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LUCION

Shandong International Trust Co., Ltd.

山東省國際信託股份有限公司

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

(Stock Code: 1697)

PROPOSED CHANGE OF EXECUTIVE DIRECTOR PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION, THE PROCEDURAL RULES FOR THE GENERAL MEETING, THE PROCEDURAL RULES FOR THE BOARD OF DIRECTORS AND THE PROCEDURAL RULES FOR THE BOARD OF SUPERVISORS

PROPOSED CHANGE OF EXECUTIVE DIRECTOR

The board of directors (the “**Board**”) of Shandong International Trust Co., Ltd. (the “**Company**”) announces that, Mr. Wan Zhong (“**Mr. Wan**”) ceased to serve as the chairperson and an executive director of the Company, the chairperson of the strategies and risk management committee and a member of the nomination and remuneration committee of the Board due to work arrangement, effective from 10 November 2023.

Mr. Wan has confirmed that he has no disagreement with the Board, and there is no matter relating to his departure that should be brought to the attention of the shareholders of the Company (the “**Shareholders**”). The Board would like to express its sincere gratitude to Mr. Wan for his important contribution to the Company’s development during his tenure of office.

As Mr. Wan ceased to be the chairperson of the Company, in order to ensure the orderly operation of corporate governance, Mr. Fang Hao (“**Mr. Fang**”), an executive director and the general manager of the Company, acts as the chairperson of the Company in accordance with the relevant laws and regulations. His term of office commenced from 10 November 2023 until the qualification of the new chairperson is approved and shall not exceed six months.

Pursuant to Code C.2.1 of Part 2 of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During Mr. Fang’s tenure of office as the chairperson, notwithstanding the deviation from the code provisions of the Listing Rules, under the supervision of the Board which comprises one executive director, three non-executive directors and three independent non-executive directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders.

The Board proposed to appoint Mr. Yue Zengguang (岳增光) (“**Mr. Yue**”) as an executive director of the Company, and to serve as the chairperson of the strategies and risk management committee and a member of the nomination and remuneration committee of the Board. Mr. Yue’s appointment is subject to the approval by the Shareholders at the general meeting and the approval of his qualification by the Shandong Office of the National Financial Regulatory Administration.

The biographical details of Mr. Yue are set out as follows:

Mr. Yue Zengguang, aged 50, has over 10 years of experience in the trust industry. From January 2004 to August 2008, Mr. Yue successively served in Shandong Luxin Industry Group Company (山東魯信實業集團公司) and Shandong Luxin Investment Holdings Group Co., Ltd. (山東省魯信投資控股集團有限公司) (“**Lucion Group**”), primarily handling financial matters of these companies. From September 2008 to March 2016, he successively served as the general manager of planning and finance department, the assistant to the company general manager, the general manager of risk control department and the chief risk management officer and the secretary of the disciplinary committee of the Company. From March 2016 to November 2018, he served as the director (department head) of the office of disciplinary committee (supervision and audit department) of Lucion Group; since December 2016, he has been serving as an employee representative supervisor of Lucion Group; from August 2018 to May 2021, he served as the executive director of the Company; from September 2018 to March 2021, he served as the general manager of the Company. He served as minister of the organisation department (human resources department) of the Party Committee of Lucion Group since March 2021. Mr. Yue has been serving as the secretary to the Party Committee of the Company since October 2023. Mr. Yue was accredited as a senior accountant by the Senior Review Commission of Professional Title in Accounting in Shandong Province (山東省會計專業資格高級評審委員會) and possesses the qualification of PRC certified accountant. Mr. Yue graduated from Shandong Economics College (山東經濟學院, now known as Shandong University of Finance and Economics (山東財經大學)), majoring in accounting, and obtained a master’s degree, majoring in business administration, in Tianjin University (天津大學).

The term of office of Mr. Yue as an executive director of the Company shall commence from the date of approval of his appointment by the Shareholders and approval of his qualification by the Shandong Office of the National Financial Regulatory Administration and end at the expiry of the third session of the Board. Upon the approval of his appointment at the general meeting and the approval of his qualification by the Shandong Office of the National Financial Regulatory Administration, the Company will enter into a service contract with Mr. Yue. The remuneration of Mr. Yue will be based on his position and in accordance with the remuneration management regulations of the Company. The Company will disclose the remuneration of the directors of the Company in its annual report.

Save as disclosed above, Mr. Yue confirms that (i) he has not held any other directorships in other listed companies in last three years; (ii) he has no relationship with any other directors, supervisors, senior management, substantial shareholders or controlling shareholders (as defined under the Listing Rules) of the Company; and (iii) he does not have any equity interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, there is no other information relating to the appointment of Mr. Yue that needs to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

On 17 February 2023, the State Council (the “**State Council**”) of the People’s Republic of China (the “**PRC**”) promulgated the Decision of the State Council on Repealing Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》) (the “**Decision**”), which includes abolishing the Special Regulations of the State Council 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》) issued by the State Council on 4 August 1994. On the same day, the China Securities Regulatory Commission promulgated the Provisional Measures for the Administration of Overseas Offering and Listing of Securities by Domestic Enterprises (《境內企業境外發行證券和上市管理試行辦法》) (the “**Provisional Measures**”) and the relevant guidelines, which includes abolishing the Notice on the Implementation of the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《關於執行〈到境外上市公司章程必備條款〉的通知》). The Decision and the Provisional Measures are effective from 31 March 2023 (the “**PRC Regulatory Changes**”). From the effective date of the Decision and the Provisional Measures, a PRC issuer is required to formulate its articles of association

with reference to the Guidelines on Articles of Association of Listed Companies (《上市公司章程指引》) instead of the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》) (the “**Mandatory Provisions**”). In light of the above PRC Regulatory Changes, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) has also proposed certain amendments to the Listing Rules, including, among other things, removing the requirements for class meetings and other relevant provisions in relation to the issue and repurchase of shares by PRC issuers, and removing the requirements that the articles of association of PRC issuers shall contain the Mandatory Provisions and other ancillary provisions. The amendments are effective from 1 August 2023.

In accordance with the PRC Regulatory Changes, domestic shares and H shares are the same class of ordinary shares under the PRC law, and holders of domestic shares and H shares are no longer deemed to be shareholders of different classes. As a result, the substantive rights (including rights to voting, dividends and distributions of assets on a winding up) attached to these two classes of shares are identical. Pursuant to the consultation paper on Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers issued by the Stock Exchange on 24 February 2023, the removal of the class meeting requirement would not prejudice the protection of H shareholders, and the removal of class meeting is consistent with the existing arrangements of the existing non-PRC issuers dual-listed on the PRC stock exchanges and the Stock Exchange. There is no requirement under the PRC regulations (and the Listing Rules) that shares listed on different exchanges be regarded as different classes of shares. Therefore, the Company decided to make preliminary amendments to the articles of association of the Company (the “**Articles of Association**”) in accordance with the PRC Regulatory Changes by removing the requirements relating to class shareholders and convening class meetings.

In addition, according to the consultation conclusions on the Proposals to Expand the Paperless Listing Regime and Other Rule Amendments published by the Stock Exchange in June 2023, the amendments to the Listing Rules will come into effect on 31 December 2023 such that, among other things, subject to compliance with all applicable laws and regulations, a listed issuer must (i) send or otherwise make available the relevant corporate communication (as defined in the Listing Rules) to the relevant holders of its securities by electronic means, or (ii) publish the relevant corporate communication on its own website and the website of the Stock Exchange. Listed issuers are required to make any necessary changes to their constitutional documents in order to comply with these requirements before their first annual general meeting held after 31 December 2023.

Apart from the above amendments, the Board also proposed to make amendments to the relevant provisions of the Articles of Association in respect of the following matters: (i) “trust committee” under the Board be renamed as “trust and consumer rights protection committee” in accordance with the requirements of the Guiding Opinions of the CBIRC on Strengthening the Construction of the Working System and Mechanism for Consumer Rights Protection of Banking and Insurance Institutions (Yin Bao Jian Fa [2019] No. 38) (《中國銀保監會關於銀行保險機構加強消費者權益保護工作體制機制建設的指導意見》(銀保監發[2019]38 號)); (ii) further regulate the relevant provisions in the Articles of Association in relation to the Party organisation in accordance with the latest laws and regulations; and (iii) the “CBIRC” in the Articles of Association be changed into the “National Financial Regulatory Administration” in accordance with the reform of the regulatory authorities (the **“Proposed Amendments to the Articles of Association”**).

In accordance with the Articles of Association and the relevant laws and regulations, the Proposed Amendments to the Articles of Association are subject to the approval at the Company’s general meeting, the H shareholders class meeting and the domestic shareholders class meeting (together with the general meeting, the **“Shareholders Meetings”**) and the approval by the Shandong Office of the National Financial Regulatory Administration.

The Board also proposed to the Shareholders Meetings to authorise the Board to make corresponding amendments to the Articles of Association in accordance with comments or requirements of the regulatory authorities and the relevant departments, handle the approval procedures of the amendments to the Articles of Association and submit to the market supervision and management department for filing.

PROPOSED AMENDMENTS TO THE PROCEDURAL RULES FOR THE GENERAL MEETING, THE PROCEDURAL RULES FOR THE BOARD OF DIRECTORS AND THE PROCEDURAL RULES FOR THE BOARD OF SUPERVISORS

Based on the Proposed Amendments to the Articles of Association, the Company also proposed to make corresponding amendments to the procedural rules for the general meeting, the procedural rules for the board of directors and the procedural rules for the board of supervisors of the Company.

The proposed amendments to the procedural rules for the general meeting, the procedural rules for the board of directors and the procedural rules for the board of supervisors shall take effect upon the consideration and approval by the Shareholders Meetings (if applicable) and the approval of the Proposed Amendments to the Articles of Association by the Shareholders Meetings and the Shandong Office of the National Financial Regulatory Administration.

The Board also proposed that the Shareholders Meetings shall authorise the Board to make corresponding amendments to the procedural rules in accordance with the final version of the Proposed Amendments to the Articles of Association adopted by the Company.

GENERAL INFORMATION

The Company will convene an extraordinary general meeting, an H shareholders class meeting and a domestic shareholders class meeting on Tuesday, 28 November 2023. A circular containing the details of the above proposals, together with the notices of the Shareholders Meetings, will be despatched to the Shareholders in due course.

By Order of the Board
Shandong International Trust Co., Ltd.
Fang Hao
Executive Director

Jinan, the People's Republic of China, 10 November 2023

As at the date of this announcement, the Board comprises Mr. Fang Hao as executive director; Mr. Wang Zengye, Mr. Zhao Zikun and Ms. Wang Bailing as non-executive directors; and Ms. Zhang Haiyan, Mr. Zheng Wei and Ms. Meng Rujing as independent non-executive directors.