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寶業集團股份有限公司

BAOYE GROUP COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 2355)

Proposed Amendments to the Articles of Association

This announcement is made by Baoye Group Company Limited* (the “**Company**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 14 February 2023, the State Council (the “**State Council**”) of the People’s Republic of China (the “**PRC**”) published the “Decision of the State Council to Repeal Certain Administrative Regulations and Documents*” (《國務院關於廢止部分行政法規和文件的決定》). Accordingly, the “Special Provisions of the State Council Concerning the Overseas Securities Offering and Listing by Limited Stock Companies*” (《國務院關於股份有限公司境外募集股份及上市的特別規定》) (the “**Special Provisions**”) was abolished. On 17 February 2023, with the approval of the State Council, the China Securities Regulatory Commission (the “**CSRC**”) published the “Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies*” (《境內企業境外發行證券和上市管理試行辦法》). Accordingly, the “Mandatory Provisions for Companies Listing Overseas*” (《到境外上市公司章程必備條款》) (the “**Mandatory Provisions**”) was abolished, with effect from 31 March 2023. The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) amended the Listing Rules based on the aforementioned new regulations, with effect from 1 August 2023.

In addition, pursuant to the consultation conclusions of the “Consultation Paper on Proposals to Expand the Paperless Listing Regime and Other Rule Amendments” published by the Stock Exchange in June 2023, the relevant amendments to the Listing Rules came into effect on 31 December 2023, so that, among other things, to the extent permitted under all applicable laws and regulations, the listed issuer must (i) send or otherwise make available the corporate communications (as defined under the Listing Rules) to the relevant holders of its securities using electronic means; or (ii) make the corporate communications available on its website and the Stock Exchange’s website.

Based on the aforementioned institutional amendments, the board (the “**Board**”) of directors (the “**Directors**”) proposed to amend the articles of association (the “**Articles of Association**”) of the Company (the “**Proposed Amendments**”) in order to remove such provisions that are obsolete as a result of the repeal of the Special Provisions and the Mandatory Provisions, to reflect the new PRC regulations and to reflect the consequential amendments to the Listing Rules. In particular, under the new PRC regulations and the Listing Rules, (i) holders of domestic shares and H shares are no longer be deemed as different classes of shareholders and therefore the class meeting requirement originally applicable to holders of domestic shares and H shares are no longer necessary; and (ii) holders of H shares are allowed to seek to resolve disputes through Hong Kong courts or the courts at the incorporation place of the issuer, and therefore, the provisions of arbitration to resolve disputes is no longer required; and (iii) make other consequential, tidy-up and housekeeping amendments. Details of the Proposed Amendments will be set out in the circular to be despatched to the shareholders of the Company (the “**Shareholders**”).

Impact on Shareholder Protection

The Board considers that the Proposed Amendments will not undermine the protection of the Shareholders and will not have material impact on measures relating to shareholder protection.

According to the new PRC regulations, (i) domestic shares and H shares shall be regarded as the same class of ordinary shares and holders of domestic shares and H shares shall no longer be deemed as different classes of shareholders and (ii) the substantive rights attached to the two types of shares (including voting rights, dividends and asset distribution in case of liquidation) shall be identical. Therefore, the removal of the class meeting requirement from the Articles of Association will not undermine the protection of the Shareholders. In addition, given that there are sufficient dispute resolution channels (such as court proceedings in Mainland China and Hong Kong) to enable the shareholders to exercise their rights under the Articles of Association, the removal of

the arbitration provision from the Articles of Association and the abolition of arbitration as the sole means of dispute resolution will not affect the protection of the Shareholders.

The Proposed Amendments are subject to the approval by the Shareholders by way of a special resolution at the forthcoming annual general meeting (“**AGM**”) of the Company. The Company will despatch a circular containing, among others, the details of the Proposed Amendments and a notice of the AGM to the Shareholders in due course.

The Articles of Association are prepared in Chinese with no official English version. Any English translation is for reference only. In the event of any inconsistency, the Chinese version shall prevail.

By order of the Board
Baoye Group Company Limited*
Pang Baogen
Chairman

Zhejiang, the People’s Republic of China
28 March 2024

As at the date of this announcement, the Board comprises Mr. Pang Baogen as Chairman and non-executive Director, six executive Directors, namely, Mr. Gao Lin, Mr. Gao Jun, Mr. Jin Jixiang, Mr. Xu Gang, Mr. Wang Rongbiao and Mr. Xia Feng, and four independent non-executive Directors, namely, Mr. Li Wangrong, Ms. Liang Jing, Mr. Xiao Jianmu and Mr. Fung Ching, Simon.

**For identification purpose only*