (Draft) (hereinafter referred to as the “**Incentive Scheme**” or the “**Scheme**”). Unless otherwise specified, the terms used in these Measures shall have the same meanings as those used in the Incentive Scheme.

Chapter II. Management Organization and its Responsibilities

Article 3 Responsibilities of the General Meeting of the Company

- (1) To examine and approve the Incentive Scheme and these Measures.
- (2) To examine and approve the conditions for the grant and unlocking of Restricted Shares.
- (3) To examine and approve the implementation plan of the Incentive Scheme (including the Participants, Grant Price and grant amount, etc).
- (4) To examine and approve the changes to, and termination of, the Incentive Scheme (which has been considered at the General Meeting).
- (5) To authorize the Board to deal with matters related to the Incentive Scheme.
- (6) Other responsibilities stipulated by the relevant laws and regulations, the Articles and the Incentive Scheme.

Article 4 Responsibilities of the Board

- (1) To consider and approve the Incentive Scheme and these Measures, and submit them to the General Meeting for voting in accordance with the relevant regulations.
- (2) To consider and approve the implementation of the Incentive Scheme, and to propose termination of the Incentive Scheme at the General Meeting (which has been considered at the General Meeting).
- (3) To consider and approve the changes to, and termination of, the Incentive Scheme(which has not been considered at the General Meeting).
- (4) In accordance with the provisions of the Incentive Scheme and these Measures and the authorization of the General Meeting, to consider and approve the specific implementation of the Incentive Scheme.
- (5) To examine and approve the measures of the performance appraisal for the Company's senior management.
- (6) Other responsibilities as provided in the Incentive Scheme, these Measures or designated by the General Meeting.

Article 5 Responsibilities of the Board of Supervisors

- (1) To be responsible for verifying the list of Participants of the Incentive Scheme and explaining the verification at the General Meeting.
- (2) To give opinion on whether the Incentive Scheme is beneficial to the sustainable development of the Company and whether there is any considerable damage to the interests of the Company and the Shareholders as a whole.

Article 6 Responsibilities of the Remuneration and Appraisal Committee under the Board

- (1) To formulate the specific implementation plan of the Incentive Scheme and submit to the Board for consideration.
- (2) To formulate the performance appraisal measures for the Participants and submit them to the Board for consideration and to organize the implementation of performance appraisal.
- (3) To lead and organize the working group to carry out work related to the implementation of the Incentive Scheme.

Article 7 Responsibilities of the Human Resources Department

The Human Resources Department of the Company is responsible for reviewing the contents of the implementation plan, including the list of Participants other than Directors and senior management of the Company, the performance targets, unlocking ratio, etc.

Article 8 Responsibilities of the Working Group

A working group shall be formed under the Remuneration and Appraisal Committee, which is comprised of relevant personnel responsible for human resources management, performance enhancement, financial management, securities management and legal matters. The duties of the working group are as follows:

- (1) To formulate the performance appraisal measures for the Participants, and to organize and implement their performance appraisal work.
- (2) To assist the Remuneration and Appraisal Committee of the Board of Directors in formulating a specific implementation plan for the Incentive Scheme, including the formulation of proposals on matters including the list of Participants and the number of Restricted Shares to be granted.
- (3) To issue notice to the Participants, to organize the signing of the Agreement of the Grant of Restricted Shares (hereinafter referred to as the “**Grant Agreement**”), to supervise the Participants to fulfill the obligations under the Incentive Scheme, these Measures and the Grant Agreement, and to propose to the Remuneration and Appraisal Committee of the Board of Directors the implementation, unlocking or termination of the Restricted Shares granted to the Participants.
- (4) To be responsible for the measurement of financial indicators related to the Incentive Scheme, the accounting work involved in the implementation of the Incentive Scheme, and the calculation of the amount of Restricted Shares to be unlocked in accordance with the provisions of the Incentive Scheme.
- (5) To advise on the compliance of the Incentive Scheme and these Measures during implementation, review the agreements, contracts and other legal documents entered into in the course of the formulation and implementation process, and deal with legal issues or legal disputes arising in the course of implementation of the Incentive Scheme.
- (6) To be responsible for the organization and preparation of proposals for the Board meetings and General Meetings of the Company in the process of approval and implementation of the Incentive Scheme and these Measures.
- (7) To be responsible for examining and filing of the Incentive Scheme with regulatory authorities such as the Hebei Province SASAC and the SSE.

- (8) To be responsible for registering insiders and carrying out self-investigation on the trading of shares of the Company by insiders during the 6 months' period prior to the announcement of the Incentive Scheme and requesting the relevant personnel to give explanations.
- (9) To coordinate the work of intermediaries such as law firms.

Chapter III. Procedures for Implementing the Incentive Scheme

Article 9 The Remuneration and Appraisal Committee of the Board is responsible for preparing the Incentive Scheme and submitting it to the Board for consideration.

Article 10 The Board shall, within 2 trading days after the consideration and approval of the Incentive Scheme, announce the resolution of the Board, the Incentive Scheme and its summary.

Article 11 The Company shall engage a lawyer to issue legal opinions on the Incentive Scheme and a financial adviser to issue an independent financial adviser's report (if any) on the Incentive Scheme.

Article 12 After the announcement of the Incentive Scheme, examination of the relevant qualifications of the Participants shall be conducted by the Capital Operation and Investor Relationship Department of the Company and the names and positions of the Participants shall be announced internally via the company website or other channels for no less than 10 days; the Office of the Board of the Company shall carry out self-investigations on the trading of shares and derivatives of the Company by insiders during the six months' period prior to the announcement of the Incentive Scheme to examine whether there has been any insider trading; The Board of Supervisors of the Company shall verify the list of Participants and make an announcement on its review of the list of Participants five days prior to the General Meeting and the A shares and H shares class meetings stipulated by the Articles of Association of the Company in effect at the time.

Article 13 The application materials of the Incentive Scheme shall be submitted to the Hebei Province SASAC for review.

Article 14 Upon approval by the Hebei Province SASAC, the Board of the Company shall propose to convene a General Meeting and at the same time, announce the revised Incentive Scheme and other relevant disclosure documents (if any).

Article 15 The Independent Directors shall solicit proxy voting from all Shareholders in respect of the Incentive Scheme.

Article 16 For the purpose of considering the Incentive Scheme, the Board of Supervisors shall issue a statement on the verification of the list of Participants at the General Meeting and the A shares and H shares class meetings stipulated by the Articles of Association of the Company in effect at the time.

Article 17 Within 60 days from the date of consideration and approval of the Incentive Scheme at the General Meeting and the A shares and H shares class meetings stipulated by the Articles of Association of the Company in effect at the time, the Company shall convene a Board meeting for granting of Restricted Shares to the Participants and complete registration, public announcement and other relevant matters. Failure to complete the aforesaid tasks within 60 days, the Incentive Scheme shall be terminated and the Restricted Shares not yet granted shall lapse.

Chapter IV. Grant of Restricted Shares

Article 18 After the specific implementation plan has been approved by the General Meeting and the A shares and H shares class meetings stipulated by the Articles of Association of the Company in effect at the time, if the Company meets the criteria for granting of the Incentive Scheme, the Remuneration and Appraisal Committee of the Board will assess the performance of the directors and senior management of the Company in accordance with the performance appraisal measures and review the performance appraisal results, and the Human Resources Department will organize and evaluate the performance appraisal results of Participants other than the directors and the senior management of the Company in accordance with the performance appraisal measures and review the performance appraisal results.

The Remuneration and Appraisal Committee of the Board shall formulate the implementation rules for the evaluation of the Company's senior management and the performance evaluation criteria for the Participants other than the directors and the Company's senior management in accordance with the Incentive Scheme, these Measures and the Company's relevant internal performance appraisal system.

Article 19 The Company shall determine the number of Restricted Shares to be granted to the Participants based on the performance appraisal results and shall enter into the Grant Agreement with the Participants to stipulate the rights and obligations of both parties.

Article 20 The Company shall maintain a register for the management of the Incentive Scheme, in which the names of the Participants, their securities accounts, the number of Restricted Shares granted, the Grant Date, and the serial number of the Grant Agreement shall be recorded.

Article 21 The Company shall complete the relevant procedures such as granting, registration and announcement of Restricted Shares within 60 days after the fulfillment of the conditions of grant, and after confirmation by the SSE, the registration and settlement matters shall be handled by the depository and clearing company.

Chapter V. Unlocking of the Restricted Shares

Article 22 Restricted Shares granted under the Incentive Scheme shall enter a 3-year unlocking period after 2 years from the date of completion of registration of the grant. The working group shall assist the Remuneration and Appraisal Committee in verifying the fulfillment of the unlocking conditions by the Company when the unlocking dates of the three unlocking periods arrive. If the unlocking conditions as stipulated in the Incentive Scheme are fulfilled, the percentage of unlocking for each of the Participants shall be determined based on the results of the performance appraisal of the Participants. The Remuneration and Appraisal Committee shall draw up a scheme for the release of Restricted Shares and submit it to the Board for approval.

Article 23 The maximum number of the Restricted Shares that a Participant may apply for unlocking during the three unlocking periods are 33%, 33% and 34%, respectively, of the number of the Restricted Shares granted under the Incentive Scheme, and the actual number of Restricted Shares that may be unlocked shall be corresponded to the appraisal results of the Participants' performance in the previous year.

Article 24 The Board shall submit an application for unlocking to the SSE after the approval of the unlocking scheme by the Board.

Article 25 Upon closure of the Incentive Scheme, the Restricted Shares that are still locked up due to failure to fulfill the unlocking conditions stipulated in the Incentive Scheme shall be repurchased and cancelled by the Company.

Chapter VI. Arrangements for Special Occasions

Article 26 The Incentive Scheme shall be terminated with immediate effect if any of the following events occurs to the Company:

- (1) Issue of an auditors' report with adverse opinion or which indicates an inability to give opinion by a certified public accountant with respect to the financial report of the Company for its most recent accounting year;
- (2) Issue of an auditors' report with adverse opinion or which indicates an inability to give opinion by a certified public accountant with respect to the internal control of the financial report of the Company for its most recent accounting year;
- (3) Failure to conduct profit distribution in accordance with laws and regulations, the Articles of Association of the Company and public undertakings during the past 36 months after listing;
- (4) Prohibition from implementation of a share incentive scheme by laws and regulations;
- (5) Other circumstances under which the Incentive Scheme shall be terminated as determined by the China Securities Regulatory Commission.

In the event of termination of the Incentive Scheme by the Company as described above, the Restricted Shares granted, but not yet unlocked, to such Participants shall be repurchased and cancelled by the Company and the repurchase price shall be the lower of the Grant Price and the market price of the Company's shares at the time of repurchase (the market price is the average transaction price of the Company's underlying shares on the trading day before the Boards' consideration of the repurchase, the same applies hereinafter).

Article 27 The Incentive Scheme shall be implemented as usual in case any of the following events occurs to the Company:

- (1) change in control of the Company;
- (2) merger or spin-off of the Company.

Article 28 Where false statements or misleading statements in or material omissions from the information disclosure documents of the Company result in non-compliance with conditions of grant or arrangements for unlocking, all Restricted Shares which are not yet unlocked shall be repurchased by the Company for cancellation. In respect of the Restricted Shares granted to the Participants which have been unlocked, all the Participants shall return to the Company all interest granted. If the Participants who are not liable for the abovementioned events suffer a loss as a result of returning their interest, they may claim for damage from the Company or responsible parties in accordance with the arrangements under the Incentive Scheme.

The Board shall recover all the profits gained by the Participants in accordance with the preceding provisions and relevant arrangements under the Incentive Scheme.

Article 29 Changes to the individual circumstances of the Participants

- (1) When a Participant has a change in job position, but still works in the Company or a branch or a subsidiary of the Company, the Restricted Shares granted to him/her will be fully regulated by the procedures as specified in the Incentive Scheme before the change of his/her job positions. In case a Participant becomes an Independent Director or supervisor who cannot hold Restricted Shares of the Company, the Restricted Shares that have been granted to, but not yet unlocked, by the Participant under the Scheme shall be repurchased by the Company for cancellation at the Grant Price bearing interest on bank deposits for the same period.
- (2) If the Participants cease to serve or terminate their labour relationship with the Company due to objective reasons such as relocation, removal, retirement, death or loss of civil capacity, provided that the exercisable period limits and the performance appraisal conditions of the granted interests have been fulfilled in the year of such termination, the exercisable portion shall be exercised within a half-year period after the date of such termination or when exercisable, or else the interests will lapse after the half-year period. If the exercisable period limits and the performance appraisal conditions have not been fulfilled in the year of such termination, it shall no longer be exercised. The Restricted Shares that have not been unlocked shall be repurchased by the Company for cancellation at the Grant Price plus interest with reference to the bank deposit rate for the same period.

- (3) If the Participants cease to serve or terminate their labor relationship with the Company due to personal reasons, the Restricted Shares granted but not yet unlocked shall be repurchased by the Company, and the repurchase price shall be the lower of the Grant Price and the market price of the Company's shares at the time of the repurchase.
- (4) When any of the followings happens to a Participant, the Company shall have the right to request the Participant to return his/her gains from the Incentive Scheme, whereas the Restricted Shares granted but not yet unlocked shall be repurchased by the Company for cancellation at the lower of the Grant Price and the market price of the Company's shares at the time of the repurchase:
 1. When a Participant commits such conduct as violating national laws and regulations, occupational ethics, or negligence of duty or professional misconduct, which causes severe damage to the interests or the reputation of the Company, results in economic losses to the Company or negative effect in society, whether direct or indirect;
 2. Where a Participant is dismissed due to violation of the Company's rules and regulation to a severe extent according to relevant provisions of the Company's staff reward and punishment management;
 3. Where the Company has sufficient evidence to prove that the Participant, during his/her terms of office, has taken illegal or unethical actions such as accepting bribes, asking for bribes, corruption, theft and divulging operational and technical secrets, entering into connected transactions to damage the reputation of the Company, which have material negative impact on the Company's image and directly or indirectly cause losses to the Company or negative effect in society;
 4. Where the Participant is prosecuted as a result of criminal offence;
 5. Where the Participant causes improper losses to the Company as a result of violating relevant laws and regulations or the requirements of the Articles of Association.
- (5) For other circumstances not stated above, the handling method thereof shall be determined by the Board.

Article 30 Settlement of disputes between the Company and the Participants

Any controversy or dispute between the Company and the Participants arising from the implementation of the Incentive Scheme and/or the performance of the Grant Agreement entered into between both parties or in connection with the Incentive Scheme and/or the Grant Agreement shall be resolved through negotiation and communication between both parties, or mediation by the Remuneration and Appraisal Committee of the Board of the Company. If the parties fail to resolve such controversy or dispute, or such controversy or dispute fails to be resolved, through the above methods within 60 days from the date of occurrence of the controversy or dispute, either party is entitled to file a lawsuit with the People's Court with jurisdiction in the place where the Company is located.

Chapter VII. Financial Accounting and Tax Treatment**Article 31** Accounting treatment

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payments, at each balance sheet date within the Lock-up Period, the Company shall revise the number of the Restricted Shares which are expected to be unlocked according to the change in the latest available number of persons eligible to unlock the Restricted Shares, completion status of the performance targets and other subsequent information, and recognize the services acquired during such period in relevant costs or expenses and capital reserve at the fair value of the Restricted Shares on the Grant Date.

(1) Grant Date

The share capital and capital reserve shall be recognized according to the issue of shares via private placement to the Participants by the Company.

(2) Each balance sheet date during the Lock-up Period

Pursuant to the requirements of the accounting standards, the services provided by the staff will be recognized as costs and the owners' equity or liabilities will also be recognized on each balance sheet date during the Lock-up Period.

(3) Unlocking date

On the unlocking date, if the unlocking conditions are fulfilled, the Restricted Shares shall be unlocked; if all or part of the shares that have not been unlocked are repurchased by the Company for cancellation, such shares will be dealt with pursuant to the accounting standards and relevant requirements.

The Company has the right to withhold and pay the individual income tax and other taxes and fees payable by the Participants according to the relevant provisions of the national tax laws and regulations.

Article 32 Tax treatment

Any gains of the Participants generated from the Scheme are subject to individual income tax and other taxes according to national tax laws and regulations. The Company shall withhold and pay the individual income tax and other taxes and fees payable by the Participants according to the relevant provisions of the national tax laws and regulations.

Chapter VIII. Supplementary Provisions

Article 33 The Board shall be responsible for the interpretation of and amendments to these Measures.

Article 34 These Measures shall come into effect and be implemented as from the date of consideration and approval at the General Meeting of the Company and the A shares and H shares class meetings stipulated by the Articles of Association of the Company in effect at the time.

Setting out below is the full text of the Administrative Measures for the Appraisal for Implementation of the Restricted Share Incentive Scheme. The Measures are prepared in Chinese and translated into English. In the event of discrepancies between the Chinese and English versions, the Chinese version shall prevail.

Chapter 1 General Provisions

Article 1 To ensure the smooth implementation of the 2023 A Share Restricted Share Incentive Scheme (the “**Incentive Scheme**”) of China Suntien Green Energy Corporation Limited (the “**Company**”), further improve the corporate governance structure of the Company, form a sound and balanced value distribution system, motivate directors, senior management, technical and business personnel of the Company to carry out their work with integrity and diligence, ensure the steady improvement of the Company’s performance and realization of the Company’s development strategy and business objectives, these measures are formulated according to the relevant national regulations and the actual situation of the Company. Unless otherwise specified, the terms used in these Measures shall have the same meanings as those used in the Incentive Scheme.

Article 2 Purpose of appraisal

The purpose of the appraisal is to ensure the smooth implementation of the Incentive Scheme of the Company, further improve the corporate governance structure of the Company, establish an incentive and restraint mechanism that is consistent with responsibilities, rights and benefits, while improving the performance evaluation system of the Participants of the Company, promoting the work of the Participants in an honest and diligent manner, ensuring the Company’s development strategies and business objectives are achieved as well as promoting the sustainable development of the Company.

Article 3 Appraisal principle

The appraisal and evaluation must be conducted in adherence to the principles of justice, openness, and fairness, and in strict compliance with these measures and the performance of the objects of appraisal, so as to realize the close combination of the Incentive Scheme with the work performance and contribution of the Participants, thereby improving their management performance and maximizing the value of the Company and the interests of Shareholders as a whole.

Article 4 Appraisal objects

These measures apply to all Participants identified in this Incentive Scheme, including directors, senior management (excluding the Independent Directors, external directors and supervisors), and key technical and business personnel of the Company.

Chapter 2 Management Body of the Appraisal Organization**Article 5** Appraisal body

- (1) The Remuneration and Appraisal Committee under the Board of Directors of the Company is responsible for leading and organizing the appraisal of the Participants.
- (2) The Human Resources Department of the Company takes the lead in the collection and provision of relevant information and accountable for the authenticity and reliability of the information.
- (3) The Human Resources Department of the Company takes the lead in handling the calculation of the appraisal scores of the Participants and compilation of the appraisal results.
- (4) The Remuneration and Appraisal Committee under the Board of Directors of the Company shall consider and resolve on the appraisal results of the Participants.

Article 6 Appraisal procedures

- (1) Under the guidance of the Remuneration and Appraisal Committee under the Board of Directors, the Human Resources Department leads other departments to cooperate in carrying out specific appraisal work, calculating the appraisal scores of the Participants, compiling the appraisal results, and preparing an appraisal report on this basis.
- (2) The Remuneration and Appraisal Committee under the Board of Directors shall consider and resolve on the performance appraisal report.

Article 7 Appraisal period and frequency

- (1) Appraisal period

The appraisal years of the Incentive Scheme are 2024, 2025 and 2026, respectively.

- (2) Appraisal frequency

The appraisal year for the unlocking of the Restricted Shares under the Incentive Scheme is carried out once a year.

Chapter 3 Appraisal Content

Article 8 Performance indicators

The grant of the Restricted Shares to the Participants or unlocking of the Restricted Shares for the year is determined based on a combination of company-level and individual-level appraisal results.

(1) Performance appraisal requirements at company level

The Restricted Shares granted under the scheme is subject to annual performance appraisal and unlocking of Restricted Shares during the three fiscal years of the unlocking period, with the meeting of performance appraisal targets as the unlocking condition for the Participants.

The performance conditions for the unlocking of the Restricted Shares granted under the scheme are:

Unlocking Period	Performance appraisal conditions
First Unlocking Period	<ol style="list-style-type: none"> 1. The growth rate of operating revenue for 2024 as compared to that for 2022 shall not be lower than 25.44% as well as the industry average level; 2. Earnings per share for 2024 shall be no less than RMB0.60 per Share and no less than the industry average level; 3. Revenue from principal businesses for 2024 shall account for no less than 90% of operating revenue.
Second Unlocking Period	<ol style="list-style-type: none"> 1. The growth rate of operating revenue for 2025 as compared to that for 2022 shall not be lower than 41.12% as well as the industry average level; 2. Earnings per share for 2025 shall be no less than RMB0.66 per Share and no less than the industry average level; 3. Revenue from principal businesses for 2025 shall account for no less than 90% of operating revenue.
Third Unlocking Period	<ol style="list-style-type: none"> 1. The growth rate of operating revenue for 2026 as compared to that for 2022 shall not be lower than 60.17% as well as the industry average level; 2. Earnings per share for 2026 shall be no less than RMB0.72 per Share and no less than the industry average level; 3. Revenue from principal businesses for 2026 shall account for no less than 90% of operating revenue.

- Notes: ① All A-share listed companies under the industry classification of “Electricity” are selected based on the results of the SWS Industry Classification. In the annual appraisal process of the sample of peer enterprises, if there is any significant change in the industry in which the main business belongs to or a major asset reorganization resulting in significant changes in operating results that need to be adjusted, it will be removed by the Board of Directors of the Company in the year-end appraisal, and the same applies hereinafter.
- ② Earnings per share refer to the ratio of the net profits attributable to the Shareholders of the listed company (excluding the impact of share-based payments) to the total share capital of the Company. During the validity period of the Incentive Scheme, in the event of any matters affecting the total number of share capital of the Company, such as capitalization of capital reserves, distribution of stock dividends, issuance of additional shares, conversion of bonds to shares, etc., the total number of share capital of the Company involved will not be adjusted, and the calculation will be based on the total number of share capital as at the end of 2022, and the same applies hereinafter.

If the Company’s performance appraisal targets for a particular Unlocking Period of the Restricted Shares are not met, all the Restricted Shares of the Participants for that period shall not be unlocked and shall be repurchased by the Company for cancellation at the lower of the Grant Price or the market price of the Company’s shares at the time of the repurchase.

(2) Performance appraisal requirements at individual level

Individual appraisal of the Participants is conducted on an annual basis in accordance with “Administrative Measures for Appraisal for Implementation of the 2023 Restricted A Share Incentive Scheme”, and the appraisal results are determined in accordance with the individual’s performance appraisal indicators. In principle, the performance appraisal results are categorized into four grades: excellent, good, pass and fail. The actual number of Restricted Shares to be unlocked for the Participants will be determined based on the corresponding proportion of Restricted Shares at the individual level to be unlocked in the following appraisal and evaluation scale:

Appraisal Result	Excellent	Good	Pass	Fail
Proportion of Restricted Shares to be unlocked	1.0		0.7	0

Subject to meeting the Company’s performance appraisal targets, the actual number of Restricted Shares can be unlocked for each Participant in each year = the number of Restricted Shares that can be unlocked under the scheme for such Participant in that year × the proportion of Restricted Shares to be unlocked that corresponds to the result of the individual’s performance appraisal.

Restricted Shares that cannot be unlocked in the current period due to the results of the performance appraisal at the individual level shall not be deferred to the period that follows and shall be repurchased by the Company for cancellation at the lower of the Grant Price or the market price of the Company’s shares at the time of repurchase.

Chapter 4 Application and Management of the Appraisal Results**Article 9** Application of the appraisal results

- (1) Actual unlocked individual quota in current year = proportion of Restricted Shares to be unlocked × individual quota planned to be unlocked in the current year.
- (2) Participants are eligible to have their Restricted Shares unlocked for the current year only when they meet the appraisal targets for the year.

Article 10 Management of the appraisal results

- (1) Revision of appraisal indicators and results. After the completion of the appraisal, the Remuneration and Appraisal Committee under the Board of Directors of the Company shall revise the appraisal indicators and results that are susceptible to factors such as changes in objective circumstances.
- (2) Feedback on the appraisal results. The appraisees have the right to know the results of their own appraisal. The Remuneration and Appraisal Committee under the Board of Directors shall notify the appraisees of the appraisal results within five working days after completion of the appraisal.
- (3) Filing of appraisal results. After completion of the appraisal, the appraisal results shall be kept as confidential information in the archives for a period of not less than five years.
- (4) Appeal against the appraisal results. If an appraisee objects to his/her own appraisal results, the objection should first be resolved through communication between the two parties. If it cannot be resolved properly, the appraisee may appeal to the Remuneration and Appraisal Committee under the Board of Directors. The Committee shall respond to the appeal request of the complainant within ten days of the date of receipt of the appeal.

Chapter 5 Supplementary Provisions

Article 11 In the event of any conflict between these measures and the laws, administrative regulations, departmental rules and normative documents issued by the regulatory authorities, the relevant laws, administrative regulations, departmental rules and normative documents shall prevail.

Article 12 These measures shall be interpreted and amended by the Board of Directors.

Article 13 These measures shall come into effect and be implemented as from the date of consideration and approval at the Company's General Meeting and the A shares and H shares class meetings stipulated by the Articles of Association of the Company in effect at the time.

NOTICE OF EGM



China Suntien Green Energy Corporation Limited* **新天綠色能源股份有限公司**

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING IN 2024

NOTICE IS HEREBY GIVEN that the First Extraordinary General Meeting in 2024 (the “EGM”) of China Suntien Green Energy Corporation Limited (the “Company”) will be held at 9:30 a.m. on Wednesday, 28 February 2024 at the Conference Room, 5th Floor, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC, for the purpose of considering and, if thought fit, passing the following resolutions:

AS SPECIAL RESOLUTIONS

- (1) Resolution on the 2023 Restricted A Share Incentive Scheme of the Company (Draft) and its summary
- (2) Resolution on the Administrative Measures for the 2023 Restricted A Share Incentive Scheme of the Company
- (3) Resolution on the Administrative Measures for the Appraisal for Implementation of the 2023 Restricted A Share Incentive Scheme of the Company
- (4) Resolution on proposal to the general meeting to authorise the Board and its delegated persons to exercise full power to deal with matters relating to the Restricted Share Incentive Scheme

AS ORDINARY RESOLUTIONS

- (5) Resolution on the election of Mr. Tan Jian Xin as an executive director of the fifth session of the Board of the Company
- (6) Resolution on the election of Mr. Chan Yik Pun as an independent non-executive director of the fifth session of the Board of the Company

By order of the board of directors
China Suntien Green Energy Corporation Limited
Mr. Mei Chun Xiao
Executive Director

Shijiazhuang City, Hebei Province, the PRC, 6 February 2024

NOTICE OF EGM

Notes:

1. Pursuant to the Hong Kong Listing Rules, any vote taken by shareholders at a general meeting must be taken by poll. Accordingly, voting on the resolutions set out in the notice of the EGM will be conducted by way of poll. The poll results will be posted on the Company's website at www.suntien.com and the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.
2. Any shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote on behalf of him/her. A proxy need not be a shareholder of the Company.
3. In order to be valid, the proxy form together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the Company's registered office and headquarters in the PRC (for A shareholders) or the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of H shareholders), at least 24 hours (i.e. on or before 9:30 a.m. on Tuesday, 27 February 2024 in respect of the EGM) before the EGM or any adjourned meeting thereof. Computershare Hong Kong Investor Services Limited is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of a proxy form will not preclude a shareholder from attending and voting at the EGM or any adjourned meeting thereof should he/she so wish.
4. The H share register of members of the Company will be closed, for the purpose of determining the entitlement of holders of H shares to attend the EGM, from Friday, 23 February 2024 to Wednesday, 28 February 2024 (both days inclusive), during which period no transfer of H shares will be registered. In order to attend the EGM, all instruments of transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 22 February 2024. H Shareholders holders who are registered with Computershare Hong Kong Investor Services Limited on or before the aforementioned date are entitled to attend the EGM.
5. In case of joint shareholdings, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
6. The EGM is expected to be held for less than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
7. A shareholder or his proxy should produce proof of identity when attending the EGM.
8. The Company's registered office and headquarters in the PRC is 9th Floor, Block A, Yuyuan Plaza, No. 9 Yuhua West Road, Shijiazhuang City, Hebei Province, the PRC.

As at the date of this notice, the non-executive Directors of the Company are Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Mr. Wang Tao; the executive Directors of the Company are Mr. Mei Chun Xiao and Mr. Wang Hong Jun; and the independent non-executive Directors of the Company are Mr. Guo Ying Jun, Mr. Wan Yim Keung, Daniel and Dr. Lin Tao.

* *For identification purposes only*

NOTICE OF H SHARE CLASS MEETING



China Suntien Green Energy Corporation Limited* **新天綠色能源股份有限公司**

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00956)

NOTICE OF THE FIRST H SHAREHOLDERS CLASS MEETING IN 2024

NOTICE IS HEREBY GIVEN THAT the first H Shareholders class meeting in 2024 (the “**H Share Class Meeting**”) of China Suntien Green Energy Corporation Limited (the “**Company**”) will be held at 10:30 a.m. on Wednesday, 28 February 2024 at the Conference Room, 5/F, Yun-Ray Ambassador Hotel, Shijiazhuang City, Hebei Province, the PRC, or immediately after the conclusion of the first extraordinary general meeting in 2024 and the first A Share class meeting in 2024 (whichever is later), to be convened and held on the same date and at the same venue, for the consideration and approval of the following matters:

AS SPECIAL RESOLUTIONS

- (1) Resolution on the 2023 Restricted A Share Incentive Scheme (Draft) of the Company and its summary
- (2) Resolution on the Administrative Measures for the 2023 Restricted A Share Incentive Scheme of the Company
- (3) Resolution on the Administrative Measures for the Appraisal for Implementation of the 2023 Restricted A Share Incentive Scheme of the Company
- (4) Resolution on proposal to the general meeting to authorise the Board and its delegated persons to exercise full power to deal with matters relating to the Restricted Share Incentive Scheme

By order of the board of directors
China Suntien Green Energy Corporation Limited
Mr. Mei Chun Xiao
Executive Director

Shijiazhuang City, Hebei Province, the PRC, 6 February 2024

NOTICE OF H SHARE CLASS MEETING

Notes:

1. Pursuant to the Hong Kong Listing Rules, any vote taken by shareholders at a general meeting must be taken by poll. Accordingly, voting on the resolutions set out in the notice of the H Share Class Meeting will be conducted by way of poll. The poll results will be posted on the Company's website at www.suntien.com and the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the H Share Class Meeting.
2. Any H shareholder entitled to attend and vote at the H Share Class Meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote on behalf of him/her. A proxy need not be a shareholder of the Company.
3. In order to be valid, the proxy form together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be completed and returned to the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at least 24 hours (i.e. on or before 10:30 a.m. on Tuesday, 27 February 2024 in respect of the H Share Class Meeting) before the H Share Class Meeting or any adjourned meeting thereof. Computershare Hong Kong Investor Services Limited is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of a proxy form will not preclude a H shareholder from attending and voting at the H Share Class Meeting or any adjourned meeting thereof should he/she so wish.
4. The H share register of members of the Company will be closed, for the purpose of determining the entitlement of holders of H shares to attend the H Share Class Meeting, from Friday, 23 February 2024 to Wednesday, 28 February 2024 (both days inclusive), during which period no transfer of H shares will be registered. In order to attend the H Share Class Meeting, all instruments of transfers, accompanied by the relevant share certificates, must be lodged for registration with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 22 February 2024. H shareholders who are registered with Computershare Hong Kong Investor Services Limited on or before the aforementioned date are entitled to attend the H Share Class Meeting.
5. In case of joint shareholding, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose, seniority will be determined by the order in which the names stand in the H Share register of members of the Company in respect of the joint shareholding.
6. The H Share Class Meeting is expected to be held for less than half a day. H shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
7. A H shareholder or his proxy should produce proof of identity when attending the H Share Class Meeting.
8. The Company's registered office and headquarters in the PRC is 9th Floor, Block A, Yuyuan Plaza, No. 9 Yuhua West Road, Shijiazhuang City, Hebei Province, the PRC.

As at the date of this notice, the non-executive Directors of the Company are Dr. Cao Xin, Dr. Li Lian Ping, Mr. Qin Gang and Mr. Wang Tao; the executive Directors of the Company are Mr. Mei Chun Xiao and Mr. Wang Hong Jun; and the independent non-executive Directors of the Company are Mr. Guo Ying Jun, Mr. Wan Yim Keung, Daniel and Dr. Lin Tao.

* *For identification purposes only*