
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in ANHUI CONCH CEMENT COMPANY LIMITED (the “Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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The logo for ANHUI CONCH CEMENT COMPANY LIMITED, featuring the word "CONCH" in a bold, black, sans-serif font. The letter "O" is stylized with a red and white diagonal split.

安徽海螺水泥股份有限公司

ANHUI CONCH CEMENT COMPANY LIMITED

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

(Stock Code: 00914)

PROPOSALS FOR:

- 1. PROFIT APPROPRIATION (INCLUDING PROPOSED DECLARATION OF FINAL DIVIDEND);**
 - 2. GRANT OF GENERAL MANDATE TO ISSUE NEW SHARES;**
 - 3. GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES;**
 - 4. PROVISION OF GUARANTEE BY THE GROUP TO ITS SUBSIDIARIES AND JOINT VENTURE COMPANIES;**
 - 5. APPOINTMENT OF AUDITORS AND DETERMINATION OF AUDITORS' FEE FOR FY2024;**
 - 6. ISSUE OF MEDIUM-TERM NOTES BY CONCH ENVIRONMENT GROUP AND PROVISION OF GUARANTEE BY THE COMPANY;**
- AND**
- 7. AMENDMENTS TO THE ARTICLES**

A notice convening the AGM of the Company is set out on pages 54 to 61 of this circular.

Any Shareholder(s) entitled to attend and vote at the AGM are entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a Shareholder. If you intend to appoint a proxy to attend the AGM and vote on your behalf, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's H share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment hereof should you so wish.

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DEFINITIONS

In this circular, unless otherwise indicated in the context, the following expressions have the following meanings:

“A Share(s)”	domestic share(s) of the Company, with a nominal value of RMB1.00 each
“AGM”	the 2023 annual general meeting of the Company to be held at the place of registration of the Company at No. 39 Wenhua Road, Wuhu City, Anhui Province, the PRC on Thursday, 30 May 2024 at 2:30 p.m.
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“Company”	Anhui Conch Cement Company Limited (安徽海螺水泥股份有限公司), a joint stock limited company incorporated in the PRC and whose H Shares are listed on the HK Stock Exchange and A Shares are listed on the SSE
“Company Law”	the Company Law of the PRC
“Conch Environment Group”	Anhui Conch Environment Group Co., Ltd.
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Final Dividend”	proposed final dividend of RMB0.96 per Share (tax inclusive) for FY2023 on the basis of a total of 5,299,302,579 Shares in issue as at the Latest Practicable Date less 22,242,535 A Shares in the Company’s designated securities account for repurchase
“FY2023”	the financial year of the Company ended 31 December 2023
“FY2024”	the financial year of the Company ending 31 December 2024
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee proposed to be provided by the Group in respect of the bank borrowings of 48 subsidiaries and joint venture companies, details of which are set out in Appendix II to this circular

DEFINITIONS

“H Share(s)”	overseas-listed foreign share(s) of the Company, with a nominal value of RMB1.00 each
“HKSE Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the law currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	subject to the conditions set out in the relevant resolution, the general mandate proposed to be given to the Board to exercise the power of the Company to allot, issue or deal with new H Shares of the Company
“Latest Practicable Date”	18 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information of this circular
“NAFMII”	National Association of Financial Market Institutional Investors of the PRC
“Notes”	medium-term notes of an aggregate amount of not more than RMB3 billion (inclusive) proposed to be issued by Conch Environment Group, details of which are set forth in “Proposal for issue of the medium-term Notes by Conch Environment Group and provision of guarantee by the Company” in “Letter from the Board” of this circular
“PRC Accounting Standards”	China Accounting Standards for Business Enterprises
“PRC”	the People’s Republic of China
“Repurchase Mandate”	subject to the conditions set out in the relevant resolution, the general mandate to be given to the Board to exercise the power of the Company to repurchase H Shares of the Company in issue
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	collectively, A Share(s) and H Share(s) and, where the context so requires, any or all of such A Shares and H Shares
“Shareholder(s)”	the registered holder(s) of A Shares and/or H Shares
“SSE”	Shanghai Stock Exchange

DEFINITIONS

“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



安徽海螺水泥股份有限公司

ANHUI CONCH CEMENT COMPANY LIMITED

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

(Stock Code: 00914)

Executive Directors:

Mr. Yang Jun (*Chairman*)
Mr. Wang Jianchao (*Deputy Chairman*)
Mr. Li Qunfeng
Mr. Zhou Xiaochuan
Mr. Wu Tiejun

Independent non-executive Directors:

Mr. Qu Wenzhou
Ms. Ho Shuk Yee, Samantha
Ms. Zhang Yunyan

Registered office:

39 Wenhua Road
Wuhu City, Anhui Province
the PRC

Principal place of business:

39 Wenhua Road
Wuhu City, Anhui Province
the PRC

23 April 2024

To the Shareholders

Dear Sir/Madam,

PROPOSALS FOR:

- 1. PROFIT APPROPRIATION (INCLUDING PROPOSED DECLARATION OF FINAL DIVIDEND);**
 - 2. GRANT OF GENERAL MANDATE TO ISSUE NEW SHARES;**
 - 3. GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES;**
 - 4. PROVISION OF GUARANTEE BY THE GROUP TO ITS SUBSIDIARIES AND JOINT VENTURE COMPANIES;**
 - 5. APPOINTMENT OF AUDITORS AND DETERMINATION OF AUDITORS' FEE FOR FY2024;**
 - 6. ISSUE OF MEDIUM-TERM NOTES BY CONCH ENVIRONMENT GROUP AND PROVISION OF GUARANTEE BY THE COMPANY;**
- AND**
- 7. AMENDMENTS TO THE ARTICLES**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the notice of the AGM and the resolutions, among other resolutions, to be proposed at the AGM relating to the following proposals for:

- (i) profit appropriation (including proposed declaration of Final Dividend);

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- (ii) grant of the Issue Mandate;
- (iii) grant of the Repurchase Mandate;
- (iv) provision of Guarantee by the Group to 48 subsidiaries and joint venture companies;
- (v) appointment of auditors and determination of auditors' fee for FY2024;
- (vi) issue of the Notes by Conch Environment Group and provision of guarantee by the Company; and
- (vii) amendments to the Articles.

PROPOSAL FOR PROFIT APPROPRIATION (INCLUDING THE PROPOSED DECLARATION OF FINAL DIVIDEND)

In connection with the profit appropriation proposal for FY2023, the Board proposed payment of the Final Dividend for FY2023 of RMB0.96 (tax inclusive) per Share to Shareholders whose names appear on the register of members of the Company on Wednesday, 12 June 2024.

Based on the financial data prepared in accordance with the PRC Accounting Standards and International Financial Reporting Standards respectively, the Company's profit after tax and minority interest for FY2023 amounted to RMB10,430.14 million and RMB10,689.18 million respectively. The Board proposed the appropriation of the profit for FY2023 as follows:

- (1) pursuant to the requirements of the Articles, the Company shall appropriate 10% of the realized profit after tax for the year to the statutory surplus reserve, provided that no further appropriation is required when the accumulated appropriated amount for the statutory reserve exceeds 50% of the registered capital of the Company. As the amount of the Company's statutory surplus reserve has reached 50% of the registered capital of the Company, no appropriation was made for FY2023;
- (2) on the basis of the Company's total number of issued Shares of 5,299,302,579 Shares as at 31 December 2023 less 22,242,535 A Shares in the Company's designated securities account for repurchase, the payment of a final dividend of RMB0.96 per Share (tax inclusive) is recommended. The total final dividend payment amount is RMB5,065.98 million (tax inclusive).

For details of the profit appropriation proposal, please refer to the section headed "(3) Profit appropriation policy and its implementation" of the "Report of the Directors" in the Company's annual report for FY2023.

The proposed payment of Final Dividend for FY2023 is subject to the approval by Shareholders at the AGM by way of an ordinary resolution.

As far as the Company is aware, as at the Latest Practicable Date, there was no arrangement under which any Shareholder has waived or agreed to waive any dividend proposed to be distributed for FY2023.

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For non-resident individual shareholders (who are non-Hong Kong or Macau residents) whose names appear on the register of members of H Shares, the Company is required to follow the applicable tax laws and regulations as well as the guidance given by the PRC tax authorities and to withhold and pay (on behalf of such individual Shareholders) individual income tax at the rate of up to 20%, depending on factors such as the country of domicile of such individual Shareholders, whether any tax treaty is made between such country of domicile and the PRC, and whether any dividend tax is imposed on the relevant individual Shareholders.

Shareholders and investors are advised to peruse the above contents carefully. If your name appear on the register of holders of H Shares, please make enquiries with your nominees or trust organization for details of the relevant arrangements.

The Company is not obliged for confirming the identities of Shareholders and will not be liable for such arrangement. The Company will strictly comply with the law, and withhold and pay the individual income tax on behalf of the relevant Shareholders based on the register of holders of H Shares of the Company as of the date of closure of such register for the AGM (please refer to the notice of AGM as contained in this circular for details). The Company will not accept any liability relating to any delay in confirming the identity of the Shareholders or any errors in confirming the identity of the Shareholders.

PROPOSAL FOR GRANT OF ISSUE MANDATE

A special resolution is proposed under the notice of AGM to seek the Shareholders' grant of a general mandate to the Directors to allot, issue and deal with New Shares (as defined below), that,

- (a) subject to the limitations under paragraphs (c) and (d) below and in accordance with the requirements of the HKSE Listing Rules, the Company Law, and other applicable laws and regulations (in each case, as amended from time to time), an unconditional general mandate will be sought at the AGM to grant to the Board to exercise once or in multiple times during the Relevant Period (as defined below in paragraph (e) below) all the powers of the Company to allot and issue H Shares (“**New Shares**”) on such terms and conditions as the Board may determine and that, in the exercise of their powers to allot and issue shares, the authority of the Board shall include (without limitation):
 - (i) the determination of the class and number of New Shares to be allotted;
 - (ii) the determination of the issue price of the New Shares;
 - (iii) the determination of the opening and closing dates of the issue of New Shares;
 - (iv) the determination of the class and number of New Shares (if any) to be issued to the existing Shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and

LETTER FROM THE BOARD

- (vi) in making an offer or to issue shares to the Shareholders, excluding Shareholders who are resident outside the PRC or Hong Kong on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the Board considers expedient;
- (b) in exercising the powers granted under paragraph (a) above, the Board is authorised during the Relevant Period to make or grant offers, agreements and options which might require the shares relating to the exercise of the authority thereunder being allotted and issued after the expiry of the Relevant Period;
- (c) the aggregate amount of the H Shares to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the Board pursuant to the authority granted under paragraph (a) above (excluding any H Shares which may be allotted upon the conversion of the capital reserve into capital in accordance with the Company Law and/or the Articles) shall not exceed 20% of the aggregate number of H Shares of the Company in issue as at the date of passing of the resolution at the AGM;
- (d) the Board in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law, other applicable laws and regulations, and the HKSE Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of CSRC and relevant authorities of the PRC;
- (e) for the purposes of the resolution in relation to the Issue Mandate, “Relevant Period” means the period from the date of the passing of the resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the date on which the powers granted by the resolution are revoked or varied by a special resolution of the Company passed in general meeting; or
 - (iii) the date falling 12 months from the date of passing of the resolution at the AGM;
- (f) the Board shall, subject to the approvals of the relevant authorities and the exercise of the powers granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations, increase the Company’s registered capital to such amount as shall equal the aggregate nominal amounts of the relevant number of shares allotted and issued upon the exercise of the powers granted under paragraph (a) above, provided that the registered capital of the Company shall not exceed 120% of the amount of registered capital of the Company as at the date of passing of the resolution at the AGM; and
- (g) subject to the Listing Committee of the HK Stock Exchange granting listing of, and permission to deal in, the H Shares in the Company’s share capital proposed to be issued by the Company and to the approval of CSRC for the issue of shares, authority will be sought at the AGM to the Board to amend the Articles to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) above to allot and issue New Shares.

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As at the Latest Practicable Date, the Company had a total issued capital of 5,299,302,579 Shares (comprising 3,999,702,579 A Shares, of which the Company had repurchased 22,242,535 A Shares, and 1,299,600,000 H Shares). Subject to the passing of the resolution for the proposed grant of the Issue Mandate to the Board and on the basis that no H Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 259,920,000 H Shares.

PROPOSAL FOR GRANT OF REPURCHASE MANDATE

A special resolution is proposed under the notice of AGM to seek the Shareholders' grant of a general mandate to the Directors to repurchase H Shares in issue, that,

- (a) subject to the limitations under paragraphs (b) and (c) below and in accordance with the requirements of the HKSE Listing Rules, the Company Law, the Articles, and other applicable laws and regulations (in each case, as amended from time to time), an unconditional general mandate will be sought at the AGM to grant to the Board to exercise once or in multiple times during the Relevant Period (as defined below in paragraph (d) below) all the powers of the Company to repurchase H Shares on such terms and conditions as the Board may determine;
- (b) in exercising the powers granted under paragraph (a) above, the number of H Shares which the Board is authorised to repurchase on the HK Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the HK Stock Exchange during the Relevant Period shall not exceed 10% of the aggregate number of H Shares of the Company in issue as at the date of passing of the resolution at the AGM;
- (c) the Board in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law, other applicable laws and regulations, and the HKSE Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of CSRC and relevant authorities of the PRC;
- (d) for the purposes of the resolution in relation to the Repurchase Mandate, "Relevant Period" means the period from the date of the passing of the resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the date on which the powers granted by the resolution are revoked or varied by a special resolution of the Company passed in general meeting; or
 - (iii) the date falling 12 months from the date of passing of the resolution at the AGM; and
- (e) subject to the approvals of all competent regulatory authorities (if applicable) in accordance with laws and regulations in the PRC being obtained by the Company and the compliance with the requirements under the HKSE Listing Rules and other applicable laws and regulations, authority will be sought at the AGM to the Board to amend, as it may deem appropriate and necessary, the Articles to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) above to repurchase H Shares.

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An explanatory statement required by the HKSE Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix IV to this circular.

PROPOSAL FOR PROVISION OF THE GUARANTEE BY THE GROUP

The Board proposed that Guarantee be provided by the Group in respect of the bank borrowings of 48 subsidiaries and joint venture companies (the “**Guaranteed Companies**”). Guarantee in a total amount of RMB1,924,870,000 is proposed to be provided to subsidiaries with gearing ratio below 70%; guarantee in a total amount of RMB12,353,650,000 is proposed to be provided to subsidiaries with gearing ratio equal to or over 70%; and guarantee in total amount of RMB775,000,000 is proposed to be provided to joint venture companies.

Brief details of the Guaranteed Companies, including but not limited to the gearing ratio, intended guaranteed amount and intended period of the Guarantee, are set out in Appendix II to this circular.

PROPOSAL FOR APPOINTMENT OF AUDITORS AND DETERMINATION OF AUDITORS’ FEE FOR FY2024

Reference is made to the announcement of the Company dated 29 December 2023 in relation to the proposed change of auditors of the Company (“**Auditors**”). KPMG Huazhen Certified Public Accountants (Special General Partnership) and KPMG Certified Public Accountants (collectively, “**KPMG**”) have served as the Auditors for 18 consecutive years after completion of the annual audit work of the Company for FY2023. Pursuant to the requirements under the Administrative Measures for the Appointment of Accounting Firms by State-owned Enterprises and Listed Companies (Cai Hui [2023] No.4) (“**Administrative Measures**”) jointly issued by the Ministry of Finance of the PRC, the State-owned Assets Supervision and Administration Commission of the State Council and the CSRC, the tenure of KPMG reached the prescribed time limit for consecutive appointment of accounting firms as permitted under the Administrative Measures upon completion of the annual audit work of the Company for FY2023. In order to comply with the above requirements under the Administrative Measures, the Company shall change its Auditors for FY2024.

The Company has reached a mutual understanding with KPMG on the change of Auditors. KPMG Huazhen Certified Public Accountants (Special General Partnership) will retire as the PRC auditors and the internal control auditors of the Company; and KPMG Certified Public Accountants will retire as the international (financial) auditors of the Company upon expiration of their terms of office with effect from the conclusion of the AGM, and will not stand for re-election as Auditors at the AGM. Each of KPMG Huazhen Certified Public Accountants (Special General Partnership) and KPMG Certified Public Accountants has confirmed that, as of the Latest Practicable Date, there are no disagreement between each of them and the Company, and the Company has received a confirmation from each of them that there are no matters that need to be brought to the attention of Shareholders in relation their its retirement as the Auditors. The Board also confirmed that, as at the Latest Practicable Date, there were no disagreements between the Company and KPMG in relation to their retirement as the Auditors, and there were no other matters in respect of the change of Auditors that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

Upon review and consideration by the Audit Committee and its recommendation to the Board, and upon the opinion of and consensus reached among the independent non-executive Directors, the Board has resolved to propose to appoint (“**Proposed Appointment**”) Ernst & Young Hua Ming LLP as the PRC auditors and the internal control auditors of the Company for FY2024; and Ernst & Young as the international (financial) auditors of the Company for FY2024.

In consideration of the volume of audit work under principles of fairness and reasonableness and as confirmed through tender, the Board proposed that the Auditors’ fee (“**Proposed Audit Fees**”) for Ernst & Young Hua Ming LLP and Ernst & Young for FY2024 shall be RMB4.96 million. The Proposed Appointment and the Proposed Audit Fees shall be subject to approval by Shareholders at the AGM by way of an ordinary resolution. The Board is of the view that the Proposed Audit Fees is fair and reasonable.

PROPOSAL FOR ISSUE OF THE MEDIUM-TERM NOTES BY CONCH ENVIRONMENT GROUP AND PROVISION OF GUARANTEE BY THE COMPANY

In order to meet its needs of operation and development and optimize its debt structure, Conch Environment Group (a subsidiary of China Conch Environment Protection Holdings Limited (“**Conch Environment Protection**”, a company listed on the HK Stock Exchange (stock code: 00587)) which is a subsidiary of the Company) intends to apply with NAFMII for a registration to issue the Notes of not more than RMB3 billion (inclusive). The resolution in relation to the application for registration of the issue of the Notes was considered and approved by the board of directors of Conch Environment Protection on 9 April 2024. For details, please refer to the announcement published on the SSE on 10 April 2024.

Pursuant to the relevant laws and regulations of the PRC and the Articles, the proposed issue of the Notes is subject to, among others, the approval by the Shareholders by way of a special resolution at the AGM. Such resolution approving (if so approved) the issue of the Notes shall remain to be valid and effective from the date on which the resolution is passed by the Shareholders at the AGM until the expiry of the validity period for the registration, issue and subsistence of the Notes.

The issue of the Notes is subject to (among others) the approval by NAFMII and completion of relevant registration procedures with NAFMII, which may affect the materialization of the issue of the Notes.

Principal terms of the Notes

Principal terms of the Notes proposed to be issued are as follows:

- (i) Issuer: Conch Environment Group
- (ii) Issue size: the aggregate amount of the Notes under the application for registration shall be not more than RMB3 billion (inclusive), the final issue size shall be subject to the amount set out in the registration notice issued by the NAFMII

LETTER FROM THE BOARD

- (iii) Timing of issue: to be issued in single tranche or multiple tranches during the validity period of registration as and when appropriate, subject to market conditions and actual capital requirements of Conch Environment Group
- (iv) Interest rate of issue: to be determined having regard to the prevailing conditions in the PRC interbank bond market at the time(s) of issue and subject to the final book-keeping results
- (v) Term of issue: the Notes to be issued shall have a term of no more than 5 years (inclusive), with a specific term for each tranche to be determined having regard to capital demand of Conch Environment Group and market conditions
- (vi) Target subscribers: qualified institutional investors in the PRC interbank bond market (excluding those purchaser(s) prohibited by applicable laws and regulations of the PRC)
- (vii) Guarantees for the proposed issue of the Notes: in accordance with the needs of the proposed issue of the Notes, and subject to approval by the Shareholders, the Company will provide full joint and several liability guarantee
- (viii) Use of proceeds: the proceeds to be raised will mainly be used by Conch Environment Group's for replenishing its working capital, repaying interest-bearing liabilities, and investing in projects, etc. which shall be in compliance with applicable laws and regulations of the PRC

LETTER FROM THE BOARD

Granting of authority to the Board to deal with matters relating to the issue of the Notes and to delegate such authority to Conch Environment Group

To improve financing efficiency and to grasp the proper timing for the issue of the Notes, the special resolution to be proposed at the AGM seeking the approval for the issue of the Notes will include approval for granting the authority to the Board, and to delegate such authority to Conch Environment Group, to deal with the relevant matters in relation to the proposed issue of the Notes in the absolute discretion of the Board during the validity period of the resolution and within the scope as permitted under relevant laws and regulations, regulatory documents and the Articles. Authority to the Board to be sought from Shareholders at the AGM to deal with matters shall include but not limited to the following:

- (a) to determine the timing of issue of the Notes, to formulate the detailed plan for the issue of the Notes and to amend and modify the detailed terms of issue of the Notes, including but not limited to all matters in relation to the proposal of the issue such as the term of issue, timing of issue, size of issue, interest rates of issue, method of issuance and underwriting arrangements;
- (b) to appoint the lead underwriter and other intermediaries to provide services relating to the issue of the Notes;
- (c) to amend and sign all necessary documents in relation to the issue of the Notes;
- (d) to handle various procedural matters in relation to the registration for the issue of the Notes, including but not limited to the registration application, issue and trading procedures;
- (e) in the event of any changes of the regulatory policies on issues of the Notes or market conditions (other than matters which shall be subject to approval (or re-approval) by the Shareholders in general meeting pursuant to the requirements of laws, regulations and the Articles), to make corresponding amendments or adjustments to the relevant matters regarding the detailed plan of the issue of the Notes and the terms of the issue based on the opinion of the regulatory authorities;
- (f) to handle other matters in relation to the issue of the Notes; and
- (g) to delegate to Conch Environment Group the authority to deal with matters in relation to the proposed issue of the Notes as set out in paragraphs (a) to (f) above.

Provision of full joint and several liability guarantee by the Company in respect of the issue of the Notes

In accordance with the needs of the proposed issue of the Notes, the Board proposed to provide full joint and several liability guarantee of not more than RMB3 billion (inclusive) to Conch Environment Group by the Company in respect of such issue. The actual amount of the guarantee to be provided shall be determined in accordance with the actual circumstances under which the Notes are to be issued.

LETTER FROM THE BOARD

The proposed provision of full joint and several liability guarantee by the Company in respect of the issue of the Notes by Conch Environment Group is subject to the approval by the Shareholders by way of a special resolution at the AGM. The basic information of Conch Environment Group, being the guaranteed company, is set out as below:

- (i) Name: Anhui Conch Environment Group Co., Ltd.
- (ii) Date of incorporation: 24 June 2020
- (iii) Registered address: No. 1-206, Area G, Jiangbei New District Construction Command Division, 150 meters south of Tongjiang Road, Jiangbei Industrial Centralized Zone (except for custody areas) of Anhui Province, the PRC
- (iv) Registered capital: RMB202.02 million
- (v) Legal representative: Li Qunfeng
- (vi) Principal business: technology development, technology services and technology consultation in the field of environmental protection science and technology, solid waste disposal (excluding hazardous chemicals), design, research and development, sales and installation of energy saving and environmental protection equipment, as well as environmental engineering design and construction
- (vii) Major financial data: as at 31 December 2023, Conch Environment Group had a total assets of RMB7,860.84 million, total liabilities of RMB4,785.88 million, net assets of RMB3,074.86 million and a gearing ratio of 60.88%. During FY2023, Conch Environment Group recorded a revenue of RMB 1,631.32 million and a net profit of RMB 287.38 million
- (viii) Shareholding structure: as at the Latest Practicable Date, Conch Environment Group is owned as to 99% by Conch Environment Protection, and 1% by Anhui Conch Venture Green Energy Environmental Protection Group Co., Ltd. Anhui Conch Venture Green Energy Environmental Protection Group Co., Ltd. is a subsidiary of China Conch Venture Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 00586)

as at the Latest Practicable Date, the Company, together with its subsidiaries and its parties acting in concert (as defined in the Takeovers Code), hold and control approximately 28% of the total voting rights attached to the issued shares of Conch Environment Protection

LETTER FROM THE BOARD

- (ix) Actual amount of guarantee provided: as at the Latest Practicable Date, the Group had not provided any guarantee to Conch Environment Group

The Board is of the view that Conch Environment Group has a good credit standing, in normal operation, and has the ability to repay debts as they fall due. The Notes are proposed to be issued for the needs of Conch Environment Group's normal operation and development, which is conducive to its reduction of financing costs. The Board considers that the risk of the Company in providing such guarantee is controllable and will not adversely affect the interest of the Company and the Shareholders as a whole, accordingly, providing such guarantee is necessary and the amount of guarantee proposed to be provided is reasonable.

As at the Latest Practicable Date, the amount of external guarantees provided by the Group (including the guarantees provided by the Company to its subsidiaries and excluding the mutual guarantees among the subsidiaries) amounted to RMB3,288.91 million, representing 1.77% of the audited net assets attributable to the parent company of the Company for FY2023, of which, the amount of guarantees provided by the Company to its subsidiaries amounted to RMB2,413.04 million, representing 1.30% of the audited net assets attributable to the parent company of the Company for FY2023. As at the Latest Practicable Date, the Company had not provided guarantees for its controlling shareholders, de facto controller or and other related parties, and the cumulative number of overdue guarantees was zero.

PROPOSAL FOR AMENDMENTS TO THE ARTICLES

In accordance with the latest Guidelines for the Articles of Association of Listed Companies, Management Measures for Independent Directors of Listed Companies and the Regulatory Guidelines for Listed Companies No. 3 – Distribution of Cash Dividends of Listed Companies (2023 Revision) issued by the CSRC, as well as the requirements of the HKSE Listing Rules and other requirements, and in order to further enhance the level of standardized operation and governance of the Company, the Board proposed to amend the Articles at the AGM by way of special resolution.

Details of the proposed amendments to the Articles are set out in Appendix III to this circular.

CLOSURE OF BOOKS

For the purpose of determining the right of Shareholders to attend and vote at the AGM, the register of members of H Shares will be closed from Friday, 24 May 2024 to Thursday, 30 May 2024 (both days inclusive) during which period no transfer of H Shares will be effected.

In order to be qualified for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged by the holders of H Shares with the Company's H Share registrar and transfer office, Hong Kong Registrars Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by 4:30 p.m. on Thursday, 23 May 2024.

Upon obtaining approval of Shareholders at the AGM (if so approved), the Final Dividend will be payable to holders of H Shares whose names appear on the register of holders of H Shares as at the close of business on Wednesday, 12 June 2024. The payment date of the Final Dividend is expected to be around Wednesday,

LETTER FROM THE BOARD

3 July 2024 and will be further announced. For the purpose of determining the entitlement of holders of H Shares to the proposed Final Dividend, the register of members of H Shares of the Company will be closed from Wednesday, 5 June 2024 to Wednesday, 12 June 2024 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be qualified for the proposed Final Dividend, all transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged by the holders of H Shares with the Company's H Share registrar and transfer office, Hong Kong Registrars Limited, at shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on Tuesday, 4 June 2024.

AGM

The AGM will be held at 2:30 p.m. on Thursday, 30 May 2024 at No. 39 Wenhua Road, Wuhu City, Anhui, the PRC. Resolutions will be proposed to approve the proposals for, among other matters, (i) the profit appropriation (including the proposed declaration of the Final Dividend); (ii) the granting of the Issue Mandate; (iii) the granting of the Repurchase Mandate; (iv) the provision of the Guarantee to 48 subsidiaries and joint venture companies; (v) the appointment of auditors and determination of auditors' fee for FY2024; (vi) the issue of the Notes by Conch Environment Group and provision of guarantee by the Company; and (vii) the amendments to the Articles.

Proxy forms for use in connection with the AGM are included in this circular. For holders of H Shares, the proxy form should be completed and returned to Hong Kong Registrars Limited, the Company's H Share registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and for holders of A Shares, the proxy form should be completed and returned to the principal place of business of the Company, in each case in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding the AGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

VOTING BY POLL

Under Rule 13.39(4) of the HKSE Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the AGM shall therefore demand voting on all resolutions set out in the notice of AGM be taken by way of poll pursuant to Article 77 of the Articles.

Every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share registered in his/her/its name in the register of members in respect of the Shares. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same manner.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting at the AGM in relation to any resolutions to be proposed in such meeting.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors consider that the proposals for (i) the profit appropriation (including the proposed declaration of the Final Dividend); (ii) the granting of the Issue Mandate; (iii) the granting of the Repurchase Mandate; (iv) the provision of the Guarantee to 48 subsidiaries and joint venture companies; (v) the appointment of auditors and determination of auditors' fee for FY2024; (vi) the issue of the Notes by Conch Environment Group and provision of guarantee by the Company; and (vii) the amendments to the Articles, are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of all the resolutions as set out in the notice of AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the HKSE Listing Rules for the purpose of giving information with regard to the Group. 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 any statement herein or this circular misleading.

Yours faithfully,

By order of the Board

ANHUI CONCH CEMENT COMPANY LIMITED

Zhou Xiaochuan

Joint Company Secretary

REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023

In 2023, the Supervisory Committee of the Company strictly complied with the relevant requirements of the Company Law, Securities Law, the Articles, and the Rules of Procedures for the Supervisory Committee and all Supervisors were diligent and conscientious, and exercised their powers independently in accordance with the law. By participating in the general meetings, Board meetings, and by convening meetings of the Supervisory Committee and conducting in-depth investigation at the basic level, they supervised the Company's operation, business management, financial position, and performance of senior management in accordance with the laws, and played an active role in the Company's standardized operation.

I. CHANGE OF THE CHAIRMAN OF THE SUPERVISORY COMMITTEE

In 2023, the Company completed the change of the chairman of the Supervisory Committee. Mr. Wu Xiaoming applied for resignation from his role as the chairman of the Supervisory Committee cum a Supervisor due to his reaching of the statutory retirement age, which was approved by the first extraordinary general meeting in 2023 held on 2 November 2023. Mr. He Chengfa was appointed as a Supervisor of the ninth session of the Supervisory Committee of the Company, and was unanimously elected as the chairman of the ninth session of the Supervisory Committee at the seventh meeting of the ninth session of the Supervisory Committee held on the same date.

II. REPORT ON THE WORK OF THE SUPERVISORY COMMITTEE IN 2023

In 2023, the Supervisory Committee of the Company held a total of six meetings, including five physical meetings and one meeting by means of telecommunications, with details and resolutions as follows:

1. On 27 March 2023, the third meeting of the ninth session of the Supervisory Committee of the Company was held in the conference room of the Company. The meeting considered and approved resolutions including the audited financial reports of the Company prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards respectively for 2022, the annual report for 2022 as well as its summary and results announcement, the assessment report of internal control of the Company for 2022 and the report of the Supervisory Committee for 2022.
2. On 26 April 2023, the fourth meeting of the ninth session of the Supervisory Committee of the Company was held in the conference room of the Company to consider and approve the first quarterly report for 2023 of the Company.
3. On 21 August 2023, the fifth meeting of the ninth session of the Supervisory Committee of the Company was held in the conference room of the Company. The meeting considered and approved the unaudited financial reports of the Company prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards respectively for the six months ended 30 June 2023, the interim report for 2023 as well as its summary and the interim results announcement.

4. On 26 September 2023, the sixth meeting of the ninth session of the Supervisory Committee of the Company was held in the conference room of the Company. The meeting considered and approved the resolution on the nomination of Mr. He Chengfa as a candidate for Supervisor of the ninth session of the Supervisory Committee of the Company.
5. On 27 October 2023, a meeting of the Supervisory Committee of the Company was held by means of telecommunications to consider and approve the third quarterly report for 2023 of the Company.
6. On 2 November 2023, the seventh meeting of the ninth session of the Supervisory Committee of the Company was held in the conference room of the Company, where Mr. He Chengfa was elected unanimously as the chairman of the ninth session of the Supervisory Committee of the Company.

III. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE ON CERTAIN ISSUES CONCERNING THE COMPANY IN 2023

(I) Operations compliance of the Company

In 2023, all the Supervisors attended the Board meetings and the general meetings held by the Company. In accordance with the relevant laws and regulations of the PRC, the Supervisory Committee is responsible for supervising the proceedings of general meetings and Board meetings of the Company, resolutions passed therein, the process of decision making, the implementation by the Board of resolutions approved at general meetings and the performance of the duties by Directors and managers of the Company. The Supervisory Committee considers that the Board has regulated operation in accordance with the Company Law and the Securities Law, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “SSE Listing Rules”) and other relevant laws and regulations as well as the Articles, and has strictly implemented the resolutions of general meetings and made decisions related to the operation and development of the Company in a scientific and reasonable manner. The Board has also established a sound internal management and control system. In the course of performing their duties, none of the Directors and members of senior management committed any act which would violate any laws, regulations or the Articles or is prejudicial to the interests of the Company.

(II) Annual financial report of the Company

The financial report of the Company for 2023 gives a true and objective view on the financial position and operating results of the Company, and the Supervisory Committee was not aware of violation of the confidentiality requirements by the officers who participated in the preparation and review of the annual report for 2023.

(III) Acquisition of assets

In 2023, the Company acquired assets at reasonable prices. The Supervisory Committee was not aware of any insider dealings conducted by any Directors, senior management or persons who possess inside information of the Company, or act which prejudiced the interests of Shareholders or caused loss to the Company's assets.

(IV) Connected transactions

In 2023, the decision-making procedure in relation to connected transactions of the Company complied with the laws and regulations including the Company Law, the SSE Listing Rules and the HKSE Listing Rules and requirements under the Articles. The agreements of connected transactions were entered into by relevant parties on the basis of equality and mutual benefits, in accordance with normal commercial terms and in line with the principle of fair and equal consideration. The transaction prices and payment terms were determined in accordance with relevant regulations of the PRC, in compliance with the regulations on connected transaction and legal procedures, and on the basis of principles of honesty, fairness and justice. No harmful acts against the interest of the Company and its Shareholders existed, and the transactions were beneficial to both parties.

(V) Assessment report of internal control

Since the establishment of the internal control system, the Company has regularly organized subsidiaries to carry out internal control self-assessment, and formed the summary reports on internal control self-assessment by region. In view of the management defects revealed by internal control self-assessment, the Company formed a rectification tracking verification form to ensure that the internal control self-assessment work developed a closed loop.

The Supervisory Committee conscientiously reviewed the assessment report of internal control of the Company for 2023 and considered that the Company has established a relatively comprehensive internal control system that is in compliance with the relevant laws and regulations of the PRC and can cope with the actual needs of the Company in its production, operation and management, and such system has been effectively implemented. The establishment of such system allows better risk prevention and risk control in various segments in the operation and management of the Company. The self-assessment report of internal control of the Company truly and objectively reflects the development and operation of the internal control system of the Company.

IV. WORK PLAN OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2024

In 2024, the Supervisory Committee of the Company will faithfully and diligently perform its duties in accordance with the relevant laws and regulations, the provisions and requirements of the Articles and the Rules of Procedures for the Supervisory Committee, with an aim to improve the Company's corporate governance and promote the Company's sustainable and healthy development. In 2024, the Supervisory Committee will focus on the following tasks:

1. To improve the operation mechanism of the Supervisory Committee, monitor the operation of the Company in accordance with the laws, enhance the supervision efficiency and actively supervise the construction and effective operation of the Company's internal control system, and promote the operation of the Company in a more standardized, systematic and scientific way.
2. To strengthen the learning of relevant laws and regulations, strictly implement the relevant requirements of securities regulatory authorities on the Supervisory Committee, actively participate in professional trainings to continuously improve professional skills and enhance the supervisory capability and standard of the Supervisory Committee.
3. To strengthen its communication with internal and external auditors, supervise the timely implementation and defect rectification of the Company's internal control self-assessment to ensure that the Company effectively implements the internal control system to guard against contingent risks.
4. To attend the Board meetings and general meetings of the Company to keep abreast of the Company's major decision-making matters and the legal- and regulatory-compliance of various decision-making procedures in a timely manner, earnestly perform supervisory duties, supervise the Company's Directors and senior management personnel to perform their duties diligently, prevent behaviors that damage the Company's interests, and earnestly safeguard the rights and interests of the Company and Shareholders.
5. To conduct in-depth investigation and study on new mergers and acquisitions and companies with new business models, grasp opportunities to conduct on-site investigation and study on the constructions of risk management and internal control system of subsidiaries in relevant regions, and facilitate the construction of internal control system of newly acquired companies to ensure that they met the internal control management requirements of the Company.

APPENDIX II

**DETAILS FOR THE PROVISION OF THE
GUARANTEE BY THE GROUP**

DETAILS OF THE PROPOSED AMOUNT OF GUARANTEE AND OTHER RELEVANT INFORMATION FOR THE PROVISION OF GUARANTEE BY THE GROUP FOR 48 SUBSIDIARIES AND JOINT VENTURE COMPANIES

On 19 March 2024, the Board passed the resolution regarding the proposed amount of guarantee to be provided by the Company and its four subsidiaries, namely, Conch Environment Group, Wuhu Conch Environmental Protection Technology Company Limited (“**Wuhu Conch Environmental Protection**”), Anhui Haizhong Environmental Company Limited (“**Anhui Haizhong Environmental**”) and Beijing Conch Venture Nengyuan Environmental Protection Technology Development Co., Ltd. (“**Beijing CV Nengyuan**”), in respect of the bank borrowings for 48 subsidiaries and joint venture companies, the details of which are set out as follows:

No.	Guarantor	Name of Guaranteed Companies	Place of registration	Shareholding proportion of guarantor	Gearing ratio	Amount intended to be guaranteed (RMB'000)	Intended Guarantee period
I. Provision of guarantee to subsidiaries with gearing ratio below 70%							
(I) Provision of guarantee in proportion to shareholdings							
1.	The Company	Wuhu Southeast Asia International Trading Co., Ltd.	Anhui	55%	37%	137,500	5 years
2.	The Company	PT Conch North Sulawesi Cement	Indonesia	100%	67%	200,000	5 years
3.	The Company	Conch KT Cement (Phnom Penh) Company Limited	Cambodia	55%	45%	789,570	10 years
4.	Anhui Haizhong Environmental	Nanjing Haizhong Environmental Protection Technology Co., Ltd.	Jiangsu	100%	41%	10,000	5 years
5.	Anhui Haizhong Environmental	Mianyang Haizhong Environmental Protection Technology Co., Ltd.	Sichuan	100%	9%	20,000	5 years
6.	Anhui Haizhong Environmental	Fujian Sanming Haizhong Environmental Protection Technology Co., Ltd.	Fujian	100%	24%	20,000	5 years
7.	Anhui Haizhong Environmental	Hangzhou Fuyang Haizhong Environmental Protection Technology Co., Ltd.	Zhejiang	55%	53%	52,250	10 years
8.	Anhui Haizhong Environmental	Leshan Shawan Haizhong Environmental Engineering Co., Ltd.	Sichuan	100%	30%	20,000	10 years
9.	Anhui Haizhong Environmental	Yiyang Haizhong Environmental Protection Technology Co. Ltd.	Henan	100%	21%	65,000	10 years
10.	Anhui Haizhong Environmental	Lanzhou Haizhong Environmental Protection Technology Co., Ltd.	Gansu	100%	26%	60,000	10 years
11.	Anhui Haizhong Environmental	Tai'an Dezheng Haizhong Environmental Protection Technology Co., Ltd.	Shandong	51%	60%	10,200	5 years
12.	Anhui Haizhong Environmental	Baoding Haizhong Zhongtian Environmental Protection Technology Co., Ltd.	Hebei	51%	68%	5,100	5 years

APPENDIX II
**DETAILS FOR THE PROVISION OF THE
GUARANTEE BY THE GROUP**

No.	Guarantor	Name of Guaranteed Companies	Place of registration	Shareholding proportion of guarantor	Gearing ratio	Amount intended to be guaranteed (RMB'000)	Intended Guarantee period
13.	Conch Environment Group	Fuping Conch Environmental Protection Technology Co., Ltd.	Shaanxi	100%	46%	20,000	5 years
14.	Wuhu Conch Environmental Protection	Guiyang Conch Environmental Protection Technology Co., Ltd.	Guizhou	85%	28%	55,250	10 years
15.	Wuhu Conch Environmental Protection	Zhongxian Conch Environmental Protection Technology Co., Ltd.	Chongqing	100%	20%	100,000	10 years
16.	Wuhu Conch Environmental Protection	Chongqing Liangping District Conch Environmental Protection Technology Co., Ltd.	Chongqing	100%	31%	65,000	10 years
17.	Wuhu Conch Environmental Protection	Yangchun Conch Environmental Protection Technology Co., Ltd.	Guangdong	100%	42%	15,000	5 years
18.	Wuhu Conch Environmental Protection	Chizhou Conch Environmental Protection Technology Co., Ltd.	Anhui	100%	27%	40,000	5 years
(II) Full guarantees are provided, and counter-guarantees by the guaranteed party and/or its shareholders are required							
19.	Conch Environment Group	Qingyuan Conch Environmental Protection Technology Co., Ltd.	Guangdong	54.9%	65%	30,000	10 years
20.	Conch Environment Group	Changjiang Conch Environmental Protection and Renewable Resources Co., Ltd.	Hainan	51%	6%	30,000	10 years
21.	Conch Environment Group	Shaoguan Haichuang Hongfeng Green Environmental Protection Technology Co., Ltd.	Guangdong	51%	68%	40,000	10 years
22.	Conch Environment Group	Chizhou Conch Environmental Protection Energy Co., Ltd.	Anhui	67%	17%	10,000	5 years
23.	Anhui Haizhong Environmental	Nanyang Wolong Haizhong Environmental Protection Technology Co., Ltd.	Henan	70%	0%	20,000	5 years
24.	Wuhu Conch Environmental Protection	Yulin Conch Environmental Protection Technology Co., Ltd.	Shaanxi	92%	14%	30,000	5 years
25.	Wuhu Conch Environmental Protection	Zhoushan Conch Venture Environmental Protection Technology Co. Ltd.	Zhejiang	70%	13%	80,000	10 years
Subtotal						1,924,870	-
II. Provision of guarantee to subsidiaries with gearing ratio equal to or over 70%							
(I) Provision of guarantee in proportion to shareholdings							
26.	The Company	Shaoyang Yunfeng New Energy Technology Co., Ltd.	Hunan	65%	79%	562,900	5 years
27.	The Company	Hunan Yunfeng Cement Co., Ltd.	Hunan	65%	86%	776,750	5 years
28.	Anhui Haizhong Environmental	Dengfeng Haizhong Environmental Protection Technology Co., Ltd.	Henan	100%	86%	10,000	5 years

APPENDIX II
**DETAILS FOR THE PROVISION OF THE
GUARANTEE BY THE GROUP**

No.	Guarantor	Name of Guaranteed Companies	Place of registration	Shareholding proportion of guarantor	Gearing ratio	Amount intended to be guaranteed (RMB'000)	Intended Guarantee period
29.	Anhui Haizhong Environmental	Jiyuan Haizhong Environmental Protection Technology Co., Ltd.	Henan	100%	90%	10,000	5 years
30.	Anhui Haizhong Environmental	Luoyang Haizhong Environmental Protection Technology Co., Ltd.	Henan	100%	95%	52,000	10 years
31.	Anhui Haizhong Environmental	Chongzuo Haizhong Environmental Protection Technology Co., Ltd.	Guangxi	100%	79%	36,000	10 years
32.	Anhui Haizhong Environmental	Guilin Haizhong Environmental Protection Technology Co., Ltd.	Guangxi	100%	89%	10,000	5 years
33.	Conch Environment Group	Wuhu Conch Environmental Protection Technology Co., Ltd.	Anhui	100%	76%	300,000	5 years
34.	Conch Environment Group	Tongchuan Conch Yaobai Environmental Protection Technology Co., Ltd.	Shaanxi	60%	74%	18,000	10 years
35.	Wuhu Conch Environmental Protection	Wenshan Conch Environmental Protection Technology Co., Ltd.	Yunnan	100%	77%	33,000	10 years
36.	Wuhu Conch Environmental Protection	Suzhou Conch Venture Environmental Protection Technology Co., Ltd.	Anhui	100%	79%	30,000	5 years
37.	Beijing CV Nengyuan	Anhui Haihuan Environmental Protection Technology Co. Ltd.	Anhui	100%	77%	30,000	5 years
(II) Full guarantees are provided, and counter-guarantees by the guaranteed party and/or its shareholders are required							
38.	The Company	Fengkai Conch Trading Green Building Materials Co., Ltd.	Guangdong	68%	100%	8,000,000	10 years
39.	The Company	PT Conch Cement Indonesia	Indonesia	75%	129%	1,300,000	5 years
40.	The Company	PT Conch South Kalimantan Cement	Indonesia	71%	73%	100,000	5 years
41.	The Company	Myanmar Conch Cement (Mandalay) Co., Ltd.	Myanmar	55%	96%	800,000	5 years
42.	Conch Environment Group	Binzhou Conch Venture Environmental Protection Technology Co., Ltd.	Shandong	70%	86%	20,000	5 years
43.	Conch Environment Group	Qingyang Conch Environmental Protection Technology Co., Ltd.	Gansu	80%	85%	20,000	10 years
44.	Conch Environment Group	Jinzhou Jinliyu Environmental Protection Technology Co., Ltd.	Liaoning	80%	75%	120,000	10 years
45.	Wuhu Conch Environmental Protection	HulunBuir Haimeng Technology Development Co., Ltd.	Inner Mongolia	65%	78%	55,000	10 years

APPENDIX II**DETAILS FOR THE PROVISION OF THE
GUARANTEE BY THE GROUP**

No.	Guarantor	Name of Guaranteed Companies	Place of registration	Shareholding proportion of guarantor	Gearing ratio	Amount intended to be guaranteed (RMB'000)	Intended Guarantee period
46.	Wuhu Conch Environmental Protection	Arong Banner Haimeng Technology Development Co., Ltd.	Inner Mongolia	65%	73%	70,000	10 years
Subtotal						12,353,650	
III. Provision of guarantee to joint venture companies in proportion to shareholdings							
47.	The Company	PT SDIC Papua Cement Indonesia	Indonesia	49%	137%	735,000	5 years
48.	Anhui Haizhong Environmental	Yunfu Guangjia Haizhong Environmental Protection Technology Co., Ltd.	Guangdong	40%	6%	40,000	10 years
Subtotal						775,000	-
Total						15,053,520	-

Notes:

1. The gearing ratio and shareholding proportion of the guarantor as shown in the above table are based on the financial statements of the respective companies as at 31 December 2023.
2. The shareholding proportion of guarantor as shown in the above table are the aggregate of the guarantor's direct shareholding and indirect shareholding through its subsidiaries.
3. If there is any change in the shareholding structure of the non-wholly-owned companies fully guaranteed by the Group during the period of guarantee, other shareholders shall provide counter-guarantee in proportion to their respective adjusted shareholdings, and the provision of guarantees by the Company and the subsidiaries shall be subject to the completion of the legally-binding procedures for counter-guarantee by the guaranteed companies or other shareholders.
4. The above Guarantees shall be valid only if they are provided within 12 months from the date of approval by Shareholders at AGM.

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

The proposed amendments to the relevant provisions of the Articles are as follows:

No.	Before amendment	After amendment
1	<p>Article 1</p> <p>The Company is a joint stock limited company established in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”) and the “State Council Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (hereinafter referred to as the “Special Regulations”) and other relevant laws and administrative regulations of the People’s Republic of China (“PRC”).</p> <p>.....</p>	<p>Article 1</p> <p>The Company is a joint stock limited company established in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”) and the “State Council Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies” (hereinafter referred to as the “Special Regulations”) and other relevant laws and administrative regulations of the People’s Republic of China (“PRC”).</p> <p>.....</p>
2	<p>Article 7</p> <p>The provisions of these Articles are prepared mainly on the basis of the Company Law, the Mandatory Provisions for the Articles of Association of Companies Listed Overseas (Zheng Wei Fa (1994) No. 21) (“Mandatory Provisions”) issued on 27 August 1994 by the State Council Securities Commission and the State Restructuring Commission and the Opinion Letter Regarding Supplemental Amendments to the Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han (1995) No. 1) issued on 3 April 1995 by the Overseas Listing Division of the China Securities Regulatory Commission (“CSRC”) and the Production System Department of the State Restructuring Commission, Approval of the State Council on the Regulations on Adjusting the Applicable Notice Period of Shareholder’s Meetings of Overseas Listed Companies (Guohan [2019] No.97) issued by the State Council on 22 October 2019, Guidelines for the Articles of Association of Listed Companies (2022 revision) (China Securities Regulatory Commission Announcement</p>	<p>Article 7</p> <p>The provisions of these Articles are prepared mainly on the basis of the Company Law, the Mandatory Provisions for the Articles of Association of Companies Listed Overseas (Zheng Wei Fa (1994) No. 21) (“Mandatory Provisions”) issued on 27 August 1994 by the State Council Securities Commission and the State Restructuring Commission and the Opinion Letter Regarding Supplemental Amendments to the Articles of Association of Companies Listed in Hong Kong (Zheng Jian Hai Han (1995) No. 1) issued on 3 April 1995 by the Overseas Listing Division of the China Securities Regulatory Commission (“CSRC”) and the Production System Department of the State Restructuring Commission, Approval of the State Council on the Regulations on Adjusting the Applicable Notice Period of Shareholder’s Meetings of Overseas Listed Companies (Guohan [2019] No.97) issued by the State Council on 22 October 2019, Guidelines for the Articles of Association of Listed Companies (2023 revision) (China Securities Regulatory Commission Announcement</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
	<p>[2022] No.2) issued by the CSRC on 5 January 2022 and the Constitution of the Communist Party of China. Amendment to any Article which incorporates the Mandatory Provisions shall comply with the procedure set forth in Article 203.</p>	<p><u>[2023] No. 62)</u> issued by the CSRC on <u>15 December 2023, Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises (China Securities Regulatory Commission Announcement [2023] No. 43)</u> issued by the CSRC on <u>17 February 2023</u> and the Constitution of the Communist Party of China. Amendment to any Article which incorporates the Mandatory Provisions shall comply with the procedure set forth in Article 203.</p>
3	<p>Article 44</p> <p>.....</p> <p>In the case of inconsistencies between any information recorded in the original register of holders of overseas listed foreign shares and that of the duplicate register, the original register shall prevail.</p>	<p>Article 44</p> <p>.....</p> <p>In the case of inconsistencies between any information recorded in the original register of holders of overseas listed foreign shares and that of the duplicate register, the original register shall prevail.</p> <p><u>Register of holders of overseas listed foreign shares shall be open for inspection by shareholders.</u></p>
4	<p>Article 56</p> <p>The holders of ordinary shares of the Company shall enjoy the following rights:</p> <p>.....</p> <p>(8) other rights conferred by laws, administrative regulations and these Articles.</p>	<p>Article 56</p> <p>The holders of ordinary shares of the Company shall enjoy the following rights:</p> <p>.....</p> <p>(8) other rights conferred by laws, administrative regulations, <u>listing rules</u> and these Articles.</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
5	<p>Article 57</p> <p>Holders of ordinary shares of the Company shall have the following obligations:</p> <p>.....</p> <p>(5) other obligations imposed by laws, administrative regulations and these Articles.</p> <p>.....</p>	<p>Article 57</p> <p>Holders of ordinary shares of the Company shall have the following obligations:</p> <p>.....</p> <p>(5) other obligations imposed by laws, administrative regulations, <u>listing rules</u> and these Articles.</p> <p>.....</p>
6	<p>Article 63</p> <p>General meetings are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the board of directors. Annual general meetings shall be held once every year within six months after the end of each financial year.</p> <p>.....</p>	<p>Article 63</p> <p>General meetings are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the board of directors. Annual general meetings shall be held once every year within six months after the end of each financial year.</p> <p>.....</p>
7	<p>Article 64</p> <p>(1) When the Company convenes an annual general meeting, it shall send written notice to all shareholders registered in the register of shareholders at least 20 clear business days or 21 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of the meeting, which notice shall set forth the matters proposed to be considered at the meeting and the date and venue of that meeting. When the Company convenes an extraordinary general meeting, it shall send written notice to all shareholders registered in the register of shareholders at least 10 clear business days or 15 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of the meeting, which notice</p>	<p>Article 64</p> <p>(1) When the Company convenes an annual general meeting, it shall send written notice to all shareholders registered in the register of shareholders at least 20 clear business days or 21 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of the meeting, which notice shall set forth the matters proposed to be considered at the meeting and the date and venue of that meeting. When the Company convenes an extraordinary general meeting, it shall send written notice to all shareholders registered in the register of shareholders at least 10 clear business days or 15 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of the meeting, which notice</p>

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No.	Before amendment	After amendment
	<p>shall set forth the matters proposed to be considered at the meeting and the date and venue of that meeting.</p> <p>.....</p> <p>(3) With respect to notice despatched under this Article, the date on which the notice is given shall be the date of delivery of such notice to the postal authority for posting by the Company or by the share registrar appointed by the Company (excluding the date on which the notice is despatched), or the date of announcement in accordance with Article 68 of these Articles and not the date on which such notice is deemed to be received by the shareholders under Article 205.</p>	<p>shall set forth the matters proposed to be considered at the meeting and the date and venue of that meeting.</p> <p>.....</p> <p>(3) With respect to notice despatched under this Article, the date on which the notice is given shall be the date of delivery of such notice to the postal authority for posting by the Company or by the share registrar appointed by the Company (excluding the date on which the notice is despatched), or the date of announcement in accordance with Article 68 of these Articles <u>or the date on which the notice is sent by electronic means or published on the Company’s website and SEHK’s website</u> and not the date on which such notice is deemed to be received by the shareholders under Article 205.</p>
8	<p>Article 67A</p> <p>Where it is proposed to discuss at a general meeting matters concerning the election of directors or supervisors, the notice of meeting shall disclose sufficiently the personal particulars of candidates for directors or supervisors, which shall at least include the following:</p> <p>.....</p> <p>(4) whether or not the candidate was subject to any penalty imposed by the China Securities Regulatory Commission or other authorities.</p> <p>.....</p>	<p>Article 67A</p> <p>Where it is proposed to discuss at a general meeting matters concerning the election of directors or supervisors, the notice of meeting shall disclose sufficiently the personal particulars of candidates for directors or supervisors, which shall at least include the following:</p> <p>.....</p> <p>(4) whether or not the candidate was subject to any penalty imposed by the <u>CSRC</u> or other authorities;</p> <p><u>(5) matters required to be disclosed under the applicable listing rules.</u></p> <p>.....</p>

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No.	Before amendment	After amendment
9	<p>Article 68</p> <p>Notices of general meetings shall be served on all shareholders (whether or not entitled to vote thereat) by personal delivery or prepaid mail, and the address of the recipient shall be the address appearing on the register of shareholders.</p> <p>.....</p> <p>The aforesaid public announcement shall be published, at least 20 clear business days or 21 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of annual general meeting and at least 10 clear business days or 15 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of extraordinary general meeting, in one or more newspapers or periodicals specified by State Council securities regulatory authority. Once the announcement is published, all holders of domestic shares shall be deemed to have received the relevant notice of general meeting.</p>	<p>Article 68</p> <p><u>Subject to compliance with the applicable laws, regulations and listing rules,</u> notices of general meetings shall be served on all shareholders (whether or not entitled to vote thereat) by personal delivery, <u>sent by</u> prepaid mail, <u>sent by electronic means and/or published on the Company’s website and SEHK’s website,</u> and the <u>correspondence</u> address of the recipient shall be the address <u>recorded in</u> the register of shareholders <u>or the electronic communication methods provided by the shareholders to the Company.</u></p> <p>.....</p> <p>The aforesaid public announcement shall be published, at least 20 clear business days or 21 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of annual general meeting and at least 10 clear business days or 15 days (whichever is longer which is required or applicable under the relevant laws and regulations or listing rules) prior to the date of extraordinary general meeting, in one or more newspapers or periodicals specified by State Council securities regulatory authority. Once the announcement is published, all holders of domestic shares shall be deemed to have received the relevant notice of general meeting.</p>

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No.	Before amendment	After amendment
10	<p>Article 86</p> <p>In the annual general meeting, the board of directors and supervisory committee shall report to the shareholders on their respective work over the past year. Each independent director shall also report their duties accordingly.</p> <p>.....</p>	<p>Article 86</p> <p>In the annual general meeting, the board of directors and supervisory committee shall report to the shareholders on their respective work over the past year. Each independent director shall also report their duties accordingly.</p> <p>.....</p>
11	<p>Article 92</p> <p>.....</p> <p>(1) in the case of a repurchase of shares by the Company by way of a general offer to shareholders in equal proportion or on a stock exchange through open trading in accordance with Article 34 of these Articles, an “interested shareholder” means the controlling shareholder as defined in Article 59;</p> <p>.....</p>	<p>Article 92</p> <p>.....</p> <p>(1) in the case of a repurchase of shares by the Company by way of a general offer to shareholders <u>pro rata to their existing shareholdings</u> or on a stock exchange through open trading in accordance with Article 34 of these Articles, an “interested shareholder” means the controlling shareholder as defined in Article <u>58C</u>;</p> <p>.....</p>
12	<p>Article 105</p> <p>(1) No notice shall be required to be given if the time and place of ordinary meetings of the board of directors have been fixed by the board of directors in advance. If the board of directors have not determined in advance the time and place of a meeting of the board of directors, the chairman shall instruct the secretary of the Company to notify all directors, the general manager and the chairman of the supervisory committee of the time and place of the board meeting by telex, telegram, facsimile, express delivery, registered mail or personal delivery not less than 10 days and not more than 30 days before such meeting.</p>	<p>Article 105</p> <p>(1) No notice shall be required to be given if the time and place of ordinary meetings of the board of directors have been fixed by the board of directors in advance. If the board of directors have not determined in advance the time and place of a meeting of the board of directors, the chairman shall instruct the secretary of the Company to notify all directors, the general manager and the chairman of the supervisors committee of the time and place of the board meeting by telex, telegram, <u>email, other electronic means</u>, facsimile, express delivery, registered mail or personal delivery not less than 10 days and not more than 30 days before such meeting.</p>

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No.	Before amendment	After amendment
	<p>(2) If an urgent matter arises that requires an extraordinary meeting of the board of directors to be convened, the chairman shall instruct the secretary of the Company to notify all directors, the general manager and the chairman of the supervisory committee of the time and place of the board meeting by telex, telegram, facsimile or personal notification not less than 2 and not more than 10 days before such meeting.</p> <p>.....</p>	<p>(2) If an urgent matter arises that requires an extraordinary meeting of the board of directors to be convened, the chairman shall instruct the secretary of the Company to notify all directors, the general manager and the chairman of the supervisors committee of the time, place and mode of the extraordinary board meeting by telex, telegram, email, other electronic means, facsimile or personal notification not less than 2 and not more than 10 days before such meeting.</p> <p>.....</p>
13	<p>Article 113A</p> <p>At least one third of the Board of Directors of the Company shall be independent directors, among whom at least one shall be in the accounting profession. Independent directors shall perform their duties in good faith, protect the Company’s interests, and particularly should have concerns on the legitimate rights of public shareholders not being prejudiced.</p> <p>Independent directors shall perform their duties independently and not be put under the influence of the Company’s major shareholders, de facto controller, or units or individuals who have interests in the Company or its major shareholders or de facto controller.</p>	<p>Article 113A</p> <p><u>The board of directors of the Company shall comprise at least three independent directors and at least one third of the members of the board of directors shall be independent directors, and at least one independent director must be ordinarily resident in Hong Kong, and</u> among whom at least one shall be in the accounting profession. Independent directors shall <u>faithfully, diligently and conscientiously perform their duties, participate in decision-making, and play the roles of supervision, checks and balance and professional advisory, so as to protect the interests of the Company as a whole, and safeguard the legitimate rights and interests of shareholders (particularly the minority shareholders).</u></p> <p>Independent directors shall perform their duties independently and not be put under the influence of the <u>Company and its</u> major shareholders, de facto controller, or <u>other entities</u> or individuals who have interests <u>with</u> the Company or its major shareholders or de facto controller.</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
14	<p>Article 113B</p> <p>The Board of Directors or supervisory committee of the Company, or shareholders (singly or together with other shareholders) holding in aggregate over 1% of the Company’s issued shares may nominate independent director candidate, who may be elected by shareholders in general meeting.</p>	<p>Article 113B</p> <p>The <u>board of directors</u>, supervisory committee of the Company, or shareholders (singly or together with other shareholders) holding in aggregate over 1% of the Company’s issued shares may nominate independent director candidate, who may be elected by shareholders in general meeting. <u>Investor protection organisations established in accordance with laws may openly request shareholders to authorize them to exercise the right to nominate independent directors on their behalf.</u></p> <p><u>The nominator specified in the first paragraph of this Article shall not nominate any persons as candidate for independent directors with whom they have interest or are closely related who may affect the independent performance of their duties.</u></p> <p><u>The nominator of an independent director shall obtain consent of the nominee prior to the nomination. The nominator shall have a comprehensive understanding of the nominee’s profession, education background, professional titles, detailed work experience, all part-time jobs, any major breach of trust and other records of misconduct, and should express an opinion on compliance with independence requirements and other qualifications for serving as an independent director. The nominee shall make a public statement regarding his/her compliance with independence requirements and other qualifications for serving as an independent director.</u></p> <p><u>The Remuneration and Nomination Committee of the board of directors of the Company shall conduct a review on the qualifications of the nominee and provide clear evaluation opinions.</u></p>

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No.	Before amendment	After amendment
15	<p>Article 113C</p> <p>Proposals with regard to the Company’s substantial connected transactions, the appointment or termination of appointment of accounting firms shall be submitted to the Board of Directors for discussion only after the agreement by over half of the independent directors. Independent directors’ proposal to the Board of Directors for convening any extraordinary general meeting, convening a meeting of the Board of Directors and open solicitation of proxies from shareholders before the convening of any general meetings shall be subject to the agreement by over half of independent directors. Upon the unanimous approval of all independent directors, the independent directors may retain external auditing and consulting institutions to audit or to be advised on specific matters concerning the Company, which fees shall be undertaken by the Company.</p>	<p>Article 113C</p> <p><u>The following matters shall be submitted to the board of directors for consideration after the approval of a majority of all the independent directors of the Company:</u></p> <p><u>(1) connected transactions required to be disclosed under listing rules;</u></p> <p><u>(2) proposals involving changes in or waiver of commitments made by the Company and related parties;</u></p> <p><u>(3) decisions made and measures adopted by the board of directors with regard to the Company being acquired;</u></p> <p><u>(4) other matters prescribed by laws, administrative regulations, the CSRC, listing rules and these Articles.</u></p>

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No.	Before amendment	After amendment
16	This provision is added	<p>Article 113D</p> <p><u>Independent directors shall exercise the following functions and powers:</u></p> <p><u>(1) independently appoint intermediary institutions to conduct audits, consultations, or verifications on specific matters of the Company;</u></p> <p><u>(2) propose to the board of directors for the convention of an extraordinary general meeting;</u></p> <p><u>(3) propose the convention of a board meeting;</u></p> <p><u>(4) publicly solicit shareholders' rights from shareholders pursuant to laws;</u></p> <p><u>(5) provide independent opinions on matters that may prejudice the interests of the Company or shareholders (particularly the minority shareholders);</u></p> <p><u>(6) other functions and powers prescribed by laws, administrative regulations, requirements of the CSRC, listing rules and these Articles.</u></p> <p><u>The exercise of the functions and powers by independent directors specified in items (1) to (3) of the first paragraph of this Article shall be approved by a majority of all the independent directors.</u></p> <p><u>The Company shall promptly disclose any exercise of the functions and powers by independent director(s) specified in items (1) to (6) of the first paragraph of this Article. In the event that the above functions and powers cannot be exercised properly, the Company shall disclose the specific circumstances and reasons.</u></p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
17	<p>Article 113D</p> <p>Independent directors shall attend in a timely manner meetings of the Board of Directors, understand the Company’s production, businesses and operations, and actively look into and understand and obtain circumstances and information required for the decisions to be made. Independent directors shall deliver to the shareholders in annual general meeting an annual report of all independent directors and report on the status of performance of their duties.</p>	<p><u>Article 113E</u></p> <p>Independent directors shall attend in person meetings of the board of directors. Any independent director who is unable to attend the meeting in person shall review the meeting materials in advance, form a clear opinion, and appoint in writing other independent directors to attend the meeting on his behalf. Independent directors shall deliver to the shareholders in annual general meeting an annual report on their performance of duties which shall give report on the status of performance of their duties.</p>
18	<p>Article 113E</p> <p>The Company shall establish a working system of independent directors, and the secretary of the Board of Directors shall actively support independent directors over their performance of duties. The Company shall take steps to ensure that independent directors will enjoy the right to know to the same extent as that of other directors, provide on a timely basis relevant materials and information to independent directors, and report regularly to the independent Directors on the Company’s operation, and (where necessary) organise on-site inspections for independent directors.</p>	<p><u>Article 113F</u></p> <p>The Company shall establish a working system of independent directors, and the secretary of the board of directors shall actively coordinate with independent directors over their performance of duties. <u>The Company shall regularly or irregularly convene meetings with only independent directors in attendance to review relevant matters in accordance with laws, administrative regulations, requirements of the CSRC, and internal regulations of the Company.</u> The Company shall take steps to ensure that independent directors will enjoy the same information right as other directors. <u>In order to ensure the effective exercise of functions and powers of independent directors, the Company shall regularly keep independent directors informed</u> of the Company’s operation, provide independent directors with information and organise or coordinate with independent directors in conducting on-site inspections and other related work.</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
19	<p><u>Article 113F</u></p> <p>Independent directors shall have a term of office same as that of other directors and may seek re-election for a new term at the end of the current term, provided that the two terms together shall be no longer than six years. Independent directors shall not be dismissed before the end of the term without legitimate reasons. Dismissal of any independent director prior to his term of office shall be disclosed as special matter by the Company.</p>	<p><u>Article 113G</u></p> <p>Independent directors shall have a term of office same as that of other directors and <u>shall be eligible for</u> re-election for a new term at <u>retirement</u>, provided that <u>an independent director shall not serve a consecutive term for more</u> than six years. <u>Prior to the end of the term of office of an independent director, the Company may terminate his office in accordance with the statutory procedures. In the event of early termination of the office as an independent director, the Company shall promptly disclose the specific reasons and basis for such termination. If the independent director disagrees with the decision, the Company shall promptly disclose such disagreement.</u></p>
20	<p><u>Article 113G</u></p> <p>Any independent director may propose resignation before the end of his term. Such independent director shall deliver a written report on his or her resignation to the Board of Directors, which shall set out the circumstances relevant to his or her resignation or deemed necessary to be drawn to the attention of the Company’s shareholders and creditors.</p> <p>Should the resignation of independent directors lead to the number of independent directors or Directors falling lower than the statutory minimum requirement or that stated in the Articles of Association, the independent director proposing resignation shall continue to the remain in office to perform his duties pursuant to the requirements under laws, administrative regulations and these Articles of Association before the newly elected independent director assumes office. The Board of Directors shall convene a general meeting to elect a new replacement</p>	<p><u>Article 113H</u></p> <p>Any independent director may <u>tender</u> resignation before the end of his term, <u>by delivering a written resignation report</u> to the <u>board of directors</u>, which shall set out the circumstances relevant to his or her resignation or <u>are</u> necessary to be drawn to the attention of the Company’s shareholders and creditors. <u>The Company shall disclose the reasons for the resignation of the independent director, any information relating to his disagreements with the board of directors, and any relevant concerns.</u></p> <p>Should the resignation of independent directors <u>result in the proportion or composition of independent directors in the board or the special committee(s) thereunder not complying with the requirements of the independent director working system, listing rules, or these Articles, or a lack of accounting professional among the independent</u></p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
	<p>independent director within two months after the resignation notice is received, and the independent director proposing resignation may decline to remain in office to perform his duties if the general meeting is not held within such two months' period.</p>	<p><u>directors, the independent director who tenders his resignation shall continue to perform his duties until the date on which a new independent director is appointed. The Company shall complete the election of a replacement within 60 days from the date on which the independent director tenders his resignation.</u></p>
21	<p>Article 138</p> <p>Except in the circumstances set out in Article 58 of these Articles, a director, supervisor, general manager or other senior management staff of the Company may be relieved of his liability for specific breaches of his duties by the informed consent of shareholders in general meeting.</p>	<p>Article 138</p> <p>Except in the circumstances set out in Article 58B of these Articles, a director, supervisor, general manager and other senior management member of the Company may be relieved of his liability for specific breaches from duties by the informed consent of shareholders in general meeting.</p>
22	<p>Article 148</p> <p>.....</p> <p>(ii) a general offer made by any person, the purpose of which is for the offeror to become the controlling shareholder within the meaning of Article 59.</p> <p>.....</p>	<p>Article 148</p> <p>.....</p> <p>(ii) a general offer made by any person, the purpose of which is for the offeror to become the controlling shareholder within the meaning of Article 58C.</p> <p>.....</p>
23	<p>Article 153</p> <p>The board of directors shall place before the shareholders at every annual general meeting a financial report prepared by the Company as required by relevant law, administrative regulations or normative documents promulgated by the regional government and regulatory authorities.</p>	<p>Article 153</p> <p>The board of directors shall place before the shareholders at every annual general meeting a financial report prepared by the Company as required by relevant law, administrative regulations or normative documents promulgated by the regional government and regulatory authorities.</p>

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No.	Before amendment	After amendment
24	<p>Article 154</p> <p>The financial report of the Company shall be made available at the legal address of the Company 20 days prior to the holding of the annual general meeting of the Company for inspection by shareholders. Every shareholder of the Company shall have the right to obtain the financial report referred to in this Chapter.</p> <p>A printed copy of the aforesaid financial report and the report of the board of directors together with a balance sheet and profit and loss account or income and expenditure account of the Company shall, not less than 21 days before the date of the annual general meeting, be sent by prepaid post by the Company to every holder of overseas listed foreign shares. The address of the recipient shall be the registered address entered in the register of shareholders.</p>	<p>Article 154</p> <p>The financial report of the Company shall be made available at the legal address of the Company 20 days prior to the holding of the annual general meeting of the Company for inspection by shareholders. Every shareholder of the Company shall have the right to obtain the financial report referred to in this <u>Article</u>.</p> <p><u>Subject to compliance with the applicable laws, regulations and listing rules, A printed copy of</u> the aforesaid financial report and the report of the board of directors together with a balance sheet and profit and loss account or income and expenditure account of the Company shall <u>be sent</u>, not less than 21 days before the <u>convention</u> of the annual general meeting, be sent by prepaid post, <u>by electronic means and/or through publication on the Company's website and SEHK's website</u> by the Company to <u>holders</u> of overseas listed foreign shares. <u>If the Company sends such reports and statements by prepaid post or by electronic means, the address of the recipient shall be the registered address recorded in the register of shareholders or the electronic communication methods provided by shareholders to the Company respectively.</u></p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
25	<p>Article 168</p> <p>After the passing by shareholders in general meeting of a resolution on the proposal for profit distribution, the distribution of dividend (or shares) under such proposal shall be completed within two months after the date of the relevant general meeting.</p>	<p>Article 168</p> <p>After the passing by shareholders in general meeting of the resolution <u>on the proposal for profit distribution proposal at general meeting, or formulation by the board of directors of specific proposals for interim dividend distribution for the following year based on the conditions and upper limits as considered and approved at the annual general meeting,</u> the distribution of dividend (or shares) under such proposal shall be completed within two months after the date of the relevant general meeting.</p>
26	<p>Article 169</p> <p>The Company may distribute dividends by way of cash or bonus shares (or by a combination of both).</p> <p>.....</p>	<p>Article 169</p> <p>The Company may distribute dividends by way of cash or bonus shares (or by a combination of both) <u>or in other manners as permitted by laws for distribution of profits, with preference being given to profit distribution by way of cash dividends.</u></p> <p>.....</p>
27	<p>Article 177</p> <p>If a casual vacancy arises in the office of firm of accountants, the board of directors may prior to the holding of a general meeting appoint a firm of accountants to fill the vacancy, but if during the continuation of any such casual vacancy the Company has another firm of accountants in office, that firm of accountants may continue to act.</p>	<p>Article 177</p> <p><u>The appointment of a firm of accountants by the Company shall be approved by a general meeting. The board shall not appoint a firm of accountants prior to the resolution passed in a general meeting.</u></p>
28	<p>Article 181</p> <p>(1) If the Company removes or does not re-appoint a firm of accountants, it shall notify the firm of accountants in advance. The firm of accountants is entitled to make representations to the shareholders in general meeting. A firm of accountants tendering</p>	<p>Article 181</p> <p>(1) If the Company removes or does not re-appoint a firm of accountants, it shall notify the firm of accountants 30 days in advance. The firm of accountants is entitled to make representations to the shareholders in general meeting. A firm of accountants tendering</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
	<p>resignation shall inform the shareholders in general meeting as to whether there is any irregularity on the part of the Company.</p> <p>.....</p> <p>(3) The Company shall within 14 days after its receipt of the written notice referred to in paragraph (2) above send a copy of the notice to its supervisory authority. If the notice contains a statement referred to in Article 180(2), a copy of that statement shall be deposited at the Company for inspection by shareholders. The Company shall also send a copy of such statement to every holder of overseas listed foreign shares by prepaid post to their addresses recorded in the register of shareholders.</p> <p>.....</p>	<p>resignation shall inform the shareholders in general meeting as to whether there is any irregularity on the part of the Company.</p> <p>.....</p> <p>(3) The Company shall within 14 days after its receipt of the written notice referred to in paragraph (2) above send a copy of the notice to <u>the competent</u> supervisory authority. If the notice contains a statement referred to in Article 180(2), a copy of that statement shall be deposited at the Company for inspection by shareholders. <u>Subject to compliance with the applicable laws, regulations and listing rules,</u> the Company shall also send a copy of such statement <u>by prepaid post, by electronic means and/or through publication on the Company’s website and SEHK’s website,</u> to every holders of overseas listed foreign shares. <u>If the Company sends such statement by prepaid post or by electronic means, the address of the recipient shall be the address</u> recorded in the register of shareholders <u>or the electronic communication methods provided by shareholders to the Company respectively.</u></p> <p>.....</p>
29	<p>Article 187</p> <p>.....</p> <p>Copies of the document referred to above shall be sent by post to holders of overseas listed foreign shares listed in Hong Kong.</p>	<p>Article 187</p> <p>.....</p> <p>Copies of the document referred to above shall be sent by post <u>or other means which comply with the applicable laws, regulations and listing rules</u> to holders of overseas listed foreign shares listed in Hong Kong.</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
30	<p>Article 191</p> <p>The Company shall be dissolved and liquidated in accordance with law upon the occurrence of any of the following events:</p> <p>.....</p> <p>(4) the Company has been ordered to be closed down by reason of its contravention of law or administrative regulations.</p>	<p>Article 191</p> <p>The Company shall be dissolved and liquidated in accordance with law upon the occurrence of any of the following events:</p> <p>.....</p> <p>(4) the Company has been ordered to be closed down by reason of its contravention of law or administrative regulations;</p> <p><u>(5) where the Company has severe difficulties in its operations and management, its continued existence will result in substantial losses to the interests of shareholders, and such situation cannot be resolved through other means, shareholders holding more than 10% of the voting rights of all shareholders of the Company may request the People’s Court to dissolve the Company.</u></p> <p>.....</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
31	<p>Article 192</p> <p>If the Company is dissolved on the ground set out in paragraph (1) of the preceding Article, then it shall establish a liquidation committee within 15 days thereof, and the membership of the liquidation committee shall be determined by an ordinary resolution of the shareholders in general meeting.</p> <p>If the Company is dissolved on the ground set out in paragraph (3) of the preceding Article, a liquidation committee comprising shareholders, the relevant departments and relevant professionals shall be established by the People’s Court in accordance with relevant law to carry out the liquidation.</p> <p>If the Company is dissolved on the ground set out in paragraph (4) of the preceding Article, a liquidation committee comprising shareholders, the relevant departments and relevant professionals shall be established by the relevant supervisory authority to carry out the liquidation.</p>	<p>Article 192</p> <p>If the Company is dissolved on the ground set out in paragraph (1), (3), (4) or (5) of the preceding Article, then it shall establish a liquidation committee within 15 days thereof <u>for commencement of the liquidation process. The members of the liquidation committee shall be determined by the directors or the general meeting. Where a liquidation committee is not established within the time limit, the creditors may apply to the People’s Court designating relevant personnel to establish a liquidation committee for carrying out the liquidation.</u></p>

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No.	Before amendment	After amendment
32	<p>Article 202</p> <p>The Company may amend these Articles in accordance with laws, administrative regulations and the provisions of these Articles.</p>	<p>Article 202</p> <p>The Company <u>shall</u> amend these Articles in accordance with laws, administrative regulations, <u>listing rules</u> and the provisions of these Articles, <u>including but not limited to the following circumstances:</u></p> <p><u>(1) after amendments having been made to the Company Law, the relevant laws, administrative regulations or listing rules, the matters stipulated in these Articles are in conflict with the provisions of the amended laws, administrative regulations or listing rules;</u></p> <p><u>(2) changes having existed in the Company's situations which are inconsistent with the matters stipulated in these Articles;</u></p> <p><u>(3) the general meetings having resolved to amend these Articles.</u></p>
33	<p>Article 203</p> <p>Any amendment to provisions included in these Articles based on the provisions in the Mandatory Provisions shall become effective only after the approval of the companies supervisory department authorised by the State Council and the approval of the State Council Securities Commission; and registration of changes shall be effected in accordance with law in respect of any amendments which affect any registered particulars of the Company.</p>	<p>Article 203</p> <p><u>Where the amended provisions of these Articles as resolved at general meeting shall be subject to consideration and approval of competent authorities, such amendments shall be submitted for approval by relevant competent authorities; where the amended provisions involve registered particulars of the Company, the Company shall effect the registration of changes in accordance with laws.</u></p> <p><u>The board of directors shall amend these Articles according to the resolutions passed at general meeting and the approval opinions of the relevant competent authorities.</u></p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
		<p><u>Amendments to these Articles which constitute required disclosure by the laws, regulations and listing rules shall be announced as required.</u></p>
34	<p>Article 204</p> <p>(1) Save as otherwise provided in these Articles, notices, information and written statements to be given by the Company to holders of overseas listed foreign shares listed in Hong Kong shall be served on each holder of overseas listed foreign shares by personal delivery or by pre-paid post to the registered address of each such holder of overseas listed foreign shares.</p> <p>(2) A shareholder who has not provided any registered address to the Company shall be deemed to have received notice if such notice shall have been displayed at the legal address of the Company and remained there for a period of 24 hours.</p> <p>.....</p> <p>(4) In these Articles, “public announcement” shall mean, unless the context otherwise requires, the publication of a public announcement in newspapers in the PRC and in the place where the Company is listed, and such newspapers shall have been prescribed or recommended under the law, regulations, rules or by the relevant securities administration authority of such place.</p>	<p>Article 204</p> <p>(1) Save as otherwise provided in these Articles, <u>and subject to compliance with the applicable laws, regulations and listing rules, announcements,</u> notices, information, written statements <u>or other corporate communications</u> to be given by the Company to holders of overseas listed foreign shares listed in Hong Kong shall be <u>made</u> served on each holder of overseas listed foreign shares by personal delivery, <u>by electronic means, through publication on the Company’s website and SEHK’s website, and/or</u> by prepaid post to the registered address of each such holder of overseas listed foreign shares.</p> <p>(2) <u>Regarding the despatch of the announcements, notices, information, written statements or other corporate communications referred to in paragraph (1) of this Article, if they are sent by personal delivery or by prepaid post, the address of the recipient shall be the address recorded in the register of shareholders;</u> shareholders who <u>have</u> not provided any registered address to the Company shall be deemed to have received <u>such announcement, notice, information, written statement or other corporate communications</u> if such <u>document</u> shall have been displayed at the legal address of the Company and remained there for a period of 24 hours; <u>if those documents are sent to shareholders by electronic means, they shall be sent through the electronic communication methods provided by the shareholders to the Company.</u></p> <p>.....</p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
		<p>(4) In these Articles, “public announcement” shall mean, unless the context otherwise requires, <u>an announcement published in newspapers in the PRC and in the place of the stock exchange(s) where the Company is listed overseas, on website(s) of stock exchange(s) in compliance with the applicable laws, regulations and listing rules or in media which comply with the requirements stipulated by the CSRC,</u> and such newspapers shall have been prescribed or recommended under the law, regulations, rules or by the relevant securities administration authority of such place.</p>
35	<p>Article 205</p> <p>Where a notice is to be sent by post, it shall be placed in an envelop properly addressed, postage prepaid and posted and, unless expressly stipulated otherwise under the relevant provisions of these Articles, any such notice shall be deemed to have been received by shareholders 5 days after posting.</p>	<p>Article 205</p> <p><u>Regarding the despatch of the announcements, notices, information, written statements or other corporate communications referred to in the paragraph (1) of Article 204 of these Articles, where the relevant document is sent by personal delivery, shareholders shall be deemed to have received such document at the time when such document is delivered at the address recorded in the register of shareholders.</u> Where <u>such document</u> is to be sent by post, <u>such document</u> shall be <u>contained</u> in an envelope <u>which</u> properly <u>states the address recorded in the register of shareholders,</u> postage prepaid and <u>put into post,</u> unless expressly stipulated otherwise under the relevant provisions of these Articles, any such <u>document</u> shall be deemed to have been received by shareholders 5 days after posting. <u>Where such document is sent by electronic means, shareholders shall be deemed to have received such document on the date on which such document is sent.</u> <u>Where such document is published on the Company’s website and SEHK’s website,</u></p>

APPENDIX III DETAILS FOR THE AMENDMENTS TO THE ARTICLES

No.	Before amendment	After amendment
		<u>shareholders shall be deemed to have received the document on the date on which such document is published.</u>
36	<p>Article 209</p> <p>In these Articles, the following words and expressions bear the following meanings unless the context otherwise requires:</p> <p>.....</p> <p>“State” or “PRC” the Peoples’ Republic of China;</p> <p>“supervisor” a supervisor of the Company;</p> <p>.....</p> <p>“extraordinary general meeting” includes shareholder meetings other than annual general meetings.</p> <p>.....</p>	<p>Article 209</p> <p>In these Articles, the following words and expressions bear the following meanings unless the context otherwise requires:</p> <p>.....</p> <p>“State” or “PRC” the Peoples’ Republic of China;</p> <p><u>“stock exchange(s)” the stock exchange(s) on which the Company’s shares are listed;</u></p> <p>“supervisor” a supervisor of the Company;</p> <p>.....</p> <p>“extraordinary general meeting” includes shareholder meetings other than annual general meetings;</p> <p>.....</p>

The following is an explanatory statement required by the HKSE Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

(I) HKSE LISTING RULES

The HKSE Listing Rules permit companies with a primary listing on the HK Stock Exchange to repurchase their securities on the HK Stock Exchange and any other stock exchange on which securities of the company are listed and such stock exchange is recognized by the Securities and Futures Commission of Hong Kong and the HK Stock Exchange, subject to certain restrictions. The HKSE Listing Rules provide that all proposed repurchases of shares must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general repurchase mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

(II) REASONS FOR REPURCHASE OF H SHARES

The Directors believe that the flexibility afforded by the Repurchase Mandate would be beneficial to and in the best interest of the Company and its Shareholders. Such repurchase of H Shares may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

(III) SHARE CAPITAL

As at the Latest Practicable Date, the Company had a total issued capital of 5,299,302,579 Shares, comprising 3,999,702,579 A Shares with a nominal value of RMB1.00 each and 1,299,600,000 H Shares with a nominal value of RMB1.00 each.

Subject to the passing of the special resolution set out in the notice of AGM approving the grant of the Repurchase Mandate, the Directors will be granted the Repurchase Mandate until the end of the Relevant Period (as defined below). Additionally, the exercise of the Repurchase Mandate is subject to the approvals of the relevant PRC regulatory authorities as required by the laws, rules and regulations of the PRC being obtained by the Company.

The exercise in full of the Repurchase Mandate (on the basis of 1,299,600,000 H Shares in issue as at the Latest Practicable Date and no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM) would result in a maximum of 129,960,000 H Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total number of H Shares in issue as at the date of passing the relevant special resolution at the AGM.

The Repurchase Mandate would expire at the end of the relevant period (“**Relevant Period**”) which is the period from the date of the passing of the resolution for the Repurchase Mandate until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date on which the powers granted by the resolution are revoked or varied by a special resolution of the Company passed in general meeting; or
- (c) the date falling 12 months from the date of passing of the resolution at the AGM.

(IV) FUNDING OF REPURCHASES

Repurchases must be funded out of funds legally available for such purposes in accordance with the company's constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established. Any premium payable on a repurchase over the par value of the shares may be effected out of book balance of distributable profits of the company or proceeds of a new issue of shares made for such purpose.

In repurchasing its H Shares, the Company intends to apply funds from the Company’s internal resources legally available for such purpose in accordance with the Articles and the applicable laws, rules and regulations of the PRC.

The Company is empowered by the Articles to purchase its H Shares. Any repurchases by the Company may only be made out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a new issue of shares made for such purpose. Under the PRC laws, H Shares so repurchased will be treated as cancelled and the Company’s registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company shall not purchase its shares on the HK Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the HK Stock Exchange from time to time.

(V) IMPACT OF REPURCHASES ON WORKING CAPITAL OR GEARING POSITION

The Directors consider that there will not be any material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the most recent published audited accounts contained in the financial report of the Company for FY2023) in the event that the Repurchase Mandate is to be exercised in full at any time during the Relevant Period. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the market conditions then prevailing and in the best interests of the Company.

(VI) STATUS OF REPURCHASED H SHARES

Pursuant to the HKSE Listing Rules, the listing status of all repurchased H Shares of the Company will be automatically cancelled and the relevant certificates of Shares will be cancelled and destroyed.

Under the PRC laws, the repurchased H Shares will be cancelled, and the amount of the Company's registered capital shall be reduced by an amount equal to the aggregate nominal value of the repurchased H Shares accordingly.

The Articles provides that when the Company reduces its registered capital, the Company shall prepare a balance sheet and an inventory of assets, notify its creditors within ten days from the date of resolution for the reduction of its registered capital and shall make a public announcement in newspapers at least three times within 30 days thereof. The creditors shall have the right, within 30 days of receipt of a written notice or, if such notice has not been received, within 90 days of the date of the first public announcement, to require the Company to repay its debts in full or provide security corresponding to the amount of its debts.

(VII) PRICES OF A SHARES AND H SHARES

The highest and lowest prices at which the A Shares have traded on the SSE and the H Shares have traded on the HK Stock Exchange during the twelve months preceding the Latest Practicable Date were as follows:

	A Share prices		H Share prices	
	Highest <i>RMB</i>	Lowest <i>RMB</i>	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023				
April	29.19	26.42	27.75	24.30
May	28.14	25.06	25.45	20.60
June	26.83	23.58	22.30	20.00
July	27.20	23.23	23.85	19.30
August	27.49	24.76	23.55	20.65
September	27.38	25.55	23.35	20.20
October	25.99	23.26	21.00	17.92
November	24.28	22.91	19.76	18.12
December	23.05	21.30	18.40	16.52
2024				
January	23.34	21.42	18.14	15.18
February	25.08	22.43	17.64	15.30
March	24.46	22.00	18.06	16.16
April (up to the Latest Practicable Date)	23.22	21.67	17.60	16.18

(VIII) GENERAL INFORMATION AND STATEMENTS IN RELATION TO THE REPURCHASE

- (a) None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their close associates (as defined in the HKSE Listing Rules), have any present intention to sell any H Shares to the Company under the Repurchase Mandate (if the resolution therefor is approved by the Shareholders at the AGM, and the conditions (if any) to which the Repurchase Mandate is subject are fulfilled).
- (b) The Directors will exercise the power of the Company to make repurchase of the H Shares pursuant to the proposed special resolution to approve the Repurchase Mandate (if so approved) in accordance with the HKSE Listing Rules and the applicable laws, rules and regulations of the PRC.
- (c) The Company has not been notified by any core connected persons (as defined in the HKSE Listing Rules) of the Company that they have a present intention to sell any H Shares to the Company, or that they have undertaken not to sell any H Shares held by them to the Company, in the event that the Repurchase Mandate is approved by the Shareholders at the AGM and the conditions (if any) to which the Repurchase Mandate is subject are fulfilled.
- (d) The Company confirms that neither this explanatory statement nor the proposed repurchase of H Shares has any unusual features.

(IX) TAKEOVERS CODE AND PUBLIC FLOAT REQUIREMENT

If on the exercise of the power to repurchase H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning under the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, Anhui Conch Holdings Co., Ltd. ("**Conch Holdings**") was interested in 1,928,870,014 A Shares, representing approximately 36.40% of the Company's total issued capital. In the event that the Repurchase Mandate is exercised in full, the total interests held by Conch Holdings in the Company's total issued share capital will increase to approximately 37.31%. Assuming that the A Shares held by Conch Holdings as at the Latest Practicable Date remain unchanged, that Conch Holdings shall have no other interests in or voting rights of the Company, and there is no other change to the issued share capital of the Company, such increase would not give rise to an obligation on the part of Conch Holdings to make a mandatory general offer under the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences of such repurchase which would arise under the Takeovers Code as a result of any repurchase of H Shares pursuant to the Repurchase Mandate. Moreover, the Directors do not intend to exercise the power to repurchase H Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

Based on and assuming that the total issued share capital of the Company as at the Latest Practicable Date shall remain unchanged prior to the exercise of any share repurchase, the exercise of the Repurchase Mandate in whole or in part will not result in the failure of the Company to comply with the requirements under Rule 8.08 of the HKSE Listing Rules in relation to public float. The Directors do not intend to exercise the Repurchase Mandate to an extent that such repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the HK Stock Exchange) of the Company's total number of issued Shares in public hands.

(X) SHARE REPURCHASES MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company has repurchased 22,242,535 A Shares through centralized price bidding under the trading system of the SSE, none of which A Shares have been cancelled as at the Latest Practicable Date. The details of the repurchase are set out as follows:

Date of repurchase	Number of A Shares repurchased	Highest repurchase price per A Share (RMB)	Lowest repurchase price per A Share (RMB)	Total payment amount (RMB, excluding transaction fees)
20 November 2023	662,000	23.45	23.41	15,509,371
21 November 2023	560,000	23.84	23.73	13,326,527
22 November 2023	558,200	23.8	23.6	13,220,512
23 November 2023	396,000	23.73	23.51	9,375,056
24 November 2023	420,000	23.89	23.74	9,994,361
27 November 2023	909,500	23.55	23.28	21,233,259
28 November 2023	406,000	23.45	23.39	9,512,202
29 November 2023	865,000	23.15	23.06	19,979,369
30 November 2023	876,000	23	22.96	20,138,657
1 December 2023	769,800	22.9	22.74	17,565,775
5 December 2023	891,000	22.7	22.45	20,124,559
6 December 2023	826,900	22.39	22.22	18,455,813
7 December 2023	700,000	22.13	21.89	15,403,887
8 December 2023	547,000	21.98	21.81	11,979,003
11 December 2023	412,600	21.83	21.42	8,933,865
13 December 2023	620,000	21.89	21.56	13,439,075
14 December 2023	460,000	21.72	21.61	9,964,016
15 December 2023	420,000	22.1	21.84	9,196,363
18 December 2023	628,000	21.6	21.5	13,539,239
19 December 2023	578,000	21.48	21.35	12,385,404
20 December 2023	250,000	21.48	21.47	5,370,200
21 December 2023	460,000	21.69	21.51	9,939,269
22 December 2023	526,600	21.83	21.52	11,388,236
25 December 2023	360,000	21.97	21.78	7,896,999
26 December 2023	362,400	22.02	21.93	7,966,191
27 December 2023	460,000	22.12	22.06	10,163,275
28 December 2023	140,000	22.58	22.56	3,159,941
2 January 2024	480,000	22.39	22.33	10,731,272
3 January 2024	471,000	22.52	22.48	10,598,620
4 January 2024	300,000	22.45	22.38	6,728,677
8 January 2024	480,000	22.49	22.37	10,775,660

Date of repurchase	Number of A Shares repurchased	Highest repurchase price per A Share (RMB)	Lowest repurchase price per A Share (RMB)	Total payment amount (RMB, excluding transaction fees)
9 January 2024	380,000	22.45	22.4	8,523,908
10 January 2024	350,000	22.47	22.43	7,858,598
11 January 2024	370,000	22.36	22.3	8,260,859
12 January 2024	271,835	22.45	22.38	6,094,601
15 January 2024	212,200	22.68	22.63	4,807,338
16 January 2024	283,400	22.74	22.57	6,422,485
17 January 2024	300,000	22.58	22.54	6,769,430
18 January 2024	250,000	22.53	21.79	5,503,373
19 January 2024	356,600	22.35	22.2	7,937,432
22 January 2024	350,000	22.1	21.71	7,653,753
23 January 2024	304,000	21.84	21.58	6,604,110
24 January 2024	286,000	22.17	21.81	6,298,953
25 January 2024	187,500	22.61	22.47	4,231,081
26 January 2024	200,000	22.86	22.82	4,567,700
29 January 2024	290,000	23.18	23.08	6,712,688
30 January 2024	356,000	23.18	22.93	8,200,700
31 January 2024	359,000	23.24	23.13	8,319,960
1 February 2024	340,000	23.24	22.87	7,826,859
	22,242,535			500,588,481

Saved as disclosed above, the Company had not repurchased any of its Shares (whether on the HK Stock Exchange, the SSE or otherwise) during the six months period preceding the Latest Practicable Date.

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安徽海螺水泥股份有限公司

ANHUI CONCH CEMENT COMPANY LIMITED

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

(Stock Code: 00914)

NOTICE OF 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 annual general meeting (the “**AGM**”) of Anhui Conch Cement Company Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) will be held at No. 39 Wenhua Road, Wuhu City, Anhui, the People's Republic of China (the “**PRC**”), at 2:30 p.m. on Thursday, 30 May 2024, by way of a physical meeting.

The AGM is to be held for considering and, if thought fit, transacting the following businesses:

AS ORDINARY RESOLUTIONS

1. To consider and approve the report of the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company for the year ended 31 December 2023 (contained in the Company's annual report for the year ended 31 December 2023 (“**2023 Annual Report**”).
2. To consider and approve the report of the supervisory committee of the Company for the year ended 31 December 2023 (please refer to Appendix I to the circular of the Company dated 23 April 2024 (the “**Circular**”) of which this notice forms part).
3. To consider and approve the audited financial reports prepared in accordance with the PRC Accounting Standards and the International Financial Reporting Standards respectively for the year ended 31 December 2023 (contained in the 2023 Annual Report).
4. To consider and approve the appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the PRC and international (financial) auditors of the Company for the financial year ending 31 December 2024 (“**FY2024**”) respectively, the appointment of Ernst & Young Hua Ming LLP as the internal control auditor of the Company for FY2024, and the determination of audit fees of the Company for FY2024 of RMB4.96 million.

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5. To consider and approve the Company's 2023 profit appropriation proposal (including declaration of final dividend) (details of which are set out in the sub-section headed "(3) Profit appropriation policy and its implementation" of the "Report of the Directors" contained in the 2023 Annual Report and on page 5 of the Circular).
6. To consider and approve the provision of guarantee by the Group in respect of the bank borrowings of 48 subsidiaries and joint venture companies (please refer to Appendix II to the Circular, of which this notice forms part).

AS SPECIAL RESOLUTIONS

7. To consider and approve the following resolution:
 - (a) subject to and upon the approval and acceptance of registration from the National Association of Financial Market Institutional Investors ("NAFMII"), and in accordance with the requirements of the relevant laws and regulations of the PRC and the articles of association of the Company ("**Articles**"), the issue of medium-term notes ("**Notes**") by Anhui Conch Environment Group Co., Ltd. ("**Conch Environment Group**") and the application by Conch Environment Group to NAFMII for the registration of such issue under the following principal terms be and are hereby approved:
 - (i) Issue size: the aggregate amount of the Notes under the application for registration shall be not more than RMB3 billion (inclusive), the final issue size shall be subject to the amount set out in the registration notice issued by the NAFMII
 - (ii) Timing of issue: to be issued in single tranche or multiple tranches during the validity period of registration as and when appropriate, subject to market conditions and actual capital requirements of Conch Environment Group
 - (iii) Interest rate of issue: to be determined having regard to the prevailing conditions in the PRC interbank bond market at the time(s) of issue and subject to the final book-keeping results
 - (iv) Term of issue: the Notes to be issued shall have a term of no more than 5 years (inclusive), with a specific term for each tranche to be determined having regard to capital demand of Conch Environment Group and market conditions
 - (v) Target subscribers: qualified institutional investors in the PRC interbank bond market (excluding those purchaser(s) prohibited by applicable laws and regulations of the PRC)
 - (vi) Use of proceeds: the proceeds to be raised will mainly be used by Conch Environment Group for replenishing its working capital, repaying interest-bearing liabilities, and investing in projects, etc. which shall be in compliance with applicable laws and regulations of the PRC

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- (b) the grant of the general authority to the Board and to delegate such authority to Conch Environment Group be and is hereby approved to deal with the relevant matters in relation to the issue of the Notes in the absolute discretion of the Board during the validity period of this resolution and within the scope as permitted under relevant laws and regulations, regulatory documents and the Articles, including but not limited to the following authorities (which authority may be exercised or delegated by the Board during the period from the date of passing this resolution until the date on which the matters shall have been completed):
- (i) to determine the timing of issue of the Notes, to formulate the detailed plan for the issue of the Notes and to amend and modify the detailed terms of issue of the Notes, including but not limited to all matters in relation to the proposal of the issue such as the term of issue, timing of issue, size of issue, interest rates of issue, method of issuance methods and underwriting arrangements;
 - (ii) to appoint the lead underwriter and other intermediaries to provide services relating to the issue of the Notes;
 - (iii) to amend and sign all necessary documents in relation to the issue of the Notes;
 - (iv) to handle various procedural matters in relation to the registration for the issue of the Notes, including but not limited to the registration application, issue and transferring procedures;
 - (v) in the event of any changes of the regulatory policies on issues of the Notes or market conditions (other than matters which shall be subject to approval (or re-approval) by the shareholders of the Company in general meeting pursuant to the requirements of law, regulations and the Articles), to make corresponding amendments or adjustments to the relevant matters regarding the detailed plan of the issue of the Notes and the terms of the issue based on the opinion of the regulatory authorities;
 - (vi) to handle other matters in relation to the issue of the Notes; and
 - (vii) to delegate to Conch Environment Group the authority to deal with matters in relation to the proposed issue of the Notes as set out in paragraphs (i) to (vi) above,
- and that this resolution shall remain to be valid and effective from the date on which this resolution is passed until the expiry of the validity period for the registration, issue and subsistence of the Notes.
- (c) the provision of full joint and several liability guarantee by the Company to Conch Environment Group in respect of the issue of the Notes by Conch Environment Group be and is hereby approved provided that the guarantee amount to be provided in aggregate shall not exceed RMB3 billion (inclusive) and the actual amount of the guarantee to be provided shall be determined in accordance with the actual circumstances in relation to the issue of the Notes (For details of the basic information of Conch Environment Group, the guaranteed company,

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please refer to the paragraph headed “Proposal for issue of the medium-term notes by Conch Environment Group and provision of guarantee by the Company” in “the Letter from the Board” in the Circular, of which this notice forms part).

8. To consider and approve the amendments to the Articles (please refer to Appendix III to the Circular, of which this notice forms part).
9. To consider and approve the following resolution for authorising the Board to allot and issue overseas-listed foreign shares (“**H Shares**”):
 - (a) THAT subject to the limitations, under paragraphs (c) and (d) below and in accordance with the requirements of the Rules Governing the Listing of Securities (the “**HKSE Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**HK Stock Exchange**”), the Company Law of the PRC (the “**Company Law**”), and other applicable laws and regulations (in each case, as amended from time to time), an unconditional general mandate be and is hereby granted to the Board to exercise once or in multiple times during the Relevant Period (as defined below in this resolution) all the powers of the Company to allot and issue H Shares (“**New Shares**”) on such terms and conditions as the Board may determine and that, in the exercise of their powers to allot and issue shares, the authority of the Board shall include (without limitation):
 - (i) the determination of the class and number of the New Shares to be allotted;
 - (ii) the determination of the issue price of the New Shares;
 - (iii) the determination of the opening and closing dates of the issue of New Shares;
 - (iv) the determination of the class and number of New Shares (if any) to be issued to the existing shareholders;
 - (v) to make or grant offers, agreements and options which might require the exercise of such powers; and
 - (vi) in making an offer or to issue shares to the shareholders of the Company, excluding shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region (“**Hong Kong**”) on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the Board considers expedient;
 - (b) in exercising the powers granted under paragraph (a) above, the Board is authorized during the Relevant Period to make or grant offers, agreements and options which might require the shares relating to the exercise of the authority thereunder being allotted and issued after the expiry of the Relevant Period;
 - (c) the aggregate amount of the H Shares to be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to the exercise of options or otherwise) by the Board pursuant to the authority granted under paragraph (a) above (excluding any H Shares which may be

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allotted upon the conversion of the capital reserve into capital in accordance with the Company Law and/or the Articles) shall not exceed 20 per cent (20%) of the aggregate number of H Shares of the Company in issue as at the date of passing of this resolution;

- (d) the Board in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law, other applicable laws and regulations, and the HKSE Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of China Securities Regulatory Commission (“CSRC”) and relevant authorities of the PRC;
- (e) for the purposes of this Resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the date on which the powers granted by this resolution are revoked or varied by a special resolution of the Company passed in general meeting; or
 - (iii) the date falling 12 months from the date of passing of this resolution;
- (f) the Board shall, subject to the approvals of the relevant authorities and the exercise of the powers granted under paragraph (a) above in accordance with the Company Law and other applicable laws and regulations, increase the Company’s registered capital to such amount as shall equal the aggregate nominal amounts of the relevant number of shares allotted and issued upon the exercise of the powers granted under paragraph (a) above, provided that the registered capital of the Company shall not exceed 120 per cent (120%) of the amount of registered capital of the Company as at the date of passing of this resolution; and
- (g) subject to the Listing Committee of the HK Stock Exchange granting listing of, and permission to deal in, the H Shares in the Company’s share capital proposed to be issued by the Company and to the approval of CSRC for the issue of shares, the Board be and it is hereby authorised to amend, as it may deem appropriate and necessary, the Articles to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) above to allot and issue New Shares.

(The purpose of resolution no.9 is to grant a general mandate by shareholders of the Company at the AGM to the Board to allot and issue new H shares, subject to compliance of the applicable laws, regulations and rules.)

10. To consider and approve the following resolution for authorising the Board to repurchase H Shares in issue (please refer to Appendix IV to the Circular, of which this notice forms part):
- (a) THAT subject to the limitations under paragraphs (b) and (c) below and in accordance with the requirements of the HKSE Listing Rules, the Company Law, the Articles, and other applicable laws and regulations (in each case, as amended from time to time), an unconditional general

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mandate be and is hereby granted to the Board to exercise once or in multiple times during the Relevant Period (as defined below in this resolution) all the powers of the Company to repurchase H Shares on such terms and conditions as the Board may determine:

- (b) in exercising the powers granted under paragraph (a) above, the number of H Shares the Board is authorized to repurchase on the HK Stock Exchange or on any other stock exchange recognised by the Securities and Futures Commission of Hong Kong and the HK Stock Exchange during the Relevant Period shall not exceed 10 per cent (10%) of the aggregate number of H Shares of the Company in issue as at the date of passing of this resolution;
- (c) the Board in exercising the powers granted under paragraph (a) above shall (i) comply with the Company Law, other applicable laws and regulations, and the HKSE Listing Rules (in each case, as amended from time to time) and (ii) be subject to the approvals of CSRC and relevant authorities of the PRC;
- (d) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the date on which the powers granted by this resolution are revoked or varied by a special resolution of the Company passed in general meeting; or
 - (iii) the date falling 12 months from the date of passing of this resolution; and
- (e) subject to the approvals of all competent regulatory authorities (if applicable) in accordance with laws and regulations in the PRC being obtained by the Company and the compliance with the requirements under the HKSE Listing Rules and other applicable laws and regulations, the Board be and it is hereby authorised to amend, as it may deem appropriate and necessary, the Articles to reflect the change in the share capital structure of the Company in the event of an exercise of the powers granted under paragraph (a) above to repurchase H Shares.

(The purpose of resolution no.10 is to grant a general mandate by shareholders of the Company at the AGM to the Board to repurchase H shares, subject to compliance of the applicable laws, regulations and rules.)

By order of the Board
ANHUI CONCH CEMENT COMPANY LIMITED
Zhou Xiaochuan
Joint Company Secretary

Wuhu City, Anhui Province, the PRC
23 April 2024

As at the date of this notice, the Board comprises (i) Mr. Yang Jun, Mr. Wang Jianchao, Mr. Li Qunfeng, Mr. Zhou Xiaochuan and Mr. Wu Tiejun as executive Directors; (ii) Mr. Qu Wenzhou, Ms. Ho Shuk Yee, Samantha and Ms. Zhang Yunyan as independent non-executive Directors.

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Notes:

1. Persons entitled to attend the AGM

Holders of H Shares whose names appear on the register of members maintained by Hong Kong Registrars Limited at 4:30 p.m. on Friday, 24 May 2024 are entitled to attend the AGM after completing the registration procedures for the meeting.

2. Appointment of proxies

- (1) Each shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies in writing, whether they are shareholders of the Company or not, to attend and vote on his/her/its behalf at the AGM.
 - (2) Proxies of the shareholders must be appointed in writing and the appointment must be signed by the shareholder or his/her/its agent who has been duly authorised in writing. If the instrument of the appointment of proxy is signed by an agent of the shareholder, the power of attorney or other authority of the agent must be notarially certified. In order to be valid, the notarially certified copy of such power of attorney or other authority, together with the instrument of the appointment of proxy, shall be deposited at the Company's H share registrar in Hong Kong, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding of the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM or any adjournment hereof should you so wish.
3. Shareholders shall produce their identification documents and supporting documents in respect of the shares of the Company held when attending the AGM. If corporate shareholders appoint authorized representative to attend the AGM, the authorised representative shall produce his/her/its identification documents and a notarized copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate shareholders or other notarized documents allowed by the Company. Proxies shall produce their identification documents and the proxy form signed by the shareholders or their attorney when attending the AGM.
4. The register of members of H Shares of the Company will be closed from Friday, 24 May 2024 to Thursday, 30 May 2024, both days inclusive. In order to be qualified for attendance at the AGM, transfer documents accompanied by share certificates and other appropriate documents must be lodged with the Company's H share registrar – Hong Kong Registrars Limited at the address given in Note 2, by 4:30 p.m. on Thursday, 23 May 2024.
5. Subject to and upon the approval of the AGM (if so approved), the final dividend for the year ended 31 December 2023 is expected to be distributed to the holders of H Shares whose names appear on the register of members of H Shares maintained in Hong Kong on Wednesday, 12 June 2024. The register of members of H Shares of the Company will be closed from Wednesday, 5 June 2024 to Wednesday, 12 June 2024, both days inclusive. In order to be qualified for the distribution of the proposed dividend, all transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged by holders of H Shares with the Company's H share registrar – Hong Kong Registrars Limited at the address given in Note 2, by 4:30 p.m. on Tuesday, 4 June 2024. The record date of the proposed final dividend for holders of A Shares and the relevant information on the distribution of final dividend will be disclosed in a separate announcement to be published in the PRC.
6. The AGM is expected to take half a day. Shareholders or their proxies attending the AGM should bear their own lodging and travelling costs.

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7. Contact details of the Company are set out as follows:

Address: No. 39 Wenhua Road, Wuhu City, Anhui Province, the PRC
Postal code: 241000
Tel: 86-553-8398927/86-553-8398976
Fax: 86-553-8398931

8. Contact details of the Company's H share register – Hong Kong Registrars Limited are set out as follows:

Address: Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Tel: 852 2862 8628
Fax: 852 2529 6087