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南京三寶科技股份有限公司
NANJING SAMPLE TECHNOLOGY CO., LTD.*

(a joint stock limited company incorporated in the People’s Republic of China with limited liability)
(Stock Code: 1708)

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

This announcement is made by Nanjing Sample Technology Co., Limited* (the “**Company**”) pursuant to Rule 13.51(1) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) proposed to amend its existing articles of association (the “**Existing AoA**”) and to adopt a new set of amended and restated articles of association (the “**Amended and Restated AoA**”) which incorporated the relevant amendments for (i) ensuring compliance with the core standards for shareholder protections set out in Appendix III (the “**Core Standards**”) of the Listing Rules on the Stock Exchange; (ii) removing those articles that have become outdated due to the repeal of the “Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies”* (《國務院關於股份有限公司境外募集股份及上市的特別規定》)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 Regulations**”) issued on 4 August 1994 by the State Council of PRC (the “**State Council**”) and the “Mandatory Provisions for Companies Listing Overseas”* (《到境外上市公司章程必備條款》) set forth in Zheng Wei Fa (1994) No. 21 (the “**Mandatory Provisions**”) issued on 27 August 1994 by the State Council Securities Policy Committee and the State Commission for Restructuring the Economic System (both of which as amended, supplemented or otherwise amended from time to time); (iii) ensuring the existing AoA as a whole to conform with the “Guidelines for Articles of Association of Listed Companies”* (《上市公司章程指引》) (the “**PRC Guidelines on AoA**”) issued by the China Securities Regulatory Commission (“**CSRC**”) and meeting with the requirements of the articles of association of the Communist Party of PRC; (iv) expansion of the Company’s business scope; and (v) including other consequential and housekeeping amendments to the Existing AoA (collectively, the “**Proposed Amendments**”).

The Proposed Amendments and the proposed adoption of the Amended and Restated AoA are subject to the approval of the shareholders of the Company (the “**Shareholders**”) by way of a special resolution at the forthcoming annual general meeting of the Company (the “**AGM**”). In addition, classing meetings (the “**Class Meetings**”) of holders of the domestic invested ordinary shares in the ordinary share capital of the Company (the “**Domestic Shareholders**”) and of holders of the overseas listed foreign invested ordinary shares in the ordinary share capital of the Company (the “**H Shareholders**”) will be convened for the respective Shareholders to consider and, if thought fit, approve by way of a special resolution the Proposed Amendments. The filings with the relevant authorities in the PRC in respect of the Proposed Amendments will be made after the passing of the relevant special resolutions by the Shareholders at the AGM and the Class Meetings.

EFFECTIVE DATES OF THE PROPOSED AMENDMENTS

Pursuant to 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》) and the “Trial 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》) respectively issued by the State Council and the CSRC on 17 February 2023 (collectively referred to as the “**New PRC Regulations**”). The Stock Exchange has published a consultation paper on 24 February 2023 setting out its proposed consequential amendments to the Listing Rules pursuant to the New PRC Regulations (the “**Proposed Listing Rules Amendments**”). As at the date of this announcement, the consultation conclusions and the effective date of the Proposed Listing Rules Amendments have yet to be announced.

Accordingly, the Board hereby confirms that the Proposed Amendments to the articles of association of the Company (the “**Articles of Association**”) will take effect as follows:

- the proposed amendments to original Articles 15, 24, 25, 26, 42, 43, 44, 45, 99, 123, 128, 171, 178 and Chapter 9 of the Articles of Association will take effect only after (a) the relevant special resolution has been passed by the relevant Shareholders at each of the AGM and the Class Meetings; and (b) the Proposed Listing Rules Amendments have become effective;
- the proposed amendments to original Article 179 (a) which shall become effective on the date on which it is approved at the AGM and the Class Meetings; and (b) of which the paragraphs 2, 3 and 4 shall be repealed after the Proposed Listing Rules Amendments becoming effective; and
- save for the above, the proposed amendments to the Articles of Association will take effect on the date on which they are approved at the AGM and the Class Meetings.

IMPACT ON SHAREHOLDER PROTECTION

The Board would like to provide Shareholders with the details of the impact of the Proposed Amendments to the Articles of Association on shareholder protection as follows.

With regard to (i) the Listing Rules have been amended with effect from 1 January 2022 to adopt a uniform set of 14 core standards for shareholder protection for issuers regardless of their respective place of incorporation; and (ii) the State Council and the CSRC had issued the New PRC Regulations and on the same date as the New PRC Regulations took effect (i.e. 31 March 2023), the Special Regulations and the Mandatory Provisions were repealed; PRC-incorporated issuers shall formulate their articles of association in line with the PRC Guidelines on AoA in place of the Mandatory Provisions. In light of the above, the Board proposed to amend the Existing AoA and to adopt the Amended and Restated AoA.

The Board considered that the Amended and Restated AoA incorporated amendments to ensure conformity with the Core Standards set out in Appendix 3 to the Listing Rules. These Core Standards relate to, among others, (a) notice and conduct of general meetings; (b) shareholders' rights to remove directors, vote, speak and requisition a meeting, and appoint proxies or corporate representatives; (c) reserving (i) approval of appointment, removal and remuneration of auditors by a majority of the shareholders or other body independent of the board of directors; and (ii) other material matters to super-majority votes by the shareholders; (d) restrictions on the term of a director appointed to fill a casual vacancy; (e) availability of the shareholders' register for inspection; and (f) restrictions on shareholders voting on certain matters required by the Listing Rules.

The Board is of the view that such amendments will serve to incorporate into the Articles of Association standardised shareholder protection standards in accordance with the current requirements under the Listing Rules, reinforcing and bringing greater clarity in respect of Shareholders' rights particularly in the areas mentioned above. Such amendments are beneficial to the Shareholders from the perspective of shareholder protection.

In addition, the amendments to the Articles of Association are proposed to be made also with a view to removing those articles that have become obsolete due to the repeal of the Special Regulations and the Mandatory Provisions and bringing the overall Articles of Association in line with the PRC Guidelines on AoA. Particularly, under the New PRC Regulations, holders of domestic shares and H shares are no longer deemed different classes of shareholders, hence, the class meeting requirements originally applicable to holders of domestic shares and H shares are no longer necessary; the use of arbitration to resolve disputes is also no longer required.

The Board believed that the removal of the class meeting requirement in the Articles of Association will not compromise protection of the Shareholders: currently, class meetings are required for changes or abrogation of the rights of a class of Shareholders; as Domestic Shares and H Shares are now regarded as one class of ordinary shares under the PRC law, therefore, the substantive rights attached to these two kinds of Shares (including rights on voting, dividend and asset distribution upon liquidation) are the same. As regards the use of arbitration, such requirements may no longer be relevant or necessary under the prevailing circumstances and state of development of the market. As a matter of fact, such requirements are not applicable to overseas issuers listed on the Stock Exchange under the Listing Rules. After the removal of the arbitration requirements, the Shareholders may enforce their rights under the Articles of Association using the same approaches as shareholders of overseas issuers, through, in particular, commencing legal proceedings in a court of the place of incorporation of the Company or a Hong Kong court.

A circular for the AGM containing, among others, details of the Proposed Amendments together with the notice of the AGM and the notices of the Class Meetings will be despatched to the Shareholders in due course.

By order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

Nanjing, the PRC, 29 May 2023

As at the date of this announcement, the executive directors are Mr. Sha Min (Chairman), Mr. Ma Fengkui and Mr. Liu Min, the non-executive director is Ms. Cai Lijuan; and the independent non-executive Directors are Mr. Hu Hanhui, Mr. Gao Lihui and Mr. Niu Zhongjie.

** for identification purpose only*