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DOWELL SERVICE GROUP CO. LIMITED*

東原仁知城市運營服務集團股份有限公司

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

(Stock Code: 2352)

**(1) POLL RESULTS OF THE EXTRAORDINARY GENERAL MEETING
HELD ON 13 DECEMBER 2023;
(2) CHANGE OF SUPERVISOR;
(3) ELECTION OF EMPLOYEE DIRECTORS;
(4) RE-ELECTION OF EMPLOYEE SUPERVISOR; AND
(5) FURTHER CHANGE IN USE OF NET PROCEEDS**

Reference is made to the circular (the “Circular”) of DOWELL SERVICE GROUP CO. LIMITED* 東原仁知城市運營服務集團股份有限公司 (the “Company”) and the notice of the extraordinary general meeting of the Company (the “EGM”) dated 21 November 2023. Terms used herein shall have the same meanings as defined in the Circular.

At the EGM held on 13 December 2023, Ms. Luo Shaoying, the chairman of the Board and non-executive Director, acted as the chairman of the EGM. The executive Directors, namely Mr. Zhang Aiming and Mr. Fan Dong, the non-executive Directors, namely Ms. Luo Shaoying and Ms. Yi Lin, and the independent non-executive Directors, namely Ms. Cai Ying, Mr. Wang Susheng and Mr. Song Deliang attended the EGM by electronic means.

During the EGM, all the proposed resolutions set out in the notice of the EGM were taken by poll. Beijing Dentons Law Office, LLP (Chongqing) and Computershare Hong Kong Investor Services Limited acted as the scrutineers and were responsible for vote counting at the EGM. The Board is pleased to announce that all the resolutions set out in the notice of the EGM were duly passed.

POLL RESULTS OF THE EGM

The poll results are as follows:

ORDINARY RESOLUTIONS	Number of votes and percentage of total voting shares	
	FOR	AGAINST
1. To consider and approve the New Master City Operations Services Agreement.	24,480,000 (100%)	0 (0%)
2. To consider and approve the New Master Lifestyle Services Agreement.	24,480,000 (100%)	0 (0%)
3. To consider and approve the New Master FATH and Other Comprehensive Services Agreement.	24,480,000 (100%)	0 (0%)
4. To consider and approve the re-election of Ms. Luo Shaoying as a non-executive Director.	50,000,000 (100%)	0 (0%)
5. To consider and approve the re-election of Ms. Yi Lin as a non-executive Director.	50,000,000 (100%)	0 (0%)
6. To consider and approve the re-election of Ms. Cai Ying as an independent non-executive Director.	50,000,000 (100%)	0 (0%)
7. To consider and approve the re-election of Mr. Wang Susheng as an independent non-executive Director.	50,000,000 (100%)	0 (0%)
8. To consider and approve the re-election of Mr. Song Deliang as an independent non-executive Director.	50,000,000 (100%)	0 (0%)
9. To consider and approve the re-election of Mr. Mao Dun as a Supervisor.	50,000,000 (100%)	0 (0%)
10. To consider and approve the appointment of Mr. Yang Guang as a Supervisor.	50,000,000 (100%)	0 (0%)
SPECIAL RESOLUTION		
11. To consider and approve the Proposed Amendments to the Articles of Association	50,000,000 (100%)	0 (0%)

Notes:

- (a) As a majority of the votes were cast in favour of all of the ordinary resolutions, the resolutions numbered 1 to 10 were duly passed as ordinary resolutions.
- (b) As more than two-thirds of the votes were cast in favour of the special resolution numbered 11, such resolution was duly passed as a special resolution.
- (c) As at the date of the EGM, the total number of issued shares of the Company and the total number of shares of the Company entitling the holders to attend to vote on the resolutions at the EGM was 66,990,867 H Shares.

- (d) As at the date of the EGM, Tianjin Chengfang held 25,520,000 H Shares, representing approximately 38.09% of the issued H Shares. In accordance with the Listing Rules, Tianjin Chengfang was required to abstain from voting on the resolutions numbered 1, 2 and 3. Save as disclosed, (i) there were no shares entitling the holder to attend and abstain from voting in favour of the resolutions at the EGM as set out in Rule 13.40 of the Listing Rules; and (ii) none of the Shareholders were required under the Listing Rules to abstain from voting on the resolutions at the EGM.
- (e) None of the Shareholders have previously stated their intention to vote against or to abstain from voting on any of the resolutions at the EGM.
- (f) The EGM was legally and validly convened in compliance with the requirements of the Company Law of the PRC and the Articles of Association.
- (g) The Company's PRC legal advisers, Beijing Dentons Law Office, LLP (Chongqing), and the Company's H share registrar, Computershare Hong Kong Investor Services Limited, acted as the scrutineers for the vote-taking at the EGM.

CHANGE OF SUPERVISOR

As disclosed in the Circular, Mr. Wang Jun (“**Mr. Wang**”) will not offer himself for re-election as a Supervisor and will retire upon the conclusion of the EGM in order to devote more time to his other commitments. Mr. Wang has re-confirmed that he has no disagreement with the Board and the Supervisory Board and there is no matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in connection with his retirement. The Board and the Supervisory Board are also not aware of other matters that need to be brought to the attention of the Shareholders and the Stock Exchange. The Board would like to take this opportunity to express its sincere gratitude to Mr. Wang for his contribution to the Company during his term of office.

The Board is pleased to announce that Mr. Yang has been appointed as a Supervisor with effect from 14 December 2023. The biographical details of Mr. Yang is set out in the Circular. As at the date of this announcement, his biographical details remain unchanged.

Upon the retirement of Mr. Wang, Mr. Yang has been appointed by the Supervisory Board to be the chairman of the Supervisory Board, with effect from 14 December 2023.

ELECTION OF EMPLOYEE DIRECTORS

Employee Directors, whom also act as executive Directors, and co-chief executive officers

The Proposed Amendments to the Articles of Association have been approved by the Shareholders at the EGM as at the date of this announcement. After the Proposed Amendments becoming effective, all executive Directors shall be employee Directors (i.e. the Directors whom represent the employees of the Company), whom shall be elected from the employee meeting or employee representative meeting of the Company. Such employee Directors shall be elected or removed by the employee meeting or employee representative meeting of the Company and not subject to the approval of the Shareholders.

The Board is pleased to announce that Mr. Zhang Aiming (“**Mr. Zhang**”) and Mr. Fan Dong (“**Mr. Fan**”) have been elected by the Company’s employee meeting as the employee Directors, whom also act as executive Directors. Their term of office is three years, which shall commence on 14 December 2023, and shall be eligible for re-election upon the expiry of their term of office. Each of Mr. Zhang and Mr. Fan has entered into a service agreement with the Company upon becoming effectively appointed by the employee meeting of the Company. The election of Mr. Zhang and Mr. Fan does not require the approval of the Shareholders at a general meeting. Mr. Zhang and Mr. Fan will each receive an annual remuneration of HK\$250,000 from the Company for serving as an executive Director. Upon the election of Mr. Zhang and Mr. Fan, they shall remain as co-chief executive officers of the Company. In addition, Mr. Zhang shall remain as the vice-chairman of the Board.

Mr. Zhang and Mr. Fan’s biographical details are set out below:

Mr. Zhang Aiming, aged 49, is an employee Director, whom also acts as an executive Director, the vice-chairman of the Board and the co-chief executive officer of the Company. He was appointed as an executive Director in October 2022. He obtained a master’s degree in professional accountancy from The Chinese University of Hong Kong in December 2008. He also became a certified public accountant in June 2002 and a certified internal auditor in November 2002.

Between March 2012 and May 2022, Mr. Zhang held various roles at Dima. He served as the chief financial officer of Dima between March 2012 to April 2013, the secretary of the board of directors of Dima between April 2013 and May 2019, and a vice chief executive officer of Dima between March 2021 and May 2022. Prior to joining Dima, Mr. Zhang also worked in various property developers and property management companies in the PRC.

Mr. Fan Dong, aged 54, is an employee Director, whom also acts as an executive Directors, the co-chief executive officer of the Company and the general manager of the Group. He joined the Group in August 2014 and was appointed as an executive Director in December 2020. He is currently a director of several subsidiaries of the Company. He obtained a bachelor’s degree in law from Southwest University of Political Science and Law (西南政法大學) in the PRC in December 1997.

Mr. Fan has over 22 years of experience in property management industry. Prior to joining of the Group, he served at Chongqing Xinlonghu Property Management Co. Ltd.* (重慶新龍湖物業服務有限公司, currently known as 龍湖物業服務集團有限公司), a company principally engaged in the provision of property management services, from April 1999 to August 2014.

As at the date of this announcement, Mr. Fan Dong is interested in approximately 52.74% of the equity interest in Tianjin Shengyihe Management Consulting Partnership Enterprise (Limited Partnership)* (天津盛益合企業管理諮詢合夥企業(有限合夥)), and is therefore deemed to be interested in 4,990,000 H Shares, representing approximately 7.45% of the total issued share capital of the Company.

As at the date of this announcement, save as disclosed above, none of the aforementioned Directors (i) holds any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) holds any other position with the Company or its subsidiaries; (iii) has any interest, deemed interest or short position with the Company or its shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO; and (iv) has relationship with other current Directors, senior management, substantial shareholders of the Company.

There is no information required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules in relation to the election of aforementioned executive Directors and there is no other matter in relation to their election that needs to be brought to the attention of the Stock Exchange and the Shareholders.

Chairman of the Board

Upon the re-election of Ms. Luo Shaoying at the EGM, she shall also remain as the chairman of the Board.

RE-ELECTION OF EMPLOYEE SUPERVISOR

The Board is also pleased to announce that Ms. Tan Liang (“**Ms. Tan**”) has been re-elected by the Company’s employee meeting as a Supervisor. Her term of office is three years, which shall commence on 14 December 2023, and shall be eligible for re-election upon the expiry of her term of office. Ms. Tan has entered into a service agreement with the Company upon becoming effectively appointed by the employee meeting of the Company. The re-election of Ms. Tan does not require the approval of the Shareholders at a general meeting. In accordance with the relevant provisions of the Company Law, the Articles of Association and other regulations, based on the remuneration level of the Company’s industry, and combined with the actual situation of the Company and the working hours of employee Supervisor (i.e. the Supervisor who represents the employees of the Company), the Board resolved to propose that Ms. Tan will not receive any service fees from the Company for serving as a Supervisor.

Ms. Tan’s biographical details are set out below:

Ms. Tan Liang, aged 27, was elected as the employee Supervisor (i.e. the Supervisor who represents the employees of the Company). She joined the Group in July 2016 and was appointed as a Supervisor in December 2020. Ms. Tan has over seven years of experience in accounting field. Ms. Tan joined the Company in July 2016 as a fund settlement specialist and was responsible for fund settlement of the Group. She was later promoted to be a fund settlement supervisor in July 2019.

She served as the assistant manager in fund settlement of the Group since July 2020 and was promoted to deputy manager of financial analysis of the Group in January 2023. She completed a curriculum of accounting from Chongqing Technology and Business University (重慶工商大學) in the PRC in June 2017 by self-learning. Ms. Tan is a certified public accountant in the PRC.

As at the date of this announcement, Ms. Tan does not (i) hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) hold any other position with the Company or its subsidiaries; (iii) has any interest, deemed interest or short position with the Company or its shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO; and (iv) has relationship with other current Directors, senior management, substantial shareholders of the Company.

There is no information required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules in relation to the re-election of Ms. Tan as an employee Supervisor and there is no other matter in relation to her re-election that needs to be brought to the attention of the Stock Exchange and the Shareholders.

FURTHER CHANGE IN USE OF NET PROCEEDS

The H Shares were successfully listed on the Stock Exchange on 29 April 2022 (the “**Listing Date**”) with 16,666,667 new H Shares issued and, upon the partial exercise of over-allotment option, 16,990,867 H Shares were issued in aggregate. Net proceeds from initial public offering and partial exercise of over-allotment option amounted to approximately HK\$139.8 million in total, after deducting the underwriting fees and relevant expenses (the “**Net Proceeds**”).

Reference is made to (i) the prospectus of the Company dated 19 April 2022; and (ii) the announcements (the “**Announcements**”) of the Company dated 23 June 2022 and 23 August 2022 regarding, among others, change in use of Net Proceeds. As disclosed in the Announcements, the Net Proceeds for (i) strategic investments, cooperation and acquisition; and (ii) upgrading and developing intelligent systems would be fully utilised within 2023. However, as (a) the Company is still continuously searching for suitable investment and cooperation targets; and (b) services in relation to the upgrading and developing of intelligent systems are still being provided, the Board resolved to extend the timeframe for the utilisation of the remainder of the Net Proceeds. The revised timeframe for utilising the Net Proceeds are as follows:

Item	Percentage	Net Proceeds (HK\$ million)			Original timeframe as disclosed in the Announcements	Revised timeframe
		Available Net Proceeds from listing	Used From Listing Date to the date of this announcement	Unused As at the date of this announcement		
Strategic investments, cooperation and acquisition	65.0%	90.9	82.8	8.1	End of year 2023	End of year 2025
Improve service quality and extend service offering	16.5%	23.0	23.0	0	End of year 2023	N/A
Upgrade and develop intelligent systems	8.5%	11.9	9.6	2.3	End of year 2023	End of year 2024
General working capital	10.0%	14.0	12.4	1.6	N/A	N/A
Total	100.0%	139.8	127.8	12.0		

The Board is of the view that the change in the use of Net Proceeds will not have any material adverse impact on the existing business and operations of the Group. The Board further confirms that the change in the use of the Net Proceeds is fair and reasonable and in the best interest of the Group and the Shareholders as such change in Net Proceeds would allow the Company to deploy its financial resources more effectively to enhance the profitability of the Group.

The Board confirms that, save for the change in timeframe in the use of Net Proceeds as disclosed above, there are no other changes to the use of Net Proceeds as at the date of this announcement. The Board will continuously assess the plan for the use of the Net Proceeds and may revise or amend such plan when necessary to cope with the changing market conditions.

By order of the Board
東原仁知城市運營服務集團股份有限公司
DOWELL SERVICE GROUP CO. LIMITED*
Ms. Luo Shaoying
Chairman and non-executive Director

The PRC, 13 December 2023

As at the date of this announcement, the Board comprises Mr. Zhang Aiming and Mr. Fan Dong as executive Directors, Ms. Luo Shaoying and Ms. Yi Lin as non-executive Directors, and Ms. Cai Ying, Mr. Wang Susheng and Mr. Song Deliang as independent non-executive Directors.

* *For identification purpose only*